

Empowering NGOs: The Microcredit Movement Through Foucault's Notion of Dispositif

The provision of credit, particularly credit targeted at rural populations, has been a long-standing strategy in national development efforts in the world South. In Bangladesh, the birthplace of microcredit through the now-famous and globally influential Grameen Bank, rural credit was touted as central to development efforts in the 1970s.[1] However, neoclassical economists, who argued that such practices resulted in a distortion of the market for scarce investment funds, identified targeted and subsidized credit as a failure from the mid-1970s.[2] During this same period, a number of nongovernment organizations (NGOs) were experimenting with mechanisms for the alternative delivery of credit. Termed microcredit, these mechanisms involve the provision of collateral-free small loans to jointly liable people for the purposes of income generation and self-employment. The recipients of loans are typically not eligible for credit from commercial lenders, and they are predominantly women. In development circles, microcredit has generated a wave of enthusiasm with the Microcredit Summit Secretariat (MCS) launching a "global movement to reach 100 million of the world's poorest families, especially the women of those families, with credit for self-employment and other financial and business services, by the year 2005." [3]

Amid the enthusiasm for microcredit, there has been limited critical response from development studies. This is in part a corollary of the "impasse" of the 1980s[4] and the fact that development studies is still coming to terms with the rise of NGOs and the proliferation of associated notions such as self-empowerment in the shifting development project. As development studies is informed by both a strong economic orientation and attempts to address the realities of poverty, microcredit is further insulated from critical inquiry as an initiative that promises both a commonsense good such as "empowerment" and a better standard of living for the poor. This article begins to address this lacuna by developing one framework for a critical response to initiatives such as microcredit.

I first suggest that the critical tools for understanding the shifts in the development project need to be extended beyond those approaches that center on economic relations. To begin to address this need, I develop one aspect of postdevelopment literature by drawing on Michel Foucault's notion of *dispositif*--a task that requires some adjustments to the ways in which this concept has been used so far. The *dispositif* is particularly useful for engaging with the fluidity and heterogeneity of the development project and for consideration of relations of knowledge, power, and subjectivity alongside the economic. To address the question of the rise of NGOs and associated notions of autonomy and empowerment specifically, I make use of Foucault's concept of governmentality. Considering recent shifts in the development project through this lens highlights ways in which phenomena such as the rise of NGOs are not necessarily emancipatory. To the contrary, it suggests a basis for the emergence of initiatives and practices that increase the penetration of power into the social body of the Third World through the development *dispositif*. To demonstrate these issues and my approach I examine the Grameen Bank and microcredit movement, arguing that it is through "empowerment" that the developmentalist subjective modality is promoted in an operation of developmentalist discipline.

Critical Approaches Beyond Economic Relations: Responding to the Changing Development Project

Shifts within the development project of the 1980s saw a greater role for NGOs in development efforts. For instance, Abu Sarker notes that, in the case of Bangladesh, reduction in public services and state spending was accompanied by increased support for NGOs by Bangladesh's external development partners.[5] More generally, the downsizing of state-based functions of social welfare and development have resulted in the emergence of NGOs as prominent players in development efforts. The World Bank states that

from 1970 to 1985 total development aid disbursed by international NGOs increased ten-fold. In 1992, international NGOs channelled over \$7.6 billion of aid to developing countries. It is now estimated that over 15 percent of total overseas development aid is channelled through NGOs.[6]

NGOs are also at the center of the proliferation of a range of approaches, including eco-, participatory, autonomous, and sustainable development, that are, in some respects, less directly informed by the drive for economic growth.[7] In other words, although development has always been multifaceted, and while the economic remains important, these diverse shifts signal the increasing dispersion of development.

Much of development studies is not well placed to adequately analyze the multifaceted and changing nature of development. Despite the recent emergence of "postdevelopment" literature, which I will turn to shortly, much of critical development studies retains Marx's critical irruption into classical political economy as its legacy. Dependency theory and its contemporary variants focus on the exploitative and uneven relations set up in the world capitalist economy;[8] the historical-analytic approach of Immanuel Wallerstein's world-systems theory defines the boundaries of a historical system on the basis of the division of labor;[9] the regulation school focuses on "regimes of accumulation" of economic products and accompanying "modes of regulation";[10] and various other political-economy-of-development approaches analyze commodity chains and consider the differential positions occupied by human subjects in global production and consumption networks.[11]

These approaches have much to offer in explicating the inequalities perpetrated through the world capitalist system as they are a well-developed and wide-ranging set of analytical tools for studying relations of production and their associated effects. However, despite the influence that Marxist-derived approaches have exerted, it is untenable to assume that drawing on economic relations allows us adequately to deal with all relations of domination through the multifaceted development enterprise, or with development as a whole. Nor should the economic assume priority: as several critical scholars have argued,[12] the economic is a cultural element that is specific, in the first instance, to eighteenth- and nineteenth-century West Europe. It has only subsequently been universalized, in part through Marxism and related critical approaches based in economic relations.[13] The requirement to move beyond approaches based in economic relations is rendered more pressing when development begins to be increasingly dispersed beyond the economic sphere from the mid-1980s.

Philip McMichael's approach is interesting in that it acknowledges and attempts to deal with these shifts while broadly maintaining a political-economy framework.[14] McMichael argues that the reshuffle of development from the 1970s represents a shift from the "development project" to the "globalization project": a shift from a nationally managed pursuit of economic growth to one that is globally managed. To come to terms with other aspects of the reshuffle, and to identify possibilities for resistance to dominant economic forces, McMichael articulates an opposition between economic "globalists," who embody a rational and neoliberal economic ethos, and cultural "localists," who advocate local knowledge, small-scale communities, and expressivism and self-empowerment.[15] For instance, he argues that globalization (conceived primarily as an economic process) weakens nation-states, but, where this occurs, "citizens have fresh opportunities to renew the political process ... [and generate] opposition." [16] These "responses to globalization" include fundamentalism; new social movements such as environmentalism, feminism, and the cosmopolitan localism exemplified in the Chiapas indigenous movement; and the reinvigoration of civil society more generally. The importance of the new social movements is particularly manifest in the approaches adopted by NGOs.

Although McMichael's interpretation clearly recognizes the need to account for the shifts from the 1970s into the 1980s, his separation of economic from noneconomic relations and forces shares problems with more conventional economic approaches because it elides the way in which relations of power proceed through economic and noneconomic relations. In other words, the investing of expressivist, culturalist, and localist movements with the power to subvert dominant economic and development limits the analytical purchase we can bring to bear upon the reshuffle of the development project and the current conjuncture. In doing this it both limits interpretation of developmentalism as a culturally and historically contingent conceptualization of social change and diverts attention from the ways in which the movements that have emerged with the reshuffle may themselves be part of an operation of

power. It also diverts attention from the likely linkages between the "economic" and "noneconomic" in the new initiatives that emerge through the reshuffle of development.

From approximately the mid-1980s, a new body of critical literature has emerged that is not constrained by the centering of economic relations outlined above. "Postdevelopment" takes a radical stance by questioning the very category and project of development itself.[17] Drawing to some extent on the discursive turn in the social sciences as well as local, indigenous, and marginalized knowledges, these writers challenge many of the received orthodoxies of other approaches. Postdevelopment thus critiques development not only as a form of economic exploitation but also as environmentally maladaptive, as a discourse, a way of imagining the world, and as violence against local and indigenous cultures.

The Development Dispositif

Within this literature, one of the most promising avenues for coming to terms with the complexity and multifaceted nature of development has been opened up by Arturo Escobar[18] and James Ferguson[19] through their introduction of Foucault's notion of *dispositif*, or apparatus. Foucault uses the term *dispositif* to refer to a "thoroughly heterogeneous ensemble" of discursive and material elements.[20] A *dispositif* may consist of "discourses, institutions, architectural forms, regulatory decisions, laws, administrative measures, scientific statements, philosophical, moral and philanthropic propositions," and so on.[21] The *dispositif* is not simply the collection of elements per se but also the "system of relations ... established between these elements." [22] The relationships between the various elements can be conceptualized in terms of relations of knowledge (discourse), power, and subjectivity.[23]

In these relatively broad terms, the notion of the *dispositif* is appropriate for considering the postwar development project that emerges and operates as a complex ensemble of institutions, discourses, resource flows, programs, projects, and practices. Furthermore, because a heterogeneous collection of elements that acts on and emerges through the actions of a multitude of subjects clearly cannot operate entirely in concert, this conceptualization avoids the tendency, indulged in by some postdevelopment writers, to view development and its effects as monolithic and uniform.[24] The heterogeneous nature of the apparatus, and the idea that effects are not necessarily predictable, means that a wide range of both positive and negative outcomes can be generated through development without attributing these to a metasubject or force, or requiring that we solely see imposition or interdiction at play.

At the same time, though, such ensembles operate to achieve overall effects, thereby serving a dominant strategic function.[25] For example, Foucault states that in the case of the *dispositif* of madness in the nineteenth century, such a function was "the assimilation of a floating population found to be burdensome for an essentially mercantilist economy." [26] Hence, while the various elements of the development *dispositif* clearly do not always operate in concert, they do have a relation to one another; they form an identifiable project, and they have an overall strategic effect, as Escobar points out,[27] of governing the Third World.

Although Ferguson and Escobar introduce the *dispositif* they do not offer a significant explication of the term, and their use of it can be taken further and deployed more carefully. For instance, while there is much to recommend Ferguson's grounded ethnographic approach to the development apparatus, he regularly refers to it as a "conceptual apparatus," even indicating that this specification derives from Foucault.[28] However, Foucault clearly states that the *dispositif* is an ensemble of material and discursive elements.[29] The development *dispositif* may organize the way development scholars and practitioners conceptualize development, but this is something quite different from a conceptual apparatus. Moreover, the idea that any single dimension of knowledge, power, or subjectivity (or any other set of relations, such as the economic) should not be prioritized or given an overdetermining role is central to the analytic framework of the *dispositif* and efforts to avoid the problems of the approaches I discussed above.

Although Escobar uses the term apparatus much less regularly, a similar problem is evident in the place he accords the apparatus in relation to developmentalism, or the discursive formation of development. He states that

the ensemble of forms found along these axes [of knowledge, power, and subjectivity] constitute development as a discursive formation, giving rise to an efficient apparatus that systematically relates forms of knowledge and techniques of power.[30]

While it is somewhat unclear what is giving rise to the "efficient apparatus" in this statement, Escobar appears to be suggesting that the discursive formation gives rise to the *dispositif*, or that it at least has a prominent organizing role. Such a reading is supported by the role he claims for discourse in an earlier article, where he states that the "discourse of development ... was able to form systematically the objects of which it spoke, to group them and arrange them in certain ways, to give them a unity of their own." [31] However, while Foucault argued in *The Archaeology of Knowledge* that discursive formations order the relationship of a range of material and discursive elements, [32] he also struggled to justify this prioritizing of discourse before adjusting his methodology with works that included *Discipline and Punish* and *The History of Sexuality*. [33] This later approach views relations of discourse and relations of power (both conceptualized as "practice") as mutually conditioning. In short, it is not possible to prioritize the discursive dimension of development over the more concrete development apparatus. Thus, while Escobar and Ferguson have introduced the notion of the *dispositif*, more careful treatment is required to advance this aspect of postdevelopment.

The notion of *dispositif* is not articulated closely in Foucault's work, and problems in translation potentially cause confusion. Despite the emergence of the term apparatus as the most common translation, translators have noted that there is no straightforward corresponding term in English. [34] This perhaps accounts for some mistranslations, most notably in *The History of Sexuality*, where *dispositif* has been translated as a "construct," or "deployment." [35] In this situation I draw on Gilles Deleuze's explication [36] because of the rapport that existed between Foucault and Deleuze [37] and because Deleuze's is the only significant elaboration of the *dispositif* of which I am aware.

Deleuze conceptualizes the *dispositif*, in the first instance, as a concrete social apparatus and a "tangle, a multilinear ensemble." [38] This formulation conveys the concern, shared by Foucault and Deleuze, that theory should be a tool to aid analysis rather than a reified entity or end in itself. [39] In more detail, Deleuze's account renders the multilinear ensemble as

composed of lines, each having a different nature. And the lines in the apparatus do not outline or surround systems which are each homogeneous in their own right, object, subject, language, and so on, but follow directions, trace balances which are always off balance, now drawing together and then distancing themselves from one another.... Visible objects, affirmations which can be formulated, forces exercised and subjects in position are like vectors and tensors. [40]

Thus an element of the *dispositif*, whether it be an institution, a particular program, or a practice, is integral to the apparatus. An element emerges and becomes recognizable at the same time as it gains a level of density in the *dispositif*. Following their emergence, elements are always subject to renegotiation, displacement, or consolidation. While the *dispositif* is flexible and somewhat amorphous, it consists in (and is therefore identifiable when we find) "strategies of relations of forces supporting and supported by types of knowledge." [41]

Deleuze explicates three dimensions of the *dispositif*--relations of knowledge, power, and subjectivity--which correspond to each of the three major aspects of Foucault's work. However, this is a heuristic rather than substantive differentiation since the dimensions of knowledge, power, and subjectivity are recursive and formative of each other; they are "variables which supplant one another." [42] In other words, the dimensions of knowledge, power, and subjectivity "are irreducible, yet constantly imply one another." [43] While a *dispositif* exhibits a certain level of coherence and density, the multiplicity of relations that make up the development ensemble are continually renegotiated and open to contestation, reaffirmation, or consolidation. In this sense, the *dispositif* can be viewed as a more or less

enduring shifting coagulation of heterogeneous elements. Over the decades from the 1950s to the 1970s, the development dispositif both attains a level of density and exhibits a multiplicity of "internal" shifts and minor reconfigurations. These include discourses about participation, rural versus urban development, community development, and so on. However, the period from the late 1970s and into the 1980s sees a major reconfiguration of the development project, giving rise to interpretations such as McMichael's thesis about a shift from a development to a globalization project.

The notion of dispositif provides a critical interpretive and analytical framework that moves beyond the problems of approaches based in economics and can accommodate the flux that characterizes the current state of play in development efforts. It allows us to maintain the various elements of the reshuffled development project and the accompanying relations of knowledge, power, and subjectivity in their appropriate dispersion. This means that an initiative need not be reduced to any particular set of relations. The dispositif also allows the drawing out of the interconnectedness among various sets of relations that emerge in "new" initiatives in development, such as autonomous development, the microcredit movement, and sustainable development, in order to consider how development reinvents itself. To develop and concretize this framework in the remainder of this article, I first consider the relationship between liberalism and relations of power and governance, before turning to the rise of neoliberalism and NGOs. I then briefly discuss the notions of autonomy and empowerment that are prominent in NGO discourse before turning to the microcredit movement. The following interpretation and analysis is necessarily partial and it tends to render development in a particular way. My aim, therefore, is only to have introduced a slightly novel approach and analyzed one small part of the development dispositif.

Neoliberalism, Power and Governance, and NGOs in the Shifting Development Dispositif

A central theme in Foucault's work on power and his discussions of governmentality is the correlation between the rise of the self-regulating and self-producing subject of liberalism and the increasing penetration of the mechanisms of power and governance into both the social and individual body. Foucault disrupts conventional political theory by showing that while liberalism, as both a political theory and rationality of government, concerns itself with a self-determining and autonomous subject, it is actually under the cover of and through such a view and modality that contemporary power and governing proceeds.[44] The "free subject" of liberalism is produced as that subject is acted upon and acts upon himself or herself without the need for the operation of power as imposition or interdiction. Hence the extension of a certain type of control and governing of human subjects is consistent with the principle of liberal political rationality that "one always governs too much"--or, at any rate, one always must suspect that one governs too much.[45]

Central to Foucault's work, and that of authors that have extended his remarks on governmentality,[46] is the mapping of the role that seemingly nonpolitical technologies such as social work, teaching, town planning, and the human sciences play in the operation of contemporary power and governance in Western liberal societies. These technologies incite subjects to act upon themselves and thereby engage in self-production and regulation with certain effects. These "nonpolitical" technologies were reinvigorated from the 1970s through the rise of neoliberalism, which "reactivates liberal principles: skepticism over the capacities of political authorities to govern for the best ... [and] vigilance over the attempts of political authorities to seek to govern." [47] In this schema, markets replace government planning, social services and welfare are to be discouraged, and economic entrepreneurship is to be promoted. Although the context is different, there are clear resonances with the programs of the World Bank and International Monetary Fund (IMF) and the decline of nation-state involvement in development efforts in the Third World.[48]

In the Third World as in the West, the rebirth of civil society and the rise of NGOs are frequently posed as a counterpoint to both the new neoliberal orthodoxy (the tyranny of the market) and the corruption, inefficiency, and mismanagement of the state. However, the relationship of NGOs to more "official" elements of the development dispositif is not easily characterized. On the one hand, NGOs appear to be opposed to neoliberalism and

neoclassical economics in their emphasis on community, mobilization of local people, and opposition to IMF and World Bank programs such as structural adjustment. Yet on the other hand, and despite these obvious differences, NGOs--often with their roots in Western populisms, notions of civil society, and local-level Organization of citizens--eschew the involvement of state bureaucracies in the lives of "local people," a perspective that is broadly consistent with the aims of the structural adjustment policies of the IMF and World Bank. On this point, Michael Watts notes that World Bank discourse has changed to emphasize the powers and capacities of ordinary people at the same time as there has been a hardening of development economics.[49] Similarly, Doug Porter detects a parallel between the metaphors of "market" and "community." [50] He notes that in the application of neoclassical economic rationality to public life, it is argued that these metaphors, if let alone, tend "toward wise equilibria." [51]

I do not propose to resolve this issue by offering a view on whether or not the rise of civil society and NGOs challenges mainstream, or official, developmentalism or the nation-state: such an effort would invariably be without any clear resolution and would only mirror the traditional philosophical opposition of state and civil society that obscures an understanding of the operation of contemporary power through seemingly nonpolitical technologies as explicated by Foucault and other governmentality scholars; in other words, efforts that seek to dichotomize development actors and efforts in terms of an a priori assumption about their position regarding the operation of power do not allow for adequate analysis. In place of such approaches, the view of development as a shifting coagulation of heterogeneous elements (a range of interrelationships) allows development initiatives to be considered without over-predetermination or simplifying analysis. The dispositif thus guards against overly general interpretations of recent developments.

It is thus apparent that the rise of NGOs should not necessarily be read as emancipatory. To the contrary, the combination of the winding back of state involvement in development, the rise of neoliberalism, and the status of NGOs as "nonpolitical" technologies are bases for the emergence of a range of practices that enable a greater penetration of power into the Third World through the development dispositif. To explore this further I want to consider the popular NGO operative notions of autonomy and empowerment.

Beyond Participation: Autonomous Development and Empowerment

Notions of autonomy and empowerment are prominent in NGO discourse as a means for locating ethical practice.[52] For Raft Carmen, autonomous development contrasts with any "interventionist project orchestrated from the outside" and instead promotes an approach that is "rooted in autonomous human agency." [53] From this perspective, the closely related ideas of community development and participation are critiqued to the extent that they integrate Third World subjects in interventionist projects. Hence Carmen outlines a critique of Robert Chambers's influential "rapid rural appraisal," or "putting people first" methodology,[54] and the notion of participation in development efforts:

if participation is to be a vehicle, a feel-good enhancer or a cost-cutting device--[sic] in a word, a means towards an end such as fitting projects to people or empowering people in the "we must help them" or "we must enable them" mode--let this be clear.

If, on the other hand, participation is genuinely about power--about people's ownership and control--then participation is not the most obvious nor the first term which springs to mind.[55]

This critique leads Carmen to arrive at the idea of "autonomous development," and for Carmen autonomy means that Third World subjects are quite capable of alleviating and eradicating poverty themselves and refers to "the development of their [the poor's] bargaining power to an extent that [interveners] cannot unilaterally impose their conditions and regulations upon the poor as passive recipients." [56] In short, Carmen, and the movement of which he is part, advocates a shift to "people's self-development: autonomous human agency and people's power." [57] However, while the critique of more conventional approaches to development is well taken, the ideas of people power, empowerment, and autonomous human agency must be scrutinized.

Carmen's implicit understanding of power, which he does not elaborate, emerges as a commonsense one in which preconstituted individuals exercise free will as they direct their own actions. The version of subjectivity in operation here is that of the liberal free subject. However, through analysis of contemporary liberal governance in the West, governmentality literature has shown that subjects are constituted through processes of subjectification that are infused with operations of power and that the directing of our own actions is bound with this government. The (self-)positioning of individual lives within the objectives set by reformers--whether activist or expert--in search of some social good links us "to a subjection that is the more profound because it appears to emanate from our autonomous quest for ourselves, it appears as a matter of our freedom." [58] It is in this context that Barbara Cruikshank argues that "we have wildly underestimated the extent to which we are already self-governing. Democratic government, even self-government, depends upon the ability of citizens to act upon their own subjectivity, to be governors of their selves." [59] Cruikshank goes on to show how self-esteem and empowerment serve as political technologies in this operation of government. [60]

In the Third World context, the political technology of empowerment is currently in the process of being developed. Asinur Rahman, long-term practitioner and advocate of self-development, autonomy, and empowerment, notes that "the absence of an authentic people's point of view remains a serious limitation on how we define the dimensions of social development." [61] This requires

a process of empowering and enabling the people to articulate and assert, by words and by deeds, their urges and thinking ... [as] one of the core dimensions of social development itself, for social development cannot have started if the people are unable to thus express and assert what social development means to them. [62]

While empowerment is always a complex and contradictory process, there are striking parallels with the production of the liberal subjects as analyzed by governmentality scholars. Here development and empowerment are intimately bound, signaling that the latter is not an apolitical process but one linked with a particular project.

Rahman's version of empowerment is fundamentally about the production of self, and in particular that version of subjectivity promoted through the Western social sciences that enables subjects to generate and act upon their selves. It engenders "the feeling of knowing from self-inquiry and reflection," is directed toward building the "self-confidence of the disadvantaged," and is about

a process of "awakening" or "animation" ... [that] implies not merely learning, knowing and understanding but also experiencing and grasping one's own intellectual powers in the same process, experiencing, in other words, self-discovery, including the discovery of oneself as a thinker and creator of knowledge. [63]

Empowerment in development, along with the related notion of autonomy, is thus both about the construction and positioning of a particular type of self and a linking of one's self to the question of social development. Hence, the applications of the notions of autonomy and empowerment in the Third World context signal both the export of the technologies of subjectification of Western governmentality and the enrollment of Third World subjects in developmental projects through these technologies. Autonomy, empowerment, and related notions thus deserve to be further scrutinized as part of critical development studies.

One way to redirect our discussion of these notions in order to begin to take account of subjectivity as a political terrain is to consider development efforts in general as processes in which people are both acted upon by others and act on themselves. In this schema, notions of autonomy and empowerment are not accorded a special status. In order to consider the power-effects of particular development practices within the framework of the *dispositif*, we can ask how particular practices, initiatives, or projects on the one hand reinforce conventional developmentalist modalities, integrate subjects into the development *dispositif*, displace or write out other subjective modalities, or, on the other hand, disperse and

proliferate modalities beyond developmentalism. This analysis requires the consideration of "new" practices both in terms of continuities and shifts from previous approaches and simultaneously in terms of interrelationships between relations of discourse, power, and subjectification.

To illustrate the framework developed so far, and to further elaborate on some of the issues raised, I want to consider the popular and influential development practice of microcredit. As indicated in my introduction, the microcredit movement is not insignificant in the scheme of contemporary development efforts. In addition to embodying popular principles such as autonomy and empowerment, microcredit programs in Bangladesh expanded rapidly in the 1980s and attracted international interest to become a major movement in the quest for sustainable and equitable development. The Grameen Bank had 2.3 million borrowers as of August 1998,[64] and the Microcredit Summit Secretariat reports that the Bangladesh Rural Advancement Committee serves one million families.[65] Geoffrey Wood and Iffath Sharif note that the Grameen Bank model "is developing 'panacea' status" since most bilateral and multilateral lenders, including the World Bank, are eager to promote and fund microcredit programs.[66] Microcredit has also been well received in mainstream development circles, with numerous quantitative studies revealing positive effects.[67]

Exploring microcredit demonstrates both its continuities and discontinuities with the previous development dispositif and highlights subjectification as a political terrain. I begin with the Grameen Bank as it is frequently touted as a model for the development of other microcredit programs.

Microcredit: Neoliberal Developmentalism

In recounting the story of the foundation of the Grameen Bank, founder and managing director Muhammad Yunus recalls his frustration with economic theory, which led him to "run away from the textbooks ... to confront real life as it unfolded each day" in the villages around Chittagong University in Bangladesh.[68] The situation Yunus found in the villages led him to provide small collateral-free loans that he had no trouble in having repaid. Although Yunus initially had difficulty finding mainstream support for his venture, these early successes led to the formation of the Grameen Bank in 1983.[69]

Grameen operates on very different principles from traditional banks: borrowers own 92 percent of bank shares, collateral is not required, and loans are made exclusively to poor people, 94 percent of whom are women.[70] In Yunus's words, "The less you have the higher priority you get in receiving loans from Grameen. If you have nothing, you get the highest priority." [71] There is also a major contrast with traditional forms of lending for development. When Grameen loans are compared with those of organizations such as the World Bank and national foreign-aid bodies, the difference in size of loans is striking, foreign development experts are absent, and faith is placed less in technocratic programming and more in the resourcefulness of local people. Credit is also channeled directly to the local poor, thus avoiding the commonly cited problems of mismanagement and corruption. This shift from more traditional development approaches has no doubt contributed to the popularity of microcredit. Microcredit is viewed as positive for other reasons, too: the provision of credit to those who would not otherwise have been able to obtain it except perhaps through an exploitative relationship with a moneylender is readily seen as a step forward. Jessica Matthews goes so far as to comment that microcredit may have "found a spark to revolutionary change." [72]

However, if we return to Yunus's experience in the villages around Chittagong University in the mid-1970s that led to the formation of Grameen, his evaluation of the situation is striking for both its neoliberalism and economism, and thus for its concurrence with emerging and established trends in the shifting development dispositif. The problems he encountered were viewed as eminently solvable with "some individual initiative and determination" and "working capital." [73] Yunus states he "ran away from the textbooks," but the solution that was so self-evident to him falls entirely within the developmentalist framework. Notions of individual initiative, determination, and provision of capital to improve people's situations and increase economic growth are a micro version of the dominant economic development approach and

resonate with aspects of modernization theory that dominated in the 1950s and 1960s. Thus while it is possible to view microcredit as a radical departure from conventional development practice, it also exhibits significant continuities with the approach of previous decades and does not introduce a rupture or significant shift at the level of the serious speech acts of the development dispositif.

This continuity in relations of discourse is paralleled by continuity in relations of power and governing. In illustrating a contrast with conventional banks, Yunus writes that

Grameen literally runs after poor women who are terribly alarmed at the very suggestion of borrowing money from the bank, do not have any business experience whatsoever, may never have touched paper money in their lives, and never dared to think about running a business of their own. Grameen tries to convince them that they can successfully run a business and make money.[74]

While the aim of this statement is to highlight the liberating role Grameen plays, it also illustrates continuities between Grameen operations and the early years of the World Bank's operation, when demand for loans had to be created.[75] As with the World Bank, local people need to be convinced of the need for Grameen involvement. This effort at enrollment of subjects in the developmentalist Grameen Bank project signals the operation of related processes of subjectification and discipline.

The directions of subjectification promoted by Grameen and the wider microcredit movement, including their consistency with a neoliberal approach, are made explicit in various microcredit promotional publications. The focus on income generation, self-employment, and the encouragement of developmentalist subjectivities is a consistent theme in the microcredit approach, with the MCS noting that one of the characteristics of successful microcredit programs is the provision of "appropriate management expertise" to their "microentrepreneurs." [76] The result is that microcredit exhibits a consistency with the aims of mainstream neoliberal developmentalist institutions such as the World Bank and promotes a valorization of developmentalist subjectivities. The president of the World Bank, James D. Wolfensohn, stated approvingly in 1996 that

microcredit programs have brought the vibrancy of the market economy to the poorest villages and people of the world. This business approach to the alleviation of poverty has allowed millions of individuals to work their way out of poverty with dignity.[77]

While dignity is no doubt involved, it is defined as a particular *modus vivendi* embodied in the business approach to poverty. As Yunus states, the aim of Grameen lending is to make "it easy for a poor 'nobody' to take the leap to become an enterprising 'somebody.'" [78] Here the entrepreneurial subjectivity is elevated above other subjective modalities that the individuals, or the targets of microcredit programs, may already be living or inclined to take up.

Yunus goes so far as to link credit with the discursive archetype of liberal Western subjectification--the notion of human rights. He states that "credit is a human right.... If we can come up with a system which allows everybody access to credit while ensuring excellent repayment, I guarantee you poverty will not last long." [79] He goes even further, stating:

In the "right" world, we have to instil in people's minds that everyone creates his or her own job. We can build institutions so that each person is supported and empowered to do this. The more self-employment becomes attractive, wide-ranging, and self-fulfilling, the more difficult it will be to attract people for wage jobs.[80]

While notions such as empowerment and self-fulfillment have widespread appeal, I have discussed how these notions are not apolitical but a terrain that is organized and managed. In the case of microcredit operations, self-fulfillment is simultaneously defined, produced, and managed by institutions such as Grameen as successful entrepreneurialism and a developmentalist approach to wealth. An accompanying effect of this individualization of

poverty is its depoliticization: as the poor are made responsible for their poverty, redistributive approaches to poverty alleviation tend to be ignored.[81]

The process of subjectification necessarily involves disciplinary operations. These operations, and indeed the disciplinary imperatives of Grameen, are less openly discussed in the literature than other aspects of microcredit. Discipline begins with the enrollment of microcredit members and the requirement that prospective lenders must form into a peer group or "loan committee" of five.[82] The groups are designed to act as a "monitoring, supervising and problem solving body"[83] and to provide social solidarity and forum for discussion of social-development issues. However, Rahman's fieldwork shows that in recent practice the work group operates primarily as a means for recovering loan repayments.[84] The processes for the formation of these groups and the initial lending processes are illustrative of the disciplinary operation.

A group receives formal recognition from Grameen (and thereby an opportunity to loan money) when all members learn and memorize the rules and regulations of the bank and when they pass an oral examination.[85] In these early stages, the role of the bank's loan officer is to "convince the borrower that she can use money to improve her life." [86] Once groups are formed, between six and eight groups then create a loan center.

Women who belong to a new loan center take the responsibility of building a center-house or finding an available free space within their vicinity for the weekly meetings and loan operation. Fulfillment of these basic requirements by borrowers at a center makes them eligible for loans. The Bank grants credits to individual borrowers sequentially by establishing a unique time cycle. In the first sequence of the cycle only two members from a group receive loans. The bank worker observes their loan repayment behaviours for at least two months and their satisfactory completion of the loan repayments entitles the next two in the group to receive loans. In this micro-credit program the individual is kept in line by a considerable amount of pressure from other members of the group.[87]

The formation of the loan committee and the deployment of its system of peer accountability represent a multistage disciplinary technique. The first stage, which involves an initial period of training and self-learning about Grameen rules and modes of operation, serves to enroll subjects into Grameen entrepreneurialism and associated subjective modalities. In the second stage, this first operation is linked to the simultaneous discipline of both individuals and peers. Here the linking of provision of a loan to one member with the behavior of other members of the group, initially through the mechanism of a time delay, is a particularly innovative and important part of this technique since it establishes a direct relation between personal desire or need and the imperative to discipline others. Through the disciplinary technique of the loan committee, examination is deployed continuously. This extends from the initial oral examination regarding rules and procedures of Grameen to the supervision by the bank officer of the initial repayments and then to the peer supervision enacted by members. It is in this disciplinary context that stringent loan conditions can be met and that the very poor are judged a good credit risk.[88]

Disciplinary rituals carried out at the loan centers complement the peer accountability engendered through the structure and operation of the loan committee. While the operation of power is more diffuse as microcredit recipients go about their daily lives, the loan center is the site where the lines of force of the disciplinary technology of Grameen microcredit are gathered together and are most dense. Before the weekly meetings with the bank officer, recipients gather at the loan center and assemble in a matrix according to their loan-committee groups.[89] When the bank officer is present and all members are assembled, the members rise, salute, and recite the Grameen Bank credo: "Discipline, Unity, Courage, and Hard Work." This ritual precedes physical exercises and collection of payments from members.[90] In his observation of Grameen loan-center operations, David Bornstein notes that the "rules [of Grameen] act as a tight web ... ensuring that villagers are brought together frequently in a setting where they are forced to answer for their actions before all eyes." [91] As the meeting closes, members recite Grameen's sixteen disciplinary imperatives--injunctions such as:

- Prosperity we shall bring to our families.
- We shall grow vegetables all year round. We shall eat plenty of them and sell the surplus.
- We shall always keep our children and the environment clean.
- For higher income we shall collectively undertake bigger investments.
- If we come to know of any breach of discipline in any center, we shall all go there and help restore discipline.[92]

While Grameen's practice of targeting poor women is broadly seen as commendable by outside donors and lenders, closer scrutiny reveals a different story, and in fact, in accounting for the high percentage of women members, it is found that the Grameen disciplinary imperatives extend beyond the techniques of the loan committee and the operation of the procedures at center meetings. Rahman shows that while the official line is that targeting women provides faster improvements in family conditions and solidarity for women, the bank practice of actually excluding men from the program and focusing on women has much more to do with women being more amenable to the discipline.[93] In his field-work, Rahman found that men were regarded by bank workers as arrogant and difficult to deal with; as a result, men tended to be discouraged or excluded, whereas women, who in a village are more easily traced and who tend to be shy or submissive, were accepted. Furthermore, loans may in fact end up going to men—passed on to them by women who have been pressured by husbands and family members. As Rahman reports, women can thereby find themselves the target of increased pressure and violence as they negotiate both the requirements of Grameen and pressure from men.[94] The disciplinary operation is thus strongly gendered.[95]

This local operation of discipline systematically integrates microcredit recipients into the financial and economic networks of the microcredit organization and the development dispositif on a long-term basis. The MCS reports that one of the characteristics of successful microcredit programs is "the incentive of access to larger loans following successful repayment of first loans." [96] The result is that people may be recipients of microcredit for many years. In reporting favorably on the operation of Grameen, Matthews states that after ten years of borrowing, 48 percent of borrowers had crossed the poverty line.[97] Slightly more optimistic is Yunus's quoting of figures that after eight to ten years, 57 percent of Grameen borrowers had escaped poverty.[98] That it should take such a number of years to significantly improve the situation of approximately one-half of Grameen Bank recipients signals the high repayment rates, lack of concessionality, and linkage of local branches with the rest of the lending organization and its broader imperatives. In the case of Grameen, branches borrow from headquarters at 12 percent and lend at 20 percent.[99] The margin is, of course, extracted from the recipients in the microcredit programs. In the spirit of entrepreneurialism, this allows the branches to become profitable and Grameen to expand its operations.

Central to this integration of subjects into microcredit operations and wider financial and economic networks is the question of lender or microcredit institution sustainability.[100] including access to capital markets in place of reliance on donor capital. In this context, microcredit programs are distinguished from "the traditional moneylender's crippling rates of interest," while rates of interest determined by the global capital market are accorded a quasi-natural status, with the "marriage of microcredit and commercial financial markets" high on the MCS agenda.[101] Where borrowing from commercial capital markets is currently practiced for the provision of microcredit programs, it is viewed favorably. Thus the MCS is able to note approvingly that "the world's most sophisticated capital markets have actually been linked with the promise to pay of a woman microentrepreneur selling her wares on a street corner in La Paz." [102] Beyond the acceptance of market rates as valid as part of the quest for lender sustainability, what can be overlooked is the fact that on-lending involves costs above the market rate. Since these costs are linked with commercial markets through disciplinary techniques, they must ultimately be extracted from the final borrowers in microcredit programs.

When funds are provided on a concessional basis outside the market, the MCS sees these as a temporary measure in the microcredit institution's graduation to self-funding through commercial markets. Thus "soft loans should be provided in an environment of market

discipline," which includes "clearly articulated and measurable performance measures." [103] This graduation process, which is viewed as a key way in which microcredit programs can be expanded to meet the MCS goal of providing microcredit to 100 million of the world's poorest families by 2005, signals the potential for a massive extension of the disciplinary techniques associated with joint-responsibility systems and the accompanying valorization of developmentalist subjective modalities. [104] In short, it signals the possibility of a greater penetration of power into the social body of the Third World and the closer integration of Third World subjects into the development dispositif through the political technology of microcredit.

In reinscribing the neoliberal and developmentalist approach at the micro level through innovative disciplinary techniques, microcredit programs have the effect of promoting entrepreneurial subjective modalities over other ways of being and of integrating Third World subjects into financial and economic networks and the development dispositif. In this process, poverty is depoliticized through an individualistic rather than redistributive approach to its alleviation. This is not to suggest that people are not empowered by microcredit, or that it is not of assistance in improving the lives of Third World subjects. Rather, it is precisely through the empowering nature of microcredit that entrepreneurial subjectivities and approaches to poverty alleviation are valued and promoted over others. The point is not that microcredit should be viewed entirely in the negative, but that "new" initiatives deserve to be scrutinized in terms of the political effects of their continuities and discontinuities with earlier approaches. While microcredit exhibits clear discontinuities with earlier and more conventional development practices, the deployment of neoliberalism and entrepreneurialism highlights that microcredit deserves not to be viewed as a complete break with the past but as a reconfiguring of development practice and its operations of power.

In the context of shifts in the operation of development from the 1980s, the notion of dispositif emerges as a powerful framework for considering both the ways development reinvents itself and the relations of power that operate through these reinventions. The dispositif allows us to move beyond problems surrounding critical approaches based in economic relations and more adequately to analyze the reconfiguration of development through the rise of neoliberalism and NGOs. While McMichael's approach opposes the rationalism and economism of globalization with the culturalism and localism of new social movements embodied in NGOs and civil society, thereby eliding the ways in which these developments are part of the operation of power, the dispositif enables a less programmatic approach by conceptualizing development as a shifting coagulation of elements that exhibits certain continuities and discontinuities with previous formations. Shifts in development are negotiated within, and therefore can be analyzed in terms of, the framework of the earlier dispositif and, more broadly, developmentalism.

Use of this conceptualization demonstrates that the reconfiguration of development involves a shift in the operation of power that is linked with, but not dependent on, economic relations. This shift involves a greater penetration of power into the Third World through development as the role of nation-states in development efforts is wound back, along with increased pressure from institutions such as the World Bank for a neoliberal economic-policy environment. This link with changes in economic relations cannot be separated from the rise of NGOs, increased emphasis on civil society, and contemporary popular and alternative approaches that emphasize notions of autonomy and empowerment. Following the problematization of the terrain of the self explicated by Foucault and other governmentality scholars, these developments cannot necessarily be viewed as emancipatory, but instead need to be considered in terms of the complex mix of effects they generate. These effects can just as readily include the reinforcing of conventional developmentalist modalities, the integration of subjects into the development dispositif, and the displacement, or writing out, of other subjective modalities, as they can include the easing of economic hardship and the dispersion and proliferation of subjective modalities beyond developmentalism.

Notes

I wish to thank Bert Wigman and Aminul Fariazi of Central Queensland University; this article is drawn from a thesis supervised by them. Roland Bleiker, of the University of Queensland, has also provided helpful comments and suggestions.

1. See Mohammad Mohiuddin Abdullah, *Rural Development in Bangladesh: Problems and Prospects* (Dacca: Nurjahan Begum, Mohammadpur, 1979), pp. 48-59.
2. Iffath Sharif, "Poverty and Finance in Bangladesh: A New Policy Agenda," in Geoffrey Wood and Iffath Sharif, eds., *Who Needs Credit?* (London: Zed, 1997), p. 61.
3. MCS, *The Microcredit Summit: February 2-4 1997: Declaration and Plan of Action*: see preamble: [www accessed April 23, 2001: microcreditsummit. org/declaration](http://www.microcreditsummit.org/declaration).
4. See Frans J. Schuurman, ed., *Beyond the Impasse: New Directions in Development Theory* (London: Zed, 1993).
5. Abu Elias Sarker, *The Role of Non-governmental Organisations in Rural Development: The Bangladesh Case* (Clayton, Vic.: Monash Asia Institute, Centre of South Asian Studies, Monash University, 1996), p. 4.
6. World Bank, *For Nongovernmental Organizations/Civil Society: Overview--NGO World Bank Collaboration*: [www accessed April 3, 2001: worldbank. org/ngos](http://www.worldbank.org/ngos); select overview hypertext: World Bank.
7. For discussion of the increase and broadening in the role of NGOs, see Julie Fisher, *Nongovernments: NGOs and the Political Development of the Third World* (West Hartford, Conn.: Kumarian, 1998).
8. See Wil Hout, *Capitalism and the Third World: Development, Dependence, and the World System* (Aldershot, UK: Elgar, 1993); and Leslie Sklair, ed., *Capitalism and Development* (London: Routledge, 1994).
9. See Immanuel Wallerstein, *The Capitalist World-Economy* (Cambridge: Cambridge UP, 1979); "Development: Lodestar or Illusion," in Sklair, note 8; and "World-systems Analysis," in David Held et al., eds., *The Polity Reader in Social Theory* (Cambridge: Polity, 1994).
10. See Alain Lipietz, *Towards a New Economic Order: Postfordism, Ecology and Democracy* (New York: Oxford UP, 1992), pp. 6-8.
11. See Gary Gereffo, "Capital, Development, and Global Commodity Chains," in Sklair, note 8; Ankie Hoogvelt, *Globalisation and the Postcolonial World: The New Political Economy of Development* (Basingstoke, UK: Macmillan, 1997); and Philip McMichael, *Development and Social Change: A Global Perspective* (Thousand Oaks, Calif.: Pine Forge Press, 1996).
12. See Jean Baudrillard, *The Mirror of Production* (St. Louis: Telos Press, 1975); Louis Dumont, *From Mandeville to Marx: The Genesis and Triumph of Economic Ideology* (Chicago: U of Chicago P, 1977); and Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon Press, 1957 [1944]).
13. Baudrillard, note 12, pp. 84-91.
14. McMichael, note 11.
15. *Ibid.*, pp. 255-256.
16. *Ibid.*, p. 211.
17. The approach has been named by, among others, Arturo Escobar, "Imagining a Post-Development Era? Critical Thought, Development, and Social Movements," *Social Text* 10, no. 2 (1992); Majid Rahnema and Victoria Bawtree, eds., *The Post-Development Reader* (London: Zed, 1997); and Michael Watts, "'A New Deal in Emotions': Theory and Practice and the Crisis of Development," in Jonathan Crush, ed., *Power of Development* (London: Routledge, 1995). A selection of other contributions to postdevelopment includes Claude Alvares, *Science, Development, and Violence* (Delhi: Oxford UP, 1992); Frederique Apffel-Marglin and Stephen Marglin, eds., *Dominating Knowledge: Development, Culture, and Resistance* (Oxford: Clarendon Press, 1990); Jonathan Crush, ed., *Power of Development* (London: Routledge, 1995); Fred Dallmayr, "Modernisation and Postmodernisation: Whither India?" *Alternatives* 17, no. 4 (1992); Marc DuBois, "The Governance of the Third World: A Foucauldian Perspective on Power Relations in Development," *Alternatives* 16, no. 1 (1991); Arturo Escobar, "Discourse and Power in Development: Michel Foucault and the Relevance of His Work to the Third World," *Alternatives* 10, no. 3 (1984); "Power and Visibility: Development and the Intervention and Management of the Third World," *Cultural Anthropology* 3, no. 4 (1988); "Planning," in Wolfgang Sachs, ed., *The Development Dictionary: A Guide to Knowledge as Power* (London: Zed, 1992); *Encountering Development: The Making and Unmaking of the Third World* (Princeton, N.J.: Princeton UP, 1995); Gustavo Esteva, "Regenerating People's Space," *Alternatives* 12, no. 2 (1987); Gustavo Esteva and Madhu Suri Prakesh, *Grassroots Post-Modernism* (London: Zed, 1998); James Ferguson, *The Anti-Politics Machine: "Development," Depoliticization, and*

Bureaucratic Power in Lesotho (Cambridge: Cambridge UP, 1990); Serge Latouche *The Westernisation of the World* (Oxford, UK: Polity, 1996); C. Douglas Lummis, "Development Against Democracy," *Alternatives* 16, no. 1 (1991); Jan Nederveen-Pieterse, "Dilemmas of Development Discourse: The Crisis of Developmentalism and the Comparative Method," *Development and Change* 22, no. 1 (1991); Gilbert Rist, *The History of Development: From Western Origins to Global Faith* (London: Zed, 1997); Wolfgang Sachs, ed., *The Development Dictionary: A Guide to Knowledge as Power* (London: Zed, 1992).

18. Escobar, note 17, *Encountering Development*.

19. Ferguson, note 17.

20. Michel Foucault, "The Confession of the Flesh," in Colin Gordon, ed., *Power/Knowledge: Selected Interviews and Other Writings 1972-1977* by Michel Foucault (New York: Pantheon, 1980), p. 194.

21. Ibid.

22. Ibid.

23. Gilles Deleuze, "What Is a Dispositif?" in Timothy J. Armstrong, ed., *Michel Foucault: Philosopher* (New York: Harvester Wheatsheaf, 1992).

24. See Esteva and Prakesh, note 17, and the critique of postdevelopment by Smart Corbridge, "Beneath the Pavement Only Soil: The Poverty of Post-development," *Journal of Development Studies* 34, no. 6 (1998).

25. Foucault, note 20, p. 195.

26. Ibid.

27. Escobar, note 17, *Encountering Development*.

28. Ferguson, note 17, pp. xv, 25, 276.

29. Foucault, note 20, p. 194.

30. Escobar, note 17, *Encountering Development*, p. 10.

31. Escobar, note 17, "Discourse," p. 386.

32. Michel Foucault, "The Archaeology of Knowledge" and "The Discourse on Language" (New York: Pantheon, 1972), p. 72.

33. Hubert L. Dreyfus and Paul Rabinow, *Michel Foucault: Beyond Structuralism and Hermeneutics* (Chicago: U of Chicago P, 1982), pp. 105, 63-67.

34. For example, see the note by Armstrong in Deleuze, note 23, p. 159.

35. Michel Foucault, *The History of Sexuality: An Introduction* (London: Penguin, 1981).

36. Deleuze, note 23.

37. See Michel Foucault and Gilles Deleuze, "Intellectuals and Power," in Donald F. Bouchard, ed., *Language, Counter-Memory, Practice: Selected Essays and Interviews* by Michel Foucault (Ithaca, N.Y.: Cornell UP, 1977).

38. Deleuze, note 23, p. 159.

39. Foucault and Deleuze, note 37, p. 208.

40. Deleuze, note 23, p. 159.

41. Foucault, note 20, p. 196.

42. Deleuze, note 23, p. 159. Furthermore, this is not a list that claims to map the social field entirely; I am advancing a specific analytical tool rather than a general theory or method.

43. Gilles Deleuze, *Foucault* (London: Athlone, 1988), p. 114.

44. Michel Foucault, "Governmentality," in Graham Burchell, Colin Gordon, and Peter Miller, eds., *The Foucault Effect: Studies in Governmentality* (London: Harvester Wheatsheaf, 1991); "Security, Territory, and Population," in Paul Rabinow, ed., *Michel Foucault: Ethics, the Essential Works I* (London: Penguin, 1997); and "The Birth of Biopolitics," *ibid.*

45. Foucault, "Birth," note 44, p. 74.

46. See, for example, Andrew Barry, Thomas Osborne, and Nikolas Rose, eds., *Foucault and Political Reason: Liberalism, Neo-liberalism, and Rationalities of Government* (Chicago: U of Chicago P, 1996); Nikolas Rose, *Governing the Soul: The Shaping of the Private Self* (London: Routledge, 1991); "Government, Authority, and Expertise in Advanced Liberalism," *Economy and Society* 22, no. 3 (1993); Nikolas Rose and Peter Miller, "Political Power Beyond the State: Problematics of Government," *British Journal of Sociology* 43, no. 2 (1992).

47. Rose and Miller, note 46, p. 198.

48. While the governmentality literature is primarily interested in operations of power that integrate subjects into the modern state, I am more interested in the general formulation of how subjects become more involved in the operation of power via neoliberalism. However, this slightly broader approach is not at odds with the governmentality literature. For instance, following Foucault, Miller and Rose argue that the state does not equal or give rise to

government, but rather is "a particular form that government has taken, and one that does not exhaust the field of calculations and interventions that constitute it." Peter Miller and Nikolas Rose, "Governing Economic Life," *Economy and Society* 19, no. 1 (1990): 3.

49. Watts, note 17, p. 58.

50. Doug Porter, "Scenes from Childhood: The Homesickness of Development Discourses," in Jonathan Crush, ed., *Power of Development* (London: Routledge, 1995), pp. 82-83.

51. Ibid.

52. My discussion here does not aim to be a comprehensive study of the NCO sector or the way it operates; it aims, rather, to tap into the key themes of autonomy and empowerment. For one example of the centrality of these themes in the popular rhetoric and practice of "capacity building," see Deborah Eade, *Capacity-Building: An Approach to People-centred Development* (Oxford: Oxfam, UK and Ireland, 1997). For a more general entry into people-centered or self-development, see International Institute for Sustainable Development (1999), *People-Centred Development Forum*: www.iisd.ca/pcdf/, accessed April 23, 2001.

53. Raff Carmen, *Autonomous Development, Humanizing the Landscape: An Excursion into Radical Thinking and Practice* (London: Zed, 1996), pp. 6, 7.

54. Robert Chambers, *Rural Development: Putting the Last First* (London: Longman, 1983).

55. Carmen, note 53, p. 51.

56. Verhagen, quoted *ibid.*, p. 52.

57. *Ibid.*, p. 53. On self-development, see Asinur Rahman, *People's Self-Development: Perspectives on Participatory Action Research* (London: Zed, 1993). 58. Rose, *Governing*, note 46, p. 256.

59. Barbara Cruikshank, "Revolutions Within: Self-government and Self-esteem," in Andrew Barry, Thomas Osborne, and Nikolas Rose, eds., *Foucault and Political Reason: Liberalism, Neo-liberalism, and Rationalities of Government* (Chicago: U of Chicago P, 1996), p. 235.

60. *Ibid.*, pp. 236, 238.

61. Rahman, note 57, p. 205.

62. *Ibid.*, pp. 205, 206.

63. *Ibid.*, pp. 206-207 (my emphasis).

64. Peoples Fund, *The Facts and Figures of Grameen Bank*: www.peoplesfund.org/Grameen, accessed April 23, 2001.

65. MCS, sec. "The Case for Microcredit," subsec. "Programs Grow to Serve Large Numbers of Very Poor People." Microcredit has also expanded outside Bangladesh. The Foundation for International Community Assistance has affiliated microfinance programs in fourteen countries that serve seventy thousand borrowers; see *ibid.*

66. Geoffrey Wood and Ifath Sharif, introduction to Wood and Sharif, note 2, p. 29; and *ibid.*, p. 62.

67. See, for example, Shadihur Khandar, Hussain Samad, and Zahed Khan, "Income and Employment Effects of Micro-Credit Programmes: Village-level Evidence from Bangladesh," *Journal of Development Studies* 35, no. 2 (1998).

68. Muhammad Yunus, "The Grameen Bank Story: Microlending for Economic Development," *Dollars and Sense*, no. 212 (July-August 1997); Infotrac Database, A19807547.

69. *Ibid.*

70. *Ibid.*

71. *Ibid.*

72. Jessica Matthews, "Little World Banks," in Kevin Danaher, ed., *Fifty Years Is Enough: The Case Against the World Bank and the International Monetary Fund* (Boston: South End Press, 1994), p. 185.

73. Yunus, note 68. In this document, Yunus also states that "handouts take away initiatives from people. Human beings thrive on challenges not on palliatives."

74. *Ibid.*

75. See Catherine Caufield, *Masters of Illusion: The World Bank and the Poverty of Nations* (New York: Holt, 1996), pp. 53, 56; and Bruce Rich, *Mortgaging the Earth* (Boston: Beacon Press, 1994), p. 68.

76. MCS, sec. "Microcredit: Empowering Poor People to End Their Own Poverty," subsec. "Beyond Microcredit: Other Financial and Business Services."
77. Quoted *ibid.*, sec. "Poverty and the Struggle to Overcome It," subsec. "Foreign Aid, Public Welfare Programs, and the Poorest."
78. Yunus, note 68.
79. *Ibid.*
80. *Ibid.* (my emphasis).
81. See Wood and Sharif, note 2, pp. 35-36, especially for discussion of attempts by the World Bank and other donors to limit the mobilization agendas of NGOs by pushing them into the narrower role of provision of microcredit.
82. Matthews, note 72, p. 184; Yunus, note 68.
83. Yunus, note 68.
84. Aminur Rahman, "Micro-credit Initiatives for Equitable and Sustainable Development: Who Pays?" *World Development* 27, no. 1 (1999): 71.
85. *Ibid.*, pp. 71 and 81 n. 7.
86. Matthews, note 72, p. 184.
87. Rahman, note 84, p. 71.
88. In Grameen operations, loan rates are 20 percent, members are required to invest in income-generating productive activities within seven days of loan acceptance, and there is a mandatory savings requirement. See Matthews, note 72; Rahman, note 84, p. 75. The MCS confirms the linking of the poor as a good credit risk with disciplinary techniques such as loan committees by stating that "very poor people are a good credit risk, especially in the context of mutual-responsibility systems." MCS, note 76, sec. "The Case for Microcredit."
89. David Bornstein, *The Price of a Dream: The Story of the Grameen Bank and the Idea That Is Helping the Poor to Change Their Lives* (Chicago: U of Chicago P, 1997), p. 95.
90. *Ibid.*, p. 93.
91. *Ibid.*, p. 98.
92. Quoted *ibid.*, p. 97.
93. Rahman, note 84, pp. 69-71.
94. *Ibid.*, pp. 72-73. That Grameen loans are not always or not entirely used for income-generating or self-employment activities highlights the complex and contested nature of subjectification. My earlier comments about the directions of subjectification evident in microcredit and microfinance literature cannot be taken as saying that developmentalist subjectivities are comprehensively produced; an analysis of subjectification through microcredit could be approached effectively only through extensive fieldwork.
95. For discussion of Grameen loan operations in relation to women's empowerment, see Syed M. Hashemi, Sidney Ruth Schuler, and Ann P. Riley, "Rural Credit Programs and Women's Empowerment in Bangladesh," *World Development* 24, no. 4 (1996); and Michael J. Papa, Mohammad A. Auwal, and Arvind Singhal, "Dialectic of Control and Emancipation in Organizing for Social Change: A Multitheoretic Study of the Grameen Bank of Bangladesh," *Communication Theory* 5, no. 3 (1995).
96. MCS, note 76, subsec. "Characteristics of Successful Microcredit Programs for the Poorest."
97. Matthews, note 72, p. 184.
98. Muhammad Yunus, "Poverty Alleviation: Is Economics Any Help? Lessons from the Grameen Bank Experience," *Journal of International Affairs* 52, no. 1 (1998): 59.
99. Matthews, note 72, p. 184.
100. See Wood and Sharif, note 2.
101. MCS, sec. "Meeting the Financial Needs of the Movement," subsec. "Microcredit and the Commercial Financial Markets."
102. *Ibid.*
103. MCS, note 101, subsec. "Types of Funding Needed."
104. The production of developmentalist and entrepreneurial subjectivities within the context of mutual-responsibility systems deserves further study. In particular, exploration of the ways in which preexisting sociocultural frameworks are blended with neoliberal individualism could improve our understanding of microcredit and throw light on an important confluence in contemporary development efforts.

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