

In the weeks (June 6, 2010 – July 29, 2010) that I worked with Grameen, I got the chance to observe its operations very closely. During the first days I learned Grameen Bank's basic working procedures. I was briefed on how the bank determines who deserves a micro-loan, what interest rates they charge, repayment periods, and how they handle the whole process of giving out loans without collateral.

The Bank operates only in rural areas. Those (mostly women) who want to receive Grameen loans form groups, and Grameen uses the simple idea of peer pressure to build a system of trust. During an extended field visit, I observed the weekly Center Meetings, talked to the borrowers and visited their homes. Their loans ranged from about Tk. 2000 to Tk. 200,000, and I learnt of the different types of loans that Grameen offers (including a special program for the homeless). Grameen also integrates some social contracts into its members in the form of the Sixteen Decisions. These Decisions oblige the borrowers to send their children to school, stay healthy, plan their families etc.

Grameen has a number of sister concerns, some of which I visited, such as Grameen Shakti, Grameen Danone Ltd., Grameen Shikkha etc. These projects are helping the people of the country in many different ways to improve their living conditions, and also to advance the country as a whole.

To sum up, I closely studied the effects of introducing a micro-finance institution, and providing collateral-free loans to the poorest in a developing nation, and the process through which its operations are optimized. The success of Grameen is quite obvious through the enormous growth of itself and its sister organizations.