

Abstract

Micro-credit has become a fashionable cure-all for most non-governmental organizations (NGOs) in Bangladesh. In fact micro-credit program is running on in the world lead by Bangladesh. BRAC, one of the biggest NGO of the world, happens also to be the pioneer institution in the field of micro credit. BRAC published every year the success history of its micro credit program. But when we observe the poverty scenario of our country, we find a huge range of gap between the success history of BRAC and the real scenario. This paper undertakes BRAC's microfinance program to critically evaluate what they say, they do against what they actually do in practice.

This paper presents microfinance activities of BRAC within entire domain of microfinance as practiced in Bangladesh. It has been comprehensive in presenting also the other activities of BRAC. This study has made an attempt to explore the impact assessment of BRAC's micro credit program on poverty and socio-economic condition of BRAC's borrowers by pre and post conditions analysis. The issues of women empowerment and the views of borrowers about the nature of BRAC's program also have been studied. The impact assessment results of this study failed to scare the mark as often the authorities of BRAC claim. Nevertheless there are some positive aspects of the borrowers about different social awareness including education and health. Borrowers are not fully satisfied with some issues related to BRAC's micro credit program like interest rate and savings money. This paper also reports the effective interest rate of BRAC's micro credit program as compared to another non-government microfinance institution (ASA) and one government microfinance institution (BRDB). This paper also reports some critical findings of BRAC's micro credit program and also put some recommendations for the betterment of both BRAC and its borrowers with a view to make being about changes at the policy level in order to make the program more user friendly and least costly to the credit members.

Micro credit program has already become one of the most popular subjects for getting different popular global awards. And already many countries of the world have taken this program into action for alleviating poverty in their respective countries. And in reality it is true that the service takers are happy which receiving credit in easy way, it is also true that the way repayment system is designed is very much complex and coercive for the poor and their initial happiness fickle fades away. A large number of people already have been engaged in micro-credit programs in the world for changing bringing sustainable changes in their levels of living.