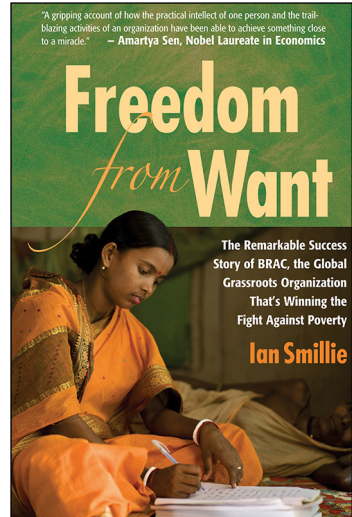


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**Freedom from Want:
The Remarkable Success Story of BRAC,
the Global Grassroots Organization
That's Winning the Fight Against Poverty**

Ian Smillie

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INTRODUCTION

The Age of Ambition



This book is about the triumph of optimism, enterprise, and common sense over despair. It is about development without borders. It is about one man and the incredible organization he created to deal with abject poverty in a broken country. But it is about far more than Bangladesh and what this organization has achieved. The borders that BRAC has crossed are not just political borders, although these are real enough. It has breached the borders of development orthodoxy, discovering the fallacies in standard approaches to community development and demonstrating that poverty can be pushed back dramatically if it is tackled directly. It has shown that poor, even completely destitute, women in a conservative Muslim society can learn, earn, and lead. It has shown that enterprise, sound business principles, and the market can be powerful allies in the fight against poverty. BRAC has demonstrated that a charitable organization need not be soft, small, or irrelevant. It has breached the borders of small, turning tiny experimental efforts into huge enterprises that are staffed almost exclusively by tens of thousands of villagers who once had nothing and whose own borders were once defined by ignorance, ill health, isolation, and fear.

The book is about social enterprise, not neat ideas like collecting used eyeglasses for the poor or pilot projects that can never be replicated. It is about inspired innovations in health, education, agriculture, and income generation that contribute to lasting change for tens and hundreds of thousands of people. It is about individuals who see challenge where others see only hopelessness. It is about people who see opportunity where others see peril. It is about an organization that has exposed the deepest roots of human degradation, challenging old nostrums about the limits to change and showing what can be done, not in one or two model villages, but in tens of thousands. Unlike Grameen Bank, BRAC is not well-known outside Bangladesh, but that will change because BRAC is undoubtedly the largest and most variegated social experiment in the developing world. The spread of its work dwarfs any other private,

government, or nonprofit enterprise in its impact on development, women, children, and thousands of communities in Bangladesh, other Asian countries, and Africa.

Four million children, 70 percent of them girls, have graduated from BRAC's 68,000 primary and preprimary schools. Millions benefit from the work of BRAC's health centers, its diagnostic laboratories, its health workers, and the 70,000 community health volunteers who have joined the effort. BRAC's microfinance operations loaned more than US\$1 billion to poor people in 2008, achieving a repayment rate of more than 95 percent. Microcredit, however, much vaunted as a solution to all development problems, even held by some to be a basic human right, can be little more than a one-way ticket to the kiosk economy if meaningful opportunities for investment and growth are absent. BRAC has demonstrated that opportunities for sustainable productive enterprise do exist in the villages of developing countries, but, where the physical and economic infrastructure is weak or distorted, credit alone is not enough.

BRAC research, accompanied by rigorous testing and evaluation, has discarded many seemingly good ideas, but it has turned others into multimillion-dollar enterprises for the poor. Village chickens, for example, produce only 40 to 60 eggs a year, while high-yielding varieties can produce five times that number. Introducing new breeds and even marketing more eggs, however, is easier said than done. BRAC had to develop a system for poultry vaccination, chick rearing, feed production, and chains of feed sellers and egg collectors, all village women working at jobs financed by microcredit. Today, there are more than 20,000 poultry vaccinators alone, giving a sense of the scale of achievement.

In the dairy sector, BRAC has improved cattle breeds through the establishment of 1,100 artificial insemination centers, education on cattle rearing, loans for the purchase of a million cows, 67 chilling plants, and a central dairy that processes 90,000 liters of milk a day. There are other stories like this in social forestry, silk production, fisheries, and prawn cultivation. BRAC operates a bank, a university, a housing finance corporation, tea companies, and feed mills. BRACNet, its Internet service provider, is installing a new wireless broadband technology, WiMAX, which can transmit wireless data over long distances, revolutionizing education and communication. All of these enterprises contribute directly or indirectly to the aims and objectives of the organization and its financial sustainability. In 1980, BRAC's US\$780,000 budget was covered entirely by donors. By 2006, its income, not counting its microfinance operations, was US\$495 million, only 20 percent provided by donor organizations.

The numbers only tell part of the story. BRAC's founder, Fazle Hasan Abed, gave up a senior management job at Shell Oil to undertake what

he thought would be a temporary effort to supply emergency relief to cyclone and war victims in 1972. He was wrong on the temporary, but not on much else, gradually gathering an impressive team of dedicated men and women who understand, but are not daunted by, the challenges facing the poor. This book examines the nature of the leadership provided by Abed and his colleagues, looking at the place in BRAC of risk, innovation, quality control, and learning. And it examines the context in which they have worked, a country with great needs that was beset by political turbulence, economic uncertainty, and recurrent natural disaster.

BRAC began as an acronym, standing for Bangladesh Rehabilitation Assistance Committee. When its relief work turned to development, the name changed to Bangladesh Rural Advancement Committee. By the 1990s, it was tackling the problems of urban slums as well as rural poverty. It had extended well beyond Bangladesh, and the word “committee” hardly described its management structure. BRAC ceased then to be an acronym, and it became a motto instead, “Building resources across communities.”

In part, the BRAC story is told through people: a young Marxist radical who discovered the true meaning of struggle; a kid who liked statistics and wound up as a dean of public health; a young woman who walked out of the black smoke of New York’s financial district on September 11 and into a multimillion-dollar operation and a dream job in Bangladesh. There is also a former American president; the chairman of Microsoft; a woman with thirteen sheep and plans for 100; and many more very much like her.

The book also examines what BRAC has achieved in other countries, where the organization is disproving the idea that its success must have been location- or culture-specific. Today, BRAC is the largest NGO in Afghanistan, operating not just in the safe northern areas, but in the embattled provinces of the south. In Tanzania, Uganda, and the Sudan, it is demonstrating that the apparent limits to African development have been artificial, constrained as much by limited ambition as anything else. Fresh vision, determination, and an ability to learn are turning BRAC from a newcomer in Africa into something of a prodigy.

The book challenges the idea that NGOs must be small and that civil society has inherent limits. It turns standard notions about development, business, poverty alleviation, and management on their head. And it confronts the idea that the drivers of development in poor countries must inevitably come from abroad, above, or some other place than the midst of the people who are to be developed. In that sense, the book is not just about BRAC and Bangladesh. It is about the entire development enterprise and what it must learn if it is to end poverty.

In 1941, addressing the United States Congress, Franklin D. Roosevelt spoke of four freedoms. The first two were freedom of speech and freedom of religion; the fourth was freedom from fear:

The third is freedom from want, which, translated into world terms, means economic understandings which will secure to every nation a healthy peacetime life for its inhabitants—everywhere in the world.

He was wrong when he said that this was “no vision of a distant millenium,” but BRAC is demonstrating that what Roosevelt described in 1941 is possible today. “It is a definite basis for a kind of world attainable in our own time and generation.”