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The Architecture of Audacity:

Assessing the Impact of the Microcredit Summit Campaign

In 1997, a dozen heads of state[1] joined almost 3,000 participants from 137 countries in Washington, D.C. for the world's first Microcredit Summit. During the summit, all agreed on an audacious objective: 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 end of 2005. Now, almost 10 years later, we take stock of the Microcredit Summit Campaign (also called the MCS Campaign, the MCS, or "the Campaign") and its efforts to reach this goal by examining its history, its impact so far, and the path forward.

The Campaign's most recent published report states that by the end of 2005, 3,133 microfinance institutions (MFIs) had reported reaching over 113 million clients, 82 million of whom could be classified as "poorest" when they took their first loan. Of these poorest clients, almost 85% were female. Based on the MCS's calculations, and assuming five persons per family, the 82 million poorest clients reached by the end of 2005 had an impact on approximately 410 million family members. These results are quite close to the Campaign's goal—and they probably underestimate the total served by microfinance globally, based as they are on data from only those MFIs that have reported to the MCS.

This paper assesses the Microcredit Summit Campaign as an international social movement.[2] We describe how, in this instance, a bold commitment translated over the period of a decade into action at a global scale, and became manifest in the development of a complex and collective network. This network has provided the social and political capital necessary for different members of what was once a new field to mobilize resources and areas of support, and ultimately realize the

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Campaign's goal. We differentiate between two aspects of the Campaign: it is both an organization that has played a leading role in leveraging new ideas and transforming microcredit's role in international development, and a collective social movement that draws critically on all its participants to create enduring change in the microfinance field.[3]

We begin this paper by briefly reviewing the history of the field and the context in which the Campaign was born. We pay particular attention to the origins of the Campaign's organization—its leadership, strategies, and vision—and how it acted as an institutional entrepreneur for microfinance.[4] Next, we examine the Campaign's accomplishments and the role it plays in the industry and field of microfinance. Finally, we look to the future and the potential impact of the Campaign's new goals for 2015. We discuss the ways the Campaign will continue to contribute to microfinance's growing legitimacy by bringing together diverse stakeholders, brokering new ideas about the role of microfinance in alleviating poverty and reaching women, and helping to institutionalize these ideas by connecting them to the overarching mission of international development.

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HISTORY OF THE MICROCREDIT SUMMIT CAMPAIGN

Much has changed in the landscape of financial services for those who are least privileged in the world's economic hierarchy. Three decades ago, when the field's pioneers were promoting microcredit as a strategy for eradicating poverty, microfinance was still a small niche in the international development field.[5] In fact, the terms "microfinance" and "microcredit" did not come into wide use until the mid-1990s. The concept's origins were fueled by several successful independent "experiments" that were designed to increase financial sector access for the poor. Among these experiments were Acción International's initial work in Brazil in the 1970s,[6] the founding of SEWA Bank in 1974,[7] the start of the Grameen Bank project in 1976,[8] the launch of Women's World Banking (WWB) in 1979,[9] and FINCA's implementation of village banking in the 1980s.[10] Important pioneering work was also done by nongovernmental institutions (NGOs) and commercial banks such as Bank Rakyat Indonesia microbanking (Unit *Desa*),[11] K-Rep (Kenya), Bangladesh Rural Advancement Committee (BRAC), and Podem/Banco Sol (Bolivia). Each of these organizations demonstrated different, innovative ways to open up formal financial sectors to the poor.[12]

Despite all this activity, a microfinance "field" was just beginning to develop and a globally orchestrated *movement* was only in its nascent stages. Many experts, for example, believed that the demand for financial services among the poor (especially women) far exceeded supply—but no industry had yet developed to resolve the shortage. Multi-donor organizations such as the Consultative Group to Assist the Poorest (CGAP),[13] which tried to scale microfinance to widen the market for microfinance, were just beginning to form in 1995.[14] Likewise, the demand for trained microfinance practitioners was also exceeding supply. Just 20 years ago few academic institutions offered degree programs—or even classes—in what we now call microfinance, but today a simple Google search will reveal a plethora of options for professional study, from MBA programs to courses in microfinance training.[15] Furthermore, the impact of microfinance and the practices of microfinance institutions (MFIs) were previously very difficult to track. No institution assembled this information in a single place, not even donor advocates. Similarly, the field had no overarching objectives or vision to bind it together. By 2005, we would indeed see dramatic progress in expanding financial sector access, but the climate and context in which the Campaign was formed were comparably inchoate.[16]

Key to building a global microfinance field was helping poor women to use microcredit effectively, an idea championed by advocates in the women's rights and social justice movements. In 1995, two years before the first Microcredit Summit, the United Nations organized a series of summits and conferences that culminated in the gathering of the largest number of heads of state, government representatives, and civil society participants to develop action plans to solve the problems of the most vulnerable, the unemployed, and the socially excluded.[17] In 1995, at the U.N. Fourth Conference on Women in Beijing, women were considered a special topic because of lingering widespread inequalities, poverty, oppression, violence, and discrimination.

It was during the Beijing conference that women's role in the labor market, particularly the informal labor market, began to receive increased international attention.[18] Although the role of female labor in developing countries had been slowly changing since the 1970s, the idea of the female "entrepreneur" was relatively new and growing quickly. Perhaps it is not surprising, then, that microcredit—which several MFIs had already shown to be an effective strategy to support poor, self-employed women—started to receive increased interest and consideration in international development debates. Nevertheless, governments failed to agree on any measurable goal or specific action.[19]

Setting the 100 Million Goal[20]

FINCA founder John Hatch had seen his organization's village banking methodology, as well as Grameen's, begin to spread around the world, especially among women. In 1994, he watched momentum for women and microfinance build during the negotiations for the World Conference on Women (Beijing) agreement and the World Summit on Social Development (Copenhagen) but noted that no clearly quantifiable objectives had been set. In response, he wrote a bold new concept paper about holding a microcredit summit "gathering" that would endorse a global goal of reaching 200 million of the world's poorest people with microcredit. Hatch, then a member of the Board of Directors of RESULTS,[21] a political advocacy organization to generate the will to end hunger, shared the paper with Sam Daley-Harris, president of RESULTS, who would later become the founding director of the Microcredit Summit Campaign. Daley-Harris, inspired by the goal, showed it to Grameen Bank founder Muhammad Yunus, also an active member of the RESULTS Board.[22] Yunus embraced the goal, but recommended that it be reduced to a more achievable 100 million families. With 100 million in mind, Daley-Harris—also a proven social entrepreneur like Hatch and Yunus—moved into action, although many people advised him to further reduce the goal by as much as a half.

To take on the challenge of reaching this unprecedented goal, Daley-Harris decided to organize a citizen's process that would "mimic" the U.N. summit process by holding preparatory committee meetings ('prep coms') to negotiate an action plan and by organizing a global summit for 1997. According to Daley-Harris, in 1995 the U.N. had no agency that could advocate for microcredit with an authority equal to, for example, children's well-being (UNICEF), reproductive health issues (U.N. Population Fund), and the planet's environment (U.N. Environmental Program).[23] Thus, in a bold attempt to increase advocacy for microfinance, Daley-Harris organized the first prep com of the Microcredit Summit Campaign in November 1995; more than 100 participants began drafting an action plan.[24] Importantly, he had assembled an Organizing Committee that accepted the goal as given.[25] The core themes at the start were a dual focus on women and the poorest, and developing financially self-sufficient institutions to deliver credit and other business and financial services.

These themes were built around prevailing "myths'; the MCS felt that three were particularly damaging:[26]

Myth 1: Microfinance institutions cannot reach the poorest because they are too costly to identify and motivate.

Myth 2: If any institution succeeds in reaching the very poor, it cannot become financially self-sufficient.

Myth 3: An institution that somehow manages to reach the very poor and become financially self-sufficient will only be adding a debt burden to those families.

MCS used these myths—and the need to challenge them—as a framework. Thus it created a quality component to match the quantity component in its goal of reaching 100 million people. It reasoned that it would not have a deep, long-term effect on reducing poverty if it were in fact to reach 100 million, but none of them were the very poor, few were women, and the financial institutions were not sustainable. This strategy was a significant shift away from the way traditional aid agencies supported "projects'—which was usually for three years—toward one of building sustainable, scalable financial institutions. In fact the Grameen and SEWA banks were even owned and governed by the women themselves. Furthermore, by deliberately calling into question some of the field's dominant ideologies, the Campaign could juxtapose them with alternatives and re-frame them as opportunities to "do better." Rather than ignoring the myths, the Campaign incorporated them into its plan of action and strategy.

After the first prep com, Daley-Harris and his Organizing Committee were challenged at a 1996 meeting in the U.K. about their inherent assumption that these plans would have an impact. In response, the MCS added a fourth core theme—achieving impact—at its second prep com in November 1996. Also at the second prep com, some participants attempted to change the name of the Campaign from microcredit to microfinance. But Yunus and other participants resisted the change; they argued that the measure of progress was the number of people who actually receive a loan for productive purposes and whether they met the agreed definition of "poorest" at the time of their first loan; the measure should not be the numbers who have savings accounts, or access to training or other business development and financial services. In their view, it was not a debate about the inclusiveness of microfinance or what poor people need; as a result, the "microcredit" name remained intact.[27] Here again the MCS challenged the dominant rhetoric in the field and showed that it contained within itself the full potential that microfinance could achieve.

In addition, the Campaign had to clarify what it meant to reach the "poorest families'; on this issue it "would not buckle."[28] Directly calling into question all the myths, especially the second one, the Campaign was vehement about prioritizing the goal of scaling up to reach the poorest, and rigorously measuring progress towards that goal. Its insistence on this goal ignited a debate that cast the Campaign as "an inspiration to some and an irritant to others."[29] In its Declaration and Plan of Action, the Campaign adopted the definition that the Policy Advisory Group (PAG) of the Consultative Group to Assist the Poorest (CGAP) had adopted while it was chaired by Muhammad Yunus. The PAG had defined "the poor as those people living below the poverty line established by each country, and the poorest as those people in the bottom fifty percent of that group."[30] For example, at that time in India, 35% of the population (approximately 333 million people) was living below the government's national poverty line.[31] Thus, according to this definition of "poorest," half of them, or approximately 165 million people, would be the Campaign's priority in India to receive microcredit and contribute to achieving its 100-million-family goal. An estimation of India's poverty in 1996, using the so-called "international poverty line," reveals that approximately 400 million people were living on less than \$1/day.[32] Globally, the World Bank estimates that at least 1 billion people were living on less than \$1/day.[33]

The Role of the MCS Campaign as a Social Movement

Despite many challenges, the debate and exchange at the two prep coms served a valuable purpose as they clarified some of the tensions around the specific goals. In 1997, the MCS convened the original Microcredit Summit in Washington, DC. The summit is widely cited as a landmark event in the history of microfinance; changes were felt almost immediately, and in the years to follow, around the world.[34] Although it is impossible to isolate its specific impact, the MCS Campaign deserves significant recognition for generating a global "carambola" effect that created a mobilizing platform from which it emerged as a social movement.[35] Indeed, a definition of social movements provided by well-known social movement theorists, "organized collective endeavors to solve social problems,"[36] aptly captures the Campaign's role. More specifically, the summit came to represent the convergence of three factors that are instrumental in the emergence and development of social movements: it mobilized structures (by strengthening the networks of organizations and individuals in the field), it created political opportunities (by generating unprecedented international exposure), and it framed processes (by giving the field a goal to rally around).[37]

Once the global movement was galvanized, the Campaign increased the post-summit momentum by working to legitimize and institutionalize microfinance and, more specifically, its own goals. For example, it took a lead role in disseminating and interpreting the growing amount of available data on the impact of microcredit. Several organizations and institutions were already involved in impact assessment; for example, the United States Agency for International Development (USAID) began implementing its well-known Assessing the Impacts of Microenterprise Services (AIMS) Project in 1995 to give practitioners new tools for measuring impact and evaluating institutional effectiveness. Meanwhile, academics explored new econometric modeling techniques to study the impact of microfinance, in addition to qualitative, anthropological studies of borrowers and their families. One of the most influential quantitative studies was conducted by World Bank economist Shahidur Khandker and Brown University economist Mark Pitt. Their quasi-experimental design was novel for its econometric sophistication in addressing causality.[38] Helen Todd used an ethnographic approach to study microfinance's impact on women; in *Women at the Center* (1996) she also produced important findings about poverty, nutrition, and schooling differences between Grameen Bank households and comparison groups.[39]

The Campaign was instrumental in supporting a productive debate on such studies by commissioning papers on impact assessment,[40] featuring impact projects in its widely-circulated newsletter,[41] and convening annual meetings. Women's high loan repayment rates, which the Campaign noted consistently in its annual reports, also attracted attention; now women and their allies could demand that women's entrepreneurial and financial skills be taken seriously by the international development community. The Campaign also made its priorities clear: it believed in helping aid agencies and academics to improve impact studies of microcredit—which represent a constant struggle between rigor and cost-effectiveness—but it would not allow such research work to slow down the movement or delay the expansion of the field. For the Campaign, the overall evidence that microcredit had an impact, as reported by MFIs, spoke for itself. And increasingly, the field—and the wider public—began to understand and observe powerful connections between the use of microfinance and household gains in, for example, education, nutrition, and ability to mitigate family crises.

Although the Campaign was a citizen-led process, not an intergovernmental one, it also benefited from the involvement of the U.N. and its member states during and after the 1997 summit. For example, several heads of state and the heads of the UNDP, UNIFEM, IFAD, and the ILO all spoke at the summit. Moreover, among the participants on the MCS Advisory Council were the heads of governments from Peru and Mexico and ILO's Juan Somavia, IFAD's Lanart Bage, and UNIFEM's Noeleen Heyzer. Furthermore, in December 1997, the U.N. General Assembly passed resolution 52/194 on the role of microcredit in the eradication of poverty; in 1998, it passed resolution 53/197 declaring 2005 the International Year of Microcredit.[42] In the Program of Action for the International Year of Microcredit, the General Assembly recognized "the need to facilitate the access of people living in poverty, especially women, to microcredit and microfinance to enable them to undertake microenterprises so as to generate self-employment and contribute to empowerment." Urging strong observance of the U.N. Year, it emphasized that it would "provide a significant opportunity to raise awareness of the importance of microcredit and microfinance in the eradication of poverty, to share good practices and to further enhance financial sector developments that support sustainable pro-poor financial services in all countries"; thus it invited "Member States, relevant organizations of the U.N. system, non-governmental organizations, the private sector, and civil society to collaborate in preparation for the observance of the Year and to raise public awareness and knowledge about microcredit and microfinance."[43]

The U.N. prepared to observe the Year in 2005, with U.N. Capital Development Fund (UNCDF) serving as its secretariat, by forming an International Advisory Council and agreeing on objectives. In contrast to the MCS Campaign, it did not include any quantity-driven goals. Instead, in 2004, the U.N. established goals that would be implemented according to the priorities of member states and national committees: (1) assess and promote the contribution of microfinance and microcredit to the Millennium Development Goals; (2) increase public awareness and understanding of microfinance and microcredit as vital parts of the development equation; (3) promote inclusive financial sectors; (4) support sustainable access to financial services; and (5) encourage innovation and new partnerships by promoting and supporting strategic partnerships to build and expand the outreach and successes of microcredit and microfinance.

By most accounts, the U.N. Year succeeded in raising awareness among a wider spectrum of public and private sector actors about the need for inclusive financial services.[44] It also made it easier for microfinance-related events—even small ones—held that year to get accreditation from the secretariat, which significantly increased the level of buy-in and awareness.[45] The Year was also extremely important to the Campaign, and vice versa, because the U.N. formally recognized that access to microcredit and microfinance can contribute to achieving the goals and targets of major United Nations conferences and summits, including those contained in the United Nations Millennium Declaration, and "in particular the targets relating to poverty eradication, gender equality, and the empowerment of women."[46] The objectives of the Year confirmed that the Campaign, as a movement, had been legitimized by global institutions. Not only had the Campaign convinced many that microcredit is a materially important strategy, if not the most important in alleviating poverty, then possibly one of the most scalable strategies; it had also institutionalized progress toward its 100 million goal.

Further legitimization of the Campaign came from an ideological strategy it had pursued from the beginning, which was based on its "novel" view of microcredit. For the Campaign, advocating for microcredit meant helping people to understand that it is an *inclusive* mobilizing structure to fight poverty—a foundational development strategy that can lead to broad, long-run socioeconomic progress for the poor. This was powerful for two reasons: it freed people from thinking of international development as a zero-sum game and it led to more flexibility and innovation based on the idea that microfinance could be paired with different elements of development to help scale its impact. While many in the field acknowledged that microcredit was not a perfect solution, or a fully validated one, they did see it as better than most others available precisely because it did not preclude other development methodologies from having an impact. The Campaign built on this reasoning and forced the field to ask: "Given our imperfect knowledge and the limited financial resources for development, what is a better alternative to microcredit for reducing world poverty?" The movement the Campaign built is directly based on the idea that microcredit is one of the most effective investments for international development today, whether or not it is used in conjunction with other antipoverty strategies.

THE CAMPAIGN'S IMPACT: CHALLENGES AND SUCCESSES

Ultimately, the social movement galvanized by the summit provoked far-reaching institutional changes. As an organization, the Campaign built on its rapidly growing networks and involved new entrants by spreading the message of its goal and tracking the data on its progress. Nevertheless, despite this broad global advocacy movement—or perhaps because of it—some of its impacts started to become more contentious.

As any movement grows more diverse, it brings into stark relief the contrasting views on how best to lead the field. And it is hardly a secret that the Campaign has consistently sought to bring together those with opposing perspectives in an effort to create constructive dialogue. It made great efforts to secure speakers who could articulate the case for prioritizing the poorest and ensuring an impact—and

Year	Meeting	Site	Delegate Attendance	Countries Represented
1997	Microcredit Summit	Washington, D.C., USA	2,900	137
1998	Global Meeting of Councils	New York, USA	1,000	107
1999	Global Meeting of Councils	Abidjan, Cote D'Ivoire	600	85
2000	First Regional Meeting, Middle East/Africa	Harare, Zimbabwe	580	50
2001	First Regional Meeting, Asia	New Delhi, India	660	32
2001	First Regional Meeting, LA & Caribbean	Puebla, Mexico	600	34
2002	Microcredit Summit + 5	New York, NY, USA	2,000	100
2004	Second Regional Meeting, Asia	Dhaka, Bangladesh	1,200	47
2004	Second Regional Meeting, Middle East/Africa	Amman, Jordan	650	75
2005	Second Regional Meeting, LA & Caribbean	Santiago, Chile	1,100	38
		TOTAL	11,290	

Table 1. Meetings of the Microcredit Summit Campaign

gave those with opposing views a chance to challenge those priorities. Sometimes, these sessions would result in agreement on new ideas or approaches that were previously seen as conflictive. In many other cases, people with opposing views simply aired their perspectives and received feedback from other members of the field. The net effect of this strategy was that the Campaign's role has not been without controversy.

What do these tensions reveal about the Campaign's role in the field and its impact—now and in the future? On the one hand, the Campaign has had an impact by playing a unifying role: setting common objectives, bringing people together at its regional and global meetings, and reaching out to a broad spectrum of leaders in both thought and practice as well as policy-makers, in ways that were usually highly inclusive. From the beginning, the Campaign has challenged everyone involved in microfinance to think harder about how to measure and achieve progress, as Daley-Harris notes: "I felt it was essential to work though the issues—and there were many."[47] On the other hand, the Campaign has sometimes been a polarizing force in the field as its members held a few key issues that they would not allow anyone to oversimplify or "fudge" to reflect more popular, "least common denominator" views. This led to one criticism of the MCS: that those whose

Ten Principles of Jim Grant's Leadership for Development

1. Articulate your vision in terms of inspiring goals.
2. Break down goals into time-bound, doable propositions.
3. Demystify techniques and technologies.
4. Generate and sustain political commitment.
5. Mobilize a grand alliance of all social forces.
6. Go to scale.
7. Select your priorities and stick to them.
8. Institute public monitoring and accountability.
9. Ensure relevance to the broader development agenda.
10. Unleash the full potential of the United Nations system.

goals or delivery methodologies were not consistent with the Campaign's sometimes felt excluded.

Clearly, the Campaign fulfilled a unique and needed niche when it was first formed; it generated a quantum leap in popular awareness of microfinance as an anti-poverty strategy that could be scaled up. No other entity at the time had successfully held an event like the summit, or set such an aggressive goal. But how has that role evolved? And what unique value does the Campaign offer today, as the field becomes more complex with the entrance of profit-oriented private sector players and the development of new funds, specialized rating agencies, and credit bureaus and a real commercial industry takes shape? These are key and still unanswered questions as the Campaign looks to the future, especially now that the field has become more ambitious, with the focus on achieving the Millennium Development Goals (MDGs) by 2015.[48]

To date, the MCS Campaign, as an organization, has used a variety of strategies and tactics to catalyze accelerated collective action towards reaching the 100 million goal and to create impact in other areas. It has organized more than a dozen councils of peers[49] and pressed them to submit MCS Action Plans, while also commissioning papers and books on central themes. It has held plenary sessions in multiple languages and recorded all the sessions to make the learning available to others. Furthermore, it has generated significant new attention and learning opportunities related to popularizing existing poverty assessment tools, conducted workshops around the world that introduced thousands to the use of those tools, and published annual monitoring reports that generated enthusiasm (and a spirit of progress and teamwork) among practitioners as well as press coverage globally.

In addition, the Campaign has built a mailing list of over 10,000 and regularly communicates by email in at least three languages. For instance, the MCS e-news

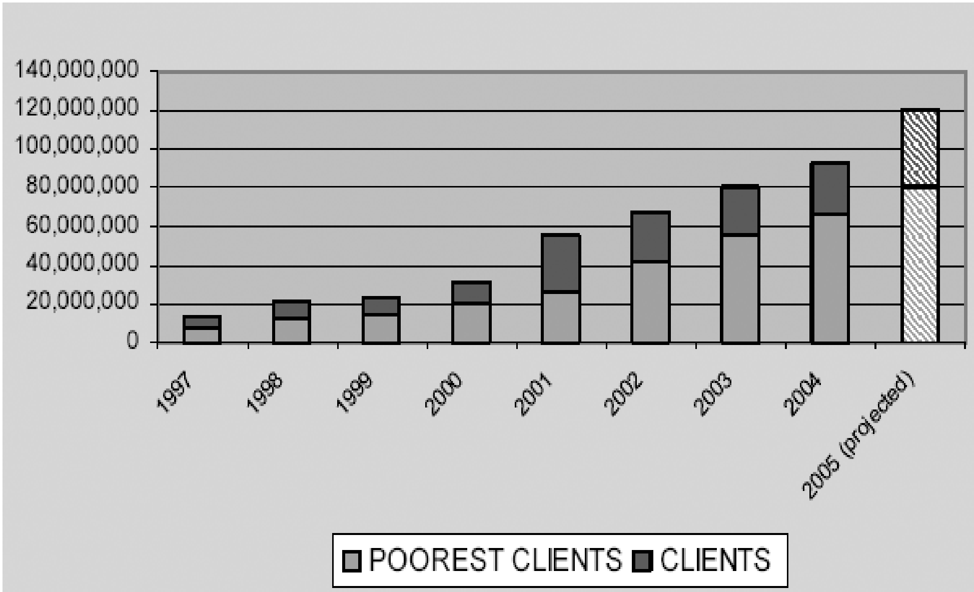

Figure 1. Clients reached by MFIs as reported to the Campaign (1997-2005).

bulletin, which includes excerpts of workshop sessions on good practice, is delivered in four languages to 14,000 leaders—the largest circulation in the field. Finally, its meetings are the most highly attended in this field with 2,000 to 3,000 people participating in the global summits and 800 to 1,200 attending the regional summits (see Table 1) held around the world, from Santiago, Chile to Dhaka, Bangladesh, to Abidijan, Cote D'Ivoire.

As a result of the Campaign's work, the number of institutions reporting to the MCS has increased steadily from 618 in 1997 to 3,133 in 2005. It is also noteworthy that from 1997 to 2004, the number of the poorest clients being reached (as reported to the MCS by various MFIs) increased at a faster rate (777%) than the total number of clients reached (585%) (see Figure 1). Either the field really is reaching more of the world's poorest, or more of the MFIs with the poorest clients are reporting to the MCS—or both. If the first explanation holds, then the field has improved financial sector access to the poorest; if the second holds, the field has a more accurate accounting of who is being reached. And either result can be counted as a success that the MCS has helped to cultivate.

Moreover, with an average annual budget of only $1,034,089 (from 1997-2004) and an average staff of 10, including regional staff members who serve as full-time consultants (from 1997-2006),[50] the Campaign is among the most cost-effective initiatives in the field. The fact that it accomplished so much with its limited funds offers further evidence that it represents the work of many organizations, rather than a single one. It pursued a goal based on a *vision of reform*. That vision drove its grassroots approach to change. Indeed, as one of the leading social movements in international development, the Campaign has pursued a strategy that parallels, in many ways, that articulated by Kul Gautam, deputy executive director of UNICEF (see text box at left).[51]

Taken together, the data on the Campaign's outreach suggest that its multiple roles—goal setter, progress counter, convener and conference organizer, political mobilizer and advocate, commissioner of new research and writings on core themes, packager of tools, information disseminator, and trainer in best practices—have so far constituted an effective strategy. But how well do Campaign participants think it perform in each of these capacities? Moreover, do their views align with those of Daley-Harris, MCS director? In general, did the Campaign contribute to the "revolution in microfinance and development that reaches and empowers the very poor," to which he frequently referred?

SYNTHESIS: WHAT WORKED AND WHAT DIDN'T 1997-2006

Despite some notable exceptions, our findings from a survey we administered in May 2006 (which can be seen in our full report available on the MCS site, www.microcreditsummit.org under papers commissioned for the 2006 Summit in Halifax) and interviews with thought leaders in the field suggest that the Campaign has generated significant impact. How, then, to explain the strong critique of the Campaign from some microfinance specialists and donors? We find that, in the majority of cases, the main criticisms of the MCS have little to do with its impact, but more to do with its processes as an organization. For example, some critics have asked: is there a Campaign that exists beyond Sam Daley-Harris? Or is it just a vehicle for him to state his views on microfinance? Similarly, to what extent does Daley-Harris, and/or the MCS, take too much credit for changes in the field that were based on others hard work? Others claim that the MCS has not kept pace with changes and new directions in the microfinance movement. For example, some argue that the MCS continues to rely on emotional, anecdotal evidence to make its points and carry out its advocacy when the industry currently needs more technical rigor.

The Campaign has also been criticized for focusing too sharply on lobbying efforts—and forgetting the role it plays as a visionary and/or advocate for practitioners. Similarly, some feel it is too dogmatic, zealous, or combative in pursing policy reform (particularly in the aid agencies of G-8 countries and the IFIs) to be consistent with the goals of the summit. Some donors, for example, have said that they felt abandoned because of what they felt were the Campaign's sharp, unfair and oversimplified criticisms of valid compromises. Further tension has arisen from the debate over reaching the poorest versus creating financial sustainability—and whether or not this is a false dichotomy. To this end, the MCS has been criticized more generally for not giving due weight to the views of a broad spectrum of practitioners—the people on the ground—in pursing its policy reform agenda and synergizing with the related efforts of RESULTS, the Microenterprise Coalition, and others.

Finally, the Campaign has also had to engage with various skeptical experts in international development. For example, Thomas Dichter has criticized microcredit generally, as "an almost perfect case of a phenomenon that has come to characterize much of development assistance—a widening gap between reality and propaganda."[52] Dichter goes on to disparage the movement for claiming impact despite the lack of rigorous empirical evidence, claiming that the "hype" has even been harmful. While Dichter does not expressly address the MCS, the Campaign has indeed been accused of depending too much on sentimental arguments for microfinance. The Campaign has always had to maintain a careful balance between targeting the world's top political leaders to build political will and supporting practitioners who were actually responsible for microfinance in a given institution or agency.

Further tension has arisen from the debate over reaching the poorest versus creating financial sustainability—and whether or not this is a false dichotomy.

Yet, judged by an array of quantitative measures as well as subjective assessments, the Campaign was—and is—a highly successful global advocacy movement. The Campaign has given microfinance practitioners the world over the opportunity to speak out through papers and panels, and to meet one another at meetings (with a highly successful scholarship program), share experiences, and debate the issues. These voices provide a counterbalance to what is normally heard: the "groupthink" based on the perspectives of western-based aid agencies and networks that often depart dramatically from what is actually happening among the poorest. And it has specifically given voice to those who have committed themselves to microfinance as a strategy for reducing poverty.

The Campaign has embraced and championed the social entrepreneurship inherent in microfinance for the poor by taking on difficult and sensitive topics. Probably the two biggest of these are financial self-sufficiency for poverty-focused MFIs and the importance of setting aggressive goals and cost-effectively tracking progress toward their realization. We believe the Campaign has dramatically changed thinking in these two critical areas. In addition, it is significant that the MCS has sought to aggregate data from MFIs serving the poor as well as the poorest around the world; by distinguishing between the growth rates for each group, the Campaign operated in the spirit of many movements focused on extreme poverty (e.g., the ONE campaign) and academics who decried the inability of international development to effectively prioritize the poorest.[53]

Furthermore, the data that MFIs report is based on loans made to individual clients with real names and addresses collected by practitioners with management information systems. Unlike the $1 a day and $2 a day figures which are based on anonymous econometric models, the MCS data constitutes the first real "bottom-up" census of the world's poorest. To us, this seems like a marked improvement. And imagine the possibilities for greater insight if significant investment is made in tracking their progress out of poverty. The Campaign has also effectively promoted a model that is *scalable and sustainable*—one that makes effective use of philanthropic funds and increasingly taps capital markets as MFIs go through their life cycle. It has also played an important role in redirecting public money to places where, we believe, it will be better spent. This new model is more effective than a traditional giving model that relies on aid donations and government institutions to deliver needed resources to the poor. The Campaign has worked to organize the poorest people to access microcredit—providing a new platform for development. We believe this development is critical: if you have strong organizations and institutions that focus directly on unleashing the potential of the poor, then, through a variety of approaches, you can build other products and services. These may be in business and finance (agricultural inputs, livestock and poultry services, retail marketing outlets, etc.) as well as non-financial (health, education, housing, water, sanitation, etc.).[54] Finally, perhaps the Campaign's biggest achievement—the backdrop for all the others—is having mobilized a global movement around the goal of reaching 100 million of the world's poorest by the end of 2005, a goal that will most certainly be achieved in a year or two.

Would the growth in MFI outreach have happened anyway, without the steady drumbeat of the Campaign? This is methodologically impossible to answer: we cannot observe the counterfactual. Certainly a natural momentum was building around the world in microfinance, but correlation is not causation. It is hard to say whether the field would have evolved to be as strong and visible as it is today; however, we think that the Campaign played a significant, catalytic role in accelerating and shaping its growth, in particular, helping to bring the same kind of rigor to tracking social outcomes as other leaders had brought to the issue of measuring financial performance in the mid-1990s.

THE NEXT CAMPAIGN: A NEW VISION FOR 2007-2015

The Microcredit Summit has agreed on two new goals: (1) to ensure that 175 million of the world's poorest families, especially the women of those families, are receiving credit for self-employment and other financial and business services by the end of 2015; and (2) to ensure that 100 million families rise above the $1 a day threshold adjusted for purchasing power parity, between 1990 and 2015. This will ensure that the Millennium Development goal of halving poverty by 2015 is achieved.

In the years ahead, the key challenge for the Campaign will be to help keep the industry focused on measurably reducing absolute poverty as the trend toward commercialization accelerates. As the industry grows rapidly, attracting new entrants, it may well happen that an industry narrowly focused on profits at the institutional (MFI) level will "crowd out" the movement focused on profitability and transformation at the client level—unless Campaign participants are vigilant.

While we may notice some lip-service about promoting client-level sustainability, the orientation of bankers and other professionals focused on profits and financial performance at the intermediary level may come to dominate the field. The Campaign will need to promote the increasing efficiencies that are passed on to the customer in terms of lower interest rates, rather than only maximizing returns to shareholders and investors. Clearly, the industry will need more market-based investment so it has the capital to meet the market demand of those at the bottom of the economic hierarchy; thus it must acknowledge and continue to discuss this tension and the implied trade-offs.

People inside the Campaign have been debating its future role. At the first meeting of the MCS Organizing Committee, a resolution was made that the Campaign not become a fund or raise capital to support the growth and development of practitioners. Whether this decision was driven by fear of competition or judgment about comparative advantages, the committee clearly decided to keep the Campaign focused on advocacy. Later, Daley-Harris took the Campaign into areas of toolkit promotion and training workshops around the themes of measuring poverty and integrating health with microfinance. Should it have done more?

The answer, given its funding and capacity, and its orientation, is probably not. Should the MCS alter its focus somewhat to ensure that its efforts have the greatest impact on poverty? That is, should it focus on the top 50 to 100 poverty-focused MFIs rather than embrace them all? We wonder if this would only duplicate what the market is trying to do now. Unless it dramatically shifts its orientation, the Campaign's current focus seems most appropriate, inclusive, and sensible given its goals. Moreover, the results of our research consistently emphasized the inclusiveness of the Campaign, so we recommend that it stay committed to supporting the entire field—not just one segment—while continuing to bring transparency to the issue of depth of outreach.

Furthermore, we recommend that the Campaign continue its practice of supporting debate on contrasting views in the field. Given its second goal, the Campaign will have to think even harder about impact assessment, so it has an excellent opportunity to work with researchers and others on this issue. The CGAP/Ford Foundation is supporting a highly promising project on social indicators with 34 MFIs who partner with many major networks.[55] MFIs are monitoring their impact on five key goals of the Millennium Development Campaign using an interesting array of proxies. Grameen Foundation has developed the "Progress out of Poverty" tool for the industry. We recommend that the Campaign embrace the best social performance tools and encourage their widespread adoption and reporting to the Microfinance Information Exchange (MIX). At the same time, we feel it is appropriate for the Campaign to continue to challenge those who want to pursue alternative methodologies *at the expense of microfinance*. We see more than enough room for multiple approaches. Microfinance represents one major contribution to the poverty problem, but it cannot solve all problems—so multiple approaches are needed. We recommend that the Campaign push those inside and outside the field to recognize that international development (as we have already said) is certainly not a zero-sum game.

Exciting developments are occurring in the field of microfinance. It is rapidly expanding, attracting top-tier talent, news coverage, and unprecedented levels of capital. Banks that once shunned borrowers without collateral are now exploring hybrid and partnership models. Every day another group pilots an innovation, and some actually announce breakthroughs. Advances are being made in other areas: developing open-source software to create management information systems for microfinance (Mifos), tapping the powerful flows of remittances, developing new insurance models to help the poor mitigate against natural disasters and other risks, and experimenting with peer-to-peer lending through the Internet—to name just a few. In addition to the indicators we have outlined as signs of the field's explosive development, we are encouraged by the many speeches being made around the world about the future shape of this industry, movement and field.

The very act of imagining very different and bold futures generates strength and enhances creativity. We recommend that the Campaign build in an explicit goal for 2015 on bringing together and sharing the most innovative new tools and applications for microfinance. These new tools may include the Internet, smart-cards, cell phones, open source software, and community exchange. We think the Campaign—as the largest and most diverse microfinance network in the world—can facilitate more sharing: of tools, tool kits, ideas, software, processes, training tools and manuals, and best practices. These can all be shared in one online location through blogs, wikis, open-source sites and other avenues our collective imaginations will dream up in the years ahead.

We further recommend the Campaign play this role to *fairly and broadly distribute new opportunities and innovations across the field* so as to build an even stronger movement to eradicate poverty. We see the MCS niche as a movement player rather than an industry player, guided by its own competitive analysis and positioning. The Campaign's real strength is its capacity to band the industry together in a global cause that enables groups to resist becoming cynical and to transcend each of their organizational goals. We strongly believe that without the Campaign building cohesion around a global social movement, separate organizations would have been consumed with building their own capacity in an atomized industry. By building a movement, the Campaign has increased social and organizational capacity and created what we call superadditivity. That is, its community is far more than the sum of its parts.

Leadership is well distributed around the world. No one region has a monopoly on knowledge, though some have made greater advances than others. Unlike other approaches in development, microfinance does not seem to have one recipe or model flowing from the North to the South.[56] It is truly a bottom-up approach, in stark contrast to most of the top-down approaches in vogue in Western aid models of poverty alleviation. In comparison, microfinance seems more robust, more adaptable to local needs and more cost-effective, given the constant checks and balances on its effectiveness through sustainability measurement. MFIs must adapt and improve, and thus become sustainable and responsive to market demand, or they must die—and they cannot waste great amounts of money like some development projects financed by government aid. So-called "expert-engineered solutions" often guzzle billions before data is made available about their effectiveness (if it ever is). They are more like the discredited former Soviet planned economy. Alternatively, microfinance is a new breed of capitalism for the poor.

The Campaign is truly a global movement based on the knowledge gained from poor women's survival skills and entrepreneurial abilities. It has reminded us through its reports and films that the very strategy of microcredit has the poorest women's fingerprints all over it. The Campaign's tradition of opening most plenary sessions with a short video of a microfinance client has been criticized as emphasizing anecdote and emotion over substance and data, but in fact it has helped humanize and ground both the discussions and the policy-makers who have them, especially because some spend little if any time with poor women. This tradition honors their capabilities and recognizes that development is about having greater choices. The Campaign is well positioned—as a major node spanning diverse networks of practitioners, donors, academic institutions, and others—to be the perfect bridge to support these developments.[57] Like few others, the Campaign has demonstrated that it can create the will to take an idea, most notably the ground-breaking 100 million goal, and catalyze the international community to achieve it with very limited resources. We predict we will see it having more impact on the larger trends related to poverty and other Millennium Development goals. It will be studied by students of social innovation and serve as a model for other global campaigns. We look forward to a vastly different landscape in 2015.

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1. This number includes first ladies, former heads of state, and members of royal families.
2. Research on collective action and international social movements abounds, particularly in sociology, and has focused on indigenous movements, transnational movements, cultural movements, and grassroots movements. Studies of social innovation in the international development literature frequently mention microcredit as one of the global "success stories."
3. We define the microfinance "field" as constituting an even larger, more interconnected and interpenetrated, system of individual actors, organizations, norms, rules (e.g., legislation), and networks that exist in relation to one another. On the other hand, we define the microfinance "industry" as consisting of for-profit and non-profit professional organizations that primarily define themselves as "in the microfinance business."
4. The specific term "institutional entrepreneurship" refers to the activities of actors who have an interest in a particular institutional arrangement and who leverage resources to create new institutions or to transform existing ones (DiMaggio 1988). Dimaggio, P.J. (1988), "Interest and

agency in institutional theory", Institutional Patterns and Organisations, Ballinger, Cambridge, MA. In this paper, we make the case that the MCS is also led by a social entrepreneur, Sam Daley-Harris.

5. Some scholars suggest that microcredit and microfinance have a much longer history than the last three decades, depending on how they are defined. For example, Seibel (2003) suggests that the concept's beginnings in Europe were "informal and small-scale" and attributable to "tremendous increases in poverty since the 16th century" (pp. 1). Van Bastelaer, in "Does Social Capital Facilitate the Poor's Access to Credit," also provides relevant information on the history of microcredit. In this paper we specifically refer to the microfinance field that, in the 20th century, coalesced around the central idea of increasing financial market access for the poor, particularly collateral-free credit for the poorest in developing countries. Three to four decades ago, members of the field were likely not conscious of any prior history, nor would they have thought it relevant. A more thorough investigation of microfinance's history is beyond the scope of this paper. For more information, interested readers can refer to the papers of Seibel, <http://www.uni-koeln.de/ew-fak/aef/08-2005/2003-5%20History%20matters.pdf>, or van Bastelaer, <http://www.irisprojects.umd.edu/socat/papers/SCI-WPS-08.pdf>.
6. Acción International was founded in 1961 by Joseph Blatchford with projects in Peru, Venezuela, Colombia, and Brazil. But only in 1973 did Acción initiate its first microlending program in Recife, Brazil. The organization's website says, "[t]he experiment in Recife was a success. Within four years, the organization had provided 885 loans, helping to create or stabilize 1,386 new jobs." See <http://www.accion.org/about_our_history.asp> for more information. It does not say if this experiment continued.
7. SEWA was founded in 1972 by Ela Bhatt as a trade union that supports working women in "development" and "struggle" activities. SEWA Bank, a sister institution, was created in 1974 and provides savings and lending products and services to poor women entrepreneurs. See <http://www.usaidmicro.org/pdfs/aims/india.pdf> for an informative AIMS study of SEWA from 1999. See <http://www.sewabank.org/> for the organization's website.
8. In 1976, Professor Muhammad Yunus began the Grameen Bank Project in Bangladesh. Now a full-fledged bank owned and governed primarily by its very poor members, it serves over 7 million borrowers in Bangladesh and has been replicated or emulated in over 100 countries.
9. Ela Bhatt from India, Ester Ocloo from Ghana and Michaela Walsh from the U.S. met at the 1975 World Conference on Women in Mexico City and, with others, agreed to form an organization to increase women's access to credit. Walsh registered and led Women's World Banking from 1979 to 1990 as it developed some 50 affiliates in 40 countries. Bhatt and Ocloo served on its board.
10. Founded by John Hatch in 1984, FINCA (Foundation for International Community Assistance) is a nonprofit agency best known for having pioneered the "Village Banking method"—one of the major forms of microcredit—and for overall leadership in microfinance. See <www.villagebanking.org>.
11. For information on BRI, see Marguerite S. Robinson (2001), *The Microfinance Revolution: Sustainable Finance for the Poor—Lessons from Indonesia, the Emerging Industry*, The World Bank and Open Society Institute, 2001.
12. CGAP Focus Note No. 1 (1998) makes reference to some of these institutions. See: <http://www.cgap.org/portal/binary/com.epicentric.contentmanagement.servlet>.ContentDeliveryServlet/Documents/FocusNote_01.pdf.
13. CGAP was originally launched in 1995 as the "Consultative Group to Assist the Poorest." It is now called the "Consultative Group to Assist the Poor." It currently consists of the Consultative Group of Member Donors, the Executive Committee, the Investment Committee, and the CGAP staff.
14. In Focus Note No. 1 (1998), CGAP writes that "Despite the growing number of microfinanceinstitutions (MFIs), back-of-the envelope calculations indicate that they have penetrated less than 2 percent of the total market for microfinance services. The Consultative Group to Assist the

Poorest (CGAP) is a multi-donor effort to broaden and deepen the success of the work done by pioneer institutions…" See http://www.cgap.org/portal/binary/com.epicentric.contentmanagement.servlet.ContentDeliveryServlet/Documents/FocusNote_01.pdf.

15. For example, the Microenterprise Development Institute—New Hampshire (MDI-NH) was founded in 1999 and the Microfinance Management Institute was founded in 2003. According to the latter's webpage, "Leading experts in microfinance agree that insufficient management capacity and a relative dearth of technically skilled human resources are among the key constraints to the growth and outreach of the global microfinance sector" (http://www.themfmi.org/aboutMFMI.php). In addition, U.S. universities such as Tufts University, American University, and the George Washington University have all begun to offer courses in microfinance.
16. The trajectory for microfinance is not unlike the birth of many industries and new fields. For example, consider the history of the Internet, which had its public debut as ARVANET in 1972, and the development of the World Wide Web in the early 90s; they had a clear impact on the birth of new industries and have grown exponentially since the founding of Google in 1997.
17. The World Summit on Social Development was held in March 1995 in Copenhagen after three preparatory committee meetings ('prep coms'); the United Nations" 50th Anniversary Summit was held in New York in October 1995. Both were record-setting gatherings of heads of state exceeded only in 2000 at the U.N. Millennium Summit. The U.N. Fourth World Conference on Women in Beijing brought together an estimated 50,000 people, mostly women from across the globe, including officials from 189 governments, and 5,000 representatives from 2,100 non-governmental organizations (http://www.un.org/geninfo/bp/women.html)
18. The Beijing Platform for Action included several key recommendations related to women and labor. Three are: facilitate women's equal access to resources, employment, markets and trade; eliminate occupational segregation and all other forms of employment discrimination; and promote women's economic rights and independence, including access to employment, appropriate working conditions and control over economic resources. See http://www.un.org/womenwatch/daw/beijing/platform/index.html for more information.
19. The International Coalition on Women and Credit, which was—and still is—comprised of some of the world's leading microfinance institutions, participated in the Beijing process and raised awareness about women and microcredit. Since 1994, Women's World Banking WWB has served as its Secretariat.
20. Much of the information in this section is based on conversations with Sam Daley-Harris and his book, Reclaiming Our Democracy (Camino Books 2004).
21. The RESULTS Educational Fund, the sister organization of RESULTS that counts the Microcredit Summit Campaign as its project, "is committed to educating the public, the media, and leaders about issues related to poverty and hunger in the United States and abroad." See http://www.results.org/website/article.asp?id=19 for more information.
22. RESULTS first learned of the Grameen Bank in 1985 and was introduced to Dr. Muhammad Yunus in 1986 when he spoke before a joint session of the U.S. House Banking Subcommittee on International Development Institutions and Finance and the House Select Committee on Hunger. In 1990, Grameen Bank was featured on the television show 60 Minutes, which noted that "Yunus was leading a movement that goes beyond the borders of Bangladesh." He established Grameen Trust in 1989 and began publishing Grameen Dialogue to support those interested in replicating the Grameen approach around the world. See Khalid Shams (editor), "Emerging Ideas, Concepts and Theories: How the Message of Grameen Credit Spread around the World," and "The Replication Experience," in Volumes I and II respectively of Collected Essays and Stories from Grameen Dialogue newsletter issues 1-50, Grameen Trust, 2005.
23. The ILO, IFAD, UNDP, UNIFEM, UNCDF and World Bank were all involved but did not have a coordinating mechanism or single "voice" on microfinance. While Daley-Harris tried to include the 100 million goal in the objectives of the 1995 Social Summit in Copenhagen, he entered the negotiating process too late and was told that they were not accepting new goals. Information

taken from a new chapter written for the 10th anniversary edition of Reclaiming Our Democracy (Camino Books 2004) by Sam Daley-Harris.

24. John Hatch's original 6-page paper, which was based on the 200 million goal, was used as a first draft for what would eventually become the MCS Declaration and Plan of Action.

25. The members of the first Organizing Committee were John Hatch, founder of FINCA; Muhammad Yunus, founder of Grameen Bank; Ismail Seragleldin, then vice president of the World Bank; Nancy Barry, then president of Women's World Banking; Ela Bhatt, founder of SEWA; Margaret Catley-Carlson, then president of the Population Council; Michael Chu, then president of ACCION; Connie Evans, then president of the Women's Self-Employment Project; William Foege, then president of the Carter Center; Wakako Hironaka, Japan House of Councilors; Ellen Johnson Sirleaf; then assistant administrator for Africa of UNDP (now President of Liberia); and Kathy Waldron, then vice president of Citibank.

26. See State of Microcredit Summit Report 2005, pp. 11. <http://www.microcreditsummit.org/pubs/reports/socr/2005/SOCR05.pdf>.

27. Confusion persists over the kind of access the poor has to financial services. Before publishing an Occasional Paper (no. 8) on the future of microfinance, CGAP found that the paper's findings were being so misinterpreted that it requested that it not be cited without clarification of the following point: "there are over 750 million accounts in various classes of financial institutions… generally aimed at markets below the level of commercial banks, and … some substantial fraction of these institutions" clients are probably poor or near-poor…the message is not that the task is nearly done…but rather that these institutions represent an important potential opportunity" (p. 1). A link to the full paper, published in July 2004, can be found at www.cgap.org/docs/OccasionalPaper_8.pdf. To quantify progress toward its goal, the MCS counts clients with a current loan. The MCS asks practitioners to report how many savers they have, as well as their average savings; however, this information is not counted toward the goal because of the conscious decision to reach the poor with, specifically, credit.

28. Citation taken from a new chapter written for the 10th anniversary edition of Reclaiming Our Democracy (Camino Books 2004) by Sam Daley-Harris.

29. Ibid.

30. Please see footnote 12 for more information on CGAP. It is noteworthy that in 2004, the U.S. Congress passed the Microenterprise Results and Accountability Act, which defines the "very poor" as those living on less than US $1 per day per capita—adjusted for purchasing power parity (PPP)—or those who are in the bottom half of those under the poverty line in their country.

31. Statistics from World Health Organization; please see <http://w3.whosea.org/eip/tab19.htm> for more information. The Indian government defines its poverty line in terms of the per capita monthly expenditure required to attain some basic nutritional norm. While the calorie norm was fixed at 2400 kcal per capita in the rural areas and 2100 kcal per capita in the urban areas, in 1993, the Planning Commission of India decided to set separate poverty lines for each state (Dhongde 2003). For this reason, national averages should be interpreted cautiously. Shatakshee Dhongde's paper can be found at:
<http://www.economics.ucr.edu/seminars/spring03/Shatakshee%20Dhongde05-21-03paper2.doc>

32. Information is from U.N. Common Database (UNCDB), based on a series from the World Bank's World Development Indicators (WDIs). In 1996, 42.25% of India's population was estimated to be living on under $1/day. The World Bank uses the "less than $1 per day threshold" (which is $1.08 in 1993 dollars, adjusted to account for differences in purchasing power across countries) to define extreme poverty. Though it is widely used, considerable debate exists in the international development community about the validity and utility of the $1/day measure.

33. An excellent overview of world poverty statistics from 1981 to 2001 can be found at <http://devdata.worldbank.org/wdipdfs/table2_5.pdf>.

34. By 2000, for example, the U.N. had voted to amend the Beijing Declaration and Platform for Action and use the term "microcredit" in several recommendations. This resolution was adopt-

ed by the General Assembly during the 23rd special session, 10th plenary meeting, June 10th, 2000.

35. Carambola is a Spanish term used in billards: to strike one ball so that it hits two other critical balls in a single shot.
36. Rao, Morrill, and Zald (2000: pp. 244).
37. Adopted from McAdam, McCarthy, and Zald (1996: pp. 2) and Scott et al. (2000: pp. 170). Doug McAdam, John D. McCarthy, and Mayer N. Zald, "Introduction: Opportunities, Mobilizing Structures, and Framing Processes — Toward a Synthetic, Comparative Perspective on Social Movements," in McAdam, McCarthy, and Zald, Comparative Perspectives on Social Movements (Cambridge, 1996), pp. 1-20. Scott, W.R. , Ruef, M., Medel, P., and Caronna, C. (2000) Institutional Change and Organizations: Transformation of a Healthcare Field, Chicago, IL, University of Chicago Press.
38. "The Impact of Group-Based Credit Programs on Poor Households in Bangladesh: Does the Gender of Participants Matter" (1998) Pitt, Mark and Khandker, Shahidur ,"The Impact of Group-Based Credit Programs on Poor Households in Bangladesh: Does the Gender of Participants Matter?" Journal of Political Economy 106 No. 5 (1998): 958-996. Although the paper's model and data were challenged, it encouraged many other scholars to apply similar—and even more sophisticated—modeling techniques. Furthermore, Khandker eventually improved the model, publishing an update to the study in 2003. Khandker, Shahidur, "Micro-Finance and Poverty: Evidence Using Panel Data from Bangladesh." World Bank Economic Review, forthcoming, 2005. Please see Nathanael Goldberg's excellent review of the impact literature, "Measuring the Impact of Microfinance: Taking Stock of What We Know" (2005), available at http://www.gfusa.org/pubdownload/~pubid=29.
39. While Todd tried to choose representative villages for her study, her objective was not to estimate the impact of microcredit on the average borrower (Goldberg 2005).
40. See Susy Cheston and Larry Reed's paper (1999) at <http://www.microcreditsummit.org/papers/impactpaperH.htm>.
41. For an example, see Monique Cohen's commentary at <http://www.microcreditsummit.org/newsletter/best7.htm>.
42. Resolutions 52/194 and 53/197 were both introduced by Ambassador Anwarul Chowdhury, who was at the time representing Bangladesh. He had participated in the Microcredit Summit in November 1997 and was instrumental in securing the participation of Bangladesh's Prime Minister, H.E. Sheikh Hasina. He consulted with Muhammad Yunus and Sam Daley-Harris on the idea and strategy for both U.N. resolutions, resulting in the decision to designate 2005, the last year of the Campaign, as the International Year of Microcredit. Both U.N. resolutions refer specifically to the MCS Campaign and its goal. The U.N. had also declared 1997-2006 as the first United Nations Decade for the Eradication of Poverty. Ambassador Chowdhury also arranged to have all the summit documents translated into all six U.N. languages.
43. Citation taken from Resolution 58/221, Program of Action for the International Year of Microcredit, which was adopted December 2003. Please see <http://daccessdds.un.org/doc/UNDOC/GEN/N03/507/78/PDF/N0350778.pdf> for the full text of the resolution.
44. The final report on the U.N. Year can be found online at <http://www.uncdf.org/english/microfinance/documents_and_reports/thematic_papers/yom2005/> and information from the Year's final meeting in November 2005, "Forum to Build Inclusive Financial Sectors," can be found at http://www.yearofmicrocredit.org/pages/getinvolved/getinvolved_forum2005.asp.
45. There were arguably more microfinance events, including conferences, in 2005 than in any previous year.
46. Citation taken from Resolution 58/221, Program of Action for the International Year of Microcredit, 2005, which was adopted December 2003. Please see

http://daccessdds.un.org/doc/UNDOC/GEN/N03/507/78/PDF/N0350778.pdf?OpenElement for the full text of the resolution.

47. Excerpt from a new chapter written for the 10th anniversary edition of Reclaiming Our Democracy (Camino Books 2004) by Sam Daley-Harris.
48. The eight Millennium Development Goals (MDGs) range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2015. They "form a blueprint agreed to by all the world's countries and all the world's leading development institutions" (http://www.un.org/millenniumgoals/).
49. The MCS councils include: heads of state and government, international financial institutions, U.N. agencies, donor agencies, domestic government agencies, parliamentarians, corporations, advocates, non-governmental organizations, religious institutions, practitioners, educational institutions, banks and commercial finance institutions, service clubs, and foundations and philanthropists.
50. The Campaign's biggest sources of income have been foundations, both private and corporate; however, it is significant that the major costs of the six regional summits were borne by local organizers.
51. Cited in Jim Grant: UNICEF visionary, edited by Richard Jolly, UNICEF, 2001.
52. Citations taken from Dichter's "Hype and Hope: The Worrisome State of the Microcredit Movement." The article can be found at http://www.microfinancegateway.org/content/article/detail/31747 and elsewhere. Dichter, who holds a Ph.D., is a long-time practitioner in the international development industry and author of Dichter, Thomas. Despite Good Intentions: Why Development Assistance to the Third World Has Failed. Boston: University of Massacusetts Press, 2003.
53. See for example, Chambers, Robert. Rural Development: Putting the Last First. New York: Longman Scientific and Technical, 1983.
54. For example, in Bangladesh, BRAC has developed program-support enterprises and related institutions and Grameen Bank has spawned a family of independent companies and organizations that share its vision and values to eradicate poverty, in order to address the multiple needs of the poor and widen their opportunities. See www.brac.net and www.grameen.com. The MSC highlighted different models for health education in one of its earlier papers and has commissioned new papers to investigate this theme.
55. The purpose of the Social Indicators Project was to identify a small set of clear, globally comparable, low-cost indicators that would correspond to the five dimensions of the MDGs mentioned above. These "industry indicators" would form a common reporting format that would be used by all MFIs for industry-wide reporting. Of the 34 MFIs participating in the project, 15 are from Asia, 7 from Africa, 9 from Latin America, and 3 from Eastern Europe. Included among the 34 are multiple members of microfinance networks. These include 10 members of the Opportunity International network, 5 members of the Trickle Up network, 4 members of the Pro Mujer network, 3 of the INAFI network, 2 of the FINCA network, and 2 of Grameen Foundation USA. Most MFIs have completed the first round of surveys.
56. An examination of the history of development assistance, including the latest initiatives by Jeffrey Sachs at the Earth Institute, reinforces the dominance of the global North in generating ideas, theories and trends and backing them with significant resources often channeled through governments of the global South.
57. Network theory uses the concept of a "bridge" to characterize actors (organizations, individuals, etc.) that link together other actors from different networks, facilitating the flow of helpful information and innovation. See R. Burt (2000). Burt, Ronald S. (2000) "The Network Structure of Social Capital." In *Research in Organizational Behavior*, Volume 22, ed. Robert I. Sutton and Barry M. Staw. Greenwich, CT: JAI Press.