Microfinance and Prospect for Islamic Microfinance Products: The Case of Amanah Ikhtiar Malaysia

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Abstract - Studies have shown that microfinance is capable of reducing poverty in rural areas in several countries around the world. Microfinance products are however, still dominated by conventional products despite a demand for shariah compliant microfinance products by Muslim clients. A survey conducted in Bangladesh found that even though Bangladesh has the largest conventional microfinance outreach serving almost 8 million clients, Islamic microfinance represents only 1 percent of the microfinance market. Another survey found that in all Muslim countries, Islamic microfinance still represents a small percentage of the country's total microfinance outreach. The survey also found that Islamic microfinance institutions lack of product diversification, offering only one or two Islamic financing products and over 70 percent of the products offered are murabahah. Islamic microfinance is still in an infancy stage in Malaysia. Commercial banks offering microfinance services in Malaysia limit their products based on bai-al inah, a controversial debt-based lending. The largest microfinance in Malaysia, Amanah Ikhtiar Malaysia (AIM), claims that its loans are based on qard-hasan (interest-free) principles, however, AIM imposes a 10% service charge on its loans. This study explores the possibility of introducing Islamic financial products to clients of Amanah Ikhtiar Malaysia. A survey was conducted on the business activities of AIM borrowers to identify suitable Islamic microfinance products to finance various types of business activities. Based on the three major economic activities of AIM clients, *Murabahah, Musharakah, Mudarabah, Muzaraah, Ijarah*, and *Qard al-hasan* principles are found to be applicable to finance the different economic activities.

Keywords - Economic development, Islamic microfinance, microfinance, poverty, Amanah Ikhtiar Malaysia.

1. Introduction

Microfinance is an effective tool to alleviate poverty. This argument has been proven by many researchers such as Khandker (2003), Gertler et al (2003), Park and Ren, (2001) through the success of several microfinance programs around the world, such as Grameen Bank in Bangladesh, Bank Rakyat Indonesia in Indonesia, Amanah Ikhtiar Malaysia in Malaysia, CARD, in Philippines, FINCA and ACCION in Latin America, and other microfinance institutions all over the world. Considering the effectiveness of microfinance in eradicating poverty, United Nation has decided to include it in the list of potential contributions to achieve the Millenium Development Goals set for 2015 to cut half the number of people living in poverty.

Islamic microfinance is rooted in a desire for economic growth and prosperity of socio-political system based on Islamic principles and carries similar principles that have been applied to trade, business, investment and mortgages within the Muslim communities. Islamic principles of equal opportunity, advocacy of entrepreneurship, risk sharing, disbursement of collateral free loans, and participation of the poor, are supportive of microfinance principles.

According to Dhumale and Sapcanin, (1999), there are many elements of microfinance that can be considered consistent with the broader goal of Islamic banking. At a very basic level, the disbursement of collateral-free loans in certain instances is an example how microfinance share common aims. This argument was strengthened by Seibel (2005). In his opinion both Islamic finance and microfinance seem to be surrounded by a "fashionable aura" in Muslim developing countries where banks, financial institutions, MFIs, and NGOs are very interested in the issues of fighting poverty. He also noted that there is an interest on Islamic microfinance because microfinance is a very flexible tool, whose models can be replicated but require to be tailored on the local socio-economic and cultural characteristics. The potential demand for tailored microfinance services is still largely unmet, including in countries where the majority of the population are Muslims.

Globally, the development of Islamic microfinance is far behind the development of Islamic bank. Islamic banks are criticized by Muslim scholars because of its failure to support the socio- economic justice of Islamic economics. The development of Islamic microfinance should be supported because microfinance has dual functions; which are as financial and development institution. Moreover million of Muslims around the world still live under the poverty level and they need assistance to get out of poverty.

Karim, Tarazi and Reille (2008) reported that Muslim demand for microfinance products based on sharia-complaint has lead to the emergence of Islamic microfinance as a new market niche. They furthermore commented that Islamic microfinance has the potential to expand financing to unprecedented levels throughout the Muslim world.

A global survey conducted by CGAP on Islamic microfinance in 2007 found that the outreach of Islamic finance is very limited (Karim, Tarazi, and Reille, 2008). According to the survey, Islamic MFIs serve 300,000 clients through 126 institutions operating in 14 countries. The survey found that Bangladesh has the largest Islamic microfinance outreach serving 100,000 clients. However, the survey found that Bangladesh also has the largest conventional microfinance outreach serving almost 8 million clients, and Islamic microfinance represents only 1 percent of the microfinance market. The survey concludes that in all Muslim countries, Islamic microfinance still represents a small percentage of the country's total microfinance outreach. Finally, the CGAP survey found that Islamic MFIs lack of product diversification, offering only one or two Islamic financing products and over 70 percent of the products offered are murabahah.

Ahmed (2002) conducted a study to provide empirical evidence from three Islamic microfinance institutions (IMFIs) operating in Bangladesh. The study found that IMFIs appear to have performed better than Grameen Bank, the largest conventional MFI operating in Bangladesh. Ahmed (2002) states that one possible explanation for this is that perhaps the IMFIs benefit from the social capital derived from Islamic values and principles. The study however, states that all of the three IMFIs report that expansion of their activities is held back by lack of funds. Another finding from the study indicates that IMFIs have not yet tapped the sources of funds from Islamic institutions, which includes waqf.

Islamic microfinance is still in an infancy stage in Malaysia. Commercial banks offering microfinance services in Malaysia limit their products based on bai-al inah, a controversial debt-based lending. The largest microfinance in Malaysia, Amanah Ikhtiar Malaysia (AIM), claims that its loans are based on qard-hasan (interest-free) principles, however, AIM imposes a 10% service charge on its loans. This study explores possible modes of Islamic financial products that can be applied in Islamic microfinance based on a survey conducted on the business activities of AIM borrowers.

This paper is organized as follows: Section 2 provides a review on sources of funds and products of Islamic microfinance. Section 3 discusses the data and methodology used. Section 4 presents the results and analysis, and Section 5 concludes.

2. Islamic Microfinance

2.1 Sources of Fund for Islamic Microfinance Institutions

According to Ahmed (2002), Islamic microfinance institutions (IMFIs) has an advantage over Islamic banks since it can use Islamic charitable funds such as zakat, waqf, infaq, and shadaqah as its source of fund. Moreover, various range of Islamic mode of transactions can be used to accumulate funds from the community. Among the possible products as the sources of fund of IMFIs are General Saving Deposit, General and Special investment Deposit, Islamic Charitable Purpose Fund, and Qardhul Hassan Investment Deposit.

The General Saving Deposit of IMFIs is similar to saving deposit products of Islamic banking practices. There are two Islamic financial products that can be used in this category which are wadiah and mudharabah. Wadiah Saving Deposit is less popular compared to Mudharaba Saving Deposit. Wadiah contract is usually used for current account product. However, due to prohibition by regulation or probably the ability of microfinance itself, microfinance institutions rarely offer current account in the credit side of its balance sheet. Wadiah contract is usually combined with Dhamanah concept called Wadiah yad Dhamanah or guaranteed deposits. Under this mechanism, the deposits are held as *amana* or in trust and utilized by the bank at its own risk. The depositor does not share in the risk or return in any form. Any profit or loss resulting from the investment of these funds accrues entirely to the bank (Obaidullah 2005). Therefore, customers who open Wadiah Saving Deposit cannot expect a return because they can only get return based on the discretion of the bank. Since microfinance activities usually require accumulation of saving from their clients, they can offer the Wadiah Saving Deposit product if these clients do not want their saving to be distributed back to other clients.

In Mudharabah Saving Deposit, depositors give IMFIs the right to use their money for the purpose of investment. Under this product, IMFIs play the role as Mudarib and the depositors play the role as Rabbul Mal. However, depositors can withdraw their money at any time they want. Profits are calculated on the basis of the minimum balance maintained for a time period (say, a month). The minimum balance maintained is deemed as the investment for that time period. A minimum balance is required to be maintained in order to qualify for a share in profits. IMFIs can offer this mode of saving account to their clients if their clients want to accumulate their saving because profit rate on mudharabah saving account tend to be higher than Wadiah Saving Deposit. Moreover, IMFIs customers can help the others through mudharabah saving deposit because IMFIs distribute back the fund from this account to IMFI clients with the purpose of investing as well as generating more businesses and reducing poverty among the IMFIs clients.

General and special investment deposits of IMFIs are also similar to those of Islamic banking. Usually, investment deposit in Islamic banks apply the mudharabah concept as its basic principle. However, IMFIs can apply the musharakah concept for special investment deposits depending on the agreement between bank and depositors. General investment deposit consist pool of investment with different maturities. The funds are not tied to any specific investment project but are utilized in different and continuous financing operations of the bank. Profits are calculated and distributed at the end of the accounting period, which is three months, six months or one year (Obaidullah, 2005). In special investment deposit, the depositor should meet the required minimum to invest in this product. The modes of investment of this deposit and the ratio of profit distribution can be negotiated between the bank and depositors. If the saving account based on mudharabah concept, bank have specific authorization to invest in a particular project or trade and the profits of this particular project are distributed between the bank and its customers according to mutually agreed terms and conditions. However, if musharakah concept is used as the basis of this product, depositors have the right to determine and involve in that business where the bank has made an investment. However, the mode of special investment account using musharakah concept is difficult to be understand by individual depositors, especially if they do not have any background or knowledge in business. Nevertheless, IMFIs can offer this product to institutions or individual depositors who have knowledge in business as well as interested to invest in highly profitable businesses. In this condition, IMFIs has more advantage compared to Islamic bank because the funding needed by IMFIs clients is not as high as Islamic bank client. So, the minimum amount of special investment deposit in IMFIs is more achievable for individual depositors than the minimum deposit of special investment deposits of Islamic bank.

As mentioned above, IMFIs can accumulate fund through Islamic charitable funds especially zakat and waqf. However, there are certain conditions that should be considered by IMFIs if they want to use these funds. For example, zakat can only be distributed to eight parties such as Faqir (destitute or the poorest), Miskin (poor), Amil (a person who collects and administer zakat), Muallaf (a person who reverts to Islam), etc. In the case of IMFIs, zakat can be distributed to the poor and destitute for consumption as well as financing purposes. Since the principal amount of waqf should not decreased, IMFIs should find appropriate way to invest the waqf fund so that the IMFIs can get benefit and distribute the profit of the waqf fund into their poverty alleviation program as well as maintain the principal amount of waqf fund.

IMFIs also can provide Qardhul Hassan Investment fund. Qardhul Hassan concept is usually used for current account product instead of wadiah current account, to replace treasury bills offered by Central Bank, and as combination to other concepts in various products. However, Qardhul Hassan is rarely used as a source of fund although this concept allows the IMFIs to accumulate funds from the public or institutions who want to help the poor by not just giving charity in the forms of zakat and waqf. Furthermore, there are many people and parties who are interested to help others but do not have enough money to donate to the poor. By providing the Qardhul Hassan Investment Deposit, IMFIs can accommodate the sincere intention of these people. IMFIs can provide certain period of deposit for this product and allow depositors to take back their money at the end of that period in equal amount with the first time they deposited their money. On the other hand, IMFIs can distribute that money to finance the business of their clients especially the poor and poorest.

2.2 Modes of Financing of Islamic Microfinancial Institutions

According to Vento (2004) the three main services of microfinance institutions are microcredit or micro financing, micro leasing, and micro insurance. Islamic microfinance institutions can also offer similar type of services based on Islamic mode of financing. Several literatures on Islamic microfinance such as Dhumale and Scapcanin (1999) promote the use of equity based financing such as Mudharabah, Musharakah and debt based financing such as Murabahah as the products of IMFIs. Most Islamic modes of financing can be applied in IMFIs activities, however, the implementations of these models should be different with current practices of Islamic banking since the nature of Islamic banking and Islamic microfinance are different.

Many Islamic scholars agree that Mudharabah and Musharakah are the ideal products of Islamic banking which can bring the socio-economic benefit of Islamic economics. IMFIs should consider these products as their main product since Islamic banking with their nature as a profit-oriented institution face difficulties in applying Mudharabah and Musharakah in their activities. However, it does not mean that IMFIs should not have profit motive if it uses Mudharabah and Musharakah mode of financing in its activity since profit motive is one of the factors to successfully achieve financial sustainability of microfinance. In fact, since the nature of microfinance business requires account officers of MFIs to be closer to the entrepreneurs, it is an advantage for them as they can easily access, assist, and even involve in their clients' businesses, especially for Musyarakah financing.

Beside Mudharabah and Musharakah equity financing, IMFIs can also provide microfinance services by using debt financing modes such as Murabahah (or Bai Bithaman Ajil), Salam, Isthishna, Rahn and Qardhul Hassan. Murabahah is cost plus financing. In Murabahah or Bai Bithaman Ajil (BBA) products, clients approach IMFIs to buy a good that they need. After IMFIs buy that product, IMFIs sell it to its client on cost plus basis. Client can pay for the good to IMFIs by cash or by installment. The repayment through installment is known as Bai Bithaman Ajil (BBA).

Micro-entrepreneurs also can use Salam and Istisna modes to finance their businesses. In the case of Salam, IMFI would request a micro-entrepreneur to produce goods which will be delivered in the future. IMFI would pay the micro-entrepreneur cash up front. In Istisna model, IMFI can pay that client in several stages until the micro-entrepreneur completed the good. After producing the good, the micro-entrepreneur could sell the good on behalf of the IMFI and the IMFI would give payment to its client by cash.

Ijarah can replace the micro leasing offered by conventional microfinance. However, this product is still not commonly used by IMFIs. In Ijarah transaction, IMFI buy the asset needed by their clients and then lease it back to them. As a lessor, IMFI owns the ownership right of that asset and micro-enterprise as the lessee should pay the rental based on an agreement between both parties. At the end of leasing period, the micro-entrepreneur can return back the asset or buy it from IMFIs or, if the economic life of the asset is similar to leasing period, IMFIs can transfer the asset to that client.

3. Data and Methodology

This study conducts a survey on business activities of approximately 1800 members of Amanah Ikhtiar Malaysia (AIM), the largest microfinance institution in Malaysia. Respondents were chosen from two states in Malaysia, namely, Kelantan and Perak. These two states were selected because they have the largest number of members in the microcredit scheme. Two districts from each of the two states were chosen to represent the particular state's recipients of microcredit funding from AIM. These districts are:

i. Kuala Kangsar and Teluk Intan in Perak.
ii. Kota Bharu and Tumpat in Kelantan.

In each district, participants were selected randomly from different centres (one centre consists of approximately 50 members).

In this study, the respondents' socio-economic backgrounds and their income-generating activities are asked. In addition, respondents are asked on their view of Islamic microfinance.

Responses are measured by 5 point Likert scales where: 5 = totally agree, 4 = agree, 3 = neutral, 2 = disagree, and 1 = totally disagree.

4. Findings of Study

4.1. Socio-Demographic Information of Respondents

Survey participants consist of 97% female and 3% male. These male participants are not members of AIM, but they handle business projects for their spouses who are members of AIM. Regarding ethnicity, 96.1% of the respondents are Malay, 0.4% Chinese, 3.3% Indian, and 0.2% other ethnicities. In terms of education level, about 12% of the respondents have no formal education. Approximately 5% of the participants received primary and lower secondary education. Slightly more than 31% of the respondents have upper secondary education, and about 0.1% of the participants possess a bachelor's degree.

Table 1 shows responses on the question whether the respondent is interested in Islamic financing products. The Table reveals that AIM members who participated in the survey overwhelmingly are interested in the Islamic financing products. A total of 1,710 respondents (97.4%) from Kelantan and Perak answered that they are interested in Islamic finance products. Another interesting observation is the answers given by non-Muslim participants involved in the study. In Perak, a total of 61 of the respondents are non-Muslims. Interestingly, all but one non-Muslims respondents answered that they are interested in Islamic finance products. Similar results are observed from the survey in Kelantan. For Kelantan, only 9 non-Muslim respondents were involved in the survey. All of the respondents (100%) answered that they are interested in Islamic finance products.

Table 1: Interest in Islamic Finance Products

	Respondents Interested in Islamic Finance Products		Respondents Not Interested in Islamic Finance Products	
	Frequency	Percentage	Frequency	Percentage
Kelantan	785	97.0	24	3.0
Perak	925	97.8	22	2.2
Total	1,710	97.4	46	2.6

Economic activities of AIM members selected for this study can be divided into production, trading, services. Detail economic activities under production, trading, and services are as follows:

Production Sector

1. Construction/building materials
2. Food (bakery, snack, fast food, traditional food)/basic food ingredients/food production equipments
3. Raw materials
4. Textiles and apparels
5. Agriculture (paddy, coconut, oil palm, vegetables, bananas, rubber, plant nursery, fruits)
6. Agriculture equipments
7. Furniture
8. Jewellery
9. Handicrafts
10. Poultry (chicken, duck)
11. Fishing (sea fishing and fresh water fish breeding) /fishing equipment
12. Fertilizer
13. Pesticide
14. Cattle breeding (goat, cow)
15. Ceramic (traditional ceramic vase)
16. Manufacturing (trolley, grass cutter, wheat grinder, cooking oven, kitchen utensils)
17. Traditional medicine

Trading Sector

1. Women accessories
2. Cosmetics
3. Direct selling
4. Food items
5. Traditional medicine
6. Jewellery
7. Toys
8. Electronics
9. Textiles and apparels
10. Souvenirs
11. Grocery items
12. Carpet
13. Footwear

Services

1. Grass cutting
2. Lorry rental
3. Plumbing
4. Canopy rental
5. Cleaning
6. Car service workshop
7. Welding
8. Sewing/tailoring

Important aspects of Islamic financial instruments are that financial capital cannot charge interest on itself and that the transaction must involve a real asset. The type of financing product will depend on the type of activity for which the funds are given. Based on the different types of economic activities that AIM clients are involved in, we will point out the suitable Islamic modes of financing for the different types of activities. Musharakah principle can be used to finance production activities in both agriculture and non-agricultural sectors. Amanah Ikhtiar can provide part of the financial capital needed by members to produce an output and in return get a share of the profit. For agricultural production, Muzara'ah or output sharing is also applicable. Amanah Ikhtiar can finance the equipments, fertilizers, etc., which members need to cultivate certain crops, for, example, oil palm, vegetable, rubber or coconut trees. AIM can then share the harvested crops with members at a ratio that both parties have agreed upon. In addition, production activities can be financed using Mudarabah principle. Under this mode of financing, AIM would provide finances and members manage the project. The profit from the project, if any, will be shared by both parties at the pre-agreed proportion. In addition to profit sharing principle, Murabahah and Ijarah instruments are also suitable for financing production sector. Amanah Ikhtiar can, for example, purchase initial physical capital (machines, equipments, etc.) needed by a member and then sell these items to the member at a mark-up price.

Musharakah principle can also be used to finance trading activities. Under this financing instrument, AIM and members can jointly finance the purchase and selling of certain products, for example, fabrics, ladies apparels, accessories and jewelries. The profit from the project can then be distributed among the two parties. However, it is worth mentioning that existing literature on microfinance (Akhtar, 1996) often point out that finance institutions are reluctant to work with micro enterprises due to lack of book-keeping, cover up of actual profits and reporting of losses. A grave and serious effort is required at different levels and aspects to nurture a culture of good and fair business practices on the part micro-entrepreneurs.

Besides profit-sharing principle, Murabahah principle can be used to finance trading activities. Items to be traded can be first bought by Amanah Ikhtiar and then sold at a mark-up price to the members. Members will pay back to AIM when the goods are sold.

With regards to service activities, the principles of Mudarabah, Murabahah and Ijarah can be applied. Amanah Ikhtiar can, for example, provide financial capital for clients involved in the car service or welding business and in return share certain portion of the profit. For clients who are involved in lorry and canopy rental business, Amanah Ikhtiar can first buy the lorries and canopies and then sell the assets to the clients at a mark-up. The clients can pay the price on an installment basis. Alternatively, if Ijarah mode of financing is chosen, clients can pay rent plus a part of the price in their weekly/monthly installment. Once the total payments are made, the ownership of the assets is transferred to the clients. This type of financing is referred to as *Ijara Thumma Al-Bai* (Hire then Purchase) where the contract undertaken consists of two separate contracts as follows:-

(i) *Ijarah* contract (hire); and
(ii) *Bai'* contract (purchase).

Under the first contract, the client hires the goods from financial institution at the agreed rental amount over a specified period. Upon expiry of the hiring period, the client enters into a second contract to purchase from the financial institution at the agreed price.

The principle of *Musharakah Mutanaqisah* (Diminishing Partnership) is also applicable for production and service activities. *Musharakah Mutanaqisah* is another form of partnership in which both client and microfinance institution purchase an asset jointly based on a specific ratio. The microfinance institution leases out its share to the client which will be paid in the form of monthly rental. The ownership of the assets will be transferred to the client upon full payment of the microfinance institution's shares. Illustration of payment of loan under *Musharakah Mutanaqisah* model is provided in Table 5.8.

<u>Illustration of Payment Schedule Under *Musharakah Mutanaqisah* (Diminishing Partnership) Model</u>

Cost of Property = RM 20,000
Amount of financing from AIM (90%) = RM 18,000
Participants (10%) = RM 2,000
Tenure for 30 months (2 years and 6 months)
Internal rate of return (IRR) = 10.20 % per annum
Monthly payment = RM682.28
Total payment = RM20,468.4

Table 5.8 Payments Schedule for Musharakah Mutanaqisah Contract

Month	Monthly Rent (RM)	Monthly Redemption (RM)	Total Payment (RM)	Customer's Ratio	Rental Division		Customer's Equity (RM)	Financier's Equity (RM)	Financier's Cashflow (RM)
					Customer	Financier			
	A	B	C=A+B	D	E	F	G	H	
0				0.100			2,000	18,000	(18,000)
1	170	512.28	682.28	0.100	17.00	153.00	2529.28	17470.72	682.28
2	170	512.28	682.28	0.126	21.50	148.50	3063.06	16936.94	682.28
3	170	512.28	682.28	0.153	26.04	143.96	3601.37	16398.63	682.28
4	170	512.28	682.28	0.180	35.23	134.77	4144.27	15855.73	682.28
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30	170	512.28	682.28	1.00	170.00	0.00	20,000	0	682.28

AIM member who takes a loan of RM18,000 will pay AIM RM682.28 monthly (RM170.57 weekly) rental for 30 months (120 weeks). The total monthly payment is divided into two parts: monthly rent (RM170) and monthly redemption (RM512.28) where the client buys share from AIM. The monthly rent is determined by the financier (AIM) based on average local rate where the property is purchased. Client ownership ratio increases from month to month and reaches a 100% ownership when the payment is settled. The contract is flexible in the sense that a member can settle the financing amount earlier by redeeming more of AIM's share monthly or weekly.

Another Islamic finance product that could be made available under microcredit scheme is *Qard Al-Hasanah*. The term al-qard al-hasan means beneficial loan, benevolent loan, gratuitous loan, or interest free loan. Qard al-hasan is a kind of gratuitous loan given to the poor people for a fixed period without charging the payment of interest or profit. The borrower of qard al-hasan is only required to repay the original amount of the loan. One of the main objectives of qard al-hasan is to help the needy people.

Scholars argue that administrative fee or service charge for loan transaction is not against Islamic principles. For example, Irfan Ul Haq in his Ph.D. dissertation entitled, "Economic Doctrines of Islam" mentioned that "Banks are permitted to charge a minimum service fee to cover the cost of administrative fee" (cited from website: http://www.witness-pioneer.org/vil/Articles/shariah/al_qard_al_hasan). Islamic Development Bank Jeddah recovers service charge 2% to 3% on interest free loans. Therefore, if al-qard al-hasan is given by any financial institution, the imposition of service charge or administrative fee is permissible.

At present, AIM is already using qard al-hasan as a mode of financing its loan. However, AIM is imposing a 10% service charge for loans that it is giving to its clients. This unusually high service charge could be because of the high cost of operation due to the unique characteristics of microfinance operation. It is more appropriate if qard al-hasan loan is only given to the hard core poor and the service charge is waived or kept at the minimum to reflect the true spirit or the original intention of qard al-hasan.

5. CONCLUSION

Overall, the results of the survey found that majority of AIM members who participated in the survey are interested in Islamic financing products. The results of this survey confirm the findings of studies cited in Karim, Tarazi, and Reille (2008) that there is a great demand for Islamic microfinance products. If Islamic microfinance products are introduced by AIM or other microfinance institutions, many more religious poor Muslims (who previously shun interest-based conventional microfinance products) will be able to access to credit and use it productively.

Based on the three major economic activities of AIM clients, *Murabahah, Musharakah, Mudarabah, Muzaraah, Ijarah*, and *Qard al-hasan* principles are found to be applicable to finance the different economic activities. By introducing Islamic microfinance products, AIM will not only become credit provider but more importantly, a business partner to its clients to nurture their businesses and provide guidance to the clients to uplift themselves from the shackles of poverty.

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