

Towards an Innovative and Creative Social Entrepreneurship in Driving Sustainable Change beyond the Millennium: A Microfinance Practitioner's Perspective

Datuk Sukor Kasim*

*School of Islamic Banking, College of Business,
Universiti Utara Malaysia*

*Corresponding author; email: sukorkasim@gmail.com

ABSTRACT

Social entrepreneurship has grown into a global movement that is producing solutions to the world's toughest problems and transforming the way we think about social change. However, despite the popularity of this approach particularly through its microfinance schemes, it is a field that remains under-theorized and less scrutinized. This paper, therefore, attempts to critically examine key cross-cutting issues to microfinance. In doing so, it will delve into actual economic and social impacts of microfinance in Asia and Europe, rather than providing a robust critique of its technical methodologies, a popular approach recommended by almost all microfinance institutions. Among critical issues that will be explored include challenges of social entrepreneurship especially as it relates to the global mission of Millennium Development Goals (MDG) to reduce long-term poverty. Finally, the paper offers policy recommendation that will strengthen the current practice of social entrepreneurship which includes setting up a revolving fund to finance emerging social entrepreneurs so as to complement the existing model of direct financing of MFI. It is hopeful that these recommendations will drive sustainable change of poverty reduction beyond the millennium.

Keywords: *social entrepreneurship, Millennium Development Goals (MDG), microfinance, poverty reduction*

INTRODUCTION

This fourth conference offers another dimension for all of us in tackling poverty, gender and economic inequality, illness, injustice, and other

social ills and challenges facing mankind. Our conference theme fits in well as social entrepreneurship will become a major avenue in driving sustainable change beyond the millennium and in complementing national efforts of the public organisation sector. David Bornstein and Susan Davis provided a comprehensive definition: Social Entrepreneurship is a process by which citizens build or transform institutions to advance solutions to social problems, such as poverty, illness, illiteracy, environmental destruction, human rights abuses and corruption, in order to make life better. Greg Dees, the father of Social Entrepreneurship Education, defines Social Entrepreneurship as a process of creating new combinations of people and resources that significantly improve society's capacity to address problems. Social Entrepreneurs create public value, pursue new opportunities, innovate and adapt, act boldly, leverage resources they don't control, and exhibit a strong sense of accountability.

Social Entrepreneurs have always existed but in the past they are known as visionaries, humanitarians, philanthropists, reformers, saints or simply great leaders. And as Bornstein has noted, they are known for their courage, compassion, and vision but rarely to the practical aspects of their achievements. Only now, the practical aspects of their achievements become the driving force.

In "How to change the World: Social Entrepreneurs and the Power of New Ideas" (2004) David Bornstein noted that, "What business entrepreneurs are to the economy, social entrepreneurs are to social change". They are, writes David Bornstein, the driven, creative individuals who question the status quo, exploit new opportunities, refuse to give up--and remake the world for the better. *How to Change the World* tells the fascinating stories of these remarkable individuals--many in the United States, others in countries from Brazil to Hungary--providing an *In Search of Excellence* for the nonprofit sector. In America, one man, J.B. Schramm, has helped thousands of low-income high school students get into college. In South Africa, one woman, Veronica Khosa, developed a home-based care model for AIDS patients that changed government health policy. In Brazil, Fabio Rosa helped bring electricity to hundreds of thousands of remote rural residents. Another American, James Grant, is credited with saving 25 million lives by leading and 'marketing' a global campaign for immunization. Yet another, Bill Drayton, created a pioneering foundation, Ashoka that has funded and supported these social entrepreneurs and over a thousand like them, leveraging the power of their ideas across the globe.

In another publication "Social Entrepreneurship: What everybody needs to know" David Bornstein and Susan Davies (2010)

noted that in development circles, there is now widespread consensus that social entrepreneurs represent a far better mechanism to respond to needs than we have ever had before--a decentralized and emergent force that remains our best hope for solutions that can keep pace with our problems and create a more peaceful world.

Social entrepreneurship has grown into a global movement that is producing solutions to the world's toughest problems and transforming the way we think about social change. A major thrust of social entrepreneurship is overcoming grating poverty as over 1.2 billion "very poor" people or 15% of the world population (earning less than \$ 1 a day) are affected. Another 4 billion people representing 61% of the world population who are "relatively poor" are still deprived off a sustainable future and could easily fall to the bottom of the economic pyramid.

Two individuals leading the way in overcoming the greatest injustice to humanity through the provision of working capital especially to women have been acknowledged as the leading social entrepreneurs in overcoming poverty and inequality: Dr Muhammad Yunus, the founder of Grameen Bank and Fazole Abed of BRAC. Yunus, an economics professor who had completed his PhD at Vanderbilt University in the United States established the Grameen Bank, a for-profit, anti-poverty bank whose majority shareholders were the women villagers it served. Abed, a former Executive at Shell, founded BRAC, a non-profit organisation in involved in rural education, healthcare, microfinance, and social and economic development. Grameen and BRAC together are reaching almost 20 million poor clients in banking on the poor in Bangladesh.

CHALLENGES OF SOCIAL ENTREPRENEURSHIP

a. A Critical Review of One of the Strategies of the MDG: Overcoming the Challenges of Mission Drift in the Poverty-focused Microfinance Movement

The MDG of the United Nations adopted a number of strategies aimed at overcoming grating poverty and inequality afflicting a major portion (76%) of our humanity. A diversity of statistical revelations noted "How the Other Half Dies" and "How the top Half Live in Affluence". The world's 3% population of the Affluent (200 million people) with over \$20,000 per year controls almost three quarters of the global GDP (74% or \$35.42 trillion) while the bottom 15% of the world population earning less than \$1 a day controls <1% of

our global GDP (\$200 billion). These statistics, uncomfortable to all of us, have resulted in the thrust towards more effective strategies for the emancipation of mankind with the ultimate goal of freedom from poverty, a more egalitarian social order with avenues for social transformation. Please tolerate my reference to one of the Leading Advocates of Social Entrepreneurships and Social Business; Dr Muhammad Yunus and his “Banking on the Poor philosophy” that ultimately got instituted as one of the strategies of the MDG: Poverty-focused Microfinance.

Bringing Microfinance to the doorsteps of the households at bottom of our Economic Pyramid, especially women from the poor and the poorest households was successfully adopted as one of the MDG to reduce grating poverty by half by 2015. In 2005 it enjoyed the accolade of being the UN international year while the founder of the Grameen Bank approach to eradicating poverty, Dr Muhammad Yunus and Grameen Bank were awarded the prestigious Nobel Peace Prize for 2006.

The Microcredit Summit in spearheading the escalation of microfinance institutions globally from 1997 has successfully lobbied for financial, political and institutional support culminating into a global movement to get microfinance movement at every corner of the globe. The support from the World Bank’s CGAP, IMF, multilateral and bilateral donor institutions have stimulated further escalation of MFIs. The focus on viability and sustainability of MFIs as demanded by these multilateral and bilateral institutions coupled with the good portfolio quality as provided by the MFI clients transform MFIs into profitable business ventures. Supported by research that reported dramatic transformation of poverty households into vibrant self-reliance households and the poor clients being “bankable”, the growth of MFIs and their transformation has far reaching consequences. With commercialization of MFIs to become viable as soon as possible and to attract financial support from donors, many MFIs resorted to substituting their outreach focus to the “not so poor” and the non-poor. This is followed by an interest rate regime that can facilitate viability in the short run. The change in focus of outreach facilitated the need for a much larger loan size with even higher subsequent loan amount. The sacrifice of the poorer clients for the non-poor and the low income earners is the first avenue of mission drift in the microfinance movement.

The promise that MFIs are to be important vehicle in empowering poor women out of poverty was jolted in 2010 when the world witnessed the Indian microfinance crisis triggered by the institutionalization of MFIs into business institutions through IPO.

The Indian Microfinance Crisis in Andhra Pradesh resulted in a major intervention of the state in regulating the microfinance operations after a few dozen women clients committed suicide to overcome their over-indebtedness to high interest rates and regressive repayment strategies.

Another phenomenon of mission drift in the microfinance movement is the exit of the poorer clients from the MFIs, basically due to their limited impact or failure to get the promised benefits from access to working capital. Another factor facilitating such exit is through the process of elbowing out of the poorer clients by the more successful clients who clamoured for bigger subsequent loan size while the poorer clients are seen to be blocking such transition. With massive drop-outs and a shift to non-poor and low income earners, the poverty-focussed microfinance movement facilitated mission drift thus displacing the goal of MFIs in the MDG as MFIs are no longer serving the poorer and poorest sector of our humanity.

This is further compounded by the reluctance of the households at the bottom of our economic pyramid (very poor and the poor households) to participate in the microfinance movement. This partly due to seeing their neighbours quitting the movement as the benefit is negligible and realizing that MFIs are more interested in repayment of their loans rather than caring for their livelihood. The fear of getting into debts and the obsession of field officers chasing after less risky clients (the non-poor, the low income earners, micro-businesses and micro-entrepreneurs etc.) thus bypassing the poorer households, resulted in mission drift that undermine the goal of microfinance movement in the MDG.

Even poverty-focused MFIs in Bangladesh experienced outreach drift as most of their clients are the “not so poor” and low income earners. To overcome such debacle, the three biggest MFIs in Bangladesh opened a special window to cater for their poorest clients. Grameen Bank’s Beggars Programme has an outreach of less than 2% (112,216 households) of their total membership of 8.32 million while BRAC’s vulnerable group scheme exhibits a more respectable coverage of 12% or 1.170 million clients out of BRAC’s outreach of 9.3 million while ASA’s hard-core poor programme has less than 1% (4754 clients) from their total outreach of 5.730 million clients. Thus outreach to the poorest households has been minimal partly due the product design and outreach methodology that bypassed the poorest households.

The reluctance of the poorer households to participate in MFI coupled with a large number of clients dropping out of the programme annually, pointed out to a much larger challenge to role of

microfinance in improving the quality of life of those at the bottom of the economic pyramid. The promise of microfinance as Yunus noted as “breaking the vicious cycle of low income by infusion of working capital” as the poor are well endowed with income generating survival skills has not been fulfilled. Those clients who are micro-entrepreneurs and those with micro-businesses have benefitted from microfinance products and services. The poorer segments of the MFI clients struggled to repay their last instalment and drop out of the MFI outreach. As most MFIs are of the “Minimalist tradition”, the MFIs are free from offering services beyond the basic banking service of loan disbursement, savings, repayment and insurance. Providing entrepreneurial supporting services is considered expensive. The absence or limited impact of microloans on the clients has been confirmed by the “Randomized Study of MFIs” undertaken by CGAP group of researchers in 2009 further doubted the contribution of access to working capital towards the realization of the MDG.

The need to review the role of MFIs in the MDG’s poverty reduction goal is urgently needed as a number of publications have questioned the current wisdom of banking on the poor. In his book (2012); “Confessions of a Microfinance Heretic: How Micro-lending Lost its Way and Betrayed the Poor”, Sinclair noted that very little solid evidence exists that microloans make a dent in long-term poverty. Sadly, evidence does exist for negligence, corruption, and methods that border on extortion. Part exposé, part memoir, and part financial detective story, this is the account of a one-time true believer whose decade in the industry turned him into a heretic. Hugh Sinclair worked with several microfinance institutions around the world. He couldn’t help but notice that even with a booming \$70 billion industry on their side; the poor didn’t seem any better off. Exorbitant interest rates led borrowers into never-ending debt spirals, and aggressive collection practices resulted in cases of forced prostitution, child labor, suicide, and nationwide revolts against the microfinance community. Sinclair weaves a shocking tale of a system increasingly focused on maximizing profits—particularly once large banks got involved. He details his discovery of several scandals, one of the most disturbing involving a large African microfinance institution of questionable legality that charged interest rates in excess of 100 percent per year, and whose investors and supporters included some of the most celebrated leaders of the microfinance sector. Sinclair’s objections were first met with silence, then threats, attempted bribery, and a court case, and eventually led him to become a principle whistleblower in a sector that had lost its soul. Microfinance can work—Sinclair describes moving experiences with several ethical and effective organizations

and explains what made them different. But without the fundamental reforms that Sinclair recommends here, microfinance will remain an “investment opportunity” that will leave the poor with hollow promises and empty pockets.

Similarly Lamia Karim in her book (2011): “Microfinance and its Discontent: Women in Debt in Bangladesh” reported serious breach of trust as MFIs chased after repayment that instead of the normal boast of empowering poor women, capitalized on women’s vulnerability in being shamed and ridiculed, the poor clients suffered the agony of regressive repayment strategies, loss of household assets and being worst-off in the process. This path-breaking study of gender, grassroots globalization, and neoliberalism in Bangladesh looks critically at the Grameen Bank and three of the leading NGOs in the country. Amid euphoria over the benefits of microfinance, Lamia Karim offers a timely and sobering perspective on the practical, and possibly detrimental, realities for poor women inducted into microfinance operations. In a series of ethnographic cases, Karim shows how NGOs use social codes of honor and shame to shape the conduct of women and to further an agenda of capitalist expansion. These unwritten policies subordinate poor women to multiple levels of debt that often lead to increased violence at the household and community levels, thereby weakening women’s ability to resist the onslaught of market forces. A compelling critique of the relationship between powerful NGOs and the financially strapped women beholden to them for capital, this book cautions us to be vigilant about the social realities within which women and loans circulate—realities that often have adverse effects on the lives of the very women these operations are meant to help. Thomas Dichter in “What’s Wrong with Microfinance? (2007)” noted that Microfinance has been a long-lived development fashion. It has been around since the 1980s, and in 2005 it enjoyed the accolade of a UN international year. The reasons for this success are obvious. It reaches millions of poor people, particularly women, and it can be profitable both for some of its customers and also for the institutions which finance it.

There are, however, some important problems, discussed in this book. Some arise from exaggerated expectations, some from bad design and mismanagement and some from erroneous basic policies. Is microfinance really a step on the road to economic growth, or is it a short-term palliative, keeping poor people poor? Can an MFI really work if it embraces the “double bottom line” of both profit and social good? Is microfinance, especially credit, harmful, often landing the vulnerable poor in debt? Should microfinance be reaching the poorest? The chapters, written by well-known experts in the field, are grouped

around the categories: clients, institutions, and expectations. The authors sound a timely warning to governments, bankers, donors and the general public. The intention is not to bring microfinance to a stop, but to make people pause, reassess their expectations and re-think some policies. Microfinance is never a panacea and may sometimes be actively damaging to its intended customers.

Since its emergence in the 1970s, microfinance has risen to become one of the most high-profile policies to address poverty and under-development in developing and transition countries. It is beloved of rock stars, royalty, movie stars, high-profile politicians and “trouble-shooting” economists. In this provocative and controversial analysis: “Why Doesn’t Microfinance Work? The Destructive Rise of Local Neoliberalism” (June 15, 2010), Milford Bateman reveals that microfinance doesn’t actually work. That, in fact, the case for it has largely been built on a desire to advance a particular free market ideology, on hype and egregious half-truths, and -- latterly -- on the Wall Street-style greed, deception and individual self-interest of those promoting and working in microfinance. Using a multitude of case studies from across the globe -- from India to Cambodia, Bolivia to Uganda, and Serbia to Mexico amongst many others -- he exposes why many of its most fundamental building blocks are largely myths. In doing so, he demonstrates that microfinance actually constitutes a major barrier to sustainable economic and social development, and thus also to sustainable poverty reduction. As developing and transition countries attempt to repair the devastation wrought by the global financial crisis, Bateman argues forcefully that the role of microfinance in development policy needs to be urgently and fundamentally reconsidered.

In his 2011 publication; *Confronting Microfinance: Undermining Sustainable Development* (August 2011) Bateman noted that despite the popularity of microfinance, it is a field that remains remarkably under-theorized. Most evaluations carried out by international development agencies, academics, and independent researchers focus on tweaking what they see as an already beneficial system. Rarely are the very foundations of microfinance brought into question. Instead, their studies presuppose impact without evidence, ignore potentially important issues, and utilize faulty evaluation methodologies. Bateman and contributors provide critical perspectives on microfinance that reach beyond the desire for technical perfection held dear by almost all microfinance institutions. It charts actual economic and social impacts registered in Southeast Europe to date, both in the context of post-communist transition and post-conflict reconstruction. It examines key cross-cutting issues, providing a more holistic and

comprehensive approach to microfinance. One of the few books available that provides a robust critique of microfinance, *Confronting Microfinance* is sure to fire up the debate on this popular poverty-fighting measure.

b. Commitment to Undertake Applied Research Programme (ARP) to Overcome Microfinance Mission Drift

Banking on the poorest especially women is a major thrust in the social entrepreneurship movement towards overcoming poverty and improving the quality of life for more three quarters of the human population. In fact, it is adopted as one of the strategies for the MDG as access to working capital can generate increasing household income, a prelude to poverty reduction.

In the face of Banking on the Poor experiencing a mission drift thus displacing the goal of poverty of reduction in the MDG, the option open to the propagation of working capital model in increasing household income out of poverty will be the last aspect of this address: the commitment to be creative and innovative in overcoming the challenges of mission drift.

Being a microfinance practitioner since 1986 and the honour of managing Malaysia's largest NGO-MFI, Amanah Ikhtiar Malaysia in 2003 and with a strong research tradition in my academic and professional career in USM, AIU and currently in IBS of UUM, I have detected mission drift as far back as 2003 while rehabilitating the Ikhtiar Loan Scheme (ILS). Incomplete groups dominated the incomplete centres as the drop-out rate is appalling. The poorest households remain outside the microfinance orbit and our membership is dominated by the no-longer poor clients. We had a Trust Pledge of "being entrusted with assisting the poorest households strive to improve their livelihood through ILS... with God bearing witness to our pledge and Action." Our SOP is poverty focus with means-testing for eligibility to prevent our programme from being infiltrated by the non-poor. But on the ground our outreach has been compromised. During my second tenure at AIM, I managed to tackle one of the two challenges confronting ILS. The task of improving operating efficiency is a technical one as committed AIM staffs are retrained to go for full operating capacity as a prelude to operating efficiency. The clients, group leaders, and centre chiefs had to undergo a revitalized training within the philosophy of Intensive Decentralized Supervision (IDS) with the objective of improving the portfolio quality and sustainable access to an ever increasing amount of working capital. But on the challenge of attracting the non-participating poor and

worst-off dropouts of ILS, the tasks remained unresolved as we uncovered structural issues in banking on the poorest. During April 2003-October 2005), we conducted intensive and in-depth research on the two remaining challenges: incorporating the poorest into our ILS and maximizing the impact of working capital on the economic and social indicators as is required by our Trust Pledge.

Contrary to our earliest perception (1987) that the poorest individuals are uninterested, passive, charity-driven and ignorant of their potentials towards improving their life, after almost 15 months of weekly visits, the poorest households opened up on their frustrations and fears with the encroachment of microfinance at their door steps.

First, fear of getting into debt tops their fears from participating in MFIs as they mentioned of a prayer that the Prophet Mohamad SAW to be wary of getting into debt and indebtedness. Secondly, seeing fellow villagers joining and leaving ILS worst-off than before hardened their resolve to remain outside of MFI orbit. Some of the drop-outs hated ILS in elbowing the poorer and less successful clients from the centres while entrance into the centre is determined by the ability for weekly repayment and to be approved by the group and centre leadership. Thirdly, the regressive repayment strategies resorted to by the employees of ILS convinced them that AIM is only interested in their institutional bottom-line of profitability, viability and bonuses through freedom from Portfolio at Risk (PAR) rather than their welfare or livelihood.

Fourthly, they want working capital to finance their income generating activities but not in the product (Murabahah-the margin-based microfinance product) being offered by ILS. Fifthly, they wanted access to microfinance products be offered to all adult household members instead of only to their female counter-part. Finally, they want MFIs to offer them livelihood investments (Musarakah and Mudarabah) that create sustainable livelihood for adult household members instead of the margin-based Murabahah Islamic Microfinance Product. Our weekly tracking systems noted a variety of income generating in-flows that can be scaled-up to become sustainable livelihood opportunities.

What the poorest households are harping on is basically *the critical missing link* in the poverty-focused microfinance movement: Sustainable Livelihood for adult household members of the poorest segment of humanity and a more humanitarian approach to Banking on the Poor.

With such crucial findings from the two and a half years of intensive in-depth research on the non-participating poorest households and drop-outs from ILS, I put up a new proposal: “Creating

Sustainable Livelihood Opportunities for Adult Household Members of the Poorest Community through Islamic Microfinance Products and Services” in 2008 to the Penang state government, in 2009 to Perak state government without any success. It is only by April 2012 that we were implementing the first phase of the applied research programme through the Centre for Microfinance and Sustainable Livelihood (CMSL) at Albukhary International University (AIU) with the possibility of funding by Bank Muamalat Malaysia Berhad (BMMB). The withdrawal of funding support in 2013 and the subsequent untimely closure of AIU by June 2014 brought that phase of Islamic Banking on the poorest households to a premature end. By July 2014, we manage to find 3 potential sponsors, the Malaysian Institute of Islamic Microfinance (MIIM) of Amanah Ikhtiar Malaysia (AIM), the Kedah Regional Development Authority (KEDA) and the State Government of Kedah. Being based at the Islamic business School (IBS) of UUM provides the professional, intellectual and academic base in developing the Islamic Microfinance products and services while my professional affiliation with applied research in MFIs facilitates the social entrepreneurship drive within me towards creating sustainable livelihood opportunities for the adult household members of the poorest community.

GOING BEYOND THE ACADEMIC AND INTELLECTUAL DISCOURSE

In 1974, well over 40 years ago, the Modernization of Agriculture Committee of The Economics Planning Unit (EPU) of the Prime Minister’s Department (PMD) commissioned the Centre for Policy Research at Universiti Sains Malaysia (CPR-USM) to undertake a study of the Pattern of Land Ownership and Operation of the 78,000 hectares of double-cropping padiland in the Muda Agricultural Development region or the USM-MADA Land Tenure study. By 1978, the USM-MADA Land Tenure study identified that the small farm size is the most critical constraint in retarding the transformation of small tenants, small owner-operators and landless farm workers from reaping the benefits of the green revolution that came along with double-cropping. With another astonishing discovery that the smaller the farms, the higher the paddy productivity, a recommendation to increase the farm size of the smallest farms and the landless farm workers based on a per capita basis was recommended as a policy direction towards reducing rural poverty as the paddy sector was noted to harper the largest number of poverty households. To facilitate

financing such an endeavour, the study recommended that the Agriculture Bank of Malaysia to provide appropriate credit facilities to the very small farmers and landless farm workers to increase their farm size. By appropriate credit facility, no collateral and no guarantors as these households cannot meet the requirement. The Modernization of Agriculture Committee accepted the proposal and asks the Agriculture Bank to look into it. After almost a decade of fighting in conferences and seminars on poverty reduction, agricultural transformation etc., the poor are not bankable as even the non-poor borrowers of the Agriculture Bank are giving them a high portfolio at risk (PAR), the proposal to bank on the poor farming community is absurd. At almost the same time in Jobra, Chittagong, Yunus is giving loans from his own pockets to the landless poor as the banks there felt the same way as our Agriculture Bank. It was the historic meeting of Professor David Gibbons of CPR-USM with Yunus who was a resource person to the Farmers Organisation Workshop in October 1985 in Comilla that facilitated us in putting up an applied research proposal in replicating the Grameen Bank Philosophy and Practices in complementing the government poverty reduction strategy. That proposal of "Projek Ikhtiar" was presented at the first ISIS conference on poverty in early January 1986. Within a week of the conference, we were offered RM 300,000.00 as a revolving loan fund from YPEIM as our research costs is split between USM and the State Government of Selangor while APDC sponsored our one month study visit to Gramen Bank of Bangladesh. YPEIM mobilized Tabung Projek Ikhtiar for the next 5 years with AIM getting almost RM 4 million in revolving loan fund. By 1991, the Federal Government allocated to AIM RM 18.2 million to scale-up our operations to cover all the poverty-stricken states in the Peninsula under the Sixth Malaysia Plan. Projek Ikhtiar is the only applied research programme arising out of the recommendations from the First ISIS Conference on Poverty in 1986. I had the opportunity of working with Yunus in 1986 in the Steering Committee of Projek Ikhtiar, the first international replication of the Grameen Bank approach to poverty reduction and from 1987-1996 as Amanah Ikhtiar Malaysia (AIM) Board of Trustees.

POLICY RECOMMENDATION

Since most Social Entrepreneurs are constantly facing the financial crunch in their endeavour, it is imperative for all of us to set up a revolving fund to finance our applied research or scale-up our social entrepreneurship drive. Some Asian governments have

created wholesaler institutions to finance the activities of NGO-driven initiatives to complement their efforts in tackling some of the worst challenges of humanity. PKSF of Bangladesh, PCFC of The Philippines, RMDC of Nepal are examples of wholesaler institutions providing financing for budding NGOs and emerging social entrepreneurs. Malaysia typifies a second model of direct financing of MFI as reflected by the ILS of AIM. However, setting up wholesaler institution geared towards financing NGO-driven social entrepreneurship ventures is the most appropriate mechanism towards driving sustainable change beyond the millennium. As social entrepreneurs in our own right, we don't have to "re-invent the wheel" but to be more creative and innovative in using the "wheel" in driving sustainable change beyond the millennium. This is consistent with a quote from Rupert Scofield (President and CEO of the Foundation of International Community Assistance), the author of *The Social Entrepreneur's Handbook*: "Whether your mission is as ambitious as pulling millions of people out of poverty or as modest as feeding people in your neighbourhood, now is the time to get started. Social Entrepreneurship has never been more needed, more valued and more achievable than it is today. Becoming a Social Entrepreneur is among the biggest decision anyone can make- and the most rewarding. When you put your talent and hard work into amassing not capital but social capital, you'll finally see those changes you are thinking, dreaming, and talking about take shape." It will be the most cherishing phenomenon for social entrepreneurs.

REFERENCES

- Bornstein, D. (2004). *How to change the world: Social entrepreneurs and the power of new ideas*. Oxford: Oxford University Press.
- Bornstein, D. and Davis, S. (2010). *Social entrepreneurship: What everyone needs to know*. Oxford: Oxford University Press.
- Karim, L. (2011). *Microfinance and its discontents: Women in debt in Bangladesh*. Minneapolis: University of Minnesota Press.
- Bateman, M. (2010). *Why doesn't microfinance work: The destructive rise of local neoliberalism*. London: Zed Books.
- Bateman, M. (2011). *Confronting microfinance: Undermining sustainable development*. Bloomfield: Kumarian Press Inc.
- Sinclair, H. (2012). *Confessions of a microfinance heretic: How micro-lending lost its way and betrayed the poor*. San Francisco, California: Berrett-Koehler Publishers Inc.
- Dichter, T. (2007). *What's wrong with microfinance?* Jaipur: Rawat Booksellers.