

SPECIAL REPORT

Shafiqul Haque Choudhury: A Practical Visionary

Shafiqul Haque Choudhury was born into a landowning family in what was then East Pakistan. Just after he graduated as a sociologist from Dhaka University, a brutal civil war in 1971 ended in the emergence of his new country, Bangladesh.

Wanting to do something about the devastating post-war poverty and underdevelopment, Shafiq joined an overseas charity that had come to Dhaka after the war. But the fishing co-operatives that he helped to form were all too often controlled by their wealthier members, and he took the Maoist view that the poor needed to confront these local elites more directly. With funds from sympathetic international donors, he founded the Association for Social Advancement (ASA) in 1978.



ASA formed groups of working men in the villages, trained them in night schools to “recognise the sources of their oppression” and urged them to carry out “social actions” like work and rent strikes as well as withholding repayments due to moneylenders. The plan was to federate the groups at local, then at district and finally at national levels, with the ultimate goal of creating a government that reflected the needs of its poorest citizens.

It didn’t work. Social actions were few and dwindling. Group members didn’t see why they should fight their landlords: “at least they give us work and loans; all ASA does is lecture us.” More and more of them deserted ASA to join microcredit groups like Fazle Abed’s BRAC and Muhammad Yunus’s Grameen Bank.

When ASA reversed course and became a microcredit provider in 1992, Shafiq’s genius was fully revealed. He took the prevailing microfinance model, stripped it to its basics, and showed how a branch could become profitable within a year. It was hands-on work: Shafiq himself designed the elegantly simple paperwork and wrote the detailed rules governing how branches were to be run. He prioritised growth: ASA became the fastest growing microcredit provider, with a half million borrowing

clients within five years, and well over 7 million - nearly all of them women - a decade later. Retained profits grew quickly, and ASA was the first big provider able to wean itself off grants and subsidised loans. It became the first to abandon “joint liability” (under which group members had to financially guarantee each other’s loan repayments) in favour of individual loans, moving microcredit away from the communitarian toward a more individualistic approach. ASA encouraged savings, believing they protected both client and provider from loan repayment problems, an approach that helped save Bangladesh from the kind of microcredit meltdown that India suffered in 2010.


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Donors had asked ASA to promote the “ASA Model” in other developing countries previously, so Shafiq had experience running overseas programmes by the time he met a Netherlands-based entrepreneur and in 2007 jointly set up ASA International, a commercial microcredit company working outside Bangladesh. ASA International, which now owns microfinance institutions in 13 countries in Asia and Africa, allowed Shafiq to pursue his social mission across the globe. ASA International still follows the ASA Model established by Shafiq many years ago. Its successful IPO on the London exchange in 2018 allows the wider public to invest in low-income people, an approach that Shafiq came to believe was essential to scale microfinance and improve the lives of many more people.

Shafiq was an always modest and sometimes contradictory character. Despite the astonishing success of his work in microfinance, he worried he had been a “traitor” in abandoning the dream of a peasant-led revolution. Though he skillfully steered ASA clear of party politics, he allowed himself to be flattered into taking a ministerial-level post as part of a short-lived technocratic caretaker government in 2006. Always charming and affable with friends, “President Sir,” as his staff called him, could seem a lonely figure, seated behind his big empty desk in his office on the top floor of ASA Tower, signing the documents that were sent to him and regretting that he could no longer visit the villages incognito.

Shafiq was both an inspirational and a transformative leader - and guardian to many. He stayed true to his social mission in everything he did. His legacy will live on.

He leaves a widow and three sons, one of whom, a senior ASA executive, has succeeded him in the role of President of ASA.

*This feature is sponsored by [ASA International](#). The author is Stuart Rutherford, author of *The Pledge: ASA, Peasant Politics, and Microfinance in the Development of Bangladesh (2009)* and *ASA: the Biography of an NGO: Empowerment and Credit in Rural Bangladesh (1995)*. *