Borrowing Together

In Borrowing Together, Becky Yang Hsu examines the social aspects of the most intriguing element of group-lending microfinance: social collateral. She investigates the details of the social relationships among fellow borrowers, and between borrowers and lenders, finding that these relationships are the key that explains the outcomes in rural China. People access money through their social networks, but they also do the opposite: cultivate their social relationships by moving money. Hsu not only looks closely at what transpired in the course of a microfinance intervention, but also reverses the gaze to examine the expectations that brought the program to the site in the first place. Hsu explains why microfinance’s “articles of faith” failed to comprehend the influence of longstanding relationships and the component of morality, and how they raise doubts – not only about microfinance, but also about the larger goals of development research.

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The Studies of the Weatherhead East Asian Institute of Columbia University were inaugurated in 1962 to bring to a wider public the results of significant new research on modern and contemporary East Asia.
Borrowing Together
Microfinance and Cultivating Social Ties

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Georgetown University
For Edward, Summer, and Zachary
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Acknowledgments

In the spring of 2004, I began my stay in the Global Hope [pseudonym] living quarters for staff and visitors. I followed staff when it was practical as they distributed loans in microfinance programs, held meetings with villagers, and kept records. I must first thank the GH staff for allowing me to tag along while they did their work. Living in personnel quarters, staying in the county where I did the fieldwork, and eating nearly all my meals with them, I learned a lot from conversations as we traveled together on foot or by car over unpaved roads; during breakfasts, lunches, and dinners; and while looking through stacks of written records. We became friends and, in some cases, dear ones. I could never have carried out this project if it were not for their willingness to integrate me into their work, which manifested in various ways, including calling me the nickname “Little Hsu” and sharing candidly their thoughts and feelings.

I was a sociology major at Yale University when Deborah Davis took me on my first fieldwork trip to China and Hong Kong. She was the epitome of the fearless researcher. On some days, we tramped up and down dark and dingy stairwells to sit in people’s homes and talk about their everyday lives. We hung around brightly lit toy stores and department store displays on other days. I began to love fieldwork then. It was also my first exposure to the close coexistence of the personal and the commercial. Eight years later, I started the fieldwork for this book for my PhD dissertation as a graduate student in the Department of Sociology at Princeton University. I am very grateful to Robert Wuthnow for his generosity, his trust [which made me free to try new things], and his feedback [brilliant and radical insights delivered in a startlingly unpretentious way]. Paul DiMaggio, Alejandro Portes, and Viviana Zelizer gave me central questions to consider. I was also fortunate to have Miguel Centeno, Mitchell
X Acknowledgments

Duneier, Michele Lamont, Frank Dobbin, Bruce Western, Gilbert Rozman, King-To Yeung, Mario Small, and Marion Fourcade among my teachers.

This manuscript was written between 2011, when I arrived at Georgetown University as an assistant professor, and March 2017, when I finally completed it. I owe much to my colleagues. Conversations with José Casanova sparked important ideas in this book, and I have been inspired by his ease of movement between sociology, philosophy, and theology. I am grateful to Timothy Wickham-Crowley, Kristen Looney, and Steven Radelet for reading initial drafts of the manuscript. Leslie Hinkson, Brian McCabe, Yuki Kato, William McDonald, Margaret Hall, Dennis McNamara, Kathleen Guidroz, Sarah Stiles, William Daddio, Michael Dyson, Hanadi Salih, and Robert Groves all encouraged me along the way. I am grateful for the enthusiasm and support of Terry Pinkard and Henry Richardson.

During the past three years, I also began fieldwork for a new project on how Chinese people define happiness with my “dream team” of collaborators. I consider it a great privilege to work with them, and this book was written under their influence. I am grateful to Richard Madsen (the exemplar of how to zuoren), Deborah Davis (for her empathy and limitless energy), and Anna Sun (truly my friend and colleague) for reading early drafts of the manuscript. I am also thankful for the collegiality of James Farrer and Jay Chih-Jou Chen.

I am grateful for Kimberly Hoang, who read the manuscript closely and gave me excellent comments. I am indebted to others who read chapters, provided feedback, or conversed with me about crucial aspects of the book, in particular Xiaoyang Zhu, Philip J. Ivanhoe, Jessica Teets, Wendy Wolford, Filiz Garip, Amy Reynolds, Steve Offutt, Iddo Tavory, Andrew Perrin, and Christopher Winship.

Research support from the following programs at Princeton University provided the time and financial support for me to write and conduct fieldwork: the Center for the Study of Religion, the Fellowship of Woodrow Wilson Scholars, the Center for Health and
Wellbeing, the Princeton Institute for International and Regional Studies, the Center for Migration and Development, and the Graduate School. The Harvard-Yenching Institute also supported this work.

Parts and precursors to this work were presented at the Development in Question conference of the American Sociological Association’s Section on Sociology of Development, Craft of Ethnography workshop, American Sociological Association annual meetings, the Economic Sociology Workshop at Princeton University, the Religion and World Community Seminar at Columbia University, the Social Science Workshop on China at Yale University, and the Center for the Study of Religion workshop at Princeton University.

I am grateful to Robert Dreesen, my editor at Cambridge University Press, for his support and to the anonymous reviewers who provided excellent feedback.

The wonderful encouragement from friends and family buoyed my spirits and helped me finish the book. I thank my dad Calvin Yang, my sister Annelise Yang, my grandma Margaret Pan Shuchin Yang (whose vivacity as an artist in her second career inspires me), Wendy Ko, May Long Hsu, Nelson Hsu, Kim Kho, Wendy Hsu, Todd Hayes, Jen Hsu, Dave Hsu, Jean Lee Choi, Stephanie Chang, Michelle Yoon, Hong Park, Christine Kim, Carl Park, Chris Min, Marian Shin, David Cho, Sarra Cho, Ruth Chan, Elizabeth Sohn, Joy Park, and Rosario Ruiz. I remember my mother, Bonnie Yang, who dreamed dreams for me.

Finally, I thank Edward Hsu, who sacrificed more than anyone else to make this book possible. Even more amazing, however, have been his thoughtful daily observations during the past twelve years while I have been writing this book, and his considerate attention to those details. Two little people have joined us since I began this book. Summer is my joy and the only six-year-old in the world who will ever want to read this book. Zachary’s soaring exuberance is my delight.