

BANGLADESH: NOBEL WINNER
SAYS HE WILL CONTINUE TO
FIGHT POVERTY AS A
POLITICIAN Rome, 19 March
(AKI) –

The Bangladeshi Nobel Peace Prize winner Muhammad Yunus, who launched a political party last month, vowed on Monday to continue his work in poverty alleviation and "try as best as I can," to be equally effective in politics. Speaking after a lecture at the Roma Tre University in the Italian capital, Yunus, known for the micro-credit scheme he founded 30 years ago to empower the rural poor, said that there are "circumstances which pushed" him towards politics. When pressed by Adnkronos International (AKI), on whether he would like to be the future prime minister of Bangladesh, he declined to answer.

There has been a mixed response to the creation of Yunus' Nagorik Shakti (Citizens' Power) political party. When it was launched in February, the Nobel winner said that the party would contest all 300 parliamentary seats in the coming elections.

Bangladesh is currently ruled by a military-backed interim government and is in a "state of emergency" after violent protests delayed elections which were scheduled for 22 January. Many leaders of Bangladesh's two main political parties have been detained by the new regime and no new date has been set for the polls.

Many in Bangladesh have said that the man, known as the "Banker to the Poor", should not sully his image by entering politics and others have said that he has not really established his party's manifesto.

However Yunus chose to avoid questions about his political career while in Rome. Instead to a packed hall of students and scholars, with some even sitting on the floor of the university lecture hall on Monday, Yunus explained how he had founded his Grameen Bank in Bangladesh in 1976.

As a university economic professor in the southern port city of Chittagong, he said that he could not reconcile the idea of "teaching elegant theories of economics in the classroom, while outside people were dying of hunger." He was struck by how unfair banks seemed in their refusal to help the poor because "they were considered not credit worthy."

So he started out a credit scheme to help 42 people with just 27 dollars in one small village. The project was eventually extended beyond that first village to other parts of Bangladesh and in October 1983 it became an independent bank known as the Grameen Bank (Village Bank). Today the Grameen Bank has 7 million borrowers nation wide and 97 percent of them are women.

"We found that money that went to the family through women, benefited the most," said Yunus during his lecture. "We found that women were experts in managing scarce resources," he said.

The money, in minute sums, is borrowed mainly by illiterate women, to set up small enterprises. The loans are provided without any collateral or security, and the borrowers, not the bank, decide the business it will be used for. The borrowers also pay as little or as much interest as required to keep the bank self-reliant. On top of that, the borrowers are encouraged to buy shares in the bank once they can afford it.

Yunus said that today 58 percent of the borrowers from the Grameen Bank have moved out of poverty and that by 2015 it is estimated that all of them will.

He said that he would like to now broaden the concept of business to include 'social business' where investors are not interested in making money but in helping other human beings.

"I am not talking about giving away money, but running a business," he said giving the example of a joint venture established in November between the Grameen Bank and the French food giant Danone, to make fortified yoghurt for malnourished children in Bangladesh.

"Danone can take back their investment money over time but no dividends and if there is a profit, the money goes back to expand the business and help more children," he said.

Yunus said he hoped one day that there could even be a Social Stock Market for people who want to invest in companies not to make money but to get results that have a positive social impact.

"My dream is that one day, the only place to see poverty is in a poverty museum," he said.

At the end of the lecture in Rome, Yunus was awarded a special medal by Rome Tre University for his work. Also on Monday, he was expected to meet Fausto Bertinotti, the speaker of the Italian Chamber of Deputies and will also be taking part in meeting by an Italian foreign affairs committee on the issue of globalisation.