



MUHAMMAD YUNUS

Muhammad Yunus is not a world-famous name but in 2006 he became the first Bangladeshi to win the Nobel Peace Prize for his work in setting up a bank for the poor of his native country. In 1974 Muhammed was astonished to learn that women in a nearby village making bamboo stools could not make money because they were being charged huge interest rates. The outstanding loans that were sometimes as little as €13 resulted in these women spending their lives in debt. Even worse, if they failed to repay a debt they ended up with people paying their debt by working for no money. This often resulted with the children being forced to work for the lender, sometimes for many years, in repayment of a small loan.

He decided to lend the villagers money to buy their own materials and cut out the middle men. He was repaid, day by day, over a year, and the idea slowly grew into the idea of the 'Grameen Bank' which he set up in 1983. The idea of this 'microcredit' (lending small amounts of money to poor, often illiterate, people who cannot normally borrow from the banks) has been so successful that it has now spread across the globe. Grameen now lends \$35 million a month in a country where half the population live in poverty. Today Mr Yunus's bank has 2.3 million borrowers and employs 12,000 people.

The success of the Grameen Bank in lending to Bangladeshi women has also greatly impacted upon society because the lives of women have dramatically changed. It has resulted in an increase in primary school enrolments, when mothers can afford to send their children to school and break the cycle of poverty.

This modest, smiling man – who is now known as 'Banker to the World's Poor' passionately believes that, like freedom of speech, access to credit is a fundamental human right.