

## Award to inspire others to fight poverty

# Yunus receives Nobel Peace Prize

OSLO, Dec 10:- Bangladeshi economist Muhammad Yunus was accepting the Nobel Peace Prize on Sunday saying he hoped the award would inspire more "bold initiatives" to fight world poverty, reports AP.

Yunus, 66, often called the banker to the poor, shared the coveted award with his Grameen Bank for helping people, even beggars, rise above poverty by giving them microcredit - small, usually unsecured loans.

"Peace is threatened by unjust economic, social and political order, absence of democracy, environmental degradation and absence of human rights," Yunus said in the text of his acceptance speech, released before the awards ceremony.

Yunus, the first Nobel Prize winner from Bangladesh, said poverty exists because the world allows it to exist by doing too little.

"We wanted to go to the moon, so we went there. We achieve what we want to achieve," Yunus said in his prepared remarks.

Grameen Bank was the first lender to provide microcredit, giving very small loans to poor Bangladeshis who did not qualify for loans from conventional banks. No collateral is needed, and repayment is based on an honor system, with about a 98 percent repayment rate.

Yunus was accepting the prize, which includes a gold medal, diploma and his half of 10 million Swedish kronor (euro 1.1 million, US\$1.4 million) cash award, at a gala ceremony in the Concert Hall.

Board member

Taslima Begum was accepting the award on behalf of Grameen bank.

The celebration lasts over three days, with the tightest program on Sunday that included Oslo school-children singing for the laureates, an audience with Norway's King Harald V, the hour-long awards ceremony, a torchlight parade in the winners' honor and a lavish evening banquet.

In presenting the prize, awards committee chairman Ole Danbolt Mjoes, quoted one of the bank's borrowers, Mazeda Begum, as

saying: "My parents gave me the birth, but Grameen Bank gave me a life."

Mjoes said the award was also intended as an outstretched hand to the Islamic world in an era where Muslims are often demonized because of terrorism.

"The peace prize to Yunus and Grameen Bank is also support for the Muslim country of Bangladesh, and for the Muslim environments in the world that are working for dialogue and col-

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## Yunus receives

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laboration," said the text of Mjoes' presentation speech.

By giving tiny loans, averaging (US\$200; euro150), to about 7 million people, 97 percent women, the bank has helped them earn a living by, for example, buying a chicken, acquiring a cell phone to rent out, or buying raw materials to build products to sell. Yunus said 58 percent of the bank's borrowers now live above the poverty line.

Recipients are put in groups of five. Once two members of the group have borrowed money, the other three must wait for the funds to be repaid before they get a loan, with interest rates ranging from zero to 20 percent depending on the use of the money.

"I believe this honor that you give us will inspire many more bold initiatives around the world to make a historical breakthrough in ending world poverty," said Yunus' text.

Yunus had the idea while on field trips in poor regions during a famine in Bangladesh in the 1970s after returning home with a doctorate in economics from Vanderbilt University in Tennessee. He loaned 42 rural women at total of US\$27 (about 20) euro enough to buy the raw materials needed to make reed chairs, so they could earn a living and repay him.

He found that the poor paid back their loan, "on time, every time."

But he said conventional banks still balked at lending money to poor families, so he expanded the idea, founding the bank, which was formally incorporated in 1983, under the name Grameen, which means rural or village in the Bengali language.

"The idea, which began in Jobra, a small village in Bangladesh, has spread around the world and there are now Grameen type programs in almost every country," said Yunus' text.

The idea also expended to include what the laureate calls "social enterprises," companies founded more to do good than to make profits.

Yunus used his Nobel lecture to give a gentle barb to the Norwegian state-controlled telecommunications group Telenor ASA, which owns 62 percent of a joint venture with the bank called Grameen Phone. That program, begun in 1997, started off with the idea of "telephone ladies" - poor rural women who borrowed to buy a mobile phone to rent out - and has expanded to 10 million subscribers.

Yunus has urged Telenor to relinquish control to Grameen Bank, which has a 38 percent stake, something the Norwegian group said had never been agreed.

"Our vision is to ultimately convert this company into a social business by giving majority ownership to the poor women of Grameen Bank," the text of Yunus' speech said.

The Nobel Prizes are always presented in Oslo and Stockholm, Sweden, on the Dec. 10 anniversary of the death of their creator, Swedish industrialist Alfred Nobel.