loan payment. They have to pay interest. There is no need for coercion. There is nothing in our rules that would allow this. If we did, we reach 80 lakh families, then they would just beat us up. Our staff who collect the money sometimes carry as much as 30,000 to 40,000 taka around the village. If these allegations were true do you think they could roam around so freely? So they are mostly made up, these allegations.

When intellectuals scathingly criticise you, do you feel hurt?

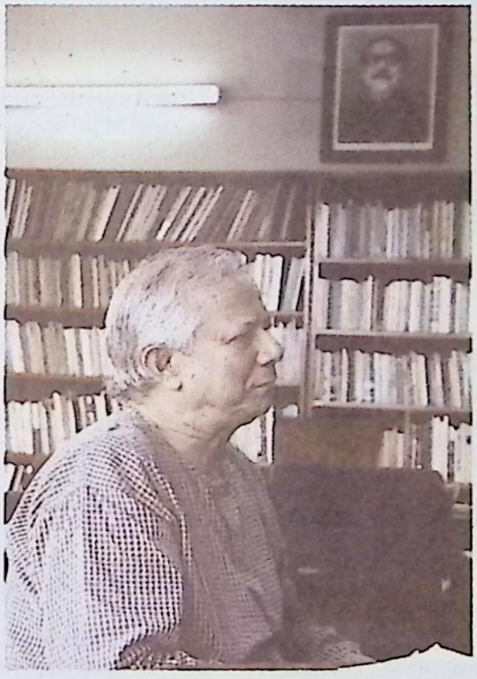
MY: They are usually uninformed and make sweeping statements. For instance, they say that our interest rates are very high but what they don't know is that we have the lowest interest rate in micro loans with a maximum of 20 per cent. Others charge 30 per cent. Our housing loans are 8 per cent and beggars get zero percent interest loans.

Can you talk about these loans to beggars? How does this work?

MY: This is a separate programme. We tell the beggars who usually go from house to house to beg that instead of begging why don't you sell something. So we give them loans say 500 to 700 taka initially and with this they may procure household items, say matches or candy or vegetables, and start selling them. There is no interest on these loans and they are not given any time limit about repayment. It is just that the idea that this is a loan is in their heads. We now have 1 lakh 20,000 beggars in this programme. Some of them beg in some houses while they sell goods in others, so they are like 'part time beggars'.Now they know what people want and bring those items accordingly, it's like a distribution network. But more than the money they earn, what they really appreciate is the dignity they get. They say 'before people would turn us away or at most give money through the window. Now they actually let us inside their house, give us a *piri* to sit on and talk to us.'

About 5000 have now come out of that programme to become fulltime Grameen Bank members, paying the required interests, adhering to all the rules and regulations.

Once one of my staff came and told me that he wanted to be in charge of a beggar. This was on a voluntary basis and not required, then more staff members started to do the same. Now all our 28000 employees have joined this endeavour; they are quite attached to these people, sometimes paying for their treatment with their own money.



An innovator and visionary.

So where is the micro credit movement now in Bangladesh? Where will it go from here?

MY: Well whatever amount we want we can get from PKSF (Palli Karma-Sahayak Foundation). They get it it very easily so there is no lack of funds. Now the World Bank is giving 100 million dollars and later 150 million. Before World Bank wanted to give but we didn't want this as there were conditions attached. Now we have said you will give according to our conditions. Now there is quite a lot of money and this money is being revolved and recovered. Micro credit has reached 80 per cent of families. No other country has had this reach.

But how do you assess the impact in real terms?

MY: Well now for example, the people are not harassed by the *mohajons*, the money lenders; women are more involved in handling money which empowers them, their children are going to school. So this is bringing up the second generation out of the repetitive cycle that says that 'the poor will always be poor'. At Grameen we tell these young people who are eager about what jobs they will get after their graduation : forget about finding a job, make a vow that you will never ask for a job; because you are the one who will give jobs to people. People who have nothing ask for jobs, we tell them. But your mother owns a bank. So you can take a loan and start a small business. Your mother could buy five cows with her loan, you can go for 5000 cows.

Many young people have started such small businesses - setting up a computer centre, starting a vegetable business or trading in cattle. Both girls and boys are doing this. To get a job you need a certificate. For business you don't need a certificate. So we tell them to study as well as do business.

We give them student loans which they can pay off after one year of their graduation but even then we negotiate and discuss how they will pay. There is no interest.

When one of them became successful, others got encouraged and also started. Now we have about 303 successful young entreprenuers who take the New Entreprenuers Loan.

The concept of social enterprise or social business seems to be catching on. Even Forbes magazine is listening to you. So in a capitalist system, are you making an impact on it?