

Banker to the Poor captivates world

STAR REPORT

Professor Muhammad Yunus began his Grameen Bank Project in Jobra, a village near Chittagong University, his then workstation, in the port city in 1976 in an effort to reverse conventional banking practice and take financial services to the deprived.

His first project was lending his own money to the destitute basket-weavers. The idea devised following a visit to the village in 1974 where he found a group of women who were heavily dependent on local loan sharks for a tiny amount of money -- so tiny that the developed world would laugh at -- at 10 percent interest rates per week.

This struck him at his heart, paving the way for creating one of the most-talked-about modern economic theories, microcredit.

In October 1983, the government promulgated the Grameen Bank Ordinance to transform the project into an independent bank and help it become the world's first microfinance lender.

Third of his parents' 13

children, Yunus was born to a well-to-do family in Chittagong in 1940. His father was a successful goldsmith, but his biggest influence was his mother, Sofia Khatun, who always helped any poor person who knocked on the doors.

Today, Grameen has 2,564 branches with 19,800 staffs serving 82.9 lakh borrowers in 81,367 villages.

On any working day Grameen collects an average of \$15 lakh in weekly instalments. Of the borrowers, 97 percent are women and over 97 percent of the loans are paid back, a recovery rate higher than any other banking system.

Known as the "banker to the poor", Yunus earned global fame in 2006 when he and the Grameen Bank that he founded were jointly awarded the Nobel Peace Prize for their efforts to create economic and social development from below.

Yunus started his professional career as a lecturer of economics at Chittagong College in 1962. From 1969 to 1972, he was an assistant professor of economics at MTSU,

Tennessee, USA.

In 1972, he joined the Planning Commission. He also joined Chittagong University as the head of the Department of Economics the same year.

A Fulbright Fellow, Yunus became a professor of the university's Rural Economics Programme in 1975, the year when the idea to change economic life of the poor through tiny loan struck him.

When the government gave legal shape to Grameen Bank, he became its managing director, a duty he has since continued.

Yunus also worked for the caretaker government in 1996, helping hold one of the less controversial elections in the country's history.

He released his autobiography "Banker to the Poor: Microlending and the Battle Against World Poverty" in 2007 and previously sat on the global "Elders" committee of international leaders set up by Nelson Mandela.

Grameen methods are applied in projects in 58 countries, including the US, Canada, France, the Netherlands and Norway.

Yunus 'removed'

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2000, violating one of the statutes of the partly state-owned (25 percent) Grameen Bank. Now 11 years later the central bank suddenly woke up to the issue and hurried to "remedy" the situation.

But his removal was disputed by Grameen, which said his position was legal. And the matter now seems set to roll into the courtroom as a statement of the Grameen Bank indicated yesterday.

It said, "This [removal] is a legal issue. Grameen Bank is taking legal advice. The Hon'ble Finance Minister has himself stated yesterday [Tuesday] that it is a legal issue. Grameen Bank has been duly complying with all applicable laws. It has also complied with the law in respect of appointment of the Managing Director. According to the Bank's Legal Advisors, the founder of Grameen Bank, Nobel Laureate Professor Muhammad Yunus, is accordingly continuing in his office."

With his forced exit, the microfinance institution's journey of over 30 years enters a different stage. Yunus had started his lone campaign to provide loans to the poor, who had always been overlooked by the traditional banks, from his home village of Jobra in Chittagong. Defeating all sceptics, he not only proved that the poor are bankable, but he could turn it into an international movement. Countries across the world, including the USA, China, and India embraced his model of microfinance.

With his sheer energy, international repute and style, Yunus managed to raise Grameen, that started with two staff, to a level where it now has 20,000 employees and 83.5 lakh borrowers. It has distributed Tk 60,400 crore in loans as of January, and has also created 18 other affiliated social concerns.

Of late, Yunus had a different vision of the world where poverty would cease to exist, and businesses would embrace a new model after the failing of the profit-and-profit-only capitalist architecture. He then innovated the notion of social business, at the centrepiece of which lays the idea that people would invest not for profit but for social cause. The equity holders would not take profit out of ventures, but reinvest it for greater social cause. Grameen's social business partnerships with global brands such as Adidas and Danone, have secured employment for more than 30,000 people.

Yunus was in the thick of the heat with the sudden broadcast of a documentary film on a Norwegian TV channel which alleged that Grameen had transferred donor's money, given to Grameen Bank, to another sister organisation. The allegation was widely circulated in Bangladesh on the day the documentary was broadcast, through an online news portal. Later, Norway

years ago for a sustainable model, with very transparent and reasonable interest rates, and making borrowers the owners of their bank," Robinson said.

The US and UK governments also made it clear to the Bangladesh government that they do not want to see the Nobel Peace Prize winner disgraced.

The Bangladesh government denied claims of a political vendetta, but what is beyond doubt is the ferocity, and at times personal nature of the attacks.

In her statements which set the ball rolling against Yunus, Hasina said, "I think there must be an extensive probe into the matter, to find out if there was any unauthorised fund transfer by him [Yunus]."

She said it is time to know what has been going on in the name of poverty alleviation, and improving the fate of the poor.

"What happened in the Grameen Bank was just a trick, and this was done to evade tax, nothing else. Bangladesh sometimes sets examples in different fields. You can think of this also as an example. Nobody can hide the truth for long ... Truth will definitely come out," Hasina went on.

She said microfinance nurse poverty to make quick money, which is a bad luck of the poor people. She said the government has a 25 percent stake in Grameen, but it seems that this bank is solely owned by one person.

Whatever might have been the reasons for the castigation of the father of microcredit, it is for sure that Bangladesh's image abroad will be deeply dented through this action of disgraceful removal of Yunus.

After all, Yunus not only brought a Nobel Prize for Bangladesh, but also received almost all the most known prestigious recognitions, including the US Presidential Medal of Freedom, the King Abdul Aziz Medal, and the Ramon Magsaysay Award.

And he was given the rare honour of delivering a lecture at the joint meeting of the members of Lok Sabha, and Rajya Sabha in the Indian parliament in 2009.

The House of Representatives of the US government unanimously passed a bill in 2010 to award Yunus the Congressional Gold Medal.

Several universities around the world set up microfinance departments, and Yunus Centres.

What the letter says

As prior approval was not obtained from Bangladesh Bank under Section 14(1) of the Grameen Bank Ordinance 1983 while reappointing Prof Muhammad Yunus as the managing director of Grameen Bank, it is not legal for him to stay in the post and carry out his duties. Prof Yunus has been relieved of his duties as Grameen Bank's managing director because of the legal breach.

The letter was sent to Grameen Chairman Khondoker Muzammel Huq.

refuted the allegations saying no irregularities or corruption had taken place.

It is now believed that an orchestrated campaign started against Yunus with a section of the media publishing fabricated stories one after another. At the same time, political heat was fanned with politicians belonging to Awami League making flaring comments.

The smear campaign reached its zenith when Prime Minister Sheikh Hasina, on her return from the United Nations, said microfinance "suck blood out of the poor in the name of eradicating poverty".

"We cannot allow use of the poor people as guinea pigs," she said.

Many observers say Yunus attracted the ire of Awami League and other political parties when he made a failed attempt to float a political party during the military-backed caretaker government, at a time when political leaders were being arrested wholesale and put in jail. Many think Awami League still holds Yunus as a potential political rival.

But the way the government tried to disgrace Yunus, stunned many -- both at home and abroad. The international community soon rallied behind the man who many consider as the capitalists' new hero.

Former Irish president Mary Robinson who launched a platform, Friends of Grameen, said there is a campaign of politically orchestrated attacks on the Nobellaureate.

"Some highly visible private microcredit experiences turned themselves into financially lucrative enterprises, in countries like Mexico and others. Professor Yunus and Grameen Bank paved the way more than 30

Unfair, ominous

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said it was "deeply troubled" by the attempt to remove him, reported AFP.

Friends of Grameen, a voluntary association established under the French law, denounced the attempt to remove Nobel Peace Prize winner Prof Yunus. The announcement made by the new chairman of Grameen Bank is without enforceability, it said in a statement.

The association termed the new development a renewed and immediate threat to Grameen Bank as an independent institution.

Wahiduddin Mahmud Noted economist Prof Wahiduddin Mahmud said the leadership change of Grameen Bank should have happened in a more decent and appropriate way with due respect and courtesy to the man who founded the bank.

Prof Wahiduddin, who was a teacher at Dhaka University, said a lot of things are at stake here, the image of Grameen Bank at home and abroad, the self-esteem of its thousands of employees, and the confidence of its numerous borrowers. This is after all a financial institution, and about two-thirds of its revolving fund for microcredit comes from the savings of the poor group members, he said.

"Nobody would like to create a crisis of confidence in the country's microcredit sector that serves two crore poor borrowers. This is a matter that needs to be handled with more care and sensitivity," he said.

Friends of Grameen in a statement said, "The government-led actions have increasingly been legally groundless over the last few days, and Friends of Grameen will keep monitoring the situation closely and continue to advocate for a lawful and fair treatment of Grameen Bank and Professor Yunus, as their contribution to the world is unique and ultimately belongs to the poor of Bangladesh and beyond."

In eyes of politics

BNP yesterday said getting the Nobel Prize has turned out to be a trouble for the microcredit pioneer.

"The present government could not tolerate Muhammad Yunus from the very beginning, and they [the government] defamed the country by defaming him, who brought unprecedented honour for the country," said Mirza Fakhrul Islam Alamgir, senior joint secretary general of BNP.

"His removal from the bank is nothing but an ill-motivated decision. The government disrespected the country by insulting the Nobellaureate," he added.

Workers Party of Bangladesh President Rashed Khan Menon in his reaction said there had been complaints against Prof Yunus at the international level, and after reviewing the allegations the government made the decision.

"There is no problem with the removal, if it is done legally. The Bangladesh Bank has also said that he should not stay as the managing director of the bank," said Menon, a top level leader of ruling Awami League-led grand alliance.

Debapriya Bhattacharya Economist Debapriya Bhattacharya termed the move unfortunate but not totally unexpected.

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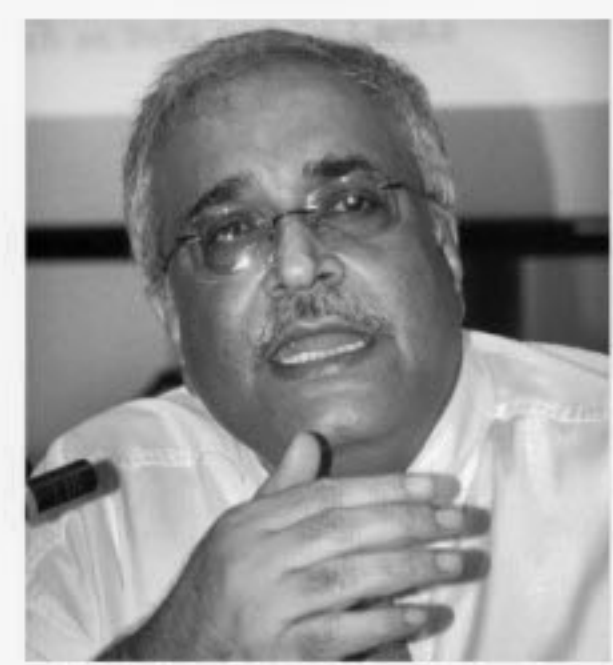
He again blamed Al-Qaeda for the uprising which challenged his long rule.

Drive to free

FROM PAGE 20 intersection of Chaktai Khal to Fishery Ghat and demolished 16 shops, two workshops, one under-construction mosque and an abandoned market.

The market was built by the Chittagong City Corporation during the tenure of former mayor ABM Mohiuddin Chowdhury and the mosque was named Afghan Mosque, said Magistrate Mohiuddin Al Faruk.

Meanwhile, a team of Department of Environment (DoE) here yesterday fined a paper mill Tk 20 lakh for polluting the Karnaphuli.



The transition, which is an administrative issue has now become a legal one, Debapriya said. And possibly, it is not the end of it, he added.

"The hostile nature of transition may affect Grameen Bank's performance as the borrowers may decline to pay back loans, and withdraw their savings," he said.

"It is going to send negative signals to other microfinance institutions involved in poverty alleviation. As a result the government policy of accelerated poverty reduction may get a negative shock," he added.

He said in the global arena where Bangladesh is praised for its contribution to microcredit innovation, it will create a confusion to say the least.

"I wish we could find a way for Grameen Bank to institutionally continue to draw from Prof Yunus' experience, wisdom, and image," he added.

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Kevin pulls Eng

FROM PAGE 1

Bangalore yesterday. The Irish erupted into unbridled celebration when John Mooney struck the first ball of the 50th over from James Anderson through mid-wicket for a boundary.

The moment the left-hander hit the winning runs, Ireland also completed the highest run chase in World Cup history. Chasing what looked like an imposing target of 328, the Irish rode on the fastest World Cup century from right-handed O'Brien who set the stadium alight with six sixes and thirteen fours.

His audacious 50-ball hundred eclipsed Australia's Matthew Hayden's 66-ball 100 against South Africa at St Kitts in 2007. The right-hander actually launched a counter-attack never seen before in a World Cup match after England looked on course for an easy win when they reduced the Irish to 111-5 in 24.2 overs. But O'Brien turned the match on its head with a mammoth 162-run sixth-wicket partnership with Alex Cusack (47). When O'Brien was eventually run-out for 113 off 63 balls, Ireland were left to score 11 runs off 10 balls what the tail did in style.

During the course of the victory, Ireland broke the previous record for the most runs batting second to win a World Cup match -- 313-7 by Sri Lanka against Zimbabwe in 1992.

Earlier, England racked up 327 for eight as Jonathan Trott equalled the record for the fastest 1,000 one-day international runs.

Trott, who scored 92, drew level with West Indies great Vivian Richards and England teammate Kevin Pietersen in taking just 21 innings to reach the landmark.

He shared a third-wicket stand of 167 with Warwickshire teammate Ian Bell (81), but they both fell within sight of a hundred to medium-pace Mooney.

The match proved that even a score of 300 is not safe on this batting paradise at the Chinnaswamy Stadium. England rattled up 327, while Ireland, the strongest of the Associate nations, made more than a match of it despite losing the top-half of their batting with half the overs and two thirds of the chase left.

England had on Friday taken part in the match of the tournament thus far, on the same ground against hosts India, where they managed to tie the game chasing a mammoth 338 and this one turned out to be no lesser entertainment.

SCOREBOARD

Scoreboard of the World Cup Group B match between England and Ireland at the Chinnaswamy Stadium in Bangalore on Wednesday:

| ENGLAND | | | |
|---------------------------------|-----|--|--|
| Strauss b Dockrell | 34 | | |
| Pietersen | | | |
| c N O'Brien b Stirling | 59 | | |
| Trott b Mooney | 92 | | |
| Bell c Stirling b Mooney | 81 | | |
| Collingwood c | | | |
| K O'Brien b Mooney | 16 | | |
| Prior b Johnston | 6 | | |
| Bresnan | | | |
| c Johnston b Mooney | 4 | | |
| Yardy b Johnston | 3 | | |
| Swann not out | 9 | | |
| Extras: (b-1, lb-2, w-20) | 23 | | |
| Total: (For 8 wkts in 50 overs) | 327 | | |

| Fall of wickets: 1-91, 2-111, 3-278, 4-288, 5-299, 6-312, 7-317, 8-327 | | | |
|--|----|---|----|
| Bowler | O | M | R |
| Rankin | 7 | 0 | 51 |
| Johnston | 10 | 0 | 58 |
| Cusack | 4 | 0 | 39 |
| Dockrell | 10 | 0 | 68 |
| Mooney | 9 | 0 | 63 |
| Stirling | 10 | 0 | 45 |

IRELAND

| | | | |
|-----------------------------------|-----|--|--|
| Porterfield b Anderson | 0 | | |
| Stirling c Pietersen | | | |
| b Bresnan | 32 | | |
| Joyce st Prior b Swann | 32 | | |
| N O'Brien b Swann | 29 | | |
| Wilson lbw b Swann | 3 | | |
| K O'Brien run out | 113 | | |
| Cusack run out | 47 | | |
| Mooney not out | 33 | | |
| Johnston not out | 7 | | |
| Extras: (b-5, lb-16, w-12) | 33 | | |
| Total: (For 7 wkts in 49.1 overs) | 329 | | |

| Fall of wickets: 1-0, 2-62, 3-103, 4-106, 5-111, 6-273, 7-317 | | | |
|---|-----|---|----|
| Bowler | O | M | R |
| Anderson | 8.1 | 1 | 49 |
| Broad | 9 | 0 | 73 |
| Bresnan | 10 | 0 | 64 |
| Yardy | 7 | 0 | 49 |
| Swann | 10 | 0 | 47 |
| Collingwood | 5 | 0 | 26 |

Result: Ireland won by 3 wickets.

Man-of-the-match: Kevin O'Brien.

4 commit

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College hostel.

Tamalika's mother found her hanging from a ceiling fan around 10:30am.

Her father Bimol Poddar said his wife scolded Tamalika on Tuesday over her reluctance to religious practice.

Sharmin was found hanging around 12:30am.

Her father Osman Gani called the police finding their door locked from inside. The police broke open the door and recovered her body.

He, however, could not say why his daughter killed herself.

Lima, who was a student of Lalmatia College, hanged herself yesterday evening. Her family could not ascertain the reason behind her killing herself.

Lalbagh police filed an unnatural death case in connection with Rina's death.

Survived

FROM PAGE 1

Shahjalal International Airport from Libya yesterday afternoon.

Sajeeb, who along with 461 others escaped the troubled-torn Libya through Egypt border, said the Egyptian border guards and the International Organisation for Migration (IOM) saved their lives from bitter cold amid heavy rain by giving food and shelter.

"The Bangladesh embassy in Tripoli was of little help," said Sajeeb, his T-shirt read: "The government wants nothing but remittance."

His colleague Saiful said they were among a group of over 2,000 people working at a South Korean company, Won Construction, in eastern Libyan city of Derna in Benghazi.

Several hundred anti-Gaddafi protesters looted their camp and set fire to it on January 14. The company then shifted the workers to another camp, which was also looted and torched on February 17, he added.

"The Libyans looted all our money, mobile phones and the laptops of our South Korean bosses," said Saiful from Jessore, who like most returnees, has no money to go home.

The rebels then drove them out of the camp, forcing them to take shelter at a madrasa.

Two days later, some people, however, moved them to a nearby community centre.

The protesters, armed with heavy weapons, also asked them to chant slogans against Muammar Gaddafi.

On February 23, the Libyans put all the 2,000 plus workers, also from Nepal, Vietnam and Thailand in lorries and left them at the Egyptian border.

The 565 Nepalese were received by their government officials, given food and taken home on the very day. The government of Vietnam and Thailand also did the same in a day or two.

"It was only us, the helpless Bangladeshis, left there. It was very cold as it was raining in the windy desert," said Saiful who worked as a carpenter there since 2008.

He said he called the Bangladesh embassy officials in Tripoli. They said they would go there, but never actually did.

On several occasions, the officials said they had nothing to do, he alleged.

"The situation suggests there is no embassy in Libya or Egypt. Had there been one, how come nobody came to our rescue?" asked Saiful.

Libya borders

FROM PAGE 1

morning by a chartered flight of International Organisation for Migration (IOM).

A total of 348 Bangladeshi nationals returned home from Libya yesterday through IOM chartered flights while 36 on their own arrangements.

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Nation's migration agency.

Citing references of IOM field workers, Rabab Fatima, regional representative for South Asia, yesterday said around 8,0