

Professor muhammad yunus

Finance, Banking



Muhammad Yunus is a banker to the poor and economist who was born on 28 June 1940 in Bangladesh. He was a professor of economics and is famous for his work in microcredit. Professor Muhammad Yunus established the Grameen Bank in Bangladesh in 1983 to help the poor by giving out small loans. He turned the idea into Grameen Bank, which has made small loans to more than 7.5 million people now. His first loan was \$27 given from his own pocket. This \$27 was loaned to 42 women in the village, who made a profit of \$0.2 each from the loan. The activity of the Grameen Bank is known around the world. Its ideas have been used throughout the world including the USA, China, Malaysia, India, etc. More than 94% of these loans have been given to women to improve their lives and escape poverty. The Norwegian Nobel Committee decided to award the Nobel Peace Prize in 2006, divided into two equal parts, to Muhammad Yunus and Grameen Bank “for their efforts to create economic and social development from below”.

Muhammad Yunus has received several other awards. Microcredit means giving small loans. These loans are given to poor people. To qualify for a loan, the villager must demonstrate that their family owns less than one-half acre of land. The activity of Grameen Bank has not been limited to just Bangladesh but also around the world. Grameen helps the world's poorest, especially women, improve their lives and escape poverty. More than 94% of Grameen loans have been given to women, who have less money and give more to their families.

Grameen Bank was the first lender to hand out microcredit, giving very small loans to poor Bangladeshis who did not qualify for loans from normal banks.

The bank has provided \$5.72 billion dollars to over 6 million families in Bangladesh. These loans average \$200. With 1,417 branches, Grameen provides services in 51,000 villages, covering three-quarters of all the villages in Bangladesh. This system was so successful that even beggars had been able to borrow money.

The people who have enough money have many banks to support them, but those who don't have anything, traditional banking system, that's why Muhammad Yunus created the Grameen Bank and thus winning the Nobel Prize for Peace. The main aim of the traditional bank is to provide loan in exchange for depositing the property or other assets with interest. There is no scope/eligibility for the poor to do anything without any investment, but in the concept of Grameen Bank, Dr. Yunus has made his microcredit policy to provide banking service without any deposition.

Muhammad Yunus is the recipient of numerous international awards for his ideas and endeavors, including:

- the Mohamed Shabdeen Award for Science (1993), Sri Lanka;
- Humanitarian Award (1993), CARE, USA;
- World Food Prize (1994), World Food Prize Foundation, USA;
- Independence Day Award (1987), Bangladesh's highest award;
- King Hussein Humanitarian Leadership Award (2000), King Hussein Foundation, Jordan;
- Volvo Environment Prize (2003), Volvo Environment Prize Foundation, Sweden;

- Nikkei Asia Prize for Regional Growth (2004), Nihon Keizai Shimbun, Japan;
- Franklin D. Roosevelt Freedom Award (2006), Roosevelt Institute of The Netherlands;
- and the Seoul Peace Prize (2006), Seoul Peace Prize Cultural Foundation, Seoul, Korea.

He also is a member of the board of the United Nations Foundation. Yunus received the U. S. Presidential Medal of Freedom in 2009 and the U. S. Congressional Gold Medal in 2012.

" If banks made large loans, he made small loans. If banks required paperwork, his loans were for the illiterate. Whatever banks did, he did the opposite," marvels Sam Daley-Harris, director of the Microcredit Summit Campaign. He's a genius."

" Microcredit is something which is not going to disappear... because this is a need of the people," Mr. Yunus told the BBC in 2002.

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