

'Banker to the poor' wins Nobel Peace Prize

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OSLO: The Nobel Peace Prize was awarded yesterday to Muhammad Yunus of Bangladesh and the Grameen Bank, which offers loans to poor people without any financial security.

"Lasting peace cannot be achieved unless large population groups find ways in which to break out of poverty. Micro-credit is one such means," said Ole Danbolt Mjoes, the chairman of the Norwegian Nobel Committee.

"Muhammad Yunus has shown himself to be a leader who has managed to translate visions into practical action for the benefit of millions of people, not only in Bangladesh, but also in many other countries."

Yunus, dubbed "Banker to the Poor," began fighting poverty during a 1974 famine in Bangladesh with a loan of US\$27 (RM99) to some villagers to save them from the clutches of the moneylenders.

The economics professor is now seen as one of the main developers of the concept of "micro-credit", which gives entrepreneurs, who are too poor to qualify for traditional bank loans, very small sums to start up their own enterprises.

Borrowers use the loans to buy their own tools and equipment, cutting out the middlemen and transforming their lives through self-employment.

The Grameen Bank has now 6.5 million borrowers, of whom 96 per cent are women. According to the Grameen website, the bank has 2,226 branches in 71,371 villages.

"Grameen" means "village" or "of the village".

Danbolt Mjoes said: "Loans to poor people without any financial security had appeared to be an impossible idea. From modest beginnings three decades ago, Yunus has, first and foremost through Grameen Bank, developed mi-

cro-credit into an ever more important instrument in the struggle against poverty.

Yunus' Nobel victory was a surprise — bookmakers had tipped former Finnish president Martti Ahtisaari for his efforts in brokering a peace deal last year in Aceh. Australia's former foreign min-

ister Gareth Evans had also been tipped for his International Crisis Group, which analyses conflicts and proposes solutions.

Yunus said he would definitely be attending the ceremony here on Dec 10 to receive his prize, which comes with a 10-million-kronor (RM5 million) cheque. — AFP