

Acceptance Speech by Professor Muhammad Yunus
at the Award Ceremony of the World Food Prize, 1994

Mr. Chairman, Members of the Council, Members of the Committee, Distinguished Guests, Ladies and Gentlemen :

I have been struggling to draw national and world attention to poverty and hunger issue for many years now. But I never thought I would be considered for the immensely prestigious World Food Prize. When I received a call from the World Food Prize Foundation I could not believe what I heard. I am overwhelmed by the honour given to me by choosing me as the 1994 World Food Prize Laureate. Thank you for giving me this honour. Through your decision you have also honoured the two million poorest families in Bangladesh who have demonstrated for the world, most convincingly, that given the institutional support the poor can change their economic status and achieve their own food security; you have honoured the eleven thousand young men and women at Grameen Bank who work very hard to make a dream come true --- a dream of creating a poverty-free world.

I look at the Prize not only as an endorsement of what I have done, I look at it more as a thunderous endorsement of what we can all achieve ---- the creation of a poverty-free world in our lifetime. I feel thrilled to discover that we share a common dream.

I am very grateful to you for making me and my co-workers feel stronger in our commitment.

The idea of Grameen Bank was conceived in the backdrop of a devastating famine --- Bangladesh famine of 1974. Nearly one and a half million people died in that famine. What was I doing when

hundreds of thousands of people were dying of hunger on the streets, railway stations, dirt roads, and the huts of the villages? I was teaching elegant theories of economics in a Bangladeshi university impressing upon my students that economics text-books have answers to all economic problems. I started hating myself for the arrogance of knowledge that I was inculcating in my students, while I saw the emptiness of it all in terms of its capacity to help the hungry people to hold on to their precious lives.

I became a fugitive from the formal academic life. I wanted to learn from the lives of poor people, rather than from the holy text-books and prestigious journals.

Very soon I learned that it is not the shortage of food that makes people go hungry, it is the lack of ability to buy food which made people go without food. Agricultural scientists and technological innovations have done wonders in making sure that there is enough food for everybody in this world. But social scientists could not think of ways to let everybody have access to this food. Over one billion people who live in utter poverty remain uncertain about their next meal, and the meal next. Today, for all practical purposes, food security has turned out to be a question of income security. Hunger is a symptom of poverty. If we can root out poverty, we root out the systemic cause of hunger.

Brilliant theories of economics do not find it worthwhile to spend time in discussing issues of poverty and hunger. They want you to believe that these will be resolved when the march of economic prosperity will sweep through the nations.

Economists spend all their talents in detailing out the processes of development and prosperity, but none on the processes of poverty and hunger.

I feel very strongly that if the world recognises poverty alleviation as an important and serious agenda, we can create a world that we can be proud of, rather than feel ashamed of, as we do now.

If we are looking for one single action which will enable the poor to overcome their poverty, I would go for credit. Money is power. I have been trying to make the world accept and treat credit as a basic human right.

If we can come up with a system which allows everybody access to credit while ensuring excellent repayment --- I can guarantee you poverty will not last long. Economic literature treats human beings as "labour"; all that the people can do is to sell their labour power. It is a shame that human beings are visualised as horses or work-animals. I think we have created the problem of poverty, hunger and indignities by treating people as "labour only".

Economic theories are held in such great respect we do not think of changing this characterization of human beings to fix the problem of poverty. We only tried to make poverty tolerable by introducing unemployment and welfare benefits, and other safety-net programmes.

A human being is a very creative animal, not just a work-horse. He/she is endowed with the ingenuity and creativity which no other creature can match. Every human being has a tremendous potential which most often remain unexplored because of the system we have built around us.

If only we had imagined a world where every human being is a potential entrepreneur, we would have built a system to give everybody a chance to materialise his/her potential.

Now, instead, we have created non-negotiable distances between the entrepreneur and labour. But if we allow labour access to capital this world will be very different from what we have built now. We can only build the way we imagine. In our theories we imagined the wrong way; as a result, we got ourselves a wrong world. Now reformulating our axioms the right way, we can create the right world.

In the "right" world, we'll have to forget that people should wait around to get hired by somebody. There is a strong active element in each human being --- the hunter and gatherer instinct. That's what made us survive and flourish in our initial years on this planet. It is still a very precious element in us. But our current economic system has made us forget our own instinct. We have to instill in everybody's mind that each person creates his or her own job, individually or collectively. We'll have to build institutions in such a way that each person is supported and empowered to create his/her own job (self-employment). Wage employment will come into the picture only as an alternative to self-employment. The poor, women, minority groups, physically handicapped and socially handicapped persons will benefit immediately.

Take the case of Grameen system. It makes it easy for a traumatised poor "nobody" to take the leap and become an enterprising "somebody". Two million borrowers of Grameen, mostly women, turned themselves into confident business-women. They own the bank. They borrow half a billion dollars a year in tiny loans. They build themselves respectable houses with housing loans. They send their children to school. They have saved over \$ 100 million in their savings accounts. They have made the world sit-up and question the age-old banking dogma which says that the poor are not creditworthy, and allows the banks to write off billions of dollars of their loans to the rich, each year, as bad debts, without blinking their eyes.

Let us admit it, poverty is not created by the poor. Poverty is created by the existing world system which denies rightful opportunities to the poor.

Let us recognise that poverty is the denial of all human rights to a person. By removing poverty not only do we remove hunger, we also ensure other human rights --- right to shelter, education, health, and political freedom.

Grameen is a very exciting experience for us. With this experience we are totally convinced that poverty and hunger can be eliminated from this world once for all. All it needs is a firm global will to achieve it. I hope the world will soon get convinced too. The World Food Prize is dedicated to creating this will. With the powerful leadership behind this Prize it will play a significant role in influencing the world and generating a firm will.

I assure you, Mr. Chairman, ladies and gentlemen, in my own capacity, I'll work harder to bring the day closer when this planet will be free from hunger and poverty.

With gratitude and humility I accept the honour you have bestowed upon me.

Thank you very much.