

# Max Schmidheiny Foundation

at the University of St. Gallen

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## Overcoming Poverty through Entrepreneurial Empowerment

*By Dr. Muhammad Yunus, 1995*

We dream of creating a poverty-free world. We are encouraged on the experience in Grameen Bank. We are totally convinced a poverty-free world can be created, and it can come soon. We feel very strongly that there is absolutely no reason whatsoever why even a single human being should suffer from the humiliation of being a poor person, or should go hungry or suffer from starvation. We are totally convinced that poverty is not created by the poor. It is created by the social system, it is created by the institutions, it is created by policies that we pursue. We should not be looking for the causes of poverty among the poor. We should be looking at ourselves, those who make the decisions and design institutions. How did I get involved in banking? I had no business with banking; I never dreamt of being a banker; I never had any intention of being associated with a bank. I was a teacher, teaching economics. Bangladesh became an independent country only twenty-four years ago after the very costly civil war – costly in terms of human lives. After we became independent, in the euphoria of a newborn country, we imagined that we would create a brand-new life for ourselves and that we would overcome all our problems. But as

years went by, the economy was sliding downwards very fast. Within two years we were confronted with a terrible famine. People were dying on the streets; we could see human bodies like skeletons, walking like zombies, lying on the street sides. So if you are teaching economics in the classroom, telling your students all the merits of the elegant theories of economics, you get an empty feeling because, as you walk out of the classroom, you see your elegant theories don't help the starving people at all. And I could not explain to myself why I should be teaching those elegant theories while people were dying in the streets. I became a fugitive from my academic life, trying to answer the questions: What is Economics for the people? What will make them have decent means for themselves? Why should a human being starve to death? Of all forms of death I think dying of hunger is the worst form of death, because death from hunger does not come in a day, it comes very slowly, as you miss another meal you take one more step towards death. I left behind all my arrogance of being an academician. I thought I learned only empty words from the textbooks. I was only carrying those empty words with me as an academician. I thought I must leave them behind, I should try to learn from the people how their lives work.