

Recitation D

A New Type of Bank Fights Poverty

In 1974, a banker called Muhammad Yunus visited a small village in Bangladesh. There he met a woman who made bamboo furniture for a living. Although she was a hard worker, she was very poor. The reason was simple. She did not have enough money to buy bamboo to make her furniture, so she had to borrow money. She made only a few cents each day because she had to pay a lot of interest.

About 40 people in the village were in the same situation, so Yunus lent them the money they needed. They needed only 27 dollars in total. Since they didn't have to pay a lot of interest to Yunus, they were able to earn more than a dollar each. As a result, they got out of poverty and paid back the money. Yunus learned that poor people needed only a small amount of money to succeed in their businesses. He started the Grameen Bank to help those hardworking poor people.

The Grameen Bank is very different from the ordinary banks that we know. When you borrow money from the Grameen Bank, borrowers don't need land, but they have to make a group of five people. These group members have to discuss their business plans until they can trust each others' plans. Then the Grameen Bank lends them money based on their trust in each other.

Many poorer people have been able to improve their lives with money from the Grameen Bank. In 2006, the Nobel Peace Prize was given to Dr. Muhammad Yunus and his bank for the efforts to help poor people to get out of poverty.

The Grameen Bank is not a charity. It is a successful business with more than 6 million borrowers. The success of the Grameen Bank shows that a great idea and a bit of trust in people can make a big effect on our society.

(316 words)