Professor Muhammad Yunus:

From banker of the poor to leading thinker of social business

Professor Muhammad Yunus is both founder and CEO of Grameen Bank, which currently has almost 2,500 branches providing credit to over 8 million poor people in more than 80,000 villages in Bangladesh. He developed the concept which is at the core of Grameen Bank: banking without collateral for the poorest of the poor. This business model also became the paradigm for numerous microfinance initiatives worldwide and is considered as the “mother” of the social business concept – solving social problems with entrepreneurial initiative and innovative business structures, but not distributing any dividends. Prof. Yunus and the Grameen Bank were together awarded the Nobel Peace Prize in 2006.

Muhammad Yunus studied economics in the USA at Vanderbilt University and earned his doctorate in this discipline there in 1970. From 1969 to 1972 he taught economics at Middle Tennessee University. After he returned to Bangladesh in 1972 he accepted an appointment as professor and head of the department of Economics at the University of Chittagong. In 1976 he began his Grameen Bank project, that was transformed into a formal bank in 1983.

Muhammad Yunus was born on 28 June 1940 in the village of Bathua in Hathazari, Chittagong, which at the time was the business centre of East Bengal. He was the third of fourteen children, five of whom had already died at an early age. His father was a successful goldsmith, who always encouraged his sons to further their education. His mother, Sufia Khatun, had the greatest influence on him. She always helped the poor when they knocked on her door. This inspired Yunus at an early age to commit himself to the elimination of poverty.

Prof. Muhammad Yunus is married to Afroji Yunus, a professor of physics at Jahangirnagar University, Savar, Dhaka. He has two daughters, Monica and Dina. In addition to the Nobel Peace Prize he has received many other awards, most recently the Presidential Medal of Freedom in 2009, one of the most recognised civilian awards in the USA.