

Chapter 1 : Yunus Social Business – BCG’s Global Social Impact Partner

Social business is a cause-driven business. In a social business, the investors/owners can gradually recoup the money invested, but cannot take any dividend beyond that point.

A second attempt invites deification. But Muhammad Yunus, the founder of Grameen Bank and pioneer of microcredit, has embarked on yet another crusade: He also lays out a road map for how these new firms can grow and prosper. Indeed, I found much to admire here and in the man, whose work I have long respected. The book is a refreshingly easy read. He also provides many glimpses of the compelling genius behind Grameen Bank, which, together with Yunus, won the Nobel Peace Prize in 2006. We peer into the mind of a visionary thinker who sees boundless possibilities and constantly enables and energizes those around him—he was one of the first to see the untapped potential of those living at the bottom of the pyramid. He dismisses cooperatives founded in the United Kingdom in the 1930s, for instance, though many people, including me, consider them prime examples of social businesses. This is not correct. Yunus would also exclude the Ethical Property Company, a UK company. Perhaps this incentive has helped bring about the social benefits. And the results should still matter. He includes large corporate partners who have created social business joint ventures with Grameen merely because they receive no direct financial return not even 1 percent—a Yunus rule. But to suggest that they get no financial reward is misleading. They receive substantial corporate social responsibility benefits an expenditure thus avoided, and one partner, the French company Veolia Water, even derives substantial research and development and market research benefits from its work. I do not begrudge Veolia these gains and am delighted that they work with Grameen, but let us not pretend that these returns differ in any substantive way from dividends, interest, or capital gains. Huge multinational corporations can also forgo current income on certain investments, but struggling social enterprises may need to raise capital from investors who insist upon a financial return. Are these social businesses then disqualified? There is some problem with a model when success leads to disqualification. His limitations will severely constrain activity and discourage innovation. By insisting only on nil-return-seeking capital, he greatly restricts the available capital sources. This handicaps those of us who seek to encourage more capital into the sector. My company, ClearlySo, seeks to build a broad church within the sector—not to exclude the many wonderful and innovative ventures on what feel like technicalities. Still, I consider the book a vital contribution to the exploration of social business. Rodney Schwartz is CEO of ClearlySo, an online marketplace for social business and enterprise, commerce, and investment. He also advises leading UK companies. He served as chairman of JustGiving from 2008 to 2012.

Chapter 2 : About Us | Yunus Social Business

Yunus Social Business is a Philanthropic Venture Fund. We turn donations into investments in sustainable social businesses that provide employment, education, healthcare, clean water and clean energy to over 3 million people worldwide.

No one knows where it will all end and I fear we are looking at a bad outcome unless there is a change of heart by the Hasina regime. Yunus is no saint, has made mistakes and no doubt will make more. Arguments will continue to rage about the complex impacts of microcredit and the pros and cons of the for-profit and non-profit models. His hard line on the definition of a social business is not for everyone. But his achievement is immense. Eighty million people, about half the population of Bangladesh, are users of Grameen services. Now that, my social enterprise friends, is what you call mainstreaming. Bangladesh is a very different place to the UK, where I write this and all social entrepreneurs journeys are unique but there are some leadership lessons we can all take from Yunus as we continue to find ways of creating a socially enterprising world. Consistency and resilience The Grameen group is incredibly diverse. Microfinance, savings, insurances, eye hospitals, mobile phones, solar energy, high nutrition yoghurt. The list goes on and on. But two things have never changed. The rejection of charity as a solution to poverty and the drive to create financially viable enterprises, owned by the poor themselves, based on high-volume, low-margin products and services. So, social enterprise leaders, keep the main thing the main thing and pay close attention to your business model. Courage It has passed into legend that Yunus was told he was mad to lend money to poor people with no contracts or collateral. I love his willingness to start, not waiting for the perfect answer before taking that first step. He is a congenital starter and this is what is needed in a country like Bangladesh where the needs of people are so acute. As Elvis Presley should have said: His purpose is to "put poverty in the museums". He wants it big and he wants it now. Some of his businesses are brilliantly original ideas but others are copied from elsewhere. Sometimes someone else has the great idea and your job is to execute it brilliantly where you are. They are just delighted that their cataracts are gone. Reid Hoffman, the founder of LinkedIn said recently: Anyone can have a bright idea at his or her computer or social innovation boot camp. Inventing stuff is the easy part. There is no shortage of great ideas. Executing the buggers is the trick that is so hard to pull off. Relentless networking and giving people time Over 30 years, Yunus has created a global ecosystem including heads of state, business leaders, entrepreneurs, opinion formers, grassroots innovators and citizen organisations. And thank God he has. In his hour on intense need, as a corrupt and corrupting government regime seeks to ruin him, his network has been galvanized to action. I have no doubt his enemies would have tried to put him in jail or worse without his allies and friends around the globe as well as at every strata of Bangladeshi society speaking out. Despite the praise and awards heaped on him Yunus has not become one of those leaders who checks out how important you are before deciding how much of his time you are worth. I have spent many hours with Yunus at all sorts of events and he gives wide-eyed students as much of his time and attention as he does to presidents and chief executives. He wont leave a venue " ignoring my frantic watch pointing and finger across the throat signals " before everyone has had their book signed and their photo taken with him. Oh yes, I forgot that bit " he has somehow found time to write bestselling books. Great storytelling Yunus has a great facility with words and is a compelling storyteller and phrasemaker. His ability to use simple language to cut through to the chase about poverty and the structures that oppress people is a mark of that leadership calibre which attracts people to join his mission of eradicating injustice. How prescient this zinger from the early days: Let us hope against hope that the government of Bangladesh does not extinguish the lights of Grameen. He has inspired millions around the world to rally to the cause of the poor. His Nobel prize acceptance speech is well worth a read: We achieve what we want to achieve. Let us join hands to give every human being a fair chance to unleash their energy and creativity". Liam Black is co-founder of Wavelength and president of the Friends of Grameen. This content is brought to you by Guardian Professional. To join the social enterprise network, click here.

Chapter 3 : Belkandescent: Dr. Muhammad Yunus teaches us how to build a social business

Muhammad Yunus is a Bangladeshi economist who founded the Grameen Bank in to provide credit to the poor. Access to credit, he believes, is a fundamental human right.

A Learning Process It is a great learning process. You are doing things which you never did before. You are thinking in a way which you never did before. You are surprised to see you are enjoying it a lot. You start digging into your experiences to see what is relevant for the task. You check through the reservoir of technology that you are familiar with, start contacting the pool of experts that you have gotten to know in your business, to achieve your new goal. You start exploring a new world which was totally unknown to you. You realise that you are now wearing "social business glasses" on your eyes, you see things which you never saw before. You start sensing that your eyes were fitted with "profit-maximizing glasses" all along, while you thought these were your natural eyes in your economic world. Now when you turn your eyes to your own profit-making businesses you start noticing things which you never noticed before. You bring new-gained experiences from your new business to your old businesses. Slowly you move towards becoming an multi-dimensional person, rather than a robot-like person. Of course, it can be done. I am never against it. This is easy to identify, easy to handle in day to day decision making. When you mix profit and social benefit it gets complicated for the CEO. His thinking process gets clouded. He does not see clearly. More often this CEO will take decision in favour of profit, and exaggerate the social benefit. Owners will go along with it. Social business gives a clear unambiguous mandate to the management. There is no balancing act involved. If you can agree to take a "small" profit, you can also persuade yourself to take zero profit. Once you get there you get rid of all old ways of thinking. You prepare yourself to explore a new world, a new way of seeing things, and doing things in a different way. When you were in the world of a "small profit" you were still operating in the old world, with old ways of doing things, only restraining yourself here and there. My answer is the same. I may describe this situation by saying something like this: In Ramadan, Muslims are not allowed to eat or drink until the after the sunset. Why not take a sip of water during the day? It destroys the strength of the mental commitment. You lose a lot for a small favour. It is about total delinking from the old framework of business. It is not about accommodation of new objectives within the existing framework. Some times you can set up a technically correct social business with the purpose of making profit through your other companies by selling products or services to this social business company. This will be a clear sabotage of the concept. There may be many other subtle ways by which one can weaken the concept and practice of social business. A genuine social business investor must make all efforts so that he does not walk into this trap unwittingly. It built a fairy-tale of prosperity for all. They were smart enough to figure out the emptiness of capitalism in solving these problems. Eradication of poverty remains the biggest challenge before the world. Colossal social problems and deprivations, mostly poverty-related and very unevenly distributed around the globe, continue to shame us everyday. Obviously the free market has failed much of the world. After all, the government is supposed to represent the interests of society as a whole. But decades and even centuries of experience has shown that while government must do its part to help alleviate our worst problems, it alone can not solve them. Fortunately for us there is a keen desire among many to lend a hand through charity, for addressing the problems of poverty and other social problems. Charity is rooted in basic human concern for other humans. These days concern is usually expressed in the shape of non-profits and NGOs which may take various names and forms. Nonprofits and aid organizations are trying to keep the problems within some control. But charity is a form of trickle-down economics; if the trickle stops, so does help for the needy. On the other hand multilaterals like World Bank focus only on growth as the means of helping the poor, but can not see that the poor people can be actors themselves. There are serious questions about the type of growth that can help the poor. As another response to the global social problems some businesses are identifying themselves with the movement for Corporate Social Responsibility CSR , and are trying to do good to the people while conducting their business. But profit-making still remains their main goal, by definition. Though they like to talk about triple bottom lines of financial, social, and environmental benefits, ultimately only one

bottom line calls the shot: I always believed that poverty can be totally conquered in our own lifetimes if the right approach is adopted. I based my belief on the inherent ability of the poor that can be unleashed once they are given the opportunity to help themselves. This I have proved in action through my three decades of experience with Grameen Bank. The concept of microcredit did not exist before I initiated Grameen Bank in Bangladesh, which basically recognized that credit without collateral is a fundamental right of the poor. Our success with this in my own country has been widely replicated all over the world including in some of the richest countries; and the Nobel Peace Prize for Grameen Bank and myself is one recognition of that success. The story of Grameen Bank has been told in my earlier book: In this new book I have described the further evolution of Grameen System. But more importantly I have introduced and elaborated here my broadened concept of social business, that the Grameen experience has led me into. Grameen allowed the poor to be an actor in the free market and to enjoy some of its fruits to try to come out of poverty. It is fundamentally a business model, pure and simple, but a social business. There can be other social businesses. They are just like any other business; but for social objectives and not for personal gain or dividend. I have tried to show in the book why social business can succeed in addressing social problems where other means mentioned above have failed. Social business introduces a totally revolutionary dimension to the free market economy. It does not interfere with the mechanism through which the normal Profit Making Business PMB works and prospers capitalization, expert business management, competitiveness etc. The satisfaction gained in achieving the stated social goals are the only motive behind the investment, and the business will be evaluated according to that standard. Essentially it is a non-loss, non-dividend business aimed at social objectives education, health, environment, whatever is needed to address the problems faced by society. The profits here remain with the business and help it to grow further. The whole thing is based on the premise that entrepreneurs need not be motivated only by the profits they personally receive, but can also be motivated by social goals and may enjoy success there with equal satisfaction. In fact the inclusion of Social businesses alongside PMBs in the business world will give the free market capitalism a larger, nobler and a more fulfilling purpose. Its advantages over straightforward charity are many efficiencies, continuous use with each turnover, competition with PMBs following the same rules, utilization of business innovations being some of the most important ones. There can be two types of social business. Type One focuses on businesses dealing with social objectives only, as has just been mentioned. Type Two can take up any profitable business so long as it is owned by the poor and the disadvantaged, who can gain through receiving direct dividends or by some indirect benefits. There are various ways how the ownership can go to the poor. The two types can be mixed together in the same social business as has happened in the case of Grameen Bank. In a similar mixture of the two types, a socially beneficial rural toll road or bridge can be built by a company as a social business whose ownership will belong to the poor. On the other hand a huge project such as the Deep-Sea Mega Port in Bangladesh, which I have been advocating for, which will be used by several countries in the whole region and can potentially change the economic face of Bangladesh, can be built as a social business owned by the poor women of the country. Is this an utopia? Will there be social businesses outside the realm of microcredit? Who will invest in such social businesses? I could answer these questions confidently in my new book, not only because I have faith in my idea and on the ability of the entrepreneurs to have social motives as well as profit making motives; but also because I am seeing this actually to happen at this very moment. I have devoted a good part of the book on the details of the first such social business we have started Grameen Danone Company which went into operation in early It took just that time for me to convince him that an investment in a social business is a worthwhile thing for Danone shareholders. Even though it will not give any personal dividend to them, he agreed to the proposition even before I fully explained it to him. It took somewhat more time to fix up the modalities, the product a fortified sweet yogurt for the poor malnourished children of Bangladesh at a price they can afford , the financing, tax and regulatory issues, new yard sticks for evaluating business and many other such details. And I have devoted many pages of the book on these details to show how all these things can be taken care of. The yogurt "Shokti Doi" Energy Yogurt is already in the market. The Grameen System has invested in a second social business this time an Eye Hospital where the poor can have eye treatment and cataract operations at a very low cost and all others in the small town and the villages around will have an

excellent medical facility where there was not any like that before. Social business is a new concept and its practice is just beginning. As my book reveals, it has to make a lot more exploration while gaining more experience. There are challenges to be faced and solutions to be developed. For example, we had to invent a totally innovative marketing system to keep the market fragmented so that the low cost "Shokti Doi" is reserved only for the poor children and does not disappear in the urban market for the well to do. I have also touched upon other issues such as how can the ownership of the Type Two social business be transferred to the poor, or how can the wonderful opportunities offered by IT be best deployed for social business.

Chapter 4 : Professor Muhammad Yunus on the Power of Social Business

Muhammad Yunus has more recently founded Yunus Social Business (YSB) to study, support, and invest in young social businesses. [4] Seven principles of social business [edit].

Yet, in spite of full awareness of the credentials of the author, everything inside Is Yunus the only practicing as in the type who never came across the proverbial armchair yet nobel laureate in economics? Yet, in spite of full awareness of the credentials of the author, everything inside a reader militates against the seemingly utopian picture Yunus paints. You want to shout at him: All the talk of incentives being the fuel of the human growth engine fall flat. Finally Yunus gets to the case studies, and you read on with growing astonishment that the very principles outlined earlier, the principles that you had in your economic wisdom so thoroughly cut into pieces, all seem to just work on the ground. You scratch your head and try to figure it out. Then you forget your criticism and congratulate yourself on your own positive outlook towards humanity. I had an 8 hour drive coming up, and now instead of spending the time scanning for radio stations, I could listen to a book by the awesomely awesome Muhammad Yunus. Unfortunately, the book turned out to be quite disappointing. I was expecting something a LOT more rigorous from an economist. I almost said, "from a guy who won the Nobel Prize in Economics," but then I looked it up and I was really excited when I found the audiobook of this title on the shelf at Half-Price Books. Which makes a lot more sense now. The book is just a lot of fluff. And not just fluff, but crazy utopian fluff that ignores even the most basic economics. Apparently, capitalism is great, but its one flaw is that it treats people as if they are single-mindedly greedy and ignores their compassionate tendencies. I thought that was, you know, the entire underlying principle of capitalism. But so it is, according to Yunus. And he has the solution: This also makes no sense. Capitalism is a theory that seeks to explain the behavior of people and businesses For example, he discusses an initiative between his Grameen Bank and Veolia Water which is working to sell clean drinking water to a Bangladeshi village in such a way that its revenues balance all its costs. Any surplus they make will first pay back the initial investment with no interest or profit ; then the rest will be used to begin cleaning the drinking water the next village over, and so on. What entices people to invest in social business? What will allow people to invest in social business in the most effective way, without any price signals? Oh, and we will live in a utopia where your social status will depend on how "effective" your social businesses are, and government welfare programs will no longer exist because nothing bad will ever happen to anyone. I just wish there was more to back this up as a truly viable method of poverty reduction other than wishful thinking.

Chapter 5 : What is Social Business Â« Social Business Earth

Muhammad Yunus, Nobel Peace Prize winner and founder of The Grameen Bank, explains his "social business" model, a plan for addressing social issues through entrepreneurship.

The former put the latter on trial in and ultimately removed him from Grameen Bank, [] citing that he was too old to run the Bank which he founded in The government of Bangladesh has played its trump card in its long-running campaign against Grameen Bank and its founder Muhammad Yunus. Last week, legislators passed a law that effectively nationalizes the bank, which pioneered the idea of making small loans to poor women, by wresting control of it from the 8. Yunus appointed Hasinaâ€™ along with US first lady Hillary Clintonâ€™ as co-chair of a microcredit summit held 2â€™4 February At this event, 50 heads of state and high-level officials from nation-states gathered in Washington, DC, to discuss solutions to poverty. At this macroevent for microcredit, Hasina had nothing but praise for her fatherly figure. In her statement she praised, "the outstanding work done by Professor Yunus and the Grameen Bank he founded.. The success of the Grameen Bank has created optimism about the viability of banks engaged in extending micro-credit to the poor. When her conversation ended with Jagland, she received another call, this one from Laily Begum, a Grameen telephone employee. However, this long relationship was doomed in after Yunus disclosed his intention to form a political party, Nagorik Shakti [] From friends to foe[edit] The government of Prime Minister Sheikh Hasina waged a destructive campaign against Grameen and its founder, Muhammad Yunus. Yunus, however, suggested the general pick Fakhruddin Ahmed [] for the job. Fakhruddin took office on 11 January and made it clear on his very first day that he intended not only to arrange a free and fair election but also to clean up corruption. While Khalada and Hasina criticised Fakruddin and claimed that it was not his job to clean up corruption, Yunus expressed his satisfaction. In an interview with the AFP news agency, Yunus remarked that politicians in Bangladesh only work for money, saying, "There is no ideology here. After completing a full investigation, the Norwegian government found Yunus innocent. Yunus has also become subject to legal harassment over three criminal cases. A criminal defamation case was filed against Yunus [] for criticising politicians in A food inspector filed another case against Yunus, [] alleging that yogurt manufactured by the Grameen-Danone was adulterated. The final blow came on 3 March Backed by international leaders [] e. Hasina also ordered a fresh investigation into the activities and financial transactions of Yunus [] in his later years as managing director of Grameen, but people see the move as nothing more than an attempt to destroy his image. The prime minister also alleged that Yunus had received his earnings without the necessary permission from the government, including his Nobel Peace Prize earnings and the royalties from his books. It was passed by parliament on 7 November , [] and replaced the Grameen Bank Ordinance, the law that underpinned the creation of Grameen Bank as a specialised microcredit institution in Since then, the government has started an investigation into the bank and is now planning to take over Grameen â€™ a majority of whose shares are owned by its borrowers â€™ and break it up into 19 regional lenders. They were married in Their daughter Deena Afroz Yunus was born in He is also the moderator of several Talk show programmes in Bangladesh. Monica Yunus, his elder daughter, is an operatic soprano , working in New York City. Publications[edit] Yunus, Muhammad Three Farmers of Jobra. Department of Economics, Chittagong University. Grameen Bank, as I See it. Creating a World without Poverty: Social Business and the Future of Capitalism. A World of Three Zeroes:

Chapter 6 : Social Business

Professor Muhammad Yunus and The Green Children opened First Grameen Eye Hospital in Bangladesh on May 12, Structured as a Social Business Enterprise, Facility Can Potentially Grow To Perform 50, Examinations, 10, Cataract Operations Annually.

Share via Email Muhammad Yunus: One is a business which makes money, and the other solves the problems of the world. For one thing, he has expanded his concept to developed countries via Yunus Social Business, founded in These are common problems, rich country or poor country. Australia has poor people, America has poor people, Europe has poor people. Two centres are slated to open in New Zealand this year. Teased for being a Marxist, a revolutionary, a danger to society even, Yunus says: What do you do after the revolution? You have to figure out the purpose of the revolution. The idea behind his multi award-winning idea of microcredit is that everyone is a natural entrepreneur. We tend to think entrepreneurs are those who succeed in a globalised financial system that is rapidly re-establishing the extreme inequalities that western governments legislated to limit in the 20th century. His radical idea, established in poverty-stricken Bangladesh in the s, was that if poor people were given a proper start and encouragement, their natural entrepreneurship would flourish. So this is our tradition. And they have proven one very important thing: We grow it, we waste it, we dump it: Banks would not lend to the poor, fearing default, and moneylenders charged extortionate rates. His experiment was a success, and he began to develop the idea, in practice as well as in theory, eventually establishing the Grameen Bank. At 76 years old, Yunus is still enthusiastic, despite fighting roiling political criticism in Bangladesh, spearheaded by prime minister Sheikh Hasina. Yunus has been accused of everything from having an autocratic management style to embezzlement and tax fraud. In , the government moved to have him removed as head of his bank, formally citing his age. More seriously, perhaps, a vocal school of economic thought disagrees that microfinancing can enrich the poor. Not a single man. Globalisation has sent manufacturing from rich countries to poor, and robots will eventually kill many of those jobs too as corporations seek to minimise costs and maximise profits. In rich countries, jobs are more precarious, people no longer expect the security of a job for life, and welfare is rapidly being reduced by the vogue for austerity economics. Fostering entrepreneurship is the solution, Yunus says. And his concept of social business “created for pro-social goals, not profit” is the solution to social and environmental problems caused by intense capitalist competition. Some pioneering companies are already embracing it. France is a leader. Anne Hidalgo, the mayor of Paris, wants to make her city a hub for social businesses. She has committed to making it a central feature of the Olympics if Paris wins its bid. Danone, the French dairy company, was one of the first, agreeing to form Danone Grameen in to produce fortified yoghurt for malnourished children in Bangladesh. The water company Veolia made a similar joint venture to provide safe drinking water in Bangladeshi villages, while the American food company, McCain, has a joint venture with Grameen helping farmers in Colombia raise crop yields. The bulk of the investment in these partnerships comes from the company, which expects no profit: They are proud that their company is taking care of that. Lead the Change in Melbourne on 6 April Topics.

Chapter 7 : Bangalore Fund | Yunus Social Business – Business to end poverty

In Muhammad Yunus' groundbreaking sequel to Banker to the Poor, he outlines the concept of social business—business where the creative vision of the entrepreneur is applied to today's most serious problems: feeding the poor, housing the homeless, healing the sick, and protecting the planet.

Tips for Entrepreneurs Dr. Muhammad Yunus teaches us how to build a social business Five lessons the social entrepreneur has learned in his efforts to help the world discover a new kind of capitalism By Hope Katz Gibbs In his New York Times bestseller, *Creating a World Without Poverty*, Dr. Muhammad Yunus said that a social business must be at least as well managed as any profit-maximizing business. And with his new book, *Building Social Business: In the page hardback*, published by Public Affairs Books, Dr. Yunus explains that the challenge of creating Grameen Danone has not been made any easier by its status as a social business – if anything, just the opposite has been true. It is even more difficult to design a social business that does both things at the same time. Yunus believes Those words were his advice to readers in *Creating a World Without Poverty*, and highly applicable, he shares, when it came to building Grameen Danone. In an effort to help others trying to create a social business – actually any business at all – he offers details about the five lessons he has learned. Be flexible, yet never lose sight of your central goal. Yunus says it was necessary to make changes in the business design with Grameen Danone, despite the fact that analysts spent months planning before ground was broken on the factory or a single cup was produced. But to avoid becoming purely reactive, flitting from one program to the next, always remember the central goal for which you established the social business in the first place. Immerse yourself in the culture of the people you intend to serve. Stop and rethink your plan. Use help from allies wherever you may find them. Social business taps and satisfies this desire to do good. Take advantage of differing opportunities in different markets. But they market the product differently to each group. Question your own assumptions. But a milk crisis caused them to reconsider, and as a result they found a smaller serving could be equally nutritious and delicious. Not only are they inspirational, they are highly informational – fantastic case studies on how to manage a business the right way. It was founded in by friends of Grameen Bank to help microfinance practitioners and spread the Grameen philosophy worldwide. The Grameen Foundation collaborates with local organizations and allies around the globe to provide products and services that allow them to: For more information, visit [www](http://www.grameen.org).

Chapter 8 : Muhammad Yunus: the model social enterprise leader? | Guardian Sustainable Business | The

Is Muhammad Yunus' leadership style a blueprint for social enterprise leaders around the globe? Photograph: David Levene Muhammad Yunus has been in the glare of the media's spotlight for all the.

The quickest way that I can describe it is a nondividend company that solves human problems. The investor can take back the investment money out of the business over time, but he or she is not interested in making any additional money or dividend out of it for himself or herself. So that becomes a social business. It is focused on solving a human problem, unlike conventional businesses, which want to make money as their prime objective, and everything else fits into that. Here, the prime objective of the company is to solve human problems in a sustainable way. What you target is mostly the very poor, particularly if you look at the developing world. And the concept implies that they pay a price for the products or services. Now, how do you reconcile the two? We charge a fee or price for providing a service because then it becomes sustainable. We make money and we cross-subsidize the cost for people who cannot pay. That way, the whole eye-care hospital covers all its costs and sustains itself. To make an institution self-sustaining is a tremendous power, and if you can bring it to the area of solving social problems, I think it will be a big addition. Along with that, you bring your creative power, you bring your technology—and all of this combined makes it a very powerful idea. Why should corporations want to engage in building a social business? Companies find it very useful to bring the creative side of their business and apply it to solving human problems. I often hear that there are business benefits as well, because social businesses offer a place for innovation and learning in a different setting. Is that something you see? We see that a lot. But once you are here [with the social business], you are creating a new business process, and you learn something that is applicable to the broader company. This is a social business. We should not accept plastic here. Finally they found it, and it was cornstarch. And they are really excited about it. We started using these biodegradable cups. Today, Danone tells me that they have replaced all of the plastic cups in their parent business. And what you do in the social business benefits the profit-making world. There is no conflict between the two. There is a lot of overlap, a lot of synergy. They help each other. The businesses you created with corporate partners—are they successful now? Some are, some are still going through the teething process. Any business has a teething process, particularly if it is entering the completely new territory called social business. If the price of the ingredients goes up, how do you make sure that you can retain the price point you need to continue? So these are the issues: So how do you do it, how do you ensure that you reach out to the poor families? How do you do the marketing? But once you have done the prototype, you have contributed an enormous gift to the world. All you have to do now is repeat this, every place. And the problem will be solved in a very sustainable way. All you do is invest the money, and the money comes back. The social business continues to run. Seed development is a very long, drawn-out process, but once you develop that seed, it becomes a miracle seed. All you have to do is have a big seed bag, and you can make plantations and make big fields filled with your crops. When I visited you in Bangladesh I was impressed by the size and scale that Grameen Shakti has reached. Where does it stand now? Now we have more than 1 million households with solar home systems. It took us 16 years to reach that point. But it will take only three years to reach the next million because the spirit is so high now. Probably the third million, when we get there, will take less than two years. Where will the social business movement go? I am posing a challenge: That 1 percent will lay the foundation. Once the ground is prepared, moving from 1 percent to 5 percent of the economy will not be difficult, because now the ground will be prepared in every country. My expectation is that once it is done, everyone will love it.

Chapter 9 : Muhammad Yunus Quotes - BrainyQuote

CREATING A WORLD WITHOUT POVERTY: SOCIAL BUSINESS AND THE FUTURE OF CAPITALISM Muhammad Yunus 1. A New Kind of Business Since the fall of the Soviet Union in