

The Price of A Dream: The Story of the Grameen Bank **by David Bornstein**

Oxford University Press, 1996, 2005. 370 pages

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David Bornstein is a writer based in New York City. *The Price of a Dream* was published in 1996 and was based mostly on extensive visits to Bangladesh in 1992 and 1994. The prize-winning book was published in a paperback edition with a new preface in 2005. In 2004 Bornstein published his second book, *How to Change the World: Social Entrepreneurs and the Power of New Ideas*.

The Price of a Dream is the story of the Grameen Bank in Bangladesh, the pioneer in micro-credit and micro-enterprise: small loans to very poor people to enable them to create small businesses and build modest houses to live in. The great driver of this project was Muhammad Yunus, the founder of the Grameen Bank, and winner of the 2006 Nobel Peace Prize. Yunus, a native of Bangladesh was educated at Chittagong College, Dhaka University, and Vanderbilt University (Ph.D., Economics, 1971). In 1972 Yunus became head of the economics department of Chittagong University. In 1976 he loaned \$27 out of his own pocket to a group of stool makers in a village and saw how this little loan enabled them to succeed.

Bornstein's book describes the basic ideas, gives a lot of statistics and details, and provides some analysis. However, the main value of his book is in its narrative which presents the voices and stories of those involved on the ground. Their struggles and successes (and failures and frustrations) are presented and speak for themselves.

The big economic development projects sponsored by the USA and other countries are often generous and well-meaning. However, their scale is such that the very poor are often left out almost entirely. The approach is patronizing and one-directional. The Grameen approach ("grameen" means "village") is to use small loans as a way of enabling the very poor to use their own creativity to climb out of poverty. The Grameen process evolved toward making the loans almost entirely to women because they were poorer than their men and also more likely to invest their earnings in home and family (what this says about the state of manhood is not a pretty message). An applicant for a loan must be part of a group of five who sign on to take responsibility for each other's debts. Loan recipients must attend regular Grameen meetings—for education as well as support and accountability. Loan recipients pay interest at relatively high rates but the small overall scale keeps the process affordable. The bank reinvests the profits in more loans to more people. The Grameen Bank by 2005 had invested more than 3.8 billion dollars in 2.4 million families in rural Bangladesh: quite a business success even apart from the social impact.

The Grameen Bank of Bangladesh has inspired similar micro-credit programs in more than 100 other countries, including the USA. It is about for-profit business, not charity, but at the lowest, most basic level. Many of us who have been parents have tried to train our children from a young age by giving them little jobs that challenge their work ethic and reward them. And we all know how in our own lives and careers we have thrived and grown when given responsibility, freedom, and the minimum resources to get started---not just a patronizing hand-out.

In a time when so many of our biggest financial leaders exploit their power and position to wheel and deal for their own personal aggrandizement alone, it is incredibly refreshing to read about a great business leader who created a for-profit business to empower and help his banking customers. There are incredible opportunities all around us, in all business sectors. What are we going to do with those opportunities? Is it all about "me"? Could it be about "we"?