

PL17- "SHOULD TED TURNER GIVE \$1 BILLION TO THE UN?"

Undersecretary of State Tim Wirth has just resigned to head a foundation charged with spending the \$1 billion that Ted Turner has pledged to the U.N. Turner has said that he wants the money to help those in need. But this raises a basic question: should the money go through the U.N. at all? And what of Turner's other announced goal, to stimulate others to pay more attention to the needs of the poor? What is our obligation? And how to give most effectively?

To answer such questions, we turned to Dr. Muhammad Yunus, founder of Bangladesh's Grameen Bank, and perhaps the individual doing the most to help the poorest of the poor in the world today. Although diplomatic, Dr. Yunus made no bones about how he felt Turner's gift could be used most effectively.

"It is wonderful that Ted Turner wants to give \$1 billion to aid poor people. Humanity needs to cultivate a 'Spirit of Giving' for the 21st century, and Turner is leading the way. I salute him. I also support the U.N. for peacekeeping and similar missions."

"But," he added, "it would be much wiser to use this money to capitalize national-level funds that would support non-governmental organizations providing micro-credit to the poor. This would ensure that his gift brings direct benefits to thousands of families that now live in extreme poverty."

Yunus's Grameen Bank gives "microloans" averaging \$160 to poor Bengali families for small enterprises like bicycle repair or tailor shops. For him every \$1,000 is not just a dollar figure, but a new start for 8 families of desperately poor but hard-working human beings.

The contradictions involved in helping the poor were evident during our conversation itself, as glasses tinkled in a lounge at the Fairmont Hotel lounge, San Francisco's finest and site of the annual "State of the World" Forum. The Forum is financed by several hundred wealthy donors who each pay \$5-10,000 - 30 to 80 microloans - to

network and hear such speakers as Marian Wright Edelman, Walter Cronkite and Marianne Williamson.

Forum organizers and speakers are sincerely concerned about poverty and the environment. Williamson, for example, received a standing ovation when she called upon participants to live more authentically and revive the spirit of the '60s by acting to help the poor.

But the expensive dinner that night featured "Richard Traff Vineyard Pinot Blanc 1994 (organically grown grapes)", and culminated in a "Chocolate Mousse in a Chocolate Tulip Cup with Fresh Strawberries, Vanilla Sauce and Raspberry Sauce". The question of whether poverty can be eliminated or the environment saved with the world's wealthy continuing to maintain their present lifestyles was no more addressed by the Forum than by the developed world at large.

Dr. Yunus's bank is recognized as perhaps the most effective anti-poverty program in the world today. It reports an annual \$2 billion in loans to two million people, with a loan repayment rate of over 98%. Loan recipients agree to join together in teams of 8 which are responsible for each individual loan, and to boil their water and keep families small.

The Grameen Bank is also starting nationwide telephone and renewable energy businesses. Dr. Yunus envisions these companies as a "fourth sector" - different from existing government, non-profit or private sector institutions. They are profit-making enterprises competing in the private sector, but will be democratically managed and return their profits to shareholders.

The Grameen Bank has become a model for the developed as well as developing world, sparking a recent "Microcredit Summit" whose sponsors included George Soros and World Bank President James Wolfensohn. The Summit, attended by several thousand participants from dozens of nations, seeks to generate microloans to 100 million of the world's poorest families by the year 2005, for a total cost of \$20 billion.

Which poses a problem for those of us who fancy ourselves sensitive to the needs of the poor. I for one had purchased a \$200 leather briefcase I did not really need the day before the conference. It was something of a shock to realize that this was precisely the sum that the Microcredit Summit aimed to spend on each of its 100 million loan recipients.

Discovering that my \$200 could have given a family of four a new start in life bothered me - not only because it challenged how I live my values, but because I had not even thought about it.

Dr. Yunus tried to take me off the hook. He smilingly responded to my "bag issue" by saying Grameen was setting up a program whereby people like me could purchase "Grameen bonds" with our \$200, thus allowing our money to be used for microloans but also to redeem our money any time we needed it. (The bond would not pay interest.)

And yet my bag issue seems to symbolize not only my personal questions, but the far larger issue of what Ted Turner should do with his money. The UN claims its normal cut is 13% on such gifts, which will not include Foundation expenses and other overhead costs once the money reaches the host country. Anywhere from 20-25% of the money could never reach the people it is designed to help.

How does one live with the knowledge that every \$200 one spends, or the millions of Turner's money that will support U.N. and host bureaucracies, could otherwise help real, live human beings in need, who ask not for a handout but only a chance to work harder than any of us will ever work?

Hazel Henderson, author of Building a Win-Win World and a pioneer in promoting innovative strategies for energy efficiency and development, disagrees with reservations about the U.N. "I think Ted Turner's gift to the U.N. is wonderful", she says. She argues that the U.N. is perhaps humanity's greatest institutional accomplishment in the 20th century - not only aiding the poor but helping to maintain the

peace and weaving the international community together. "I think we should support the U.N. with no strings attached," she says.

I left the State of the World Forum both more hopeful and troubled than ever. On the one hand, the Grameen Bank's existence and influence is an inspiring cause for hope. There is finally a model for helping the poor which offers some prospect for success.

I believe Dr. Henderson is right that, overall, the U.N. is an important accomplishment. I would also like to agree with the Third World diplomat who assured me that my bag was fine so long as it made me more "efficient" in trying to improve the world. And I much prefer wealthy attendees like those at the State of the World Forum to conservative Silicon Valley billionaires who denigrate liberal efforts to help the poor.

But I registered Dr. Yunus's report that despite all the progress, the absolute number of people living in poverty is greater than ever. Some 2 billion human beings are today surviving on less than \$2 a day, living lives of physical if not spiritual misery unimaginable to the rest of us.

In a sense, one is cursed by the knowledge that every \$200 can help a family get a new start in life. The convenient rationale that money spent to help the poor "doesn't really accomplish anything" is no longer available when one considers Grameen's track record.

It's not really difficult, of course, to forget poor Bengalis. I left the Forum realizing how easily I can continue living as if the Third World doesn't really exist.

But it does.

