

The Honorable Dr Gro Harlem Brundtland  
Prime Minister of Norway (1991-1996) & Deputy Chair of The Elders  
The Elders Foundation  
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Dear Dr.Brundtland

I have carefully read your "*Letter to the Honorable Sheikh Hasina, Prime Minister of Bangladesh, on Grameen Bank*" published on 14 August 2013 in various international news papers as a full page advertisement paid for by RESULTS.

The Commission that was setup in May 2012 was not titled as "*Special Commission on Grameen*" and its term ended on 20 July 2013. As I chaired this Commission and it no longer exists, I now feel free to respond to your statements in the "Appeal". It would not have been appropriate to respond to such an advertisement while the Commission was functioning as it is a quasi-judicial body under the Commissions of Enquiry Act.

I will begin by assuming that you have not personally read the Interim Report of the Commission which was submitted to the Ministry of Finance, Government of Bangladesh on 09 February 2013 and, in line with the very first recommendation of the Commission, placed in its entirety on the Ministry's website for open public scrutiny and comment and where it remained till about the end of July 2013. I say this because I cannot believe that a person of your stature, academic background and accomplishments would have contributed your name to a whole set of lies, fabrication and malicious misrepresentation of the Commission's work, report and recommendation if you had actually done so. You have chosen to sign up to an organization closely linked with Prof.Yunus and directly attack the Commission's findings and its impartiality before communicating with the Commission. You belong to a group called "ELDERS" set up by one who has been my greatest and most honored living contemporary – Nelson Mandela. So what do the Elders subscribe to?

- i) An **independent voice**, not bound by the interests of any nation, government or institution.
- ii) A **shared interests of humanity**, and **universal human rights**.
- iii) The importance to **listen to everyone** - no matter how unpalatable or unpopular this may be.
- iv) To **act boldly**, speaking difficult truths and tackling taboos.
- v) No claim to have all the answers, and stress that **every individual can make a difference** and create positive change in their society.

Does appending your signature to this deliberate misrepresentation by RESULTS measure up to the Elders' ideals? I had the honor of meeting one other Elder eight weeks or so ago and noticed that she had downloaded the Commission's Interim Report and had a printed copy next to her. As I glanced at the document she smiled and told me that she had read it and was prepared to exchange views – that was an honor in itself. I do wish that with all your experience and achievements you had done what Ms.Ela Bhatt had thought fit. I am left to wonder if RESULTS had contacted Ms.Ela Bhatt to get her to sign up to this motivated appeal? Her significant experience in empowering disadvantaged women would have substantially lent weight to this appeal as she has actually worked with the most disadvantaged in a developing country.



The Commission has spent considerable time and effort to delve into the nature and activities of Grameen Bank and its '*family of businesses*' in terms of its TOR. To say the least, your comments and views have been unfair to the Commission, the Members of Grameen Bank, the people of Bangladesh under whose laws this Commission was functioning and even to Prof.Yunus.

I do not hold a brief for the Prime Minister Honorable Sheikh Hasina nor for that matter for Prof.Yunus to whose cause for tackling poverty I had some contribution, long before he was known to anyone but his immediate academic circle at Chittagong University and definitely not to you or any of those who chose to put their honored name to this defamatory advertisement. The Commission's primary and sole objective was to place the facts gleaned from the records of Grameen Bank and its '*family of businesses*' for a dispassionate assessment of its nature to knowledgeable persons. It will, of course, not be palatable to those who have been gullible and are chauvinistic supporters of Prof.Yunus.

Here therefore are the distortions and fabrications you have signed up to:

1. Para 2 mentions '*Grameen Bank ....an independent borrower-run company....*' Grameen Bank is **not** a company but a statutory financial institution set up by the government. There are very important distinctions and legal implications between these two types of organizations and you would do well to read the Interim Report of the Commission for the details.
2. Para 2 mentions '*..54 other social businesses within the Grameen family....*' The Commission was only beginning to carefully examine the functions, finances and operations of these businesses when its term was brought to an end and was unable to examine all of them. Nonetheless the Commission's views on these '*social businesses*' will be elaborated in its Final Report. It is however amply clear that neither Grameen Bank nor Prof.Yunus had the legal mandate to establish **any** of these '*social businesses*'. The law which created Grameen Bank specifically debarred Grameen Bank from doing so. It is clearly recorded in the Grameen Bank Board's minutes that Prof.Yunus has admitted, he could not do what he is doing in setting up this '*Grameen family of businesses*' from within Grameen Bank - so he chose to disregard the Grameen Bank law. Even when registering some of these businesses the relevant law was deliberately ignored. Are you aware that Prof.Yunus chairs almost all the '*social businesses*' that the Commission has had the opportunity of examining? Although many are registered as a company limited by guarantee and therefore have no 'shareholders' they are, in effect, a 'closely held' business managed by a small coterie of Prof.Yunus's lackeys controlling vast assets in cash and real estate. This in itself may not signal wrong doing, but why the 'layering of organisations' to disguise the movement of funds? And why the reluctance to open their management and financial books to inspection not only by the Commission but by anyone interested in its operations when they are ostensibly operating for the benefit of the poor? Before I list more such concerns there is one last but very important legal issue - these various '*social business*' bodies were setup by funds which originate from Grameen Bank or were provided to Grameen Bank's '*social business*' because they are a subsidiary of Grameen Bank and were identified in their respective charters as belonging to the '*Grameen family*'. The Grameen Bank law does not permit such diversion of funds no matter how small. But having done so, I would think that any asset so created would belong to the Grameen Bank itself and through it, would be available only for the benefit of Grameen Bank's poor, landless borrower-shareholder. It follows that use of any of these funds



for those who are not borrower-shareholders of Grameen Bank (and they may very well be poverty stricken) is not only a violation of the law but directly deprives the poor, landless borrower-shareholder of Grameen Bank of these assets and all the benefits that flow from it.

3. Para 2 again. Your concern for "*Grameen Bank.. borrowers, 97% of whom are women..*" is very well appreciated by the Commission but it is their assets that has been diverted to fund Prof.Yunus's social business. By law they alone have a right to it. Prof.Yunus's social activities outside Grameen Bank has deprived the poor, landless borrower-shareholder of the entire benefits. Does it surprise you to know that from one of these '*social business*' alone the funds that the Grameen Bank's poor, landless borrower-shareholder may have been deprived of about USD 500 million? Is this what you condone?
4. Para 5 in referring to the Commissions' recommendations you state '*These recommendations would disenfranchise nearly 5 million borrower-shareholder..*'. If you take time to read the Interim Report carefully you will find that (a) Five million borrower-shareholders were never authorized by Grameen Bank's law and (b) the Rule which called for empowering these borrower-shareholder through an election does not even recognize the poor, landless borrower-shareholder's existence as a voter! So what are you referring to when you mention their "enfranchisement"? Finally (c) the elective process has, in Grameen bank's history, **never** been through balloting from amongst the eligible borrower-shareholder but by an explicit process of selection by the officer who controls the loans given to the poor, landless borrower-shareholder – so much for elective empowerment!! You may again be requested to read the Interim Report where the Commission has quoted from Grameen Bank Board meeting's minutes to substantiate these shocking findings.
5. Para 5 you state '*dismiss the borrower who sit on the Bank's Board of Directors*' – I think you needed to be more precise in what you sign up to. Grameen Bank has borrowers **AND** borrower-shareholders. It's law permits **only** the borrower-shareholder to sit on the Board of the Bank and **not** the borrower. Am I nitpicking? No, because I refer to the only right given to the poor, landless borrower-shareholder by Grameen Bank's law i.e. the right to vote for a Director from among their group and this right has not been recognized in Grameen Bank's Election Rules! Others who are borrowers only are not given this right by Grameen Bank's law! And by signing the statement quoted above, you too have demeaned the rights of the poor, landless borrower-shareholder. Yes, the Commission does recommend their removal but for reasons stated in the previous paragraph – their right to be recognised as a 'borrower-shareholder' is uncertain (were they among the ones who have been legally issued with a share?) and besides as the electoral process was not free from influence and there was no attempt at balloting for any one of them, how can they claim to be 'elected'? All of these women had been selected through the kindness of their respective loan officers to sit on the Board of Grameen Bank. Is this the electoral process that you will have consciously signed up to support?
6. Para 5 in stating '*... and replace them with government officials.*' Again a gross and deliberate distortion – motivated perhaps by RESULTS? And again, my request that you personally read the Commission's Interim Report and its recommendations before signing up to such appeals. In the face of such large scale violations of all good management norms within Grameen Bank, the Commission's recommendations were to first identify those borrower-shareholders who were correctly issued a share within the ambit of Grameen Bank's laws; hold a proper election amongst them alone through process of secret balloting and one in which the poor borrower-shareholder's loan officer has no role to play as



they have had during the past 25 years or so; the ones so elected should then take their place on the Board. Sham or 'directed' elections are hardly representative and empower women even less.

7. Para 6 *'They would lead Bangladesh to violate its obligations under bilateral investment treaties...'* Such vague statements are unbecoming of your stature particularly when dealing with a developing country. Which particular investment are you referring to? The only one that the Commission has had the time to examine, in any depth, has to do with the Norwegian Telenor's stake in Grameenphone Ltd. Once again, do read the Interim Report before signing up to any such sponsored advertisement against a developing country. Records show that Telenor was a part of a group which consciously misrepresented itself when signing up for a mobile telecommunication license in 1996. **Their actions make them immediately liable for criminal action no less – would you want me to list the names? It will not be palatable.** The group that had bid for this license was not among the first three listed for the license but, it has been reported by those in the know, on Prof.Yunus's personal plea (stating that the benefits of this license would accrue directly to the poor, landless borrower-shareholder of Grameen Bank) which led Prime Minister Sheikh Hasina to ensure that the license was issued to the group that Prof.Yunus, as Managing Director & CEO of Grameen Bank, had sponsored. This license was a goldmine as they used the entire Grameen Bank membership network to become the largest telecommunication company in the country. You may want to ask Governor Bill Richardson of the USA about his experience on this when he visited Bangladesh. But Telenor had apparently duped Prof.Yunus when it backtracked on its 'commitment' to part with 16% of its shares to the Grameen Bank's subsidiary or sponsored organization by 2002. The Commission estimates, from what records it has and after meeting with relevant persons, that Grameen Bank's poor, landless borrower-shareholder (most - 97%? - who are, as you have stated, women) were deprived of as much as USD 500 million by Telenor of Norway. Small wonder that Prof.Yunus is reported, by the Wall Street Journal, to have called them 'blood-suckers' at a press meeting in Oslo, Norway!! I will not dwell on large-scale 'money-laundering' allegations against them that we were told of because we have not had time to look into that. But let me make it amply clear – Grameenphone Ltd of which Telenor is now its largest shareholder, does not have a valid license to operate and never did. Far from allowing it to operate, its assets should be confiscated for deliberately committing a fraud. Is it reasonable to believe that those who would allow this fraud to continue are beholden to Telenor for cause? Interestingly you will find that media in Bangladesh seems reluctant to publish anything about Grameenphone Ltd's non-existent mobile license even after the Finance Minister mentioned it in a news conference. I was informed by media persons that their editors have explicitly told them not to write about this – again is it likely that media in Bangladesh has been compromised? If so by whom? I will be circulating this response to your "Appeal" to all of them and wait to see how many are willing to pursue it in order to recover the vast sums that were taken away by Telenor from the borrower-shareholders of Grameen Bank. In this context, why would an eminent person like you speak of *'violation of international investment treaties'*? Others who are amply fueled by Telenor may do so but I refuse to believe you would have knowingly consented to this. Very fortunately you were no longer a part of the government in Norway as all these events took place after 1996. I have personally have had very great regard for Norwegians. They were the first who had offered assistance to me when I was participating in our War of Liberation in 1971. It saddens me that a Norwegian state company, Telenor, has siphoned so much money away from the poor, landless Grameen Bank's borrower-shareholder and has tried to



deliberately mislead and give false statements to the Commission. You may be interested to know that Telenor has been openly soliciting the end of the Commission's probe – why? A Norwegian Minister flew in twice this year to Bangladesh to limit damage to Telenor. Is it unreasonable, in this scenario, to assume that a powerful developed country organization has, by various means, succeeded in bringing the Commissions' work to a closure?

8. Para 7 where you speak of a concern '*...that the Commission may not be presenting its work in good faith, after the prolonged absence of half the Commission's members was disclosed to members in the international press.*' Please read the Interim Report in its entirety before speaking of 'good faith'. Is RESULTS actions in getting you to sign up to this malicious advertisement an act of 'good faith'? And who made the disclosures to which members of the international press? I shall really appreciate it if you could elaborate, citing specific persons with whom we may then correspond and correct a very wrong and motivated impression. The Commission consisted of three Members. So does 'half' indicate one Member or two Members? And missing in what sense? You may have been informed that I and the other two Members are not resident in Bangladesh – I live in Kathmandu Nepal and the other Members are in the UK – and it has been largely to conduct the Commission's work that we are in Bangladesh. The Commissions of Inquiry Act permits the Commission to set its own method of functioning and conducting its work. In the first meeting of the Commission we had decided that we would meet when possible and that the business of the Commission may be conducted using the internet. Indeed to this end all the documents that were obtained by the Commission were scanned, preserved and were made accessible to the Members. The Commission agreed to place all of this in the public domain, through the internet, so that other interested persons and researchers can draw their own conclusions. Would you like to help us do so? The Commission's Interim Report references every piece of information used to formulate its views. Did you wonder why that Report has not been challenged since it was made public six months ago? Your valued signature merely reinforces an insidious and baseless innuendo and demeans it.

Mr. Mosleh Ahmed (Member of the Commission) and I were somewhat taken aback by the nature and audacity of this advertisement funded by RESULTS. The Interim Report was available for public comment in early February 2013 and for the next six months there was no feedback from anyone – not even from Prof. Yunus. In the previous six months, that is from May 2012 to December 2012, Prof. Yunus had bombarded the country and the world by issuing a number of pamphlets expressing his grave concerns about the composition of the Commission, its purposes and its objectives. To this end, he was vigorously supported by many of his powerful friends who not only issued statements expressing fears as to what was going to happen to Grameen Bank (and Prof. Yunus) but made sure that their respective Ambassadors called on the very highest levels of the government to convey their concerns. Prof. Yunus and his friends have been strangely silent since February 2013 – leaving it to his numerous sycophants in various parts of the world to spread lies and undermine the dignity of a developing country's institutions. It was open to Prof. Yunus and all others to refute, para by para, what was presented in the Interim Report about the status of Grameen Bank and its functioning as determined from Grameen Bank's own records. Did you pause to wonder why there has been no specific answer to the Interim Report before you signed on to this 'appeal'?



So is Grameen Bank's fate the sole concern of the 42 persons who have appended their signatures to this motivated and biased advertisement? Some weeks ago knowledgeable persons in the UK convened a meeting to voice their concerns: **Is everything OK in Grameen Bank?** The event itself was sponsored by a prominent UK legal firm – Allen & Overy. Mr. Mosleh Ahmad (Member of the Commission) and I had the privilege of participating in the meeting which was chaired by Professor Malcolm Harper. I assume you know that the Professor is a highly regarded and respected name in the realm of microfinance. A short presentation on the findings of the Interim Report was followed by an hour long open question and answer session. We were pleased that the entire session was recorded and placed on YOUTUBE sometime around the 12<sup>th</sup> August 2013. Is it possible that you were informed of it or you have seen the presentation? If I had the funds or financial ability, I would have flown over to where you live or work and personally have briefed you on the issues you have so much concern about and have so readily agreed to append your signature. Unfortunately I do not have that kind of resource – I can only request you to read the Interim Report and then convey your fair and impartial views to RESULTS and to the Honorable Prime Minister of Bangladesh.

That brings us to determining the people who constitute RESULTS, who funds them and to what end? I leave that for another day but need to know if one of those on its Board is Prof. Yunus himself? Do funds from any of Prof. Yunus's 'social businesses' pay for what RESULTS is doing? If a single poisa/cent/penny can be traced to them from these 'social businesses' then to that extent the poor, landless borrower-shareholders of Grameen Bank have been deprived of assets – and in any case the funding would be illegal under the laws of Bangladesh. But, as I have seen only too often, the institutions and laws of Bangladesh or any poor developing country do not count for much when the interests of friends of the rich and powerful of the West are involved. For the present, I can only hope that you will read, not only the Commission's Interim Report in its entirety (and I stand ready to defend its findings by email or personally if you chose to come to Bangladesh and honor me by being my guest), but all other papers prepared and submitted to the Government by the Commission. This too before you come to any conclusion about the real needs of Grameen Bank as an institution and of its poor, landless borrower-shareholder, 97% of who are women. If you do come to a different conclusion from one that you have signed on to and allowed its publication on 14 August 2013, would you like to place another advertisement in all these newspapers stating what your revised views are? – or at least convey them to me through this relatively inexpensive email. Thank you for taking the time to read through this piece.

Best regards and salaams.

Yours sincerely,

Mamun Ur Rashid

Chairman; Grameen Bank Commission (until 20 July 2013);

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