





# From me to we

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Peter Spiegel

Peter Spiegel calls himself a “possibilist” – equally proof against blue-sky optimism and gloom and doom pessimism. What mainly interests me as a possibilist is using the “how” to find the best – and sometimes unexpectedly good – possibilities inherent in all types of situation.



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Peter Spiegel, you've travelled the world a lot and you've put a lot of thought into how you can make it a better place. So why is the world so out of joint?

**Peter Spiegel**

For me the single most excruciating problem is the issue of world poverty. I find it absolutely outrageous that we can accept a world in which one to two thirds of all people live in totally degrading conditions. We draw up lofty declarations of human rights while trampling the same rights in the dirt! There's no justification whatsoever for this, not a single reason! For the past 50 years we've had all the means we need to rid the world of poverty at our disposal. Yet we don't use them! And that's a real thorn in my flesh!

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Which countries have the worst poverty?

**Peter Spiegel**

It's a universal issue. For a long time poverty was something that happened in remote, far-off places so we didn't worry our heads too much about it. But as the decades go by it's not getting any better, it's steadily getting worse and the slight recoveries it shows are only short-lived. And now in the wake of the global financial crisis it's drastically worsened. What most people still don't realize is that the interface of the future economic miracle is precisely focused on the poverty front of the world! That's the critical point that concerns our own interests and our own future – not just the future of the people who live there.

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So it's no coincidence that the phrase "we're all sitting in one boat" is doing the rounds in the west now.

**Peter Spiegel**

Precisely.

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What kinds of specific action do you need to take? What kind of approaches do you adopt?

**Peter Spiegel**

On the one hand you need to tackle people's general lack of commitment and you also need a fundamentally different mindset to what we've used so far – at least used in the main part of our responses.

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What do you mean by "different mindset"?

**Peter Spiegel**

One aspect of it is that we start to consider "poor" people as intelligent and highly talented individuals and not just as aid-recipients in urgent need of our help. There's often something slightly disdainful or condescending about such forms of assistance: "You poor things can't make it on your own, we have to help you!"

The best example I can think of that runs counter to this mainstream thinking is Muhammad Yunus and his model for micro-loans. What he did was to simply ask people what they needed – something which a development worker would hardly even dream of doing. He sat down and actually talked to people to get an idea of what they really need. They told him that what they needed was a little money to buy the materials they needed to start a little business so that they could stand on their own two feet and become independent in the full sense of the word. And just imagine what happened – beggars suddenly turned into entrepreneurs who were able to take control of their own lives! This "different mindset" has a very long-term impact in the countries where it's deployed. In Bangladesh to date some 80 percent of poor people have access to micro-loans. What used to be the world's poorest country until only fairly recently is now one of the most dynamic of the emerging economies. And the whole country is showing genuine signs of "lifting out of the poverty trap". Psychologically speaking, micro-loans mean turning the spotlight on people's innate human dignity. This can solve a whole raft of problem issues. There are now many more similar

kinds of projects with similar kinds of innovative quality than just the micro-loan idea which has now spread all over the world.

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How can individuals like yourself or small organizations make a difference?

**Peter Spiegel** →

Look, this totally modest, tiny idea that Yunus originally had has now grown into a worldwide movement that has enabled no less than 120 million people to take advantage of this kind of empowerment. We have to take a proper view of things, we have to look at them on the micro-level. We have to try them out on the micro-level and get an exact idea of their strengths and weaknesses. All these innovative new works must first function on a limited small scale. If the idea matches the needs and development opportunities in a particular country, then we've given birth to something really big.

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Can new technologies play any role in all this?

**Peter Spiegel** →

They certainly can in the sense that they can quickly spread the news about these new ideas to large numbers of people and that cutting-edge communication technologies are good at visualizing innovative new ideas and explaining them with pictures. But they've also an important role to play in other, totally new contexts. Take the healthcare system, for instance. When we want to build a healthcare system in a country, if we're stuck with our old-fashioned way of thinking we always start by building a hospital. Of course we always follow-up by sending in good doctors and nurses to staff it. And then we have the feeling that we've done a good deed. Yet because this approach is extremely cost-intensive, more often than not it remains a limited stand-alone solution. Modern technologies allow us to strike out in totally new directions. For instance, the most important healthcare instrument in Yunus's model is the cell-phone. What did he do? He got doctors in cities to train nurses and coach them via cell-phone in the surrounding rural areas. This is a hundred times more cost-effective than any

previous model. Such a training system for nurses is an extremely efficient extension of the healthcare system, yet it comes at a fraction of the costs charged by the World Health Organization. So there is indeed a huge and very close connection between modern technologies and meaningful development.

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What sort of projects do you think deserve funding?

**Peter Spiegel** →

The innovative value of social projects is the thing that matters most to me. Having the local people develop their own projects is of the utmost importance – and that's precisely what the development aid world neglects to do in over 99 cases out of a hundred. It's also vital that the follow-up effects of the project are immediately felt: they must bring about a direct change in people's consciousness – right from the word go. People must be shown the way to independence and autonomy.

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But everybody's suited for an independent life, are they?

**Peter Spiegel** →

It's really quite simple to see if somebody has achieved a kind of inner independence through a micro-credit: all you've got to do is look them in the eyes! And if their eyes are smiling that means they've discovered the spirit of independence for themselves. It's really that simple.

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How do we find these people? And how do we locate other projects with similar independence-making qualities to the micro-credit model?

**Peter Spiegel** →

A good question. We won't find them if we follow the path of traditional NGOs. I've built myself a pair of antennae to field them out. This might sound very trite but it's basically true – because my antennae

are tuned and sensitized to such people and projects, I do keep finding them, one after the other.

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Like the adult education project in Nepal?

**Peter Spiegel** →

That's right. People came together in Nepal with the vision of helping 125,000 women out of poverty. It was a major pilot project. They instructed local women in five modules, five training units. And then these women passed on what they'd learned – after the snowball or Train-the-Trainer principle, if you like. What were the five training modules? The first was adult literacy for which we also received funding.

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Who did the funding – development funds?

**Peter Spiegel** →

International development organizations. The second module was how to set up poor women without any money in business. The third was setting up a small banking system.

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Where did this money come from?

**Peter Spiegel** →

From savings. From the savings of poor people who used it to set up a system of village banks because they recognized just how valuable such a system could be. And they succeeded in what they wanted to do: in three years they set up over 1,000 village banks.

The fourth module is concerned with making poor people aware of the state-guaranteed rights which they have but which in most cases they're totally unaware that they have. And the fifth module is project management for the have-nots, project management for the poorest of the poor. What does this involve? It involves enabling them to define what their real needs are, to prioritize them, structure them, organize them and finally evaluate

them. All this meant that suddenly NGOs were cast in a completely different light. They were no longer the know-it-all beneficent helpers from the great outside world. And the women themselves were suddenly the ones making demands and saying what we need from you is this and this and this. But all this didn't exactly endear the project to the NGOs who saw it more as a direct challenge to their key competencies – despite its wildly sensational success.

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A success which showed itself as?

**Peter Spiegel** →

Which showed itself as an incredible 800 percent increase in the income of these women over three years. I don't know of any other development project anywhere in the world which can even begin to measure up with the success this project has achieved. Even so, it still hasn't become a successful global model. Not yet anyway. We still have some way to go before we get there.

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Do you think that you can easily transfer a project of this type to other parts of the world?

**Peter Spiegel** →

Yes, I do and we already have proof that we can. The Nepal pilot project has been replicated in Africa. Not with an 800 percent increase in income over three years but even so with a respectable 300 percent increase. That's a figure that bears some looking at! This type of set-up is now operating in over 12 African countries. But even today this is the only organization that is driving this kind of approach. And that is simply scandalous!

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It's the total negation of the established development model as evolved over all the years and decades.

## Peter Spiegel

Exactly! However, that's precisely what gives it its unique innovative quality. And we have to drive this kind of innovation forward. Even more than in any other area, we need a completely new kind of thinking in the social sector.

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How can that be done?

## Peter Spiegel

Well, for instance we can set up educational institutions for systematic instruction in the way such innovations come about. Potsdam has the Hasso Plattner Institute, the School of Design Thinking. Hasso Plattner realized that if the western world is to keep its place on the competitive global playing field, what it needs more than anything else is innovations. And he developed a system where students can learn about the systematic generation of innovations and pass on what they have learnt to others. And it's a huge success! If we adapt new ways of thinking, if we focus even a part of our innovation-development on the social and civil problems we've been talking about, our reward isn't

## Peter Spiegel

What we have to do was clearly stated by an Indian economist, Professor Prahalad, when addressing the CEOs of international corporations. He said "Do you want to survive in the long-term? Do you still want to be on the global playing field in ten years time? Then get moving and start developing services and products for the needs of the world's poorest people. Why's that? Simply because these markets are the high-growth markets of our future!"

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What do you mean by "long-term thinking"?

## Peter Spiegel

Long-term thinking for me is a question of survival. If we all want to survive, we have to think long-term because short-term thinking destroys the fundamentals of life support, destroys systems – the ecosystem, the financial system, our healthcare and social systems. If we don't start to think in the long-term we can simply write off all our systems. Long-term thinking also involves sustainability thinking and above all thinking in terms of global perspectives and global responsibility. Self-centered



just that we're able to deal with a whole host of problems. Because what we'll also get is a new economic miracle. The benefits we'll derive on our side are at least as great.

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What do you think we now have to learn to secure this new balance that's now emerging in the world?

thinking leads us up a blind alley into a trap from which we can never hope to extricate ourselves. Systems can no longer function without perspectives of global responsibility, no matter what form these might take. An ethical perspective is no longer the unique endowment of philanthropy or welfare thinking; an ethical perspective in the sense of global responsibility is a matter of sheer survival. This means that global responsibility is no longer some kind of bedtime story for people of good will. It's a matter of direct concern to each and every one of us!