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Sierra Leone

Microloans and Virtuous Cycles for the Women of Hill Cut, Sierra Leone

In collaboration with the Community Hope Project, Chaired by Dr. Leslie Lewis in the USA and
Robert Kamara in Sierra Leone

Summary

With the support of a grant from the Davis foundation, we hope to expand a microloan initiative in Hill Cut, Sierra Leone which was successfully piloted in 2012. Working with the community-founded and registered Hill Cut Community Women's Organization, we plan to launch a microfinance program in which loans will be granted to women to start or expand their businesses. The highly capable and respected leaders of the women's organization will be the ones to decide how the loans will be awarded, ensuring community authorship. The interest from the loans will be used to fund community-based programs and resources, creating virtuous cycles.

Introduction

Hill Cut is a community located in Freetown, the capital of Sierra Leone. Hill Cut is comprised of people from all over Sierra Leone, driven there during and after the brutal, decade-long civil war. The war devastated the country; to name a few World Bank indicators: average life expectancy is 48 years old, the adult literacy rate is 40%, and infant mortality rate is about 12.3%-- all bundled with the highest maternal death rates in the world. Poverty is a shared experience; most families face hunger on a daily basis. The town of Hill Cut is about equally divided between Muslims and Christians. Consequently, there are regional, cultural and religious differences, and thus, the potential for divisiveness. At the same time, there are significant similarities across the community, and numerous community assets.

However, the country also has huge potential for economic growth and social progress due to its natural resources – the most famous of which are its diamond mines and the most valuable of which are its people. Among community members, there is great skill, strength, and drive for something better. With help and funds from the Community Hope Project, a student organization based at UCSD, the people of Hill Cut have registered their own Community Based Organization (CBO) and founded their own school for the children of the community, which doubles as an adult literacy class at night. Taking initiative from these developments, the women of Hill Cut decided to found and register their own Hill Cut Community Women’s Organization, which harnesses the incredible energy and resourcefulness of the women towards the betterment of their families and their community. In spite of towering odds, the women of the community work hard to feed their children and send them to school through petty trade. As our contact, Robert Kamara says, “Woman is the fighter! She will starve herself to give her children education!” This is a project focused on supporting and empowering those women who strive for a better future.

Project Description: Microloans, Community Authorship, and Virtuous Cycles

We know from research and insights from the fields of Development, and Peace & Conflict Studies, that the most effective approaches to promoting peace, reconciliation, and well-being center on fostering *local* leadership, talent, economic opportunity and hope. This is why we propose to work with the Hill Cut Community Woman’s Organization to provide critical “start-up” funds to help local families start or expand small businesses and improve their standard of living.

Candidates for the microloans will apply to the Women’s Organization as groups of 5-10 in which members will guarantee each other’s loans, as well as their own. (If one member defaults then all the members of the group must pay.) The members of the group approved for inclusion in the microloan program will be required to pay a low amount weekly to gradually pay back the loan, with a low interest level; one woman in the group gets at a time, and then once she pays it back it goes to the

next person. With this model, potential candidates do a good job of screening and monitoring each other, and exclude those who are unreliable and likely to default.

The interest payments will be put into the common fund of the women's organization to be used for community resources such as scholarships for the children, gifts for new mothers and other initiatives deemed important by the local community. Resources created from the interest from the microloans will be used to create virtuous cycles, in which women will create resources for themselves, their families, and the community as a whole from the funds. For example, one enterprise of the Women's Organization that would be funded by the model is their community garden. Among other crops, the women grow potato leaves which, are extremely nutritious, and provide nutrients for women who have just given birth. In addition, the communal work of the garden contributes to a sense of unification, cooperation and authorship of the fruits of their labor. With the profits from the sale of these leaves, the women purchase more supplies the garden grows. We have set aside a portion of the budget to seed the funds for community resources.

Connection to Peace

What we feel is special about the Community Hope Project is our focus on the beauty and power of connection between human beings. As the community started to meet and organize, they started to form bonds with each other that had not existed previously. The student organization sent a few hundred dollars for them to construct a temporary, tent-like school for children and adults. And, as the women got to know each other, the Women's Organization formed on its own. We believe that peace is best served by supporting and investing in these human connections and by providing resources for long term prosperity. In the end, we propose to jointly plan (with community members) a large community celebration during which local leaders who have acted as pillars and innovators will be honored with special monetary awards and provide an opportunity for community members to

share hopes, ideas and concerns. We believe that bringing people together will build cohesion, promote innovation and inoculate against group conflict.

Applicant Qualifications and Feasibility

I have personally witnessed the growth of the Community Based Organization, the school and the Women's Organization, and I am in close contact with community leaders there, including Robert Kamara. Dr. Lewis, the chair of the Community Hope Project in the USA, is a dear friend and I have worked with her and other leading members of the Community Hope Project over the past few years to foster the growth of this project. We have formed a strong foundation with this community, and every project we propose or fund is informed directly by the community leaders in order to ensure that our work is culturally appropriate and fulfills the self-proclaimed needs of the community.

During August of 2012, I and other members of the Community Hope Project at UCSD were able to visit the community for 2 weeks. The community listed education as their first priority, so we funded the building of a concrete school building complete with laptops and solar panels (installed by a local non-profit and used as a source of income as a charging station), materials for the community garden, small scholarships for local children, and formed lasting relationships with local leadership.

In 2012, we gave very small loans (total \$500) in order to pilot the microloan model described above as well, and 90% of the loans have all been paid back, with the last 10% currently in progress. Additionally, 3 women formed a group to expand their palm oil business, borrowing \$250 together, which has been paid back in full, with interest. Based on the success of this pilot, we would like to expand the microloan program so that the women will be able to support and launch their projects, send their kids to school, build and nurture personal connections and generally enhance the well-being of the community.

As other grant winners have done, I will take extensive video and photos of our work for the purpose of presenting the results of our project in the fall to prospective applicants in order to give

forward and create what I hope to be virtuous cycles at home.

Microloans and Virtuous Cycle

Budget Table

Item	Quantity	Unit Costs (USD)	Estimated Total Costs (USD)
Microloans 16 x \$500	16	500	8000
Community resource seeding	1	1000	1000
Community Pillar Awards 2013	5	25	125
Community Pillar Awards 2014	5	25	125
Community Innovator Awards 2013	5	25	125
Community Innovator Awards 2014	5	25	125
Community Revitalization & Planning Event	1	500	500
TOTAL			10,000