

ENDING POVERTY—FROM VISION TO COMMITMENT

Dana McLean Greeley Address

By Rev. Dr. Dorothy May Emerson

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When I was in high school, we read George Orwell's novel *1984* and learned to fear that year for its horrifying vision of what was then "the future." That dread date is now more than two decades past. We're still here—with only some of the awful predictions having come to pass.

Then in the late 1960s we saw the movie "2001: A Space Odyssey." That future vision was much more positive, or at least intriguing. Now that year is five years past. Technology and space travel have failed to solve our problems. Where is our vision for the future now?

Dr. Martin Luther King, Jr., offered one such vision—in the form of a challenge—in his book, *Where Do We Go From Here—Chaos or Community?*:

The time has come for us to civilize ourselves by the total, direct and immediate abolition of poverty . . .

A true revolution of values will soon cause us to question the fairness and justice of many of our past and present policies. We are called to play the Good Samaritan on life's roadside; but that will only be an initial act. One day the whole Jericho Road must be transformed so that men [and women] will not be beaten and robbed as they make their journey through life. True compassion is more than flinging a coin to a beggar; it understands that an edifice, which produces beggars, needs restructuring.

This is the vision that has captured my heart and mind. It is a vision I hope you too will embrace—ending poverty!

To accomplish this vision Dr. King says we must restructure the system that produces poverty. Makes sense, don't you think? One of the primary systems that needs restructuring is the global financial system. Financial institutions determine where money goes in our world. Traditionally, capital (another name for money) flows to those who have the means to attract it, by offering investors the opportunity to make a profit with their funds. This is one of the reasons the rich get richer and the poor get poorer. Clearly, to end poverty the way money moves needs to be changed.

We hear a lot these days about the growing divide between rich and poor. We might even get the idea that the situation is hopeless, that we are doomed to live in an increasingly divided world. The good news is that there are countervailing forces.

Among those countervailing forces are two very hopeful initiatives that have been launched, appropriately, through the United Nations. One of these is The Earth Charter. In 1987 the United Nations World Commission on Environment and Development issued a call for creation of a new charter that would set forth fundamental principles for sustainable development. The drafting of the Earth Charter involved what many describe as the most open and participatory consultation process ever conducted in connection with an international document. Thousands of individuals and hundreds of organizations from all regions of the world, different cultures, and diverse sectors of society participated. The Charter was shaped both by experts and by representatives of grassroots communities. It is a people's treaty that sets forth an important expression of the hopes and aspirations of the emerging global civil society. Here is some of what it says:

We stand at a critical moment in Earth's history, a time when humanity must choose its future. As the world becomes increasingly interdependent and fragile, the future at once holds great peril and great promise.

To move forward we must recognize that in the midst of a magnificent diversity of cultures and life forms we are one human family and one Earth community with a common destiny.

We must join together to bring forth a sustainable global society founded on respect for nature, universal human rights, economic justice, and a culture of peace. Towards this end, it is imperative that we, the peoples of the Earth, declare our responsibility to one another, to the greater community of life, and to future generations...

To realize these aspirations, we must decide to live with a sense of universal responsibility, identifying ourselves with the whole Earth community as well as our local communities. We are at once citizens of different nations and of one world in which the local and the global are linked.

Everyone shares responsibility for the present and future well being of the human family and the larger living world. The spirit of human solidarity and kinship with all life is strengthened when we live with reverence for the mystery of being, gratitude for the gift of life, and humility regarding the human place in nature.

It took 13 years of cross-cultural conversation about common goals and shared values before the Charter was finally approved in March 2000. The Charter articulates a vision of a sustainable future, a vision a great many people from around the world created together. It's a powerful vision.

Later that same year, eight specific goals were agreed upon at the United Nations Millennium Summit. These goals range from reducing extreme poverty and hunger by half, to protecting the environment, improving health and sanitation and tackling illiteracy and discrimination against women.

Nearly 190 countries have subsequently agreed to work toward these goals. The Millennium Development Goals, as they are called, are part of a wide attempt to encourage the international community to stop talking about making a difference in the developing world and join forces to start doing something about it. There's a specific target date for the accomplishment of these goals—the year 2015.

Frederico Mayor Zaragoza, former director-general of UNESCO and Commissioner of the Earth Charter sees the Charter as declaration and therefore a tool for the MDGs. “In turn,” he says, “the MDGs are an expression of how to put into practice many of the principles contained in the Earth Charter.”¹

It's important to have goals, both in our personal lives and in our communities. But a goal to cut extreme poverty in half in 15 years—is that an impossible dream? What is meant by extreme poverty anyway?

The Millennium Development Goals define extreme poverty as those who live on less than \$1.00 a day—currently nearly 1.2 billion people, one-fifth of the people on this small planet! It's hard for us to imagine what living like that would mean, or how it might be possible to change that very dire situation. And yet, all around the world people are getting a chance to move themselves out of extreme poverty. In the process whole local economies are being transformed toward justice.

This work goes by several names: community development, micro-finance, micro-credit, and community reinvestment. The money to support this work comes from individuals, banks, foundations, governments, even the World Bank, and from non-profit organizations, including UU congregations. This grassroots work is happening in villages in India, urban centers in the United States, and rural areas of Africa. It is changing people's lives, bringing hope and renewal to communities and, ultimately, to the world.

Before I tell you more about micro-finance and community investing, I'd like to explain how I came to be interested in this subject and why I think it has so much potential to move our world toward economic justice.

My spouse, Donna Clifford, is an investment manager specializing in socially and environmentally responsible investing. Some years ago she received an invitation

¹ Interview with Vicky Rossi, Amsterdam, 11-7-05,
http://www.transnational.org/forum/meet/2006/Rossi_FedericoMayor.html

from Boston Community Loan Fund to go on a tour of projects they had funded in several impoverished areas of Boston. With just a little begging, I was allowed to go along. The experience opened my eyes to a whole new way to create a just economic community.

In the United States, community loan funds provide loans to individuals and community organizations to buy and rehab buildings, launch and expand businesses, and provide community services. These loans are often made to people who would not otherwise qualify for credit, people who fall below the usual income guidelines or who lack credit history or collateral to guarantee their loan. Along with the loans, these funds also provide technical assistance and job training, helping to guarantee the success of the projects they fund.

For example, the O'Brien family had lived in the same neighborhood in Boston for generations without hope of ever owning their own home. The loan fund enabled them to buy a derelict three-family apartment building and then hire workers to fix it up. It was a win-win situation. Local residents got jobs and job training, and the O'Brien's got a new place to live and an income stream for themselves and their children for the future. Plus two more affordable housing units became available for members of the community.

Another example is Jose Ramirez. He was well-known in the neighborhood for his tamales. During the week he worked as a day laborer, whenever there was work, but on Sundays he got up at 5 AM to grind corn to make tamales. While he was preparing the food, his children would go around the neighborhood and take orders. Later they would deliver the hot tamales, just in time for Sunday dinner. The loan fund helped Jose turn his talent for cooking into a business by providing a loan so he could get a pushcart in a busy square and sell his tamales during the week. They helped him learn how to run his business, do accounting, and save money to expand to a larger operation that could support his family and provide great food for the community.

With support it turns out that people who had been living in poverty or surviving on very low incomes are actually excellent loan risks. The repayment rate averages around 98%, considerably better than most commercial banks with their extensive loan applications and requirements.

I was blown away by the enormity of the possibilities I saw on that trip through these neighborhoods in Boston. By reversing the flow of capital so that it flows into, instead of out of, poor communities the whole economy was being changed. Deeply entrenched poverty was being transformed one person, one loan, one building, one business at a time. Why didn't I already know about this work? Why weren't UUs more involved, I wondered?

Since then I've continued learning about this growing and dynamic business of community investing. I've heard hundreds of stories about people whose lives were changed for the better, simply by having access to reasonable financial services. You can read more about community investing in the current issue of *UU World* magazine, in my article called "Seeds of Opportunity."

It doesn't take a great deal of money to enable people to begin to climb out of poverty. In the United States the smallest loans to help people get started in business are \$500 to \$1000. In many parts of the world, loans of less than \$50 are enough to make a real difference. Just a seed. That's all it takes.

These micro-loans, as they are called, have been changing people's lives all over the world. The success of micro-enterprise has caught the attention of governments and financial institutions. It turns out that lending money to people living in poverty is good not only for their communities but also for business. It's another win-win situation.

The United Nations declared 2005 as the International Year of Microcredit in an effort to build support for making financial services more accessible to poor and low-income people. It aimed to raise public awareness about micro-credit and micro-finance, and promote innovative partnerships among governments, donors, international organizations, non-governmental organizations, private enterprise, academia and micro-finance clients. Among the Unitarian Universalist congregations that have taken up the micro-credit cause, All Souls Unitarian Church in Tulsa, Oklahoma, stands out.

In 1995 All Souls member Betty Morrow traveled to Washington, DC, to attend a conference sponsored by Results, a nonprofit grassroots advocacy organization committed to creating the political will to end hunger and the worst aspects of poverty. At the conference, Betty heard a speech by Mohammed Yunus from Bangladesh. In the early 1970s Professor Yunus took his students from Chitagoong University on a field trip to a poor village. They interviewed a woman who made bamboo stools. In order to buy raw bamboo, she had to borrow money often at rates as high as ten percent a week, leaving her with a only a penny profit margin for each stool. Had she been able to borrow at more advantageous rates, she would have been able to amass an economic cushion and raise herself above subsistence level.

Realizing there must be something terribly wrong with the economics he was teaching, Yunus began lending his own money to basket-weavers. He went on to organize villagers into small circles of borrowers. These were mostly women who needed only a dollar or two of working capital to support themselves in a craft enterprise. The circle members screened each other's proposals and guaranteed each other's loans, supporting each other through business difficulties. Yunus

proved you could lend profitably to people living in poverty by helping them establish a mutual support system. Weekly bank meetings have turned out to be a vital focus in the lives of the women involved, providing reinforcement, knowledge and dignity.

In 1983, Mohammed Yunus founded Grameen Bank, which now has 3.4 million borrowers in Bangladesh and serves as a model for microfinance all over the world, clearly a keystone in the archway out of poverty. Yunus's dream is the total eradication of poverty from the world. "Grameen," he claims, "is a message of hope, a program for putting homelessness and destitution in a museum so that one day our children will visit it and ask how we could have allowed such a terrible thing to go on for so long."

Interestingly a similar program was developing at about the same time in Latin America under the auspices of Accion International. And the World Council of Churches was exploring microcredit as a way for religious institutions to take action against poverty, and they founded Oikocredit. Great ideas, it seems, often emerge simultaneously in various parts of the world.

But, back to Betty's story. Inspired by Yunus' speech, Betty returned home with a new commitment and a practical way to create economic justice. At the conference she had learned about FINCA (Foundation for International Community Assistance) and its program that enables individuals and groups to sponsor village banks for a donation of \$5000. Betty got permission from the board of All Souls to raise the money. Because of the congregation's long time involvement with Central America, they decided to sponsor a bank in Managua, Nicaragua.

In 1997 six members of the congregation traveled to meet the women whose bank they had funded. The thirty women in the banking group in Managua chose the name "Miss Betty's Bank." The women take turns serving as officers of the bank. They meet weekly in a member's home, to collect their payments and share successes and concerns. A large chart on the wall tracks each woman's payments. The first loans are for \$100 for four months. Once those loans are repaid, they can increase their next loan by the amount they have managed to save.

The banks sponsored by All Souls enable women like Adriana, who makes beautiful dresses for little girls, to earn a living wage. It used to take her a week to make one dress, which she would then take to market to sell. After several loan cycles, she was able to purchase a sewing machine. Now she can make twenty-five dresses a week. The money she earns is helping her family move out of poverty and into a future with hope and possibilities.

Nine years later, All Souls has sponsored a total of twenty-five banks—in Mexico, Nicaragua, Guatemala and Haiti. One bank was even sponsored by the youth of the church. Amanda Baker, one of the youths, enthused: “It was so cool. We got to help women in Third World countries. This is something that could totally change their lives!” The fund-raisers were fun, too, and involved many youth and adults who did not get to go on the trip to meet the women bankers. “The kids at school are impressed,” Amanda says proudly. “They know our church really makes a difference in people’s lives.”

All Souls now includes in its annual budget a line item for bank development. Senior minister Marlin Lavanhar explains the importance of this effort in the life of the congregation: “It often comes up in the canvass and other fund-raising, as one of the tangible things we are doing that people want to support. And it has brought more men into the church, men who like dealing with finance and banking.” There’s a theological dimension as well. “If Jesus isn’t going to come back and save things, then we need to take responsibility to do it ourselves.”

People who wonder, “What can one person do?” should be inspired by Betty Morrow. Thanks to her efforts, her congregation is now involved in a serious way in ending poverty, one village at a time. Betty has also shared her inspiring story with other congregations. We figure that her efforts have inspired at least 25 other micro-banks, beyond those established by her own congregation. Last year, I wrote an article about microcredit for the *UU World*. I’m pleased to say that this article has inspired another 25 congregations to sponsor village banks, and more are in the works.

Remember the image in Dr. King’s vision? That we need to restructure the edifice that produces poverty? Village banks are foundation stones in what we might imagine as a restructured edifice positioned to help end poverty. But a foundation is not enough. More stones are needed to build a just economy. Here’s another place where individuals and congregations can make a difference—by making investments in micro-finance institutions. Investing in microcredit institutions helps change the flow of capital on a more permanent basis, so it comes into places of poverty rather than leaving them.

For instance, FINCA accepts investments of \$10,000 and above for its International Village Bank Capital Fund. As businesses grow and need access to larger amounts of money for expansion and development, this fund guarantees loans from local banks, thus acting as a bridge to more traditional financing.

When there are enough small village banks in a country, it becomes commercially viable to establish bank buildings with a broad range of services, such as savings and checking accounts, insurance, and larger loans. In Uganda, for instance, it has taken twelve years and 40,000 village banking clients to reach that break-even

point, enabling FINCA to establish a community-focused banking industry in that country. This is what it takes to permanently restructure the edifice that produced beggars into one that supports the inherent worth and dignity of people in their efforts to create prosperity for their families and communities.

Meg Riley, the UUA's director of Advocacy and Witness, is a big fan of micro-finance as a way individuals, congregations, and the Association can leverage financial resources—whether large or small—to make a difference in people's lives. She says it “allows Unitarian Universalists to take seriously how wealthy we are.” Too much of our social justice work is predicated on a lie—that we are marginalized and underprivileged.” In global terms we are outrageously wealthy, thus we have the ability to put resources to work to help accomplish the Millennium Development Goal of cutting extreme poverty in half by 2015. Now there's a vision worth working for!

So, what does it take to move from vision to commitment in ending poverty? When the goal of cutting extreme poverty in half in 15 years was established at the dawning of this new millennium, it must have seemed impossible. But with programs like microcredit and community investing that amazing goal becomes achievable.

Those famous words from “Mission Impossible” keep coming back to me: “Your mission, should you choose to accept it...” is to be part of an amazing process of ending poverty.

Will you help make this goal possible? If you are ready to make a personal commitment to take concrete steps to end poverty, either at home or abroad, I invite you to put on the white wristband from the Millennium Campaign, Voices Against Poverty.² It says “No Excuses 2015.”

As the Earth Charter reminds us: “We stand at a critical moment in Earth's history, a time when humanity must choose its future... To move forward we must recognize that ... we are one human family and one Earth community with a common destiny. We must ... declare our responsibility to one another, to the greater community of life, and to future generations...”

May we be the ones who are viewed by future generations as those who made a difference, the ones who turned the tide on poverty and began to create a just economy all around the world. As the poet June Jordan put it: “We are the ones we have been waiting for.” May we stand together in this effort and help each other move from vision to commitment.

² Wristbands can be ordered at www.millenniumcampaign.org.