

Chapter 12

Village Development and Microcredit in Africa

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The socioeconomic crisis of Africa continues to defy western aid efforts, leaving many regions devastated by the destruction of civil wars, the scourge of HIV-AIDS, decades of drought, and the vestiges of colonization by Europeans. Numerous large, top-down economic and political reforms have been attempted in recent decades, but many end with questionable outcomes. Modernization projects often fail. Foreign investment is siphoned off by corrupt officials. Macro level changes frequently do not adequately lead to fulfilling basic human needs.

However, new social development programs are being organized in participative fashion with funds donated by outsiders and the work implemented by indigenous people. Instead of top-down, these efforts are bottom-up. Instead of being bureaucratic and large scale, such programs are small and flexible. They are run, not through the national government or big business, but through new grassroots associations. Such vehicles for social change are thus, third sector institutions, often referred to as private, voluntary organizations (PVOs) and/or non-governmental organizations (NGOs).

This paper will report on and analyze the capacity-building work of the NGO movement in West Africa, particularly in Mali. Several NGOs engaged in social development have been researched through both quantitative and qualitative methods among rural indigenous people.

A regional case herein is the Ouelessebougou Alliance, an NGO operating in an area known as an *arrondissement*, or county in southern Mali of over 50,000 people today has spread throughout 86 villages. In a decade and a half, it has achieved a remarkably positive impact in various aspects of rural society—children’s schools, adult literacy, community healthcare, water wells, gardens, microcredit banking, and women’s cooperatives. This West Africa program operates according to the new “social inventions” articulated by William Foote Whyte in his plenary address as President of the American Sociological Association (1982).

The Context: Mali, West Africa

In the 1980s Mali was a region of some 35,000 indigenous people spread through 72 rural villages. They struggle to survive on a subsistence economy where the GNP is only around \$300 per year. In past years Mali functioned as a French colony known as “Western Sudan.” Reports estimate that the population today is around ten million people most of whom dwell in the southern region of the nation. Mali is roughly twice the land mass of Texas making it one of the largest nations on the African continent but it is landlocked from the Atlantic Ocean. In the north of Mali is the Sahara where nomadic tribes still herd cattle and roam the desert. Ancient Timbuktu was in its heyday the economic nerve center of West Africa. Today, the business base

of Mali is the capital, Bamako, a congested urban center of some 1.5 million people located around the flow of the Niger River. Further south, where Ouelessebougu is located the land is semi-arid. Due to an 18-year drought, the area is losing much of its bush, trees are sparse, and much African game has moved deeper into Central Africa.

In the 1800s Mali was taken over by the French with the intent to gain control of the flow of gold trafficking around the Niger River region (Imperato, 1989). Ultimately, the occupation of the larger area became known as French West Africa and the European strategy to extract natural resources to benefit their own societies was systematically accelerated. A key to the French methods was that of educating native elites so they themselves would control the indigenous Malian masses, in effect creating what the French called a “mission civilisatrice” (civilizing mission) to the country (Bakary, 1995). But, of course, as with most colonial attempts to civilize or exploit indigenous people, the consequences were extremely negative.

As a French Colony, much of the region’s riches were extracted by force over long years so that when Mali was given independence in 1960 it was essentially bankrupt. Of course, French remained the dominant, official language, but there are numerous indigenous languages and dialects as well, Bambara being one of the most prevalent. Of the twenty most common ethnic groups Bambara tribes and class dominate. The people try to chip away at a meager lifestyle through three annual seasons—cool and dry from November through February, hot from March through May, and the rainy season between May and October.

With respect to culture, the urban areas are becoming somewhat westernized in terms of electricity, increased awareness of an outside world including Hollywood films and the superstar status of Michael Jordan’s Chicago Bulls. There are televisions, cars, and indoor plumbing for much of the population in Bamako, along with charcoal cooking, dirt-paved roads and masses of poverty-stricken people. The extensive kinship ties of the past, however, are declining with respect to land ownership, labor and other resources (Callaghy and Ravenhill, 1993).

In contrast, the rural villages of the other three quarters consist of mud huts, thatch roofs, outdoor cooking and latrines. The nation is almost wholly Muslim, while a mere one percent can be classified as Christian. Daily rituals of prayer, the month-long fast of Ramadan, and plural marriages of up to four wives are still quite common. Although the French left the typical colonial legacy of moral and financial bankruptcy in Mali, some of its own native leaders seemed to exacerbate the nation’s difficulties even after independence. For example, the head of state at the beginning of the 1990s, Moussa Traore, is widely known to have looted the country by amassing a personal fortune of over \$2 billion, the equivalent of Mali’s total foreign debt (Ziegler, 1992). During the same era as the drought-ravaged, desperate conditions of poverty ate away at the country’s quality of life, the government was wasting some 20 percent of its budget on weapons and soldiers (Whitaker, 1988, p. 43). And when a crowd in the capital marched for greater democracy five women were shot to death by Malian soldiers. Dozens of others who rushed into a nearby building to hide were killed by soldiers who set the structure on fire (Washington Post, 1991; Ayittey, 1992).

Mali has moved over the past 35 years since French independence from a Marxist state and/or military dictatorship to a multi-party democracy (Ajayi and Espie, 1972). In 1992 there was but

a single state-sponsored newspaper but today there are twenty (New York Times, 1996). Whereas in 1996 there was a mere one radio station operating out of Bamako, now approximately forty broadcast throughout the region. While much of Africa is still controlled by one-party leftist states or army juntas, Mali President Alpha Oumar Konare has overturned the top-down, rigid public ownership of the past and began to privatize government-owned corporations, launched free trade and invited in foreign capital (Washington Post, 1996).

According to the Human Development Index (HDI) of the past decade, Mali ranks only 167th of 173 nations analyzed in terms of various criteria—literacy, GNP, education, health, life expectancy, access to safe drinking water, political democracy and so on (UNDP, 1999). Malnutrition is widespread although actual starvation is rare. Millet, the primary food staple is plentiful, but not adequately nutritious for a good diet. In the United States it is fed to wild birds in one's outside yard.

Because of colonization, drought and desertification there are minimal natural resources. Four fifths of the working population are engaged in subsistence agriculture. The formal economy consists of a large number of public sector jobs with the typical government functions. Private sector firms are few and purchasing power of consumers is weak. In cities such as Bamako it is estimated that about half of the workforce is unemployed.

Maternal mortality in Mali is the worst in the world—some two thousand women of a hundred thousand die during pregnancy and childbirth. Life for the young is fraught with diseases resulting in the death of 40 percent of children before reaching the age of five years. Malaria ravages the country along with lesser bouts of cholera and yellow fever. For adults, life expectancy only ranges between ages 44-47. Financially destitute hospitals and inadequate medical clinics, operated by poorly trained professionals makes overall public health a critical problem. Estimates are that there is only one doctor for every 17,000 people in Mali.

Perhaps equally problematic is the poor state of education. Official but questionable data suggest that illiteracy among women is 53 percent in urban centers and around 90 percent in the rural regions. Within the above context of Mali as a whole we now turn to the creation of an NGO, the Ouelessebouyou-Utah Alliance in 1985.

Origins and Programs of the Alliance

At the inception of the Ouelessebouyou-Utah Alliance (OUA), residents of Salt Lake City, Utah wrestled with how they might be able to aid Africa, as they saw continual press coverage of crises in Ethiopia and Somalia. Eventually, because of small human and financial resources, and in consultation with African development groups, they decided to focus on Mali where life was hard, but where a tiny group might be able to make a positive difference. They struggled for months as to whether they ought to simply raise funds for short-term relief in northern Mali, or whether to engage in a long-term international development effort in the south. After weeks of discussion and debate, the development solution won out and OUA was officially established as a project to reduce the effects of drought by digging village wells. For some time the group

partnered with Africare, an NGO with a solid track record of success and knowledge, about Africa especially. The wells were very costly and, after three years, OUA broke off its partnership and determined to go it alone (OUA, 2000).

Access to water meant a considerable drop in the daily drudgery of walking long distances to obtain water in the rural areas of Oulessebouyou. Not only did the wells facilitate availability of precious water, but they enabled the Utahns to next teach the people how to create gardens—tilling the land, planting and fertilizing-watering, and building fences to hold out hungry animals. This important step greatly enriched the Malian diet, moving beyond mostly millet to lettuce, cucumber, tomatoes, onions, green beans, papaya and other produce.

By the late 1980s OUA extended its vision to concerns of health care and medical services. Owing to the fact that there was only one small and inadequate rural medical clinic for the entire region of 35,000 indigenous people, the Salt Lake group decided to establish a pharmacy and provide low cost medicines. With the superb guidance of Utah physicians and nurses, the pharmacy was established. Various drugs were donated. And eventually rural villages began to be trained in how to diagnose and dispense certain simple medicines—aspirin, penicillin, and so forth. In subsequent years this health care drive grew to involve either a man or woman from the majority of the 72 villages, each with a small metal closet of basic pharmaceutical items. Prevention as well as medicine is emphasized.

During that period the Salt Lakers realized that more could be accomplished if an applied sociology approach could be started. If instead of occasional trips to Mali from Salt Lake City a native staff could be trained to do hands-on work for OUA, there might be more success. Fortunately, they met a charismatic, educated Malian named Modibo Diarra and in 1988 he became the on-site field director for various projects being established. Diarra had grown up in a nomadic family wandering across the Sahel region of the southern Sahara desert. Naturally intelligent, he was selected for an educational scholarship in Bamako where he learned academic skills and began a career as a school teacher.

For years he taught school in the capital eventually becoming a leader in the national teachers' union. As a Muslim he often questioned the religious beliefs of his traditional culture, and when independence from the French occurred and a Marxist state was created, constant indoctrination also led to many questions and unresolved issues. Life's philosophical research ultimately culminated in Diarra's conversion to Christianity by an expatriate Mormon family residing in Bamako for a time. So when the Alliance heard about him, the role of field director appeared to be an excellent choice.

Under Diarra's clear vision and superb leadership skills, OUA's success heightened rapidly. The organization had surveyed the problem of lack of education and decided to begin constructing schools in villages where illiteracy exceeded 85 percent. Rather than attempt to teach French, the focus would be to build on the people's traditional language and culture, Bambara. Instead of attempting to teach all children, a targeted approach was devised in which village elders and poor parents would explore their needs and capabilities. Upon deciding to build a school, the

Utahns would raise funds with which to purchase corrugated tin roofs, windows and doors. OUA staff and U.S. citizens would prepare mud bricks for the walls. Diarra negotiated with Mali's ministry of education to supply government-trained teacher whose salary would be two-thirds funded by OUA the first year, two-thirds funded by village parents in the second, and 100 percent of their salary paid by the village in year three (OUA, 2000).

Crudely-surfaced blackboards, rough-hewn desks and handmade texts are the meager furnishings for each school. Most hold 30 - 50 children between ages 9 - 15 who for the first time in their lives now have the opportunity to gain an education. While but a few enjoy this privilege, it is a poignant experience to see dozens of children under age 9 from the village, sitting outside the schoolroom in the hot sun, listening intently to the teacher's words, the class verbal response and rote learning. These are the next generation who hunger for education and try up until age 9 to prepare as best they can in order to maximize their learning when the time eventually arrives.

By 1992 many parents of these newly-schooled children began to long for their own education. This gave rise to an adult literacy project that OUA began in partnership with the successful Laubach Literacy program (Curtis, 1994). Funds were raised for this effort, native volunteers were trained to teach and the first workshops began. This has become one of OUA's most successful development tools, growing from a few hundred newly literate people by 1993 to thousands presently.

Oua Strategies For Economic Development

My personal involvement with OUA began several years ago with an invitation to join the board of directors and later, its executive committee. More recently, I've served as Board Chair and supervised various graduate students as interns in Mali, applying social science methods to enhance village development. Having taught development courses at BYU, supervised masters' theses on Third World topics, and initiated a number of economic development projects around the world, my interests at OUA soon began to focus on how the alliance could achieve more independence and long-term sustainability. Without rising income levels, these villages could not afford the continued growth of wells, gardens, schools and health care. While the objectives and generous financial support had led to impressive results, there was the risk of eventual failure unless people could become more self-reliant.

So after an initial needs analysis, a group of students at BYU began to work with me to devise a game plan for the future. In 1995 I led a team to a group visit of Ouelessebougou, meeting with several women's cooperatives and other relevant parties—Malian bankers, other NGO representatives, Peace Corps representatives, as well as the OUA staff, some village chiefs and a few microentrepreneurs. What became clear is that most of the poor who attempt to become self-reliant struggle with self-image problems, lack of capital, harsh economic conditions and so forth. With respect to Ouelessebougou itself, would-be micro entrepreneurs have additional problems including great distances and lack of transportation, illiteracy and extreme poverty, meaning few have any money with which to purchase goods and/or create jobs. But we also could see that a person with energy and insight plus a bit of capital could possibly become

successful as a small business person, or what in French is referred to as *petit commerçant*.

Based on observation, interviews, and several research reports, we saw that for many people life in Mali is one of utter destitution. Centuries of colonization have resulted in exploitation, dependency and a sense of futility. There is little foreign investment and the currency devaluation and drought of past years are still taking a heavy toll on the country. While attempts have been made to move from a colonial past under the French, and then from state-run socialism after independence in 1960, the current political economy is not a very positive picture. People seem motivated and desirous of improving their lives, but many lack the wherewithal to make great changes. Essentially, there is a great degree of unemployment and underemployment, combined with high population growth. Today, instead of 72 villagers there are 86, and the population has grown from 35,000 to over 50,000.

The general impression regarding the potential for strengthening the informal economy was that there are formidable challenges. Low levels of education and literacy, for example, make it hard for someone to fill out a loan application or to balance one's micro enterprise accounts. The Peace Corps staff suggested that there are insufficient links between savers and borrowers in Mali, leading to low investment of productive capital. Rural bank practices supposedly exist to encourage national development, but in fact, they do not provide small loans to poor villagers. To make matters worse, the government of Mali does not have much to spend on poverty programs in the rural economy. There is considerably little formal support for business training, technical assistance or consulting, and government-directed credit programs.

In the mid 1980s, USAID gave financial support for a program to strengthen the Malian small business sector through the Bamako Chamber of Commerce, the idea being that after the U.S. start-up, the Mali Chamber of Commerce would then provide ongoing funding. But with no real Chamber support over the next five years, the program was discontinued. In recent years, the Peace Corps arrived and it has attempted to assist small businesses, working in collaboration with government agencies and non-governmental organizations (NGOs). However, it seems that while Corps staff are motivated to do good and have French language capabilities, most volunteers lack solid business skills and understanding. Nevertheless, volunteers have been assigned to a Small Enterprise Development (SED) program in various regions of Mali to nurture the native micro enterprise sector, coordinating with NGOs and governmental agencies that attempt to strengthen the informal economy. A six year plan has been established with two main thrusts: 1) assist the government agency *Centre d' Action Cooperatif* (CAC) in moving from its traditional government-run co-op efforts, in favor of a more relevant, village-based savings and credit system; 2) assist local NGOs as they strive to create a healthier small enterprise sector in rural Mali—increasing the pool of potential entrepreneurs, supporting education programs to enhance literacy, math and other business skills, conducting feasibility and marketing studies, and so on.

According to various interviews during the trip, the idea of micro enterprise and credit makes sense and appeals to most people. However, doing so successfully is another matter. Apparently the World Bank launched a village credit venture in Mali several years ago but only 1 percent of

recipients repaid their loans.

Based on the 1995 needs assessment trip, a three-pronged strategy for economic development has been launched that consists of the following:

- 1) Train interns in the U.S. and prepare materials to be used in Mali as reported earlier;
- 2) Create and/or expand worker-owned cooperatives;
- 3) Establish a micro lending program with a village bank and small paid staff.

The paragraphs below reveal the extent of these efforts thus far.

Economic Activity of Women's Cooperatives

Beginning in the mid 1990s several women's groups tried to attempt some kind of economic activity including Group Lolo, Danaya, Seneketon, Wahabiyakin, and Kankelintigui. Most of them started as social units, cooking and eating, shopping, partying, dressing up, telling jokes, and otherwise passing the time of day. Gradually, however, they shifted to more serious concerns such as work, improving society, generating a profit, improving members' lives individually and collectively (Cooperatives, 1995).

Some groups are doing better than others. At one end of the spectrum, Group Lolo is the model of success, the "dugantigi" (queens) of women's co-ops. They still banter with joke partners and dress up for festive occasions. But they are also quite serious as they have become a role model for other groups that look to Lolo for leadership. They buy oils and chemicals in bulk, mix them and pour into large vats. When the fluid hardens, it is cut into squares and sold in the market as bars of soap. Currently, Lolo members are seeking various alternatives to expand and generate more capital. They currently plan to launch a cement business, importing cement from Abidjan, Ivory Coast, to sell as the pace of new construction in town accelerates. To do so will require some 4 million CFA, roughly \$8,000 U.S.

After its start, Group Lolo grew to some 50 members, but it became too big and unwieldy. Also, many new participants viewed the co-op merely as a way to get money and meals without any work or sacrifice on their part. Now the total is back down to around 25 members. They trust each other, pay weekly membership fees, vote in officers, and collectively plan projects for the co-op. Lolo members also spend time and effort advising other start-up groups, offering leadership and suggestions for success.

In the middle success range of women's groups are those such as the Seneketon Benkadi co-op whose members are from the Sahel region of

Northern Mali, a well-known group in Ouelessebougou who have a strong reputation as workers/harvesters. With a hundred members, the co-op labors one day each week during the rainy season to raise group monies, and people spend the other days doing their own work for their personal incomes on family fields. They need supplies such as seed and fertilizer, as well as tools like plows and oxen. As with Lolo, these women say their biggest problem is lack of capital since the government cannot help them and the banks will not. When asked, they said that although they have a secretary and a treasurer in the group, no records are kept because none of these women can read or write, add or subtract. So who manages their money? A man they trust to do so. One worries about dependency, corruption and exploitation that may occur as the man sees opportunities to exploit a hardworking group of vulnerable women.

Further along, at the hardship end of the spectrum is the village women's co-op, Wahabiyakin, a very strict Muslim sect whose husbands originally would not even allow them to meet and talk, to say nothing of creating a producer co-op. Eventually, the men acquiesced but the women's struggle took its toll. For example, the co-op labored for two years to prepare a parcel of poor, barren land for farming, based on an agreement with the owner that they could use the land for a time. As peasant laborers, the women were confident the project would yield a good crop to sell in the market. Then, the owner reversed the agreement and reclaimed the land, forcing the co-op members off his property. But they had no recourse.

Between the success of Group Lolo and the painful failure of Wahabiyakin, the other co-ops have experienced mixed results. However, all are attempting to change their world, trading the deprivation of the past for a more promising future. While failures are hard, even bad experiences offer lessons to be learned. One is struck by the push toward empowerment and the desire to make a difference. The women's efforts suggest that their children will be better off as they are raised—with new motivation, schools and health care previously not available.

By the end of 1999 when a Salt Lake team returned to Mali, it was gratifying to discover that from the handful of women's co-ops 3 years earlier, today there are about thirty. More and more individuals and villages are discussing the viability of launching further such groups in the coming year.

The very act of attempting cooperative experiments is showing people they do not have to sit around as passive individuals, waiting for the world to improve. For example, the colorful Danaya group started with only a few women four years ago and has now grown to 51 members. One enterprising lady grew a garden of onions. She also dyed cloth and took all her goods to the Ivory Coast

to sell. With her new revenues, she purchased nuts and other items in Abidjan, brought them back for sale in Ouelessebouyou, and on up to Bamako. She is now seen as a model of success for others to follow. The dependency ethic is giving way to the work ethic, the spirit of enterprise.

Equally interesting, when visitors inquired about membership in Danaya, they were told that each person must apply and pay 2,500 CFA. The money goes into a collective fund which is then rotated among the members for use in their individual economic projects. The question was then raised about what happens if a woman's efforts fail and she loses capital rather than gain an increase? Or has a sick child and uses the money for medicine? Is the individual expelled from the co-op? Apparently not. Instead, the others pitch in to raise the necessary amount and bail out the person in trouble. Their goal is the good of the group as a whole, not the wealth of just one person. This sense of community and shared responsibility may serve as a powerful force for long-term sustainability.

Even the men's world of Mali is changing. Because of the growing entrepreneurship of females, some males in Ouelessebouyou have begun a livestock co-op. With OUA assistance, the men are raising animals and have begun an insemination co-op too. And after visiting the women's large garden at Dalabala village, visitors were shown the new men's garden they had tilled, fenced and planted. The implication was increasingly clear that as Malian women begin to raise the quality of their lives, the spillover effect to other aspects of the culture will also occur.

Creating the Ouelessebouyou Village Bank

During Winter Semester 1996 the BYU team intensely studied research materials on Mali and the experiences of micro credit organizations around the world. How to design such a system in Mali was the major theme of such efforts. Off-campus volunteers assisted in planning a series of training topics for microentrepreneurship, business management and financial skills. Approval of the plan was secured by the U.S. board and the field study in Mali. Training modules were translated into French and ready to go. Then, U.S. interns began a sequence of on-site work in Mali as listed below:

- A Harvard graduate student in public policy spent summer 1996 in Ouelessebouyou, designing the bank, meeting with other NGOs, inspecting other village bank structures in Mali.
- A BYU doctoral student and his wife spent fall semester 1996 building on the earlier work. Together with two other BYU alumni who visited Mali for shorter time periods, materials were prepared and management training was given to native microentrepreneurs.

During December 1996 I returned to jointly review and evaluate the preceding work. A large meeting of people was held to organize and become members of the OUA village bank. Some 40-50 natives were expected, but over 160 attended and joined as credit members, paying a \$2 membership fee and opening a savings account. After opening ceremonies and speeches, the election of a bank board, a watchdog committee and a management education committee, a check was presented to the new president of the bank in the amount of \$2,000 (a million CFA) and a huge banquet was begun to celebrate the event. Articles of incorporation had been drawn up by the Utah team, refined with the OUA staff in Mali, along with statutory documents and other regulations. Its official name was declared as follows: *La Caisse Villageoise Jama Ka Wari Yiriwali Jikene*. It is a mix of French and Bambara that can be translated as follows: "The Village Bank that Supports People for the Collective Generation of Money."

The French term for bank is *caisse*. Based on OUA *caisse* reports, various analyses were obtained. The material below summarizes the first year results of the OUA village bank. It should be noted that initial training modules, although simple in scope when designed at BYU, were still too complicated for Malian villagers to understand, so further revision and simplification has occurred since the first year:

Membership in the *Caisse* - 160

95 Females

65 Males

Each member must put 1,000 CFA in a savings account each month to build up a pool of capital

More recently:

151 people got loans

142 paid back loans on time in the first wave

30 people received a second loan after paying off the first so far

9 loan requests were denied

The loans started out between \$100-200 on average. They had to be repaid with a six month period at 15 percent interest. The range of uses for the micro loans includes such employment as street vendors selling cosmetics, cereal, fruit, milk, cement, clothing, medicines, honey, or paint. Other jobs include construction, butcher, restaurant owner, veterinarian, and gardener. The average first loan was for the equivalent of approximately a hundred dollars. After that amount was paid off, they could then apply for a second, larger loan.

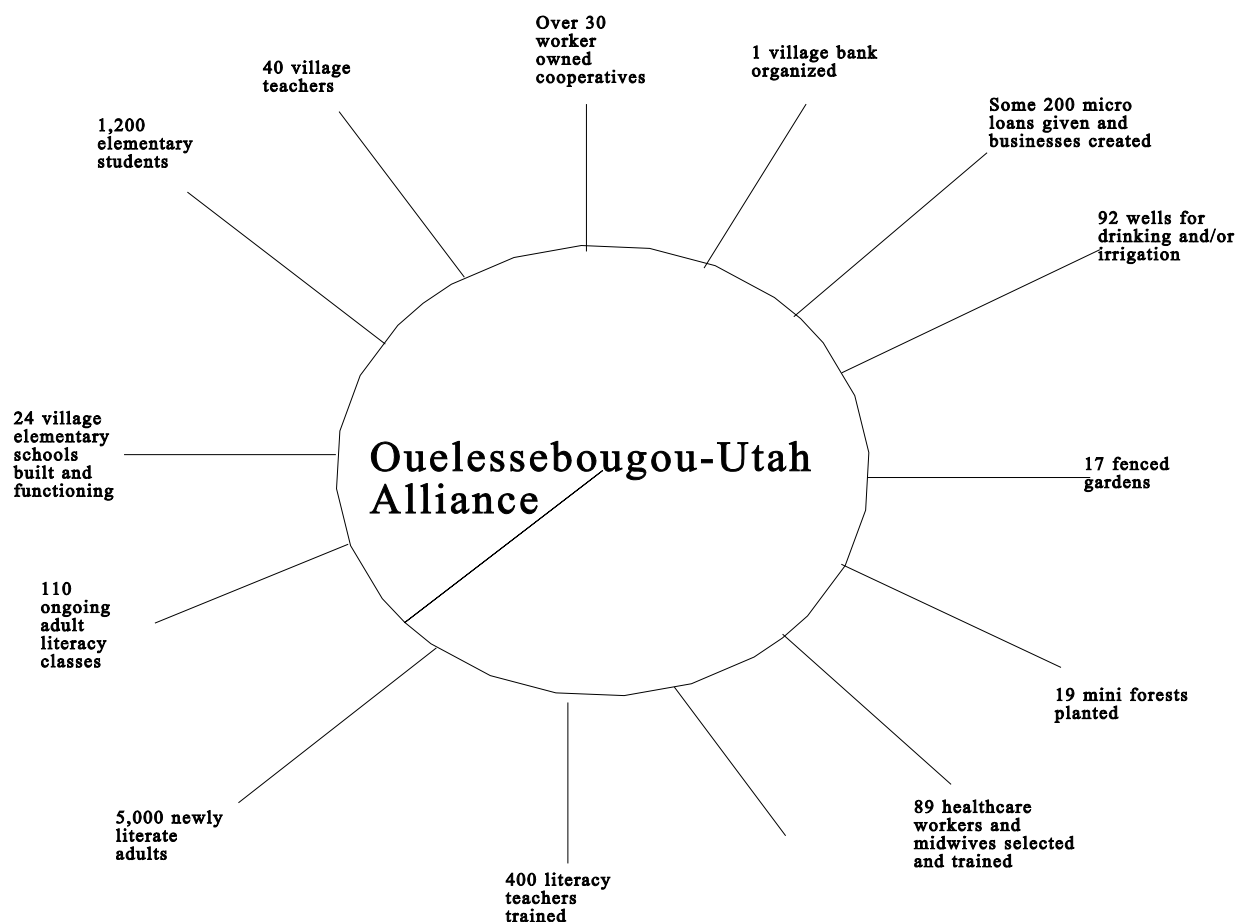
Perhaps one brief example of a recipient of a microloan in Ouelessebouyou will

illustrate the economic impact. During my 1999 trip, I visited a fruit stand along the highway in the large village of Ouelessebougou. The microentrepreneur's name was Mantjini. Nicknamed Maini, I'd met her two years earlier. Since the death of her husband, she has struggled to feed her family and generate an adequate income. When the OUA village bank was opened she applied for and obtained a very small loan with which to produce fruit and vegetables. But it was very difficult and the children were often hungry. So after paying off the first loan she applied again. This time the *caisse* loaned her about \$100 U.S. through her village group. Known as a *babo* or "mother's room," the group is collectively responsible for the full loan and they can divide it among each person, or pool it all to give to one. Her group allocated the entire \$100 to Maini, a sufficient amount with which she could set up and open a restaurant. The microenterprise has done very well, enabling her to expand from a mere street vendor of fruits and vegetables to now offer a full meal, thereby making more adequate income. The business now not only helps her, but allows her to also provide jobs for her two daughters, one son and a nephew. The plan is to pay off the second loan soon and then obtain an even greater amount.

Conclusion

By adding more co-ops, microentrepreneurship and small business training, and a village bank to provide microcredit, Ouelessebougou as a whole is gradually improving and becoming more self-reliant. In December 1996 there was no village bank and the people of Ouelessebougou had never had a bank account. Today many individuals have personal savings accounts that earn them 5 percent interest per year. Poor indigenous people who tried to start or to grow a microenterprise, either failed because of lack of capital, or were exploited by greedy loan sharks in the region. Now those same villagers have enjoyed a successful savings and microcredit program, as well as various women's producer co-ops. They own their own bank and its assets. And interestingly, today there are three other NGOs who have moved into the region and established *caisses* (communal banks) of their own, thus providing villagers with various economic alternatives. And all this began with a mere \$2,000 grant from caring Utahns in 1996.

The total impact of development efforts since OUA began some 15 years ago can be depicted as follows:



Collectively these development strategies have had a high impact. Wells, gardens and much of the health care efforts resulted in immediate or quick benefits. Other programs such as schools, literacy and economic strategies will lift the villages of southern Mali gradually over the long-term. Together they offer important consequences for today and much more in the future as villages in this extremely poor region move toward self-sufficiency.

In a recent interview with an NGO association official in Bamako, it was reported that there are approximately 900 NGOs throughout the country of Mali. Of those, OUA was ranked 86th in terms of its annual budget. Yet with respect to productivity and impact, OUA shoots up toward the top, at a rank of number 12.

The OUA impact is increasingly recognized in Mali in other more qualitative ways. For instance, the national government's reaction to the drinking and garden wells was so positive, the field staff was asked to help another region dig eight new wells. At best, they predicted that it would take two months, but, in fact, under Moussa's expertise, they completed all eight in only 28 days.

Because of OUA's credibility, a large European pharmaceutical nonprofit organization has begun to partner with the Alliance's effort, especially the village health care workers and OUA pharmacy. They were so impressed they invited Diarra to serve as volunteer chairman of their board for the whole country of Mali. That has resulted in a greater supply of low cost drugs for poor villagers. Also, teams of Swiss youth have paid their own way to Ouelessebouyou and helped build three more village schools. The value of all that donated labor is roughly 2.5 million CFA (\$5,000 U.S.).

More recently the Peace Corps in the capital has assigned a U.S. volunteer to work full time with OUA, partly to strengthen our efforts in southern Mali, but also because they want to be linked up with such a productive, successful development program. In fact, the U.S. ambassador to Mali was so struck by OUA's progress, he allocated \$15,000 from a special fund to enhance several programs.

Several other *arrondissements* (counties) adjacent to Ouelessebouyou have often requested OUA's technical assistance—to build schools, train health care workers, and so on. If time and funding were available, there is no question the Utah NGO could be replicated nationally. The Minister of Energy wants to give us solar panels to light each village school that the Alliance has built. The government also wants to take over four schools and transfer their ownership to the federal system because they are so effective, thereby providing its own teachers instead of those paid by poor villagers.

At the December 1998 annual meeting of all OUA village bank members, even the president of the Republic of Mali, Mr. Alpha Konare, made a surprise entrance. He, too, had joined the *caisse* during the previous year, depositing several hundred dollars in his own new savings account. During the meeting, President Konare sat quietly, listening to the bank's secretary and treasurer report on the total amounts of money in individual savings accounts, how many loans were given, payback rates, and default. At the end, we presented Mr. Konare with a book and T-shirt of the Alliance. His short speech was a powerful affirmation of OUA's work: "Village banking and microentrepreneurship training is the most innovative development program in Mali," he declared. "In fact, The Alliance is pioneering the leading-edge path to a better West Africa in the future. . . for all Malian villagers to follow." That declaration then led to an explosion of cheers, drum-beating, singing and dancing as the president, security guards, and national press representatives climbed into their vehicles and sped off through the jungle.

All in all, microcredit and cooperative creation are but the latest phases of development by the OUA in Mali. The creation of NGOs with innovative social

structures and radical economic methods like microcredit through indigenous communal banks, are congruent with the notion of “social inventions” ASA President William Foote Whyte advocated two decades ago. Women’s co-ops and support for microenterprise offer a new, stronger economic foundation for strengthening village programs such as wells, gardens, healthcare and education. Now, by lifting poor villagers financially through microcredit and co-ops, long term sustainability of OUA efforts appears much more secure as the poor of Southern Mali enter the 21st Century and a new millenium.

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