



Hunger and Poverty Background Paper from Bread for the World



God is still speaking,
**UNITED CHURCH
OF CHRIST**



U.S. Foreign Aid: Focus on Poverty Bread for the World's 2011 Offering of Letters

by David Beckmann and Molly Marsh

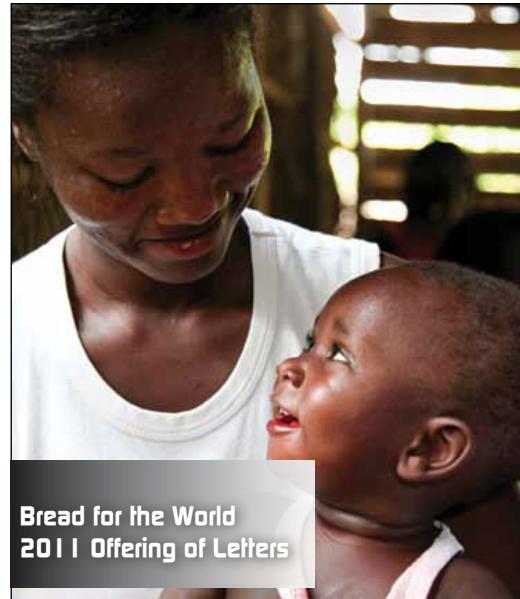
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Dear Friends,

Just a few hundred miles from the U.S. coast, people in Haiti are struggling to recover from longstanding poverty made worse by the devastating earthquake of January 2010. Halfway around the world in West Africa, Liberia is rebuilding farms, schools, and health clinics torn apart by two successive civil wars.

Over the last few years, the United States has been moving toward essential changes that will make our foreign assistance more effective in reducing hunger and poverty in countries like Haiti and Liberia. To make lasting progress on hunger, development must be a top priority of U.S. foreign policy. Both the administration — led by the U.S. Agency for International Development (USAID) — and Congress have taken steps to support the necessary improvements.

In September 2009, the Obama administration launched Feed the Future, an initiative to reduce hunger and poverty in the developing world by investing in the agricultural productivity of poor farmers. A year later, the administration released the nation's first overall strategy on development, the Global



**Bread for the World
2011 Offering of Letters**

Development Policy, which now guides all U.S. government agencies in carrying out development programs.

Last fall, USAID started to implement a series of reforms designed to make the agency more effective and accountable. Republicans and Democrats in Congress have introduced reforms to portions of the Foreign Assistance Act, which was written in 1961 yet still governs our foreign assistance policy today.

All of this is a good start, and a lot of it is due to your advocacy. But there is still more to be done. This year we have a major opportunity to build on and finish the work

of transforming U.S. foreign aid. We want Congress to support and make permanent the reforms already under way; to push the government to focus even more directly on reducing poverty; and to strengthen accountability for how aid dollars are spent and their results. Other priorities include revitalizing USAID and ensuring that development assistance meets the needs and priorities of the people in recipient communities.

We can translate our goals into laws and policies that help hungry and poor people improve their lives by participating in Bread for the World's 2011 Offering of Letters. Every year we invite people of faith, churches, and a variety of groups across the country to write personal letters and emails to their members of Congress on an issue that's important to hungry and poor people. This outpouring of concern sends a powerful message to our country's political leaders and helps us as a nation move closer to our goal of ending hunger. We are driven by our faith to make our voices heard in Congress and to make our

nation's laws more fair and compassionate to people in need.

Making U.S. foreign assistance more effective will also help meet the U.N. Millennium Development Goals — especially Goal 1: Eradicate extreme poverty and hunger. As a leader in global development assistance, we can speed up progress toward the goals by reforming how we deliver U.S. aid.

There is no doubt that effective U.S. foreign assistance policies also contribute to security and prosperity here at home. Programs that improve the lives of hungry and poor people in developing countries lay the foundation for future generations to live in a more peaceful and prosperous world, with less hunger.

Thank you for being part of this meaningful work by participating in the 2011 Offering of Letters.

Sincerely,
David Beckmann
President, Bread for the World

U.S. Foreign Aid in Action: Stories from Haiti and Liberia



Rosemene Charles (second from left) and her family are better able to earn a living in Mirebalais, Haiti, with effective foreign aid programs.

Like many poor countries, Liberia and Haiti have struggled for years to meet the needs of their people. Hunger and poverty are entrenched in both countries, and more recent

events — two long civil wars in Liberia and the January 2010 earthquake in Haiti — have further impoverished many people.

"Both Haiti and Liberia had a string of unsuccessful governments — governments that were pretty incompetent, that didn't invest in agriculture, that didn't invest in the people," said W. Gyude Moore, an advisor to Liberian President Ellen Johnson-Sirleaf and a Bread for the World board member. "Both countries have huge infrastructure needs, and both are very, very poor."

Effective U.S. foreign assistance is critical to countries like these. Speaking of Liberia, Moore said, "Just imagine a country that for the last two decades has been disrupted by wars, coups, and different kinds of upheavals. This is where the help we get from U.S. foreign aid goes a long way."

Liberia and Haiti have great potential for progress. U.S. assistance that meets the needs of local people — such as the ACDI-VOCA program that trained Liberian farmer David Kpan and his neighbors, described below — helps foster this progress. “The Sweet Taste of Cocoa” shows how Kpan and other cocoa farmers have been able to rehabilitate their farms and provide for their families and communities. The farmers’ hard work, combined with U.S. assistance, illustrates how development might work throughout the country.

In Haiti, earthquake relief aid is still needed, but the country’s long-term development requires a different approach to aid. “The

Power of the Purse” looks at how Fonkoze, a community microfinance organization that receives U.S. assistance and support from U.S. churches, has helped women lift themselves and their families out of poverty. Small loans are the entry point for most women, but Fonkoze also offers support services like literacy classes and business skills development to help its members succeed.

Fonkoze, ACDI-VOCA, and other programs supported by U.S. assistance bolster the hard work of poor people themselves, making their efforts more likely to succeed. Making U.S. assistance more effective can help many more families, communities, and countries escape hunger and poverty.

The Sweet Taste of Cocoa

Wehplay, Liberia — Like many farmers here, 51-year-old David Kpan had to abandon his lush cocoa farm during the long years of Liberia’s civil wars. He returned in 2005 to an overgrown farm full of dead trees, in a devastated country with little capacity to help its citizens. Even before the wars, Liberian cocoa was considered inferior in the global market, and farmers lacked the skills needed to improve their crops and get better prices for them.

Now, walking among his cocoa trees with his children scampering around him, Kpan points out the numerous yellow-orange cocoa pods ready for harvesting and describes how he has rehabilitated the 2.5-acre farm he inherited from his father.

In 2007, Kpan heard about a program that offered training for cocoa farmers like him — the Livelihood Improvement for Farming Enterprises (LIFE) program, run by ACDI-VOCA, a U.S. nongovernmental organization supported by the U.S. Department of Agriculture and USAID.

Kpan took classes on better farming

practices — such as pest management, crop diversification, harvesting, and marketing — but he also came away with a new way of thinking about his livelihood. Through the program’s “Farming as a Business” curriculum, he learned how to budget and keep records so he can track his progress from year to year.



“Before, I didn’t know whether I’m going backward or progressing,” Kpan says. “[Now] I always plan what to do in a year, and I always take record of my farming activities. At the end of the year I evaluate to see whether I’m doing well. If I’m doing well, I continue. If I’m not doing well, I redouble my efforts.”

Kpan holds a blue hardback journal in which he’s recorded his farm’s activities in neat lines across the pages. Under a column titled “Cocoa work plan activities by monthly cost,” he lists his 2009 expenses — which included harvesting, shade management, packaging the beans, and transporting them to the market

— as USD \$262.23. He sold 407 kilograms (896 pounds) that year for \$598.80. His net profit for the year is totaled at the bottom of the page: \$336.57.

Kpan expected to surpass that amount in 2010 — he had already made a \$280 profit by October and there was still a month left in the growing season. His profits are increasing partly because he's part of a farmers association that has boosted his economic power.

Kpan is the chair of the Zoe-Kwadoe ("We Are One") Farmers Association, which includes 276 local farmers. By selling their cocoa in bulk instead of individually, members increase their access to buyers and get a better price.

"We are fighting for Liberia to be on the map of cacao-producing countries," Kpan says. "And how do we do that? By producing quality cocoa — not quantity, but quality."

With his profits, Kpan has been able to complete his family's house and buy a motorbike to transport his cocoa to the market.

"I'm very careful now how I'm spending," Kpan says. "My children are not hungry and can go to school." He smiles and nods to

The Power of the Purse

Mirebalais, Haiti — Forty women sit on wooden chairs in the hot sun, each holding a purse and waiting for her turn to repay her loan. They're clients of Fonkoze — short for Fondasyon Kole Zepòl or Shoulder-to-Shoulder Foundation — Haiti's largest microfinance organization. Fonkoze is supported by U.S. foreign assistance as well as U.S. churches, including many Bread for the World partners.

While the gathering opened with prayer and singing, the group is silent as women stand and put their bills in numerical order before



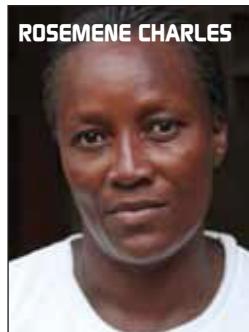
David Kpan, left, and his children open cocoa pods on his farm in Wehplay, Liberia.

some of the family members before him. "All of them ate this morning, so they are very happy. If it was a hungry home, they would look different."

The LIFE program also helps farmers understand the importance of diversifying their crops, so they have a steady supply of income in case one or more crops fail. To that end, Kpan and his family also farm rice fields, grow kola nuts, and cultivate a garden of cassava and other vegetables.

Perhaps most important of all, Kpan says that his training has had a lasting impact for him and his family. "With or without ADCI-VOCA," he says, "we can still stand."

presenting them to the credit agent. Rosemene Charles, 44, has come to these meetings for seven years. She used her first Fonkoze loan (for 600 Haitian dollars, about \$55) to start a small business selling candies and cookies. Soon she was able to expand to other products, and now not only does she sell at the local market, but she also operates a small business from the front room of her house.





Participants in Fonkoze's microfinance programs meet in Mirebalais, Haiti, to learn basic life skills.

"When my profits started multiplying, I bought a goat, pigs, and now I'm making a profit," said Charles. "I just keep turning the money around and around, and my loan has become more as the years went by."

Just behind her concrete house are a small garden, plantain trees, and a shed where she stores corn and other dried food. Nearby is her kitchen, a small wooden structure.

"I've come very far," says Charles with a quiet smile. "I didn't have this house you see; I built it while I was in Fonkoze. My house was a broken-down house before — nothing but pieces of wood standing up."

Several of Charles' children — who range from 6 to 24 years old — are home and helping with chores. She has been able to send all of them to school; before joining Fonkoze, she could only afford to send the oldest. "My satisfaction is that every year they move up to the next grade," she says.

Charles credits much of her success to her solidarity group, a small circle of close friends who take out loans together. If one woman has trouble repaying her loan one month, the others can help her cover it.

"We've been together for so long," she says. "We're friends; we get together and have fun, we

talk. We have so much that we share."

Fonkoze solidarity groups join with others to form credit centers, groups of 30 to 40 women who work together to bring themselves out of poverty. Charles's credit center, meeting today, calls itself "Fok Li Bon," meaning "It Has to Be Good." The meeting is run by an elected chief, Elza LaFortune, a no-nonsense woman who arrived at the meeting via motorbike. A Fonkoze client for 10 years, she receives a stipend every three months to organize education, health, nutrition, and literacy classes. LaFortune also represents Fok Li Bon's members at regional and national assemblies.

The literacy classes, held twice a week for two hours, start with learning to sign one's name. Charles began attending recently.

"My parents never sent me to school," she explains, "so every time I had to sign [my name], I had to make little crosses on papers. Now I'd like to know how to read and write."

The first step in Fonkoze's Staircase Out of Poverty program is 18 months of training designed for Haiti's poorest women, those who don't yet have the skills to manage even a small loan.

Marie-Ange Lory, a 28-year-old mother of three who lives outside Mirebalais, has attended class twice a week for 17 months, learning everything from why it is important to drink clean water to how to set and achieve goals.

Lory will soon graduate and move up to Fonkoze's next step, for women who want to start a small business but need business, literacy, and education classes.

"My life has turned around. Now I have a house where no water comes in — it's got a cement floor — and my kids are going to school," Lory says. "I have five goats and 25 chickens. I'm moving forward."

Fonkoze loans have not only helped Charles and the majority of the 50,000 female clients provide for their families, but they enable the women to play an important economic role in Haiti — a country with no safety net, little infrastructure, and a banking system destroyed by the 2010 earthquake. Having access to credit and other resources through Fonkoze's 41 branches, most located in

rural areas, equips the women to make vital contributions to rebuilding their country.

“Before, I had nothing to do. But when I started with Fonkoze, all of a sudden I had lots of things to do. I had a business to run,” says Charles. “I have moved up. I have moved forward with my life.”

For more stories, see <<http://www.bread.org/OL>>.

For more Mission: 1 resources, visit <<http://www.ucc.org/mission1>>.

Photos by Laura Elizabeth Pohl

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