

# Nouvel Fonkoze.

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## At the Crossroads: Dependence or Independence

Dear Friends of Fonkoze:

Haiti, like Fonkoze, is at an important crossroads. Extremely high voter participation in the May 2000 elections proved that the Haitian people are still very committed to democracy. The mission of the grassroots – of the organized poor of Haiti – has always been linked with political, as well as, economic democracy. The two certainly go hand-in-hand.

We remain hopeful that the seating of a new government might mean renewed economic development for Haiti. No matter what happens, however, our plan is to continue the work to ensure economic development occurs in a manner that embraces democracy and grassroots participation, alongside concepts of self-determination, sustainability, and human rights.

These are the concepts that embody our dream for Haiti. These are the same concepts that have motivated our struggle thus far.

Here at Fonkoze, we believe that economic democracy can be an avenue to true political democracy, especially when development comes from the base, and encompasses

INDICATOR OF PROGRESS	JANUARY 1997	DECEMBER 1999
Number of Member Organizations	50	660
Number of Savings Accounts Opened	193	7,900
Total Deposits	\$78,453	\$1.15 million
Number of Loans Made	22	1,250
Dollar Volume of Loans Made	\$25,733	\$1.6 million
Dollar Volume of Loans Outstanding	\$23,234	\$610,000
Number of Individuals Completing Fonkoze's Literacy and Business Skills Training Program	0	2,756 with 92% success rate
Dollar Volume of Business Development Fund	0	\$300,000
Number of offices in the Countryside	0	14
Dollar Volume of Investments from abroad	\$2,253	\$1.2 million
Number of Employees	9	118

broad grassroots participation. What has been built by the organized poor of Haiti through Fonkoze – in the face of incredible odds – is nothing short of miraculous.

Fonkoze is clearly now the only alternative bank and economic development organization in Haiti owned and operated by the poor, on a path of financial sustainability, and located in every region of the country. Fonkoze has become an organization on which the poor of Haiti can rely.

By the end of 1999, Fonkoze had opened 8,000 savings accounts totaling \$1.15 million, had given more than 1,250 micro-credit loans for a total volume of \$1.6 million, and had increased the micro-credit loan fund to more than \$1.2 million. More than 2,700 women street vendors (Ti Machann) had successfully completed Fonkoze's Literacy and Business Skills Training, while the International Deposit and Currency Exchange programs continued to grow.

Understanding the need for rural sustainable development at the community level, Fonkoze has placed added attention on its newly reorganized Business Development Program. This program has a separate loan fund that currently stands at almost \$500,000, and provides larger loans for community-based projects and businesses in the rural areas of Haiti. The successful Model of Rural Economic Development Project at Fondwa is an example of how successful this type of lending can be, creating jobs, stemming flight to the capital, and promoting sustainable economic growth in organized communities throughout the countryside of Haiti.

This holistic approach to economic development is key. Fonkoze is much more than simply micro-credit and education in literacy and business skills for Ti Machann.



A Proud Resident of Fondwa

Photo credit: Dave Fonda, Fonda photographics

