



LQVE Report on MUSOs in Southeast Haiti

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12.23.2019



In December of 2019, LQVE conducted meetings with the Mutual Solidarity groups supported by LQVE and College Church of the Nazarene that are active in Southeast Haiti. The MUSO groups we met with were from: Kaskad Pichon, Pichon, Mapou, and Gran Gossier. Several insights were gained from these meetings. All of the communities expressed both positive and negative sentiments about their MUSO program. We attempted to collect as much *qualitative* data as we could before pursuing *quantitative* data, as the purpose of this trip was centered on the actual experiences of individuals versus numerical data.

Some of the positive sentiments expressed in each meeting included

- MUSO allows more kids in each community to go to school
- MUSO gives certain people in the community the ability to fund the building of their own house
- MUSO acts as a safety net for droughts and seasons where the yield for crops is not as abundant
- MUSO helps create unity within the community

Some of the challenges expressed in each meeting included

- Wanting more people to be able to afford to be a part of MUSO, because most all of each community wants to be a part of it
- Wanting the capacity to hand out bigger loans for bigger projects
- Wanting a specified MUSO building for organization and, more importantly, for safekeeping of the collected monies

It is important to note that while the above points were all stated individually by the different groups, there is still a specific local context and perspective of each MUSO group. The following provides more specific information while attempting to stay away from a confirmation bias or any directive listening.

Cascade Pichon “Men an Men” -

- The MUSO is getting bigger, but agricultural production has been low recently so they have had problems with people paying back their loans on time
- A lady in the community owed some money to loan sharks and was being brought into court, she was able to use MUSO to pay off the loan shark and instead is able to pay back MUSO because it is a much lower interest rate than the loan shark
- A woman did not have the funds she needed for her upcoming wedding, so she was able to take out a loan to help her cover the costs of the wedding
- They say they usually will hand out 180 individual loans a cycle.

- At least half the kids going to Cascade Pichon Community School have received a loan in order to pay school fees and attend school
- The **Next Best Thing** for Cascade Pichon – they said that the road to Cascade is the biggest hinderance for the community, as it hinders commerce and tourism. Next to that, they would like to increase the capacity of the MUSO group to hand out loans
- Having access to a car would help the MUSO group with the “paperwork” side of hosting MUSO every cycle, because they have to print their packets in Thiotte
- *104 members in this MUSO group*
- *They hand out somewhere between 150-200 loans a cycle*
- *549,180 Gourdes (~\$5,780) collected since the start of this cycle (the last 4 months)*

Lower Pichon “Chanje Lavi” –

- Someone in the community was able to receive a loan to purchase materials to build a roof for their home
- A woman vendor took out a loan to buy a donkey to help her carry her products to the market. Because of how much more money she has made since then, she now has 3 donkeys
- They have been able to send more kids to school. One family specifically is able to send all 4 of their kids to school now, whereas before MUSO they could not afford to send any
- MUSO has taught good generic savings practice to the community
- MUSO helps improve not only the community economy, but also improves the social cohesion within the community in a sustainable way
- **The Next Best Thing** - *Chanje Lavi* MUSO had an idea to make some sort of communal nursery to grow fruits and vegetables. But as of now they do not have enough financial resources to make it happen. They also want to support the parents of kids going to school more, and also want to try to create a “vocational center”
- This group is in their third cycle, *they started with 25 members, and now have approximately 95 members*
- *Chanje Lavi hands out 200-300 loans per cycle*
- *103,000 Gourde (\$1,084) was given out in loans in a single day last month*
- *The group estimates that they have collected and given out 2,000,000 Gourde (\$21,053) worth of loans since they began*

Gran Gossier “Tet Ansanm,” “Tet Kole,” “Kole Zepol” (3 MUSO groups) –

- Several members of Gran Gossier’s different MUSOs have been able to buy homes with the loans that they have received
- The majority of parents are now able to send their kids to school

- **The Next Best Thing** - For Gran Gossier, the next best thing would be to establish an official “Savings Bank” for the community for safekeeping of the consolidated MUSO funds. They already have a plot of land they think would work well for this, and they have engineers in Gran Gossier who could build it, they just need the funding for it
- Gran Gossier stressed the issue of the national and local economy, people cannot afford to buy “shares” to participate in MUSO, even more so since the inflation reached 20%
- They have an idea to give out loans at a 2% rate instead of 3%, but they say they (as in the MUSO itself) would need to find a loan of 1% in order to make that happen
- *Approximately 1,464,000 (\$15,010) Gourdes in collection right with all 3 of Gran Gossier’s MUSOs added together*

Mapou “Ann Deside” -

- A father’s kid was sent home from school because she could not pay the school fee’s necessary to attend, so the father went to the MUSO group to get a loan for the school fees and then his daughter was able to go pay the fees and attend school
- MUSO has allowed for individuals in the community to lean on MUSO for financial assistance, instead of burdening friends and family with requests for money
- Having the positive influence of the Mapou MUSO group is good not only for the members of the MUSO, but also for the economy of the community at large with influencing practices of saving and growing commerce
- Mapou’s MUSO gives out loans from their “emergency” (red) box to vulnerable people in the community with health problems. The sick person will then use the loan to pay the small fee for medical assistance at the newly built clinic. The vulnerable individual can be anyone in the community and does not have to be a part of the MUSO group
- Unfortunately, Mapou’s MUSO had two individuals take out a loan of 14,000 Gourde (\$147) and flee the community. This is the only story like this we heard from any of the groups. The Mapou leadership team suggested finding the individuals and putting them in jail as a preventative method for people stealing loans in the future
- **Next Best Thing** - When asked about what the next best thing would be, the group originally looked to have College Church instruct them as to what they should do next. But with a little bit of prodding and encouragement, the group said that they thought they should have an official bank and office for the safekeeping of the MUSO funds, similar to the suggestion of Gran Gossier. They also said that if they could find some external financial support, they would be able to give more loans to more people in the community. They already have a place in mind where they could build the “savings bank”, but they do not have not funds for it
- *Approximately 150 loans are dispersed per year in this MUSO group at a %2 interest rate. They also give out loans to people that are not members of MUSO at a rate of 5%*

- *At the end of their 2nd cycle, 440,000 (\$4,631) Gourde was dispersed in loans. And after the loans were repaid, 99,800 (\$1,050) Gourde was generated from the interest of the loans*

Concluding Statements

Some of the groups did not come prepared to share any data regarding the amount of loans they have dispersed. It is also difficult to calculate exactly how much wealth each MUSO has generated, because there are several different “accounts” within each MUSO that resets periodically. Ultimately, this was not a big deal because we are more concerned with the qualitative stories of people’s lives being affected. However, in a very conservative estimate, we can confidently say that at the very minimal, MUSOs in Gran Gossier, Mapou, Pichon, and Kaskad Pichon together have generated over \$50,000 US worth of revenue and commerce since their inception. Again, this estimate is conservative, as most of the numbers we were given by groups were net results of only the previous cycle (year). The MUSOs have had no practical reason to keep track of total accumulated wealth generated over the previous cycles (years).

A more liberal estimate would be that the MUSOs supported by LQVE and College Church in Southeast Haiti have generated around \$80,000 of wealth total for these 4 communities. Also, keep in mind the relative inflation that the Haitian Gourde has been subjected to within the last year. The current exchange rate of 95 Gourde to 1 US dollar was used for the above calculations. If compared to the exchange rate at the start of these programs in 2016, we could say, with the most liberal of estimates, that MUSO has potentially provided \$139,000 worth of wealth generation to these four communities.

Regardless of the exact number, MUSO presence in each community has increased wealth capacity and social cohesion exponentially. Moving forward with community development initiatives in these communities, it is my recommendation (Shay) that we continue to lean on the resources and guidance of these MUSO groups.