

WMI LOAN PROGRAM HEALTH BENEFITS

Introduction

The Women's Microfinance Initiative is a Bethesda, MD based non-profit that provides small loans to extremely impoverished, rural women in east Africa so that they can start businesses. The loan program includes monthly visits to borrowers' businesses by trained Local Coordinators who live in the village and who are also borrowers. The Local Coordinators review the borrowers' book keeping, inquire about business activities and family welfare, and prepare monthly Local Coordinator Reports (LCRs). The information gathered through the LCRs over the past 2 years provides additional insight into the ways the loan program is changing the lives of borrowers and the ways it is transforming the local communities where it operates.



Food and Nutrition

Improving food sources is an easy and effective way to increase health within a household. A lack of vital vitamins and minerals commonly leads to malnutrition and immune deficiencies. The Women's Entrepreneurship Development Trust Fund (WEDTF) conducted a study in 2000 that found that "female microfinance clients use 55 percent of their increased income on household items and food" (Save The Children). Steady income allows women to provide a larger quantity of food, as well as a more diverse and nutritionally balanced diet, for their families.

Among borrowers in the WMI loan program, 67.3% listed food as one of their top three income priorities. After their first six-month loan period, 99.5% of borrowers reported an improvement in their daily meals. Throughout the past two years, improved family nutrition is frequently noted in the LCRs:

- **May 2009 - Jesca (Coffee):** "The business is alive but the purchases are very few and the profit is very little. Jessica is not discouraged she remains hopeful waiting for the true harvest. Right she is involved in Mulokonyi selling. (She buys a head of a cow and prepares, cuts small pieces and sells) this business is doing well and it is helping her to feed the family and repay the loan."
- **August 2009 – Phinah (Bogoya):** "The business is doing well, Phinah is happy and grateful for the loan program for it has at least contributed for the restoration of joy in her family, children are happy and sure of a meal which has been rare for them to have lunch and supper."

- **July 2010 – Rose (Bogoya):** *“The family is healthy because they can now feed on a balanced diet.”*

Improved nutrition not only balances the food in the families’ diets, but it is also a significant preventative for curable illnesses. Balanced diets provide children with the nutrients required to help develop and maintain a healthy immune system.

Floors

The University of California Berkley’s Center of Evaluation for Global Action (CEGA) conducted a study which found that “replacing dirt floors with cement in homes...significantly improves children’s health” (Maclay). The study concluded that improving floors can decrease the transmission of parasites and improve children’s cognitive development. In addition to the health benefits experienced by children, the study found that mothers “are less depressed, less stressed and happier” (Maclay). Researchers commented that the change in parent’s mental states may be attributed to the fact that their children were now living in a safer and healthier environment.

Many women in the WMI program upgraded the floors in their households as one of their first home improvements after receiving a loan. Prior to their first loan, 78.1% of the borrowers reported that they had a mud floor in their home. These mud floors, often layered with a top coat of cow dung, get wet during the rainy season, creating a breeding ground for mosquitoes and a high risk of malaria. Additionally, during the dry season the dust from the floors mixes in the air causing respiratory problems. However, after the receiving their first loan, 35.1% of WMI’s borrowers reported having made improvements on their homes, many upgrading their flooring.

Shoes

Shoes are an easy way to protect against foot trauma and infectious diseases. Because markets, schools, and health centers are typically located in central villages or trading centers, people often walk many miles a day on hard dirt roads or rocky terrain. Harsh terrain can result in large foot wounds, cuts, and sores, which permits parasites causing diseases such as hookworm, schistosomiasis, and tungiasis to enter the body. (“Shoes4Schools”). As parasites enter the feet, they infest the blood stream and attack vital organs. Parasitic infections can cause diarrhea, anemia, weight loss, and abdominal pain (“Shoes4Schools”). Left untreated, these complications can cause malnutrition and slow child cognitive development. Without foot clinics or health centers equipped to treat foot injuries, foot infections can become fatal.



Medical Care

While sufficient food, good nutrition, proper foot ware and home improvements are crucial in improving living standards, many villagers, primarily children, frequently suffer from malaria and other illnesses, making funds for medical services a crucial part of household spending. Although many of the sicknesses are not difficult to treat, the frequency of household sicknesses makes paying for medical care difficult:

- **May 2008 – Lillian (General Report):** *“The members are always affected by sickness which attack children and have to use the little profit they get from the loan to treat children.”*

The majority of the women in the WMI loan program report that during each 6 month loan term, someone in their household was sick with malaria. According to the World Health Organization, “In Africa a child dies every 45 seconds of Malaria” (WHO). It is become an epidemic effecting 200 million people world wide each year (WHO). However, malaria is especially dangerous to children, accounting for 20% of childhood deaths in Africa (WHO). The ease of transmission and prevalence of infected mosquitoes in African countries leave the world poorest individuals highly susceptible to the disease

While there is currently no vaccination for malaria, it is easily prevented through a very simple technology: mosquito nets. Mosquitoes typically attack their victims at night between 10:00 pm and 4:00 am. Prior to entering the loan program, only 27.4% of borrowers had enough nets to cover everyone in their household. However, after 6 months in the loan program 51.3% of the borrowers reported that they now had enough bed nets for everyone in their household.

The average cost of a mosquito net is \$5 or 10,000 Ugandan shillings. However, while 74.3% of the women in the program said that they would buy mosquito nets if they were offered at an affordable price, 44% of the women said that with their budget they could only afford to pay \$1.50 or 3,000 Ugandan shillings for a mosquito net.

Prevention is the most effective way to curb malaria infections, but the lack of nets, due to the cost, leaves many individuals, especially children, vulnerable to the disease. Once contracted, malaria can be treated effectively and affordably with artemisinin-based combination therapies (ACTs), which typically costs \$2 per treatment, but is not always available at village health centers. Women who cannot access the treatment may attempt to treat just the symptoms of malaria (high fever and chills, stomach pain); however, this allows the infection to remain active in the body, leaving the infected person sick for longer and increasing the risk of mortality.

Longtime sicknesses prevent the infected individuals from attending school or working, often for a week or two. This can substantially limit a family’s productivity and business revenue, causing a plunge in their income. Additionally, individual household financial stress can also have an effect on the village economy. The World Health Organization calculated that a countries gross domestic product (GDP) can decrease by as much as 1.3% in countries with high rates of malaria transmission (“Netting Nations”).

Many women seek treatment from village health clinics, which are often miles away from their home, making medical trips both expensive and lengthy. However, the LCRs reflect that after recurrent loans, many women in the WMI loan program report that they have acquired enough savings to help pay for their medical bills:

- **July 2010 – Ahamada Amida (Second hand clothes):** *“The business is doing well and the children help to offer labour where it is necessary. She can cater for the family, and meet medical bills. She still poses her turkeys and chicken. She fell sick and was admitted, but managed to pay the bill, and she is grateful due to the loan. Since she was treated, her health is now okay and can run her business normally. She appreciates the loan program so much, and wishes WMI a long live.”*
- **July 2010 – Nandira (Shop):** *“Out of her profits she can repay the loan, fees and medical care.”*

Additionally, the WMI loan agreement requires borrowers to purchase one mosquito net during each loan term until each member of the household sleeps under a net.

Community Activism on Health Issues

Women in the loan program have become better advocates for their own health and that of their families. They have organized community lectures by the regional health officers. They have acquired a sphygmomanometer and monitor their blood pressure. A group of loan program veterans are working with village elders to develop a business plan to open the moribund local clinic. They have entered negotiations with a visiting doctor and are arranging housing for him with loan program members. All of these initiatives hold the promise of better health care for the entire community.

Conclusion

Economic well-being and good health are inextricably intertwined. Upon receiving loans, the women of WMI have been able to improve the health and wellness of their families. The women can now provide their children with shoes, properly floored homes, and a more nutritious diet. Their savings help pay for healthcare and medicine. They have begun to organize initiatives that can improve access to healthcare for the entire community. All of the opportunities to improve the health of the family can increase overall household productivity and contribute to the family's well-being.

Lead Author: Glynnis McIntyre – American University ‘12

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