

PHOTOCOPY
PRESERVATION

Microenterprise

FIRST LADY HILLARY RODHAM CLINTON
REMARKS AT THE FINCA DINNER
NEW YORK, NEW YORK
APRIL 6, 2000

Thank you all. Thank you for this tremendous honor. As I have been privileged to travel around the world over the past seven years, I have met so many people who now have hope, who now have confidence, who now believe in themselves and their futures – all because of FINCA and its supporters here tonight. So thank you all very much.

Before I begin, I want to thank Her Majesty Queen Rania for those kind words, for her friendship, and for being such a strong voice for women, for children, for the poor, and for others who too often have no voice. On that trip to Jordan that her Majesty mentioned, I saw how tirelessly she has championed microcredit, and much she has done to help Jordan develop one of the most advanced microcredit sectors in the Middle East.

She introduced me to a group of amazing women who were part of a microcredit program in southern Jordan. Some sold baked goods. Others knitted sweaters or created jewelry. Each had a story to tell. I remember one woman, who was making rugs. With great pride, she told her us how she uses every single penny she earns to pay for two of her children to attend the university. That is the story of microcredit. And it's the story every single one of you has helped write.

I am delighted that Congressman Gejdensen is here – his leadership on behalf of microfinance has been so important. I want to thank Soledad Gompf [Gumf], for organizing this extraordinary event. And to Lawrence Yanovitch, [Yawn-o-vitch], thank you for your guidance and hard work, which has made such a difference – from Beijing to Africa, from the smallest villages to the halls of Congress.

And, I especially want to thank John Hatch, Bob Hatch, and Rupert Scofield for their extraordinary vision and commitment. They have spread the gospel of microcredit far and wide – teaching us all that poverty does not have to be permanent, that the poor are good investments, and that all of us can do well by doing good.

It's amazing to think that it all began with John, carrying basically his whole office in a suitcase and traveling from place to place to sell this brilliant idea. In many ways, the FINCA dream was reminiscent of something Dr. King said in his speech on the steps of the Lincoln Memorial. He said, "We refuse to believe that there are insufficient funds in the great vaults of opportunity."

Well, FINCA refused to believe there wasn't enough will or money in those great vaults. You dared to believe that we could pry them open, that we could find the capital, and that we could replace poverty with dignity and prosperity all over the world. And that is what you have done – from the Andean mountains to Latin America, from Africa to the former Soviet Union, from Watts to the Bronx, and everywhere in between.

As I was watching that presentation, I was flooded with so many incredible memories of the FINCA clients I've met through the years. I think of the women in Kyrgyzstan. As we sat together in a small yurt in the middle of a marketplace, one mother of six explained that the business she started became so successful that she was able to build an entirely new house.

I think of the women I met in Uganda, joined by my husband and President Museveni. Just a decade ago, who would have imagined that not just one, but two Presidents would come to a small village to champion microcredit? And, I remember very well the woman we met who owned a bakery. It was that business that was helping her and her husband care for nine children – seven of whom were AIDS orphans.

I often think of the women I met in Nicaragua at a weekly meeting of the FINCA group there. There were about 30 of them. One had a seamstress shop. One was making mosquito netting. One was selling auto parts door to door.

And when I asked them if they had any questions, one woman said, "I know you met with women in India who are doing what we are doing, tell us about them." I could hardly catch my breath because it was very moving to me that women here were thinking about what was happening to women half way around the world, that they were seeing how much that all women have in common as we attempt to bring pride and dignity to our own lives.

I took a picture with these women. And I told them that I would send it to the women I met in India, because I wanted them to see the faces of the women in Nicaragua who are building their own futures too. And, I wanted them to see that we have an opportunity to really make this a global movement that spreads across the world and across our nation.

That was one of the messages that we made sure came out of the UN Conference on Women in Beijing.

And it was the message that the Secretary of SEWA in India, brought with her yesterday when she attended the White House Conference on the New Economy. She talked about the refrain that the women of SEWA say again and again, “if we work, we survive; if we work, we can eat, we can feed our families.” And she made it clear that the lessons she has learned about microcredit are important for people struggling to bridge the economic divides everywhere, including here in the U.S.

These kinds of lessons without borders were, in many ways, what first brought me to microcredit more than 15 years ago. I was helping us find new ways to expand economic opportunity in Arkansas – and we heard about how this idea from Bangladesh had been brought to the South Shore Bank in Chicago. I was very anxious to learn more about it, and how we could use it as a tool to transform the poorest rural and urban areas.

We started the Good Faith Fund -- and again and again, my husband and I saw how a small amount of credit could make such a difference in the lives of people in that state. And so, bringing this kind of opportunity to more Americans was certainly a priority of ours when we came to the White House. And I am very proud of all that has been accomplished.

Today, Small Business Administration Loans have been expanded – and there are microcredit awards for U.S. entrepreneurs. This is a Microcredit Initiative which is bringing hope to poor communities worldwide – and a vibrant CDFI Fund which is increasing credit, capital and other services in distressed communities here at home. There is a \$15 million budget request for the Prime Act, which I hope Congress honors, because it will give men and women in this country support to turn great ideas into successful businesses.

Some of you may have heard me mention the woman I met in Denver, who told me something I will long remember. She said, “Too many ideas die in the parking lots of bank.” Every day, we pick up the paper and read stories about Internet start-ups and young people who are becoming millionaires overnight. But, rarely do we read about the countless people who are still living on the outskirts of opportunity. People, who, with a little more support, could build successful businesses, support their families, and bring economic prosperity to every corner of this country.

Just this week, I met just a few of the many micro-entrepreneurs who are succeeding right here in New York. One couple, Sharon and Roger Babcock, got help from the Green Entrepreneur Program small business resource center. With a loan, they revamped a movie drive-in. And, now it is doing so well, they are adding a second screen.

What you have taught us through the years, is that microcredit is one of the best ways for us to make sure the vast forces for change sweeping our world benefit all people, no matter where they live, no matter what their race or ethnic background, no matter if they are rich or poor, a man or a woman.

We know microcredit works in places where people are trying to transition into free-market economies. It works in countries building democracies. It is beginning to work in places, such as Kosovo, where families are desperate to rebuild their lives and communities. It works here at home. And, it works with a repayment rate – 97, 98, 99, and even 100 percent -- that would be the envy of most commercial banks. One woman I met in Tunisia put it best. She said, “The poor are bankable.” Now, how we do make sure our priorities reflect that reality?

[I believe we can start by doubling the number of microentrepreneurs in this country – and increasing the number of Microloans we’re providing through SBA. I believe we can triple the number of One Stop Capital Shops in America. And, I believe we can reach FINCA’s dream of providing loans to 500,000 families by the year 2005.]

Because despite all our wonderful progress, we are barely scratching the surface of the millions and millions of people whose families could be lifted out of poverty, if only we could find the will and the way to provide them the loans they need – and the loans they will pay back.

I hope that all of us take it upon ourselves to spread the gospel of microcredit, to tell anyone and everyone who will listen that this is a tool of opportunity that will help alleviate poverty in this century.

I hope we take it upon ourselves to put more commercial resources, more financial resources, more technological resources, and more of our hearts and souls to work on behalf of those who are struggling not to be left behind.

Because here we are, in the richest country on earth, at one of the most prosperous times in our history. If not now, when?

I think back to the presentation we saw earlier, and all the memories they sparked. Memories of the smiles and pride on the faces of women who have overcome obstacles of war and poverty that many of us could never fully imagine. And, now they can finally say, “Yes, I own a business, yes I can support my family, yes, I am paying for my child’s schooling, yes, I have value, yes, I matter.”

These are the women and men FINCA has championed at home and all over the world. And, so I want to accept this award on their behalf, and on behalf of all the people who are waiting for the chance to lift themselves out of poverty. Our future depends on theirs. And, whether we do right by them will determine not only what kind of world we will have, but what kind of people and country we will be.

With FINCA...and all of you...continuing to lead the way, I know that we will not let them down. Thank you very much.

CHRONOLOGY OF THE FIRST LADY'S INVOLVEMENT IN PROMOTING MICROENTERPRISE DEVELOPMENT

- 1986 Mrs. Clinton and then-Governor Clinton met with Mohammed Yunus, the founder of the Grameen Bank in Bangladesh, in Arkansas to discuss the relevance of the model of the Grameen Bank to rural Arkansas communities.
- 1988 Mrs. Clinton was involved in the creation of, and served on the board of, the Southern Development Bank Corporation and its non-profit affiliate, the Good Faith Fund -- one of the first rural microenterprise funds in the United States. Modeled after the Grameen Bank in Bangladesh, the Good Faith Fund provides small loans, training and technical assistance to low- and moderate-income entrepreneurs in rural communities in Arkansas. Several U.S. foundations, through program-related investments, have partnered with the Good Faith Fund.
- March, 1995 Mrs. Clinton visited the Self Employed Women's Association (SEWA) in India and the Grameen Bank in Bangladesh to highlight these important microcredit programs enabling poor women to become self-sufficient.
- May 14, 1995 Mrs. Clinton's op-ed in the Washington Post, "Investing in Sisterhood," underscores how microcredit helps women overcome poverty.
- July 26, 1995 Mrs. Clinton visited Mi Casa, a program in Denver, Colorado, promoting microenterprise development, which has received support from the Small Business Administration. She also spoke to the Women's Foundation of Colorado Conference on microenterprise as a tool of opportunity.
- August 28, 1995 President Clinton directed the Secretary of the Treasury to develop an awards program to honor excellence in microenterprise development, and to coordinate all microenterprise programs within the U.S. government. This was announced as part of the U.S. commitments to the United Nations Fourth World Conference on Women.
- September 5, 1995 Mrs. Clinton spoke in Beijing, China, at the United Nations Development Fund for Women (UNIFEM) panel discussion on "Women's Economic Empowerment." Other panelists included Ela Bhatt of India's SEWA, and Mohammed Yunus of the Grameen Bank.
- October 12, 1995 Mrs. Clinton visited a FINCA bank, "Mothers United," in Nicaragua (which was subsequently re-named "Mothers United *with Hillary*"), and an Accion microenterprise project, "PenaSol," in Santiago, Chile. Both projects serve very poor women and have been successful in providing

economic opportunity.

- June 26, 1995 Mrs. Clinton was the keynote speaker at the RESULTS Dinner in Washington, D.C., honoring Dr. Yunus.
- November 8, 1995 Mrs. Clinton spoke at the "Beyond Beijing" World Bank Conference, where she highlighted microcredit and economic opportunity. The World Bank has committed itself to microenterprise lending, which is of great importance to women's economic development.
- March 19, 1996 Mrs. Clinton spoke about the importance of microenterprise in development to the Council on Foreign Relations in New York.
- May 2, 1996 Mrs. Clinton and Secretary Rubin announced the details of the Presidential Awards for Excellence in Microenterprise Development via video to the Association for Enterprise Opportunity Conference in Rhode Island.
- September 16, 1996 Mrs. Clinton spoke at the USAID "Lessons Without Borders" Conference in Baltimore, Maryland, where she described how lessons learned through international assistance can be applied to solve problems at home.
- December 3, 1996 Mrs. Clinton visited BancoSol in La Paz, Bolivia -- Bolivia's largest commercial bank and the world's only commercial bank dedicated solely to micro lending. (The BancoSol borrowing group that Mrs. Clinton met with re-named itself the "Hillary" group in honor of her.)
- December 19, 1996 The First Lady addressed the Community First Bank in Washington, D.C. The First Lady applauded the efforts of HUD, HUD Secretary Henry Cisneros, and the Bank for all their efforts for community empowerment.
- January 30, 1997 The President, joined by First Lady and Secretary Rubin, presented the Inaugural Presidential Awards for Excellence in Microenterprise Development at the White House.
- February 3, 1997 Mrs. Clinton gave the keynote address at the International Micro Credit Summit in Washington, D.C.
- February 3, 1997 Mrs. Clinton visited a Foundation for International Community Assistance (FINCA) borrowing group in Washington, D.C.
- March 21, 1997 Mrs. Clinton met with borrowers from the Zambuko Trust Microfinance Program, a microenterprise institution supporting 4,000 Zimbabwean businesses -- 75% of them owned by women.

March 29, 1997	Mrs. Clinton visited a FINCA microenterprise borrowing group outside Kampala, Uganda.
May 5, 1997	Mrs. Clinton visited with indigenous and peasant women involved in various microenterprises in Mexico, who displayed their products and discussed their work.
May 7, 1997	Mrs. Clinton participated in a roundtable in Costa Rica with microcredit entrepreneurs and Mrs. Figueres, the First Lady of Costa Rica. Eight microentrepreneurs from throughout Costa Rica spoke with the First Lady and displayed their merchandise.
May 8, 1997	Mrs. Clinton spoke to the Regional Consultative Forum on Microenterprise Development in San Jose, Costa Rica. The Forum brought together 70 entrepreneurs from Central America to exchange ideas and ask for support from the region's political leadership. The Forum was supportive of the Plan of Action of the Summit of the Americas.
May 10, 1997	Mrs. Clinton participated in the Caribbean Regional Microenterprise Forum in Bridgetown, Barbados. The event was sponsored by the U.S. Agency for International Development (USAID) and the Caribbean Development Bank. Mrs. Clinton announced \$500,000 in assistance for microenterprise assistance to the four Windward Islands of St. Lucia, St. Vincent, Grenada, and Dominica.
July 24, 1997	Mrs. Clinton made remarks at the launching of a new Microenterprise Development Initiative on Capitol Hill.
February 2, 1998	Mrs. Clinton made remarks at the Annual Meeting of the World Economic Forum in Davos, Switzerland, where she discussed the need for corporate responsibility and her support for microcredit.
March 24, 1998	Mrs. Clinton, along with the President, made remarks to FINCA in Uganda.
April 18, 1998	Mrs. Clinton met with female entrepreneurs who have received money, training and support through microcredit. The First Lady listened to the women share their personal stories in Cunco, Chile.
April 24, 1998	At the Association for Enterprise Opportunity Conference, Mrs. Clinton discussed the importance of microcredit. Several organizations were acknowledged by the First Lady, including USAID, FINCA, and several entrepreneurs.

- June 18, 1998 On Capitol Hill, Mrs. Clinton, along with Senators Kennedy and Domenici, participated in an announcement of the PRIME Act of 1998. The "Program for Investment in Micro-Entrepreneurs Act" provides grants to organizations that aid microentrepreneurs.
- June 27, 1998 In Beijing, China, the First Lady participated in a dialogue with Chinese women entrepreneurs.
- October, 1998 Mrs. Clinton attended the Central and Eastern Europe Regional Forum on Women in the 21st Century in Sofia, Bulgaria, where she encouraged the cultivation of women as business leaders.
- December 14, 1998 Mrs. Clinton announced the USAID grant recipients at the Women's Empowerment Center in Beach Camp, Gaza.
- February 5, 1999 Mrs. Clinton and the President presented the 1998 Microenterprise Awards at the White House.
- March 25, 1999 Mrs. Clinton toured the Enda Inter-Arabe Urban Development Center in Tunisia.
- November 13, 1999 Mrs. Clinton and Her Majesty Queen Rania of Jordan presented the first annual Jordan Microenterprise Awards in Amman, Jordan.

Updated January, 2000

**FINCA** International, Inc.

TO: Katy Button
Office of the First Lady
The White House

FAX: 456-6244

Date 10/15/99

Number of pages including cover sheet 5

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FROM: Lawrence Yanovitch, Dir.
Policy and Research
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1101 14th Street, 11th floor
Washington DC 20005

Phone 202 682-1510

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email lyanovitch@villagebanking.org

Please deliver to Ms. Button as soon as possible. Thank you.



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October 14, 1999

Ms. Melanne Verveer
Office of the First Lady
The White House
Washington, DC 20500

Subject: Creating a Legacy for the United States' International Microenterprise Initiative

Dear Melanne:

I want to thank you and Katy for taking so much time to meet with me yesterday. We are thrilled that you see how important it is to institutionalize the U.S. Microenterprise Initiative and that you were so enthusiastic about helping us. I thought I would summarize below our discussions. I will send under separate cover the additional information you requested on various other items pertaining to FINCA.

As we discussed, there are two tactics for institutionalizing the Microenterprise Initiative: legislative and administrative actions.

A. Legislative Actions

H.R. 1143, the Microenterprise for Self-Reliance Act, passed the House in April of this year by unanimous consent. Passage of S.1463, its companion bill, should not be difficult if it is given adequate attention. This legislation would not only institutionalize USAID's Microenterprise Initiative; it will be featured indefinitely as an important part of the U.S. foreign assistance program. The legislation would thus establish a legacy of continued support to help millions of poor families escape poverty through self-employment for years to come. Heretofore, there has never been authorization legislation underpinning USAID's Microenterprise Program. It is thus vulnerable to changes in the next administration's foreign assistance policy.

Introduced in late June by Senator DeWine, the Senate bill has been referred to the Foreign Relations Committee, but no action has been taken. The bill has no opposition in the Senate, but is stalled for lack of a strong voice to push it forward. We believe that if a few determined Senators made it a priority, there is a strong likelihood that the bill could be passed by unanimous consent. The first step is moving the bill out of the Senate Foreign Relations Committee. This should ideally happen within the next few weeks in order to assure adequate time to pass it on the floor; we have heard that the next business committee meeting may be scheduled as late as the first week of November.

In discussions with Senator Dewine's office, we have determined that three sets of actions would greatly increase the probability that the bill will pass the Senate.

1. Democratic Support. FINCA is working with other members of the Microenterprise Coalition to identify one or two Senators who will make the bill a *top priority* as the legislative calendar comes to a close. We would like to convince Senator Feinstein, a co-sponsor of the bill, to partner with Senator Dewine to move the bill on the floor. She has good relations with key Republicans and is very effective in moving bills. We are also seeking a Democrat in the Senate Foreign Relations Committee to take a leadership role in helping to move the bill out of committee. Although they do not have seniority, Senators Feingold and Toricelli may be the most likely candidates to play a leadership role because they have been very interested in the issue. Senators Biden and Dodd would be excellent candidates to champion the bill because they are the senior Democrats on the Committee. Senator Sarbanes strongly supports the issue; however, Diana Ohlbaum, his staffer, supports the bill, but does not want to take a lead on it because she generally does not support earmarks. If you or the First Lady could contact these offices, it would provide an important lift to our efforts. I have provided the names of the staffers in attachment in order of priority.
2. Republican Support. In the short term, the most critical step in getting the bill passed out of committee is increasing the number of Republican co-sponsors. Chairman Gilman is helping us in this process. It would be helpful, if the White House legislative affairs office could help sway Republicans with whom they have good working relationships to join as co-sponsors.
3. Administration Support. Finally, the Coalition is concerned that USAID's position on the Senate bill might adversely affect its outcome. In the House version, USAID adopted a position of "neither opposing nor supporting" the bill, due to the earmark it contained. The earmark amount, however, reflects slightly higher than current spending levels on microenterprise. It was arrived at through negotiations with USAID, the Microenterprise Coalition, and several congressional offices. During the floor debate on H.R. 1143, Congressman Bereuter chastised the Administration for not supporting a program in which the President believes so strongly. Ideally, we would appreciate your seeking a Statement of Administration Policy supporting the bill.

B. Administrative Actions

Since its establishment in 1994, the Clinton Administration's Microenterprise Initiative has been renewed with Congress every two years. The policy framework for the Initiative has historically been negotiated through consultations between USAID, the House International Relations Committee and the Microenterprise Coalition. (In 1997, Mrs. Clinton launched the second such initiative on Capitol Hill.) Again, there is no authorization legislation backing the program.

The White House has never had direct participation in this consultative process. We believe that a representative, assigned to microenterprise, at the NEC could prove critical at this juncture as we seek to develop a legacy for the microenterprise program. Bruce McNamer, as you know, proved effective last year in pulling together a White House policy on microenterprise for the Presidential Awards ceremony. Suzanne Smith Palmieri, of USAID's legislative affairs office, negotiated the Microenterprise Initiative for USAID and also worked for the Clintons in Arkansas. She is well versed in the issue and might be a candidate for assignment to the NEC for the purpose. Dr. Lael Brainard, of the NEC, would also be critical to engage in crafting the legacy program.

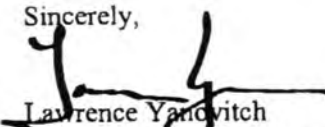
Moreover, Administrator Anderson might be encouraged to be more aggressive in his support of microenterprise. Since Mr. Anderson is new, he may be more sympathetic to institutionalizing a successful program as part of a Clinton legacy and less inclined to reflexively adhere to the concerns of the USAID bureaucracy.

There are three administrative actions which we would like to see taken as part of the legacy package. (The legislation would take care of the first and second):

1. Microenterprise Account. The USAID Administrator would establish an "account" for microenterprise. The lack of such an account leaves the microenterprise program vulnerable to the internecine budgetary battles within the Agency.
2. Policy Coordination. The NEC would establish an inter-agency working group on international microenterprise including representatives from Treasury, USAID and the State Department. Such a group could assure greater coherence in the microenterprise policy of the United States in its foreign policy, bilateral assistance, multilateral support and global financial sector policy.
3. High Performance Fund. The USAID Administrator would establish a high performance fund within USAID's PVC Matching Grant Program. The Office of Private & Voluntary Cooperation (PVC) has been critical to building the institutional capacity of the microenterprise sector. It has, however, had its budget cut to the point where it no longer has sufficient funds to continue to finance the core grants of Accion, FINCA, Opportunity International and the other leaders in the field. This will undermine the long-term financial viability of some of USAID's strategic microenterprise partners. The high performance fund would address this problem. There is support in USAID for this concept, and some USAID officials are hoping that the State Department might be convinced to finance the required \$2 million to fund the program.

Thank you once again Melanne for your all of your support. Please let me know what additional information I might provide.

Sincerely,


Lawrence Yandvitch
Director, Policy & Research

Cc: Katy Button

Attachment 1

Contact Information for Microenterprise Bill		
Senate Office	Contact Staffer	Phone Number
Feinstein	Michael Schiffer - Foreign Affairs	224-3841
Torricelli	Mara Cleary - Foreign Affairs	224-3224
Feingold	Linda Rotblatt - Foreign Relations	224-5323
Biden	Heather Flynn - Foreign Relations Staffer	224-5042
Dodd	Janice O'Connell - Foreign Relations Committee	224-3953
Kerry	Nancy Stetson - Foreign Policy	224-2742
Wellstone	Charlotte Oldham-Moore - International Development	224-5641
Sarbanes	Vince Sanfuentes - Foreign Affairs, Diana Ohlbaum - Foreign Relations Committee	224-4524 224-3953
Boxer	Sean Moore - International Development	224-3553



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Nov 8

Melanne & Katy,

I cannot thank you
enough for all that
you did to help us
mobilize support for
S1463. I sent the

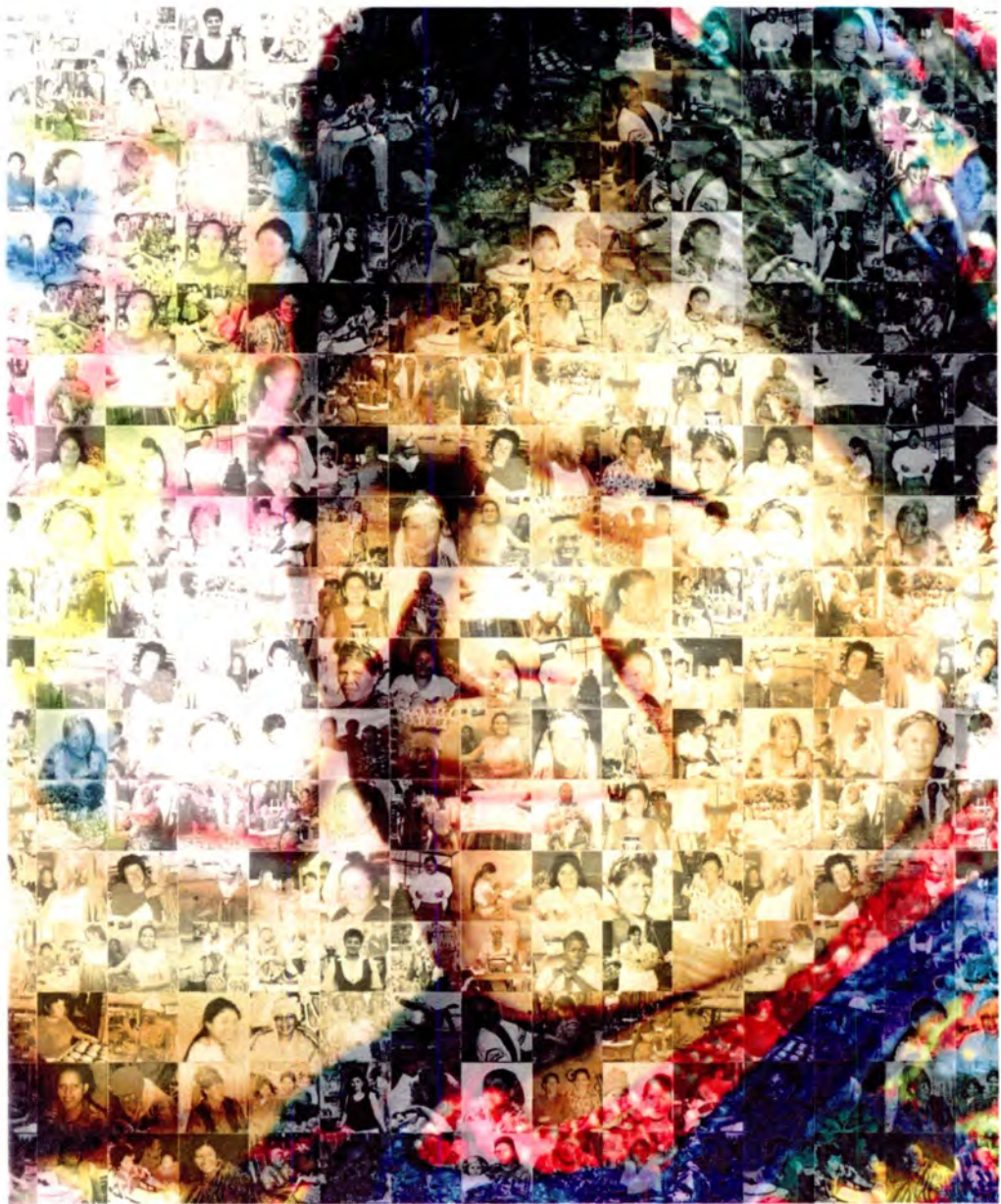
enclosed to Pam
Cicetti. I hope to
see you both in Amman.

I will be at the Hyatt.

You are such great
friends of the FINCA babes!

Foundation for International Community Assistance
Banking on the PoorSM

James



4 COLOR PROCESS DESIGN

Small solutions multiplied a million times...

One out of every four people on earth is desperately poor. Since 1984, FINCA, the Foundation for International Community Assistance, has been helping poor families to raise their incomes and lift themselves out of poverty. We provide small loans of \$50 to \$500, enabling families to start or improve small-scale businesses. You may think that our loans are too small to have an impact on poverty. But every day, FINCA borrowers in 17 countries use that working capital to improve their businesses, their earnings, and their quality of life. At FINCA, we believe that small solutions multiplied a million times can have a significant impact on poverty. Please support our work.



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MICROENTERPRISE COALITION

Contact Agency: *FINCA International, 1101 14th Street, N.W., Washington, D.C. 20005*
Tel. (202) 682-1510, Fax (202) 682-1535

September 29, 1999

First Lady Hillary Rodham Clinton
The White House
Washington, DC 20500

Dear Mrs. Clinton:

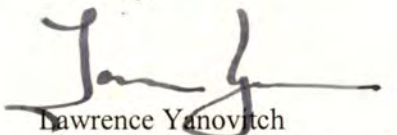
We have attached a copy of a letter to the President outlining a strategy to secure continued government support for microenterprise development. Throughout this Administration, your intervention at critical moments in the development of the microenterprise movement has proven essential to the success that microenterprise is achieving today. As we prepare for the end of the Clinton Administration, we ask that you personally support the strategy outlined to the President.

At this crucial juncture, we most need your help in advocating for the passage of the Microenterprise for Self-Reliance Act (S. 1463), introduced in late June by Senator DeWine. The companion bill passed the House of Representatives unanimously under the leadership of Representatives Gilman and Gejdenson. The Senate bill has been referred to the Foreign Relations Committee, but no action has been taken. The bill has no opposition in the Senate, but is stalled for lack of a strong voice to push it forward. We believe that if a few determined Senators made it a priority, there is a strong likelihood that the bill could move by unanimous consent. We would appreciate the opportunity to discuss with your staff strategies for securing the enactment of this bill. We have attached a number of background materials for your information.

The second track that we would like to pursue is a consultation between the White House, the Microenterprise Coalition, the Congress, USAID, the State and Treasury Departments on administrative actions that could be taken to institutionalize microenterprise support in the U.S. government. The microenterprise movement lacks a focal point within the NEC/NSC now that Bruce McNamer has departed. We would ask that you work with the President to identify a person who could serve this role.

As always, we are excited to work with you on these efforts to expand the benefits of microenterprise development to women around the world.

Sincerely,



Lawrence Yanovitch
Director of Policy & Research
FINCA International
Co-chair
Microenterprise Coalition



Maria Otero
Executive Vice President
ACCION International
Co-chair
Microenterprise Coalition

Coalition Members: ACCION International, ANERA, Bread for the World, CARE, Catholic Relief Services, The Crafts Center, Enterprise Development International, Enterprise Works, FINCA International, Freedom from Hunger, Grameen Bank, Grameen Foundation, IOCC, Katalysis, NCBA, OCDC, OIC International, Opportunity International, Pan American Development Foundation, PRIDE, Pro Mujer, RESULTS, Save the Children, SEED Capital Development, World Council of Credit Unions, World Relief, World Vision

**FINCA** International, Inc.

Date 10/28/99

Number of pages including cover sheet 1

TO: Katy Button

FAX: 456-6244

TEL: 456-7264

FROM: Lawrence Yanovitch, Dir.
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1101 14th Street, 11th floor
Washington DC 20005

Phone 202 682-1510

Fax 202 682-1535

email lyanovitch@villagebanking.org

Dear Katy:

Please find below the names of the staffers you requested:

Senator Biden

Staffer: Jim Greene

Phone: 224-5042

Senator Dodd

Staffer: Janice O'Connell

Phone: 224-3953

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Talking Points:

- The House passed H.R.1143, the Microenterprise Self-Reliance Act, by unanimous consent in April and referred it to the Senate Foreign Affairs Committee.
- In July, Senator Dewine introduced a counterpart bill, S.1463, with eleven co-sponsors. The bill was also referred to the Committee.
- We would like Senators Biden and Dodd to ask that either bill be placed on the agenda of the Committee's next business meeting, which is scheduled for Tuesday, November 3rd at 10:30. This may be the last such meeting before the end of the legislative session. It is this session that offers the greatest opportunity for passing the bill on the floor.
- We understand that there is no opposition thus far to the bill and that it should move easily through the Committee without much of a lift. Indeed, Senator Helms's staff indicated that they support the bill, but that it was not currently a priority for them. Senators Hagel and Brownback are the other lead Republicans behind the bill on the Committee.

Natasha F. Bilimoria 12/17/99 09:15:31 AM

Record Type: Record

To: Katharine Button/WHO/EOP@EOP

cc:

Subject: Re: Microenterprise 

As of Wednesday, this is where OMB stands on Microenterprise. Have AID folks come to you to express their thoughts on what's happening here?

AID requested \$135 million for FY2001. You may be aware, that roughly half of the Microenterprise money comes from Development Assistance programs and the rest comes from other program accounts, such as the Economic Support Fund and assistance to the former Soviet Union.

One of the last discussions of the FY2000 budget was a compromise on the "Mexico City" restrictions on international family planning. Many of the womens' groups were unhappy with this compromise and in order to compensate for this, State said it would increase it's FY 2001 request for Family Planning, from \$400 million to \$541 million, an increase of about \$141 million from the FY 2000 level.

In order to pay for this increase, in passback, while protecting other Administration priorities such as environment and HIV/AIDS assistance, OMB cut the strategic goal in which Microenterprise is located (Economic Growth) by about 20 percent. Roughly speaking, and assuming a proportional cut across all parts of this strategic goal, this is about a 10 percent cut (roughly \$10-15 million) in Microenterprise. OMB does hope to be able to reinstate funding later in the process to bring the program back to FY2000 levels, if sufficient additional funding is available.

MR -
This sucks,
but I don't
know what we
can do. OMB
said they
would try to
protect microenterprise

MICROENTERPRISE COALITION

Contact Agency: FINCA International, 1101 14th Street, N.W., Washington, D.C. 20005
Tel. (202) 682-1510, Fax (202) 682-1535

September 29, 1999

First Lady Hillary Rodham Clinton
The White House
Washington, DC 20500

Dear Mrs. Clinton:

We have attached a copy of a letter to the President outlining a strategy to secure continued government support for microenterprise development. Throughout this Administration, your intervention at critical moments in the development of the microenterprise movement has proven essential to the success that microenterprise is achieving today. As we prepare for the end of the Clinton Administration, we ask that you personally support the strategy outlined to the President.

At this crucial juncture, we most need your help in advocating for the passage of the Microenterprise for Self-Reliance Act (S. 1463), introduced in late June by Senator DeWine. The companion bill passed the House of Representatives unanimously under the leadership of Representatives Gilman and Gejdenson. The Senate bill has been referred to the Foreign Relations Committee, but no action has been taken. The bill has no opposition in the Senate, but is stalled for lack of a strong voice to push it forward. We believe that if a few determined Senators made it a priority, there is a strong likelihood that the bill could move by unanimous consent. We would appreciate the opportunity to discuss with your staff strategies for securing the enactment of this bill. We have attached a number of background materials for your information.

The second track that we would like to pursue is a consultation between the White House, the Microenterprise Coalition, the Congress, USAID, the State and Treasury Departments on administrative actions that could be taken to institutionalize microenterprise support in the U.S. government. The microenterprise movement lacks a focal point within the NEC/NSC now that Bruce McNamer has departed. We would ask that you work with the President to identify a person who could serve this role.

As always, we are excited to work with you on these efforts to expand the benefits of microenterprise development to women around the world.

Sincerely,


Lawrence Yanovitch
Director of Policy & Research
FINCA International
Co-chair
Microenterprise Coalition


Maria Otero
Executive Vice President
ACCION International
Co-chair
Microenterprise Coalition

Coalition Members: ACCION International, ANERA, Bread for the World, CARE, Catholic Relief Services, The Crafts Center, Enterprise Development International, Enterprise Works, FINCA International, Freedom from Hunger, Grameen Bank, Grameen Foundation, IOCC, Katalysis, NCBA, OCDC, OIC International, Opportunity International, Pan American Development Foundation, PRIDE, Pro Mujer, RESULTS, Save the Children, SEED Capital Development, World Council of Credit Unions, World Relief, World Vision

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Tel. (202) 682-1510, Fax (202) 682-1535*

September 29, 1999

The President
The White House
Washington, DC 20500

Dear President Clinton,

On behalf of the Microenterprise Coalition, we would like to extend our deepest appreciation and gratitude to you and your Administration for expanding support for microenterprise around the world and for promoting microcredit as part of the global solution for reducing poverty and creating a financial system that serves the poor.

Your determined leadership and understanding of microenterprise development has brought the United States to the forefront of this global movement. Six years ago, your Administration was instrumental in mobilizing key public and private sector constituencies to create USAID's microenterprise program. Since that time, together, we have made serious and steady progress. Today, USAID stands as the leading supporter of microenterprise worldwide both in terms of dollar investment and technical expertise.

To protect this important work, and to enable it to continue to grow beyond your term in office, we respectfully request that the White House proceed on two key fronts:

- 1) Supporting Senate passage of the Microenterprise for Self-Reliance Act, S. 1463, bipartisan legislation authorizing USAID's microenterprise program. A companion measure, H.R. 1143, passed unanimously in the House of Representatives under the leadership of Representatives Gilman and Gejdenson. The Senate bill has no opposition, and we believe that if a few determined Senators would make it a priority, there is a strong possibility that the bill could pass the Senate 'by unanimous consent'.
- 2) Appointing an individual within the NEC/NSC who would work with the Microenterprise Coalition, the Congress, USAID, the State and Treasury Departments to outline a bipartisan program to secure the continuity of the U.S. government's support for microenterprise.

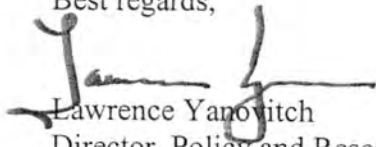
Your efforts at this critical juncture would lay a historic foundation for building a vital, global microenterprise sector well into the next century. As you know, 1.3 billion people suffer from malnutrition, the majority of whom seek to support themselves and their families through self-employment. This foundation, over the next decade, would help to build a global network of local institutions to provide these entrepreneurs with small loans, savings, training, and other services to help bring this marginalized population into the mainstream of the global economy.

Coalition Members: ACCION International, ANERA, Bread for the World, CARE, Catholic Relief Services, The Crafts Center, Enterprise Development International, Enterprise Works, FINCA International, Freedom from Hunger, Grameen Bank, Grameen Foundation, IOCC, Katalysis, NCBA, ODCD, OIC International, Opportunity International, Pan American Development Foundation, PRIDE, Pro Mujer, RESULTS, Save the Children, SEED Capital Development, World Council of Credit Unions, World Relief, World Vision

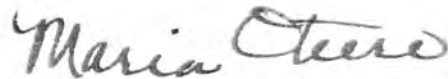
These initiatives would expand the benefits and success of microenterprise programs and assist tens of millions of women worldwide to help provide for their families with dignity and commitment to hard work. As you stated during your visit to Uganda, supporting microfinance programs allows "women in villages all over the world to be able to care for their children, to build the economies of their villages, to make their nations stronger" and their world a better place." Reinforcing the foundation of this essential effort will enable the microenterprise sector to keep your vision alive with far-reaching effects on generations to come.

Thank you again for your steadfast commitment to a better future for children and families around the world. We look forward to continuing to work with you on this important endeavor.

Best regards,



Lawrence Yanovitch
Director, Policy and Research
FINCA International
Co-chair
The Microenterprise Coalition



Maria Otero
Executive Vice-President
ACCION International
Co-chair
The Microenterprise Coalition

Cc: Vice President Al Gore
Secretary of State Madeleine Albright
Secretary of Treasury Lawrence Summers
Administrator J. Brady Anderson, USAID
Sandy Berger, Assistant to the President for National Security Affairs

Wish List of Republican Senators to Co-sponsor

Senator	Contact Staffer	Phone #
Domenici	Brian Beczkowski - PRIME/ Elizabeth Turpen	224-7089
Grassley	Rebecca Shinkus	224-3744
Jeffords	Laurie Sculz-Heim/Geoffrey Brown	224-5141
Specter	Peter Grollman-PRIME/Allison DeKowsky - Women's Issues/ Vicki Siegel - Foreign Affairs	224-4254
Abraham	Laurie Purpuro - PRIME/Randa Hudome	224-3422
Santorum	Jill Hershey - PRIME/ George Bernier	224-6324
Grams	Alan Breubaker - PRIME/Pam Thiessen	224-3244
Gorton	Todd Young	224-3441
Lugar	Andrew Semmel	224-4814
Smith	Rob Epplin	224-3753
Hagel	Ken Peel	224-4224
Nighthorse-Campbell		
Bennett		
Brownback	Christina Rocca	224-6521
Frist	Michael Miller	
Dewine	Michael Hall, Gina Marie Hathaway	224-2315