

Nicaraguan Developments

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The NICA Fund: Filling a Basic Need for Credit

by Christina Jennings,
former WCCN Loan Fund
Manager

In the early 1990s, organizations that had worked in solidarity with Nicaragua during the 80s struggled to find new ways of working with the people of Nicaragua. The Wisconsin Coordinating Council on Nicaragua (WCCN) developed a creative response, establishing a loan fund to support grassroots development efforts and respond to the growing need for alternative credit.

During the 1980s, Nicaragua's state banking system emphasized making low-cost credit available to the majority of the population. In 1986, 63% of long-term credit went to small producers and co-ops. This changed dramatically, however, with the privatization of the banking system which began in 1990 after the Chamorro government took office.

As early as 1993 the small and medium scale producers who were responsible for 60% of the agricultural production in Nicaragua, only received about 23% of long-term credit. At the same time, growing unemployment and underemployment fueled by structural adjustment policies has pushed more and more people into the informal sector to create their own jobs. However with limited resources and no access to credit, it was often barely possible for people to eke out enough to support their families.

In 1992, WCCN established a partnership with the Council of Protestant Churches (CEPAD) in Nicaragua and founded the Nicaraguan Community Development Loan Fund (NCDLF). The NCDLF was based on the model of local community development loan funds that had sprung up around the US in the 1980s.

Between 1992 and 1998 the NCDLF channeled almost \$6 million from socially responsible investors in



The end-borrowers of the NICA Fund are not the only beneficiaries—communities benefit as well, for example through more employment opportunities and access to locally grown food. photo by Julie Andersen

North America to support grassroots economic development in Nicaragua.

By the end of the 1990s, WCCN was seeking a way to diversify its loan fund in order to support a variety of institutions in Nicaragua's growing field of alternative credit.

The Nicaraguan Credit Alternatives (NICA) Fund was founded in 1998 and made its first loan in early 1999.

Since then, the NICA Fund has provided more than \$3 million in financing to eight local microfinance and alternative credit organizations in Nicaragua.

The NICA Fund seeks to provide financing for economic projects of Nicaraguan sectors with little access to other sources of credit, in particular small farmers, worker- and women-owned businesses and other enterprises of the organized poor.

Nearly 10 years and \$10 million later, WCCN's alternative credit program continues to be a unique and innovative example of solidarity efforts.

Who Invests in the NICA Fund?

The vast majority of investors in the NICA Fund are individuals throughout the US and Canada who have a strong commitment to supporting grassroots development in Nicaragua. Many of the investors have been active in Central America. Many of them do not have substantial resources or large investment portfolios, but instead have a commitment to supporting social and economic change. In addition, small organizations, religious groups and foundations have been an important base for investments.

Who are the NICA Fund's partners in Nicaragua?

The NICA Fund selects partner organizations in Nicaragua whose credit projects demonstrate a commitment to the NICA Fund principles and have achieved a level of financial stability and sustainability. NICA Fund

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Cambia, Todo Cambia . . . (Well, Not Everything)

by Julie Andersen

Julie Andersen recently left the staff of WCCN after seven years of service as our executive director.

Mercedes Soza, a singer from Argentina of the nueva canción style, sings a beautiful song titled “Cambia, Todo Cambia”—everything changes. Well, not everything is changing at WCCN, but the organization is embarking on a new era with significant staff changes providing many great new opportunities for the future. As of the printing of this newsletter, WCCN will have a new Executive Director, Development Director and interim Loan Fund Manager. As we have stated in an earlier mailing, these changes do not reflect any crisis at WCCN, but rather a convergence of personal opportunities and needs of the three departing staff.

After seven years as Executive Director of WCCN, I am leaving July 31 to pursue a new career opportunity. My journey won't take me too far away—physically or philosophically. I'll be working with SERRV International, a non-profit alternative trade organization that promotes social and economic progress for people in developing regions, and which happens to be locating its new office in the same building with WCCN.

I want to thank everyone who has been on this WCCN journey with me for making it a rewarding experience. I greatly appreciate all of you—staff, board, volunteers, donors, investors, and Nicaraguan counterparts—who make WCCN the great organization that it is: one that honestly struggles with the hard questions of what it means to be in solidarity with the people of Nicaragua and how to translate that commitment into the creation of viable alternatives to the dominant models of economic and gender relations.

All of you—staff, board, volunteers, donors, investors, and Nicaraguan counterparts—make WCCN the great organization that it is.

I want to especially thank the other two staff members who also recently left the organization. Judith Siers-Poisson has left WCCN after five years as Development Director to become the Director of Development at Domestic Abuse Intervention Services (DAIS) in Madison. Judith has a long relationship with DAIS as board member and volunteer and is excited to become a part of its staff. Fortunately, she'll also maintain some connections with WCCN, through community collaboration on the 16 Days of Activism Against Gender Violence. WCCN spearheaded Dane County's first observance of the 16 Days last year and Judith will continue to lend her leadership to this undertaking through her position at DAIS. Also, congratulations to Judith on her recent marriage to Jean Marc Poisson (known as Juan Marcos to WCCN)!

Christina Jennings had a short-lived but much appreciated career at WCCN as Loan Fund Manager. She is returning to Minneapolis where she and her family left a year

ago to come to Madison for the LFM position. There she'll continue her work in microfinance with a focus on locally-based organizations.

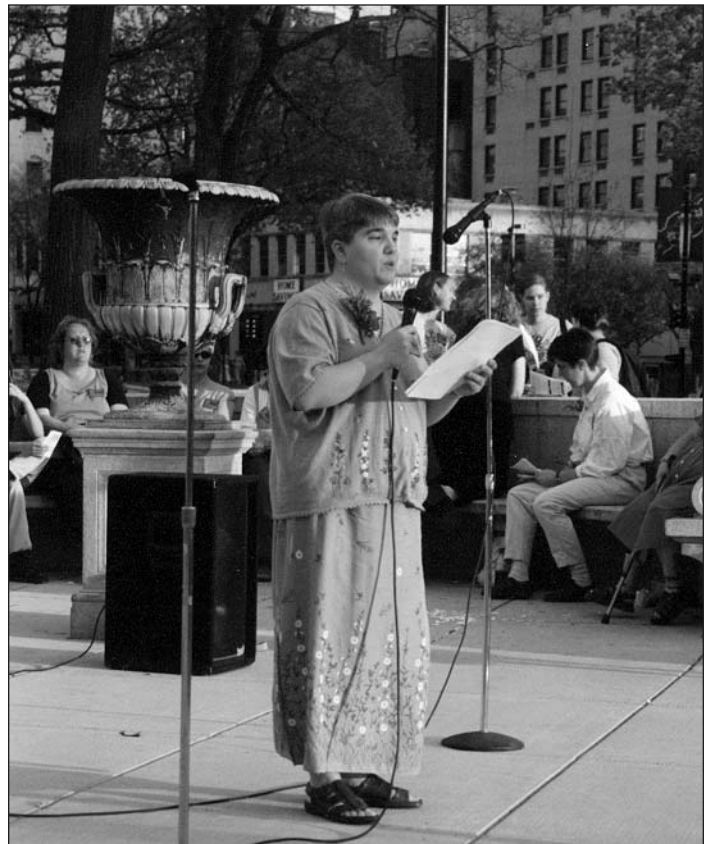
Another important staff change for WCCN is that Francisco Barquero, WCCN's Representative for the NICA Fund in Nicaragua, went from part-time to full-time with WCCN beginning in June. WCCN greatly appreciates Francisco's expertise in microfinance in Nicaragua.

As you may imagine, the WCCN board of directors has had to play an even more active role than usual during this transition between the outgoing and new staff. They have provided and will continue to provide important leadership to the organization as the new staff establish themselves. Thanks to them for all the work they do in guiding the organization.

WCCN is fortunate to be welcoming a stellar line-up of new staff. I have had the privilege of working with them during July and am truly impressed with their energy, commitment and creativity. Together with the board, they will provide the leadership for WCCN to continue in its mission in the years to come.

Again, thanks to all of you who are a part of WCCN.

*En solidaridad,
Julie Andersen*



Judith Siers-Poisson represented WCCN at Madison's Take Back the Night observance. She shared the podium with U.S. Representative Tammy Baldwin and University of Wisconsin Dean Alicia Chavez, among others. Judith addressed the global context of the struggle to end violence against women.
photo by Jean-Marc Poisson

New Staff Members Join WCCN—Bienvenidos!

Carlos Arenas, Executive Director

Carlos studied law in Colombia and two graduate programs at the University of Wisconsin-Madison. He worked for seven years in the Instituto Latinoamericano de Servicios Legales Alternativos (ILSA), a Latin American human rights NGO based in Bogota, Colombia.

As a researcher and project coordinator in ILSA, Carlos focused on a number of issues including labor rights, human rights, indigenous peoples rights, judicial reform in Latin America, economic globalization and hemispheric integration.

Locally, Carlos has been the Coordinator of the Latino Workers Project, a project created by the Interfaith Coalition for Worker Justice to document the socio-economic and working conditions of the Latino population in Dane County, and to educate them on their labor rights. He has been part of local solidarity organizations such as the Community Action on Latin America (CALA), and the Colombia Support Network.

Carrie Hirsch, Development Director

Carrie received her masters degree at the University of Wisconsin-Madison, in the department of Urban & Regional Planning. Her studies focused on land use and community development. She has been working



*New staff at WCCN (left to right): Dwight Haase, Carlos Arenas and Carrie Hirsch.
photo by Julie Andersen*

with community comprehensive planning, primarily focusing on agricultural preservation.

Carrie lived in Nicaragua for two years. She worked with both governmental and nongovernmental groups to help organize community environmental programs.

Dwight Haase, Interim Loan Fund Manager

Dwight is a PhD in Sociology candidate at the University of Wisconsin-Madison. His experience with

microfinance began ten years ago, when he lobbied Congress to allocate foreign assistance funding for micro-credit projects abroad. Since then, Dwight has worked with two of the leading international credit programs, the Grameen Bank in South Asia and FINCA in Central America.

Dwight also has served on WCCN's Board of Directors and NICA Oversight Committee since 1999. Most recently, Dwight served as interim director for a Grameen project in Mexico.

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and Sheldon Rampton.

Nicaraguan Developments is published by the Wisconsin Coordinating Council on Nicaragua (WCCN). WCCN is a nation-wide, non-profit, membership-supported organization working in partnership with Nicaraguans to promote social and economic justice through alternative models of development and activism, principally through two primary projects: the Nicaraguan Credit Alternatives Fund (NICA Fund) and the US-Nicaragua Women's Empowerment Project.

WCCN was founded in 1984, building on the sister state relationship established between Wisconsin and Nicaragua in 1964.

We welcome our readers' input. Please send comments or other correspondence to WCCN at: P.O. Box 1534 • Madison, WI 53701 • phone: 608-257-7230 • fax: 608-257-7904 • email: wccn@wccnica.org • website: www.wccnica.org

Women's Study Tour Learns from Diversity

by Leslie McAllister

In her introductory letter to the June 2001 delegates, WCCN Executive Director Julie Andersen promised a study tour "[with] an emphasis . . . on learning from our Nicaraguan hosts and . . . an exchange of ideas and strategies in dealing with violence." This summer's Women's Empowerment Project Study Tour more than delivered on Julie's promise, providing a truly empowering experience to all that participated, both the Nicaraguan hosts and the visiting study group. The opportunity to exchange ideas and learn from one another was particularly meaningful for me, as a social worker and advocate for women and children.

The study tour included visits with a number of urban and rural women's groups, non-governmental organizations, and a men's group working on issues of violence against women. At the sites we visited, I was impressed by the variety of methods they employed in their work. Women's organizations train peer educators in the community; coordinate regional and national conferences and workshops; provide direct legal advocacy, health services and social support to victims; and participate in national and international dialogues about gender violence.

Despite the different missions of the groups, each articulated a vision for improving the social-emotional health of their communities. They reported that too often the politicians and other decision-makers concentrate their efforts on meeting the physical needs of their society. Even within families, meeting the needs for food, shelter, and clothing often supercedes social and emotional needs. This is particularly problematic for families who are also experiencing violence. Three of the groups we visited, the National Network of Women Against Violence; Grupo Venancia, a collective in Matagalpa; and the Association of Nicaraguan Women "Luisa Amanda Espinoza" (AMNLAE) Women's Collective of Jinotega, are actively engaged in interesting projects to address these needs on both individual and community levels.

According to Violeta Delgado, Secretary General of the Network of Women Against Violence, members



June 2001 study tour participants with the youth group from Luisa Amanda collective in Jinotega.

came to appreciate how working with survivors of gender violence has honed their abilities to teach women how to re-engage in life after traumatic experiences. The Network members' distinctive skills could also be utilized with October 1998 Hurricane Mitch victims as they work to rebuild their communities. Some of the members of the Network were also worried for the staff in the local women's organizations, since their workload grew so rapidly in the wake of the hurricane. In response to this concern, the Network's psycho-social committee developed train-the-trainer workshops on self-care techniques for staff in the local women's collectives, and they have been conducting them since 1998.

The Grupo Venancia staff view themselves as agents of cultural change, working toward a society that values the many contributions of women. Besides providing education and shelter for women victims of violence in Matagalpa, Grupo Venancia offers their community opportunities for cultural expression through music, art and theatre. By sponsoring free cultural events, Grupo Venancia provides an important service to the community.

The AMNLAE Collective in Jinotega provides a variety of direct services to women in the area and surrounding communities. In addition to emotional support and legal

advocacy for survivors of domestic violence and women involved in child support cases, this collective is also home to the Casa Materna Cihuatlampa, a small clinic that provides rural women with high risk pregnancies a safe place to stay while awaiting the births of their children in Jinotega's hospital. Some of the pregnant women are from villages as far as 100 kilometers away, and they need to be closely monitored should any complications arise. The AMNLAE Collective also recognizes their crucial role in empowering the youth in their community. The youth involved with this collective use a peer education model with younger audiences discussing issues related to sexuality/sexual health, violence, and children's rights and responsibilities.

Since my return from Nicaragua, I've encouraged many friends and colleagues to consider going on an educational trip like the WCCN Women's Empowerment Project study tour. Having the opportunity to connect with Nicaraguans and other delegates on the issues related to sexuality, gender violence and community building has been an unforgettable experience.

The realization that I'm part of a local, national and international women's movement has given me the strength I need to continue to be a committed and involved agent of social change. Thanks, WCCN!

Nicaraguan Election Brings New U.S. Intervention

by Donna Vukelich

Donna Vukelich lived in Nicaragua for 14 years and now serves on WCCN's board of directors.

As more than one political observer in the 1990s noted, the only constant player in Nicaragua's political process for well over a century has been the United States—through its ambassadors, advisors, electoral supervisors and, all too often, the Marines. And, in fact, an odd sense of déjà vu has taken hold of late, with the Bush foreign policy crowd looking suspiciously like the gang that fashioned the Reagan-Bush stance in Central America and left much of the region devastated after years of war, both covert and overt. Recent reports that the United States is once again attempting to influence the always-fragile Nicaraguan electoral process only deepen the sense that history, once again, is repeating itself.

To recap Nicaragua's recent electoral history, five years after toppling the Somoza dictatorship, the Sandinistas won an overwhelming majority—nearly 70%—in the country's 1984 elections. However, after the US convinced most of the country's high profile politicians not to participate in those elections, there was almost no objective coverage of the elections in the mainstream US media. Two days later, Ronald Reagan was re-elected in the United States, and the contra war went into high gear.

The Bush foreign policy crowd looks suspiciously like the gang that fashioned the Reagan-Bush stance in Central America and left much of the region devastated.

In 1990, as the war dragged on, the US pulled out all the stops to block the re-election of Daniel Ortega, whose lead in the polls initially seemed so strong that opposition party candidates even predicted a certain Sandinista victory. Six years later, an unholy alliance between the Nicaraguan Catholic hierarchy, the US Embassy and Nicaragua's business elite (backed by big money from the far right wing of the Cuban American

community in Miami) helped bring then-Managua mayor Arnoldo Alemán to power.

In April of this year, Oliver Garza, US ambassador to Nicaragua, took an aggressive stance vis-à-vis the upcoming elections and lamented the political situation of the 1980s, when "the interests of the US were not recognized." His statements sparked a letter-writing campaign by many solidarity and religious organizations in the US that have longstanding ties to Nicaragua. WCCN joined many other US organizations in co-signing an advertisement placed in Nicaraguan newspapers, opposing US intervention in the election.

Why the ugly, if familiar, specter of not-so-subtle US pressure in this elec-

toral go-around? After all, by the late 1990s, the Sandinista party was, by most accounts, a mere shadow of itself. Its inability to adopt a creative and reflective position in the wake of the stunning 1990 electoral defeat of and the increasingly complex Nicaraguan political panorama caused concern and disaffection among many.

For many, the final straw was the realization that the Sandinista leadership, while talking a progressive line, was in fact selling out many of the material gains made during the revolution. The "pact" between the Sandinistas and the Liberal party seemed designed to ensure that the Sandinista leadership would be able to

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New "Legal Reform" Hurts Microfinance Providers

The upcoming elections have begotten some unexpected and unfortunate outcomes for microfinance in Nicaragua. According to the Nicaraguan journal *Envío*, Nicaragua's National Assembly has taken a "quick-fix electioneering approach" to alleviating poverty. Such opportunism includes an anti-usury law (Reform to Law 176) that is supposed to protect indebted small farmers from loan sharks. Law 176 sets a limit on how much interest microcredit providers can charge on their loans. *Envío* points out that this strategy will most likely prove even more damaging to the small businesses and farmers that it is intended to protect: "While the national banks charge no less than 30% interest a year on a car loans to a Managua resident, the anti-usury law obliges a micro-credit operation that faces serious obstacles working with high-risk producers to charge an interest ceiling of little more than half that (16-18%). This jeopardizes their survival and thus aggravates the nation's crisis even more by liquidating the only ones who are currently providing small credits to the thousands of rural and urban micro-businesses that guarantee the national production and distribution of food and a good part of the export production."

Ironically, Law 176 may increase usury rather than curb it. According to the Nicaraguan Association of Microfinance Institutions, (ASOMIF), microfinance providers satisfy more than 30% of disadvantaged Nicaraguans' credit needs. These providers currently are lending to 140,000 heads of household and creating 450,000 jobs. *Envío* reports that with some of these providers closing because of Law 176, "the space they are leaving is being filled by a growing number of bonafide usurers, individuals who charge even higher interest and are under no control whatsoever."

The solution, *Envío* says, is not to set unrealistic limits on interest, but rather "to encourage the creation of micro-financing institutions that can adequately broker external funds and training programs."

SOURCES: "The Economy in the Electoral Film: Strong Scenes, Uncertain Scripts." *Envío*, June 2001, pp. 1-8; "ASOMIF Pide Reformar Ley que Regula los Intereses," *La Prensa*, May 12, 2001.

Nicaraguan Election *continued from page 5*

maintain the economic and political fiefdoms it has carved out over the years. One of the uglier elements of the pact is Daniel Ortega's bid to ensure himself lifetime immunity from the criminal charges leveled against him by Zoilamérica Narváez, his stepdaughter, who has accused him of rape, sexual assault and sexual harassment.

By the late 1990s, party membership had declined precipitously, with many leaving out of disgust or a sense of betrayal, while most of those who spoke up against the leadership were effectively purged or otherwise silenced. Yet for those who were the Sandinista faithful in the 1980s (the backbone of both the insurrection and the war against the US-backed contra forces), there is also a palpable longing for the political simplicity of that decade and, as well, for a return to a time when "our heroes were still our heroes, and had not yet betrayed us," as a 60-year old Nicaraguan woman and long-time activist recently told me.

That sense of longing could well have remained submerged, little more than an undercurrent in the overall Nicaraguan political situation. But Arnaldo Alemán's Liberal Party has been so openly corrupt (with many high-level leaders amassing huge personal fortunes, while most Nicaraguans plunge further into poverty) that it seemed as if almost any opposition force could easily trounce them.

And, in fact, last year's municipal elections proved just that, with the Sandinistas scoring surprising victories even in places such as the Atlantic Coast and some of the municipalities of Chontales, long bastions of anti-Sandinista sentiment. More importantly, they won in the capital city of Managua—the site of real political power in a highly centralized country.

The Managua victory undoubtedly sent tremors through the Washington political establishment and certainly unnerved Arnaldo Alemán, as he himself very successfully used the Managua mayor's office as a springboard to national prominence. Winning the municipal elections so decisively could turn out to be a pyrrhic victory, however, as the Nicaraguan Institute for Municipal Promotion

and other organizations recently announced that more than 70 municipalities are on the verge of bankruptcy.

If the municipal elections were a tremor, electoral polls this year constituted a virtual political earthquake, with perennial Sandinista candidate Daniel Ortega holding a sizeable lead over PLC candidate (and current vice president) Enrique Bolaños. The different polls (CÍD-Gallup, Borge and Associates and the Institute for Nicaraguan Studies) show Ortega with between 35 and 43.5% of the vote, while Bolaños posts between 29 and 36%. Conservative candidate Noel Vidaurre was trailing behind with between 13.8 and 18%. His candidacy could well have played a spoiler role, with many anti-Sandinista voters disgusted with Bolaños and the PLC. His vice-presidential candidate, Carlos Tünnermann, served in the Sandinista administration for some years as Minister of Education and could well have pulled in votes from disaffected Sandinistas. Also involved in this so-called third way alliance was José Antonio Alvarado, formerly a leading PLC member who was forced out of the party as his political stature grew.

Yet the United States seems to have seen a Vidaurre candidacy as dangerously dividing the anti-Sandinista vote. In mid-July, Conservative Party president Mario Rappiacioli met with US officials several times during

a visit to Washington, and finally had a breakfast meeting with US Ambassador Oliver Garza. Hours after that meeting, the Conservatives announced that Vidaurre, Tünnerman and Alvarado had all left the electoral race.

Apparently, many of the powers-that-be in the Conservative party were simply unwilling to share power in any authentic way (through an equitable distribution of legislative candidates). Tünnerman criticized them for not having the "political will" to really go through with the alliance. Other commentators speculated that the US role had been key, though Garza claimed, as US officials have for decades, that he "had nothing to do with it."

Ten years of brutal structural adjustment measures have taken an extreme toll on Nicaragua, and most of the country's economic reins are no longer in the hands of the government, but are instead held by a handful of the country's wealthy and the large international financial institutions like the IMF and the World Bank. The country is now in the throes of a serious drought, with many of Nicaragua's coffee growers ruined and thousands of peasants across the north facing serious hunger. If the Sandinistas pull off an electoral victory, they will be dealing with economic and political conditions as harsh, if not harsher, than those they faced two decades ago.

Crisis on Nicaragua's Farms

Drought continues to plague much of Nicaragua. According to the Union of Farmers and Ranchers (UNAG), 80,000 small farmers have been affected, with a total crop loss of 350,000 acres (approximately 35% of Nicaragua's entire growing area). The dearth of rain has been exacerbated by a lack of finance for fertilizers and outbreaks of locusts and inch worms.

Workers on coffee plantations in Matagalpa have been hit especially hard. An estimated 12,000 persons have been left without work and families now are migrating to urban areas in search of work and food. According to the Women's Network of Matagalpa, this situation is not solely a result of the weather. "Poverty has been caused by the model of bad development imposed by the North. . . . Bad development has destroyed the indigenous models of agricultural diversification in favor of export cultivation, such as coffee." This, in turn, has left many families in destitution when coffee crops fail and there is no other alternative.

"In spite of all the propaganda and projects talking about 'the eradication of poverty,'" says the Women's Network, "what we really are seeing is the eradication of the poor."

NICA Fund *continued from page 1*

partners work in different geographic areas and specialize in different types and approaches to lending.

Some organizations provide primarily loans to individuals while others lend to solidarity (peer) groups, which provide assistance and act as co-signers for each individual member. Some organizations focus on rural lending, while others specialize in urban lending. Below is a brief description of a few of the NICA Fund's partners:

- **ACODEP** is one of the country's largest microcredit organizations serving more than 15,000 clients. The program focuses on providing training and credit to urban micro and small enterprises.
- **CARUNA** is a national association of rural credit unions and cooperatives with a broad network of branches throughout Nicaragua. In addition to credit, CARUNA provides a range of other services to its members including savings and money wiring within Nicaragua.
- **FDL-Nitlapán** is affiliated with the Nitlapán research center of the Jesuit university in Managua, the UCA. Its Local Development Fund, or FDL, focuses on providing credit to rural households to finance a variety of economic and consumption activities.
- **Fundación Jose Nieborowski**, named for a Polish priest who was instrumental in Boaco's development, is a regional organization primarily serving the areas of Boaco and Matagalpa. The Fundación provides training and credit for urban microenterprises, as well as loans to co-ops and farmers.
- **Prestanic**, formerly part of CEPAD, and WCCN's first credit partner through the NCDLE, provides credit to farmers and urban microenterprises throughout Nicaragua.

Who Benefits?

The real beneficiaries of the NICA Fund are Nicaraguan communities. The loans that individuals and co-ops receive from NICA Fund partners benefit the whole community by creating jobs and increasing the financial stability of families.

One example is Walter Pavón López, a wood artisan in Masaya, who received a \$800 loan for 9 months from FDL-Nitlapán. Pavón says he sees commercial banks advertising credit, but he had not been able to get a loan for his small business. Walter and his workshop produce finely-crafted bowls, furniture and other goods for sale locally in Masaya, as well as at artisan fairs around Central America and even in the US.

A year before his first loan, Walter's small business had five lathes and five workers. With his loan from Nitlapán-FDL, he has been able to expand his operations to eight machines and eight workers, providing additional employment opportunities in the community. Walter also supports the local economy by buying his wood locally, from sources that incorporate reforestation plans.

Another example is the José Elias Diaz Cooperative. Together the members farm more than 45 acres primarily producing organic coffee. They are working to diversify their production to include basic grains, plantains, tangerines and other citrus, and avocados, and to improve direct access to international markets for smaller producers.



*A member of the José Elias Diaz Cooperative.
photo by Julie Andersen*

The Diaz Cooperative has received loans from FDL-Nitlapán and FAMA, both currently NICA Fund partner organizations. The Cooperative has used the loans it has received to increase and diversify its productivity. Projects have including renting additional land in order to expand basic grain production, organic weed control and fertilizer, and the extension of shade for the coffee production, making it a more environmentally-friendly and sustainable crop.

How to Get Involved

You can support WCCN and the NICA Fund in many ways. You can make an investment in the NICA Fund with a minimum of \$2,000 for two to five years. Investors select the interest rate they wish to receive up to 6% annually depending on the size of the investment. An investor's prospectus can be obtained on-line at the WCCN website (www.wccnica.org) or by writing or calling WCCN at PO Box 1534, Madison, WI 53701; phone: 608-257-7230; e-mail: wccn@wccnica.org.

Supporters can borrow the NICA Fund slide show to share the information with friends and family. The slide show lasts about 20 minutes and is accompanied by a script explaining the slides and how the NICA Fund works. To borrow a copy of the slide show, contact WCCN.

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Central American Solidarity & Systematization

by Kristin Hoffschmidt

As newsletter readers may remember, I am participating in a four-month collaborative project between the WCCN Women's Empowerment Project and the Network of Women Against Violence in Nicaragua. I am assisting Yamilett Mejia, the coordinator of the Network's Psychosocial Commission, to systematize their work over the last two years.

The Psychosocial Commission was founded after Hurricane Mitch in October 1998, to assist people affected by the hurricane. The work of the Commission includes workshops and trainings about emotional recovery after trauma in the areas affected by the hurricane. In the systematization project, Yamilett and I will document and analyze the Commission's work through research, interviews, and focus groups.

One of my first tasks upon arriving in Nicaragua in mid-April was a trip to El Salvador, which experienced two major earthquakes in January and February, followed by hundreds of aftershocks. The Psychosocial Commission was invited to join a three-day work brigade with a Salvadoran women's group called Las Dignas, which has been assisting affected communities.

The team from the Psychosocial Commission was comprised of five psychologists and was joined by professionals from Mexico and Honduras. Work brigade participants were divided into teams and sent to work with community leaders in the zones most affected by the earthquakes.

We visited temporary camps for people who lost their homes in the disaster. Three months later, they were still living in tents in the heat, dust, and wind, and were preoccupied with the start of the rainy season. We went to communities up to two hours outside of San Salvador, and met with women's groups and indigenous groups. The work brigade teams held workshops to address personal loss and recovery and imparted strategies to apply to work with others in the community.

The workshops were directed to community leaders for two reasons. First, many of them had been affected directly by the disaster, and also were suffering from secondary traumatization from their



A participant in a Psychosocial Commission-sponsored workshop draws his losses from the disaster. photo by Kristin Hoffschmidt

work with victims. Second, as leaders, they could act as "multipliers" by teaching the techniques learned in the workshops to members of their communities.

Many of the community leaders had suffered losses of their own, but had to put them aside to address the needs of the community. Tears and emotions poured out of the participants as they recounted their losses and the stress of working with victims. They discussed their feelings when faced with the overwhelming task of physical and psychological reconstruction.

Many shared the difficulty of finding time for self-care in a situation of such great need in the community. Their losses included loved ones, homes, schools, and roads, as well as security and peace of mind.

Several participants talked about positive experiences in working with their neighbors and the sense of unity that they felt. They discussed hopes for the future, and made plans for self-care so they can continue to serve their communities.

Back in Nicaragua, our first month of work on the systematization project has been dedicated to gathering and compiling the history of the work of the Psychosocial Commission. The Commission's emotional recovery work includes work with victims of Hurricane Mitch, and also of the Masaya earthquake (July 1999) and the floods of "mini-Mitch" that came a year later.

Many organizations participated in the reconstruction effort, but the work of the Psychosocial Commission stands out as the only group to employ a gender perspective and a focus on human rights. For example, workshop participants consider why as women, they barely have time to grieve, or as men, why they are not expected to express emotion freely. The Psychosocial Commission's perspective on human rights also recognizes the right to mental health as an essential part of physical health.

Yamilett and I are currently planning to conduct interviews and focus groups with a sample of workshop facilitators and groups. We will focus on the "lessons learned," which is a critical part of the review and evaluation in the systematization process.

Unfortunately, a lot of staff time last month was dedicated to responding to threats from the Nicaraguan government and clergy on the women's movement (see article on page 9). Such attacks not only denigrate and threaten our organizations, but also take valuable time and resources away from our daily work.

An ad-hoc committee of the movement continues to meet to discuss how to address the continuing threats. As the Network weathers and survives political storms, the work of the Psychosocial Commission has become especially relevant in the struggle to overcome and transform adversity.

Attacks Intensify on the Women's Movement

by Kristin Hoffschmidt

Nicaragua's Cardinal made startling accusations at the end of April, alleging the existence of a plan to assassinate cardinals, priests, and other members of the Catholic hierarchy. Cardinal Obando y Bravo did not identify the source of this alleged threat, but said the authors believe in abortion rights and oppose the Catholic Church's "pro-life" stance. Another Church official suggested that the implicated groups may form part of an international terrorist mafia dedicated to promoting abortion rights.

The Cardinal's accusations appear to have originated in a conference on sexual and reproductive health rights held in Managua in early April. At that forum, a participant from Guatemala called for eliminating the opinions of cardinals and priests from reproductive health care policies. However, the Cardinal's statement to the press claimed that the intention was to directly "eliminate" the cardinals and priests themselves.

These sensational accusations come at the same time that the Church is proposing legislative reforms to Nicaragua's criminal code that make therapeutic abortion illegal. Nicaraguan women have had the right to therapeutic abortion for more than a century, yet Church officials are now heavily pressuring the National Assembly to criminalize abortion in all cases. Obando y Bravo has been a staunch opponent of women's rights and the work of the women's movement throughout his tenure.

Members of the Autonomous Women's Movement of Nicaragua responded to the charges in a press conference in the first week of May. A panel of leaders emphasized that the Cardinal had distorted the conference participant's statement and dismissed the charges of an assassination plot.

A statement of clarification from the Guatemalan conference participant was distributed to the audience. Panelists at the press conference linked this charge to other attacks on women leaders by government officials over the past year.

Some examples include Dr. Vilma Nuñez of the Nicaraguan Center for Human Rights (CENIDH), who was recently accused of connections with paramilitaries in the northeastern



Yamilett Mejia, coordinator of the Psychosocial Commission, talks with a workshop participant. photo by Kristin Hoffschmidt

zone of the country. Late last year, US nurse Dorothy Granada was charged with performing abortions, threatened with deportation, and forced into hiding for several months. Ana Quiros, leader of an umbrella group of non-governmental organizations and a naturalized Nicaraguan citizen, was threatened with deportation due to citizenship irregularities. All of the accusations against these women have been proven to be unfounded.

After the press conference, Violeta Delgado, Secretary General of the Network of Women Against Violence, said that she felt baited into a direct confrontation with the Church as part of a political game. This is the first time that leaders of the women's movement have responded to specific accusations from a Church official. "We have been accused of destroying families and killing children, and now we are charged with planning priest assassinations," stated Delgado. "The Church is playing the victim to influence public opinion and the vote of elected officials with respect to the Reform of the Penal Code."

In mid-May, a team of international human rights observers launched an investigation into the Nicaraguan government's systematic persecution of members of the women's movement and others.

Human rights leader Dr. Vilma Nuñez noted that it was the first time that a mission to investigate government harassment of human rights advocates has visited Nicaragua.

The attacks on leaders of the women's movement contribute to an increasingly tense pre-election climate. Political parties are seeking the Church's support in the upcoming presidential election, and for that reason are likely to isolate themselves from the Autonomous Women's Movement. The Cardinal's charges and others, including President Aleman's increase in security measures because of alleged threats, have contributed to an atmosphere of uncertainty in the presidential campaigns.

The current administration, headed by the Liberal Constitutionalist Party (PLC), has both denigrated and attempted to exert greater control over the work of non-governmental organizations (NGOs), including those in the women's movement. Sandinista Presidential Candidate Daniel Ortega faces charges from 1998 of sexual abuse against his stepdaughter, who is supported by the Autonomous Women's Movement.

Regardless of the outcome of the November election, the women's movement in Nicaragua faces a continued struggle in a hostile political environment.

Borrower Profile: The Difference a Loan Can Make

Borrower Name:
Alejandra López

**Activity: pulpería/small
general store and firewood**

Agency: ACODEP, León Office

**Location: semi-urban area
of León**

**Amount: \$200—
current loan, 2nd loan**



Doña Alejandra López and her husband ran a profitable sewing business for years to support their family, but crisis and tragedy changed that.

First, the influx of cheap used clothing into the Nicaraguan market undercut their prices and ruined their business. Then, a year ago, Doña Alejandra's husband died suddenly, leaving her alone to raise their two daughters.

Fortunately, Doña Alejandra had already started running a pulpería, or small general store. With the death of her husband, however, she needed additional income to support her family. She obtained a loan from ACODEP to expand and diversify the inventory in her store, including the collection and storage of firewood.

She hopes to further expand her business to include new clothes, such as underwear, socks, and t-shirts, which aren't currently being sold in her neighborhood.

"These loans have helped me," she says. "I'm not sorry I got them. People told me I could lose my TV, which I had put as a guarantee for the loans, and it is one of the few possessions that I have and have worked hard to own. But this business is what maintains me and my children. I appreciate the support I have received from ACODEP."

Educate yourself and others about the efforts of NICA Fund borrowers by showing the NICA Fund slide show!

Please contact WCCN at 608-257-7230 for information on borrowing WCCN's 20-minute slide show on the NICA Fund.

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Enclosed is my tax-deductible donation of \$_____ to support the work of WCCN.

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Lions Found in Nicaragua

by Derrick and Janet Gee

The Gees live in Spring Green, WI and participated in WCCN's January 2000 study tour of Nicaragua.

Not only did we find WCCN's study tour a valuable introduction to Nicaragua, but it has also spawned new opportunities. While visiting ASODERI, a NICA Fund lending agency in Rivas, we met three members of the local Lions Club who were ASODERI employees.

Derrick's membership of the Spring Green, WI Lions Club suggested a possible future medium for solidarity. Lions membership covers 185 countries. The stated first objective of Lions is "to create and foster a spirit of understanding among the peoples of the world."

*It is thanks to the WCCN network
that this new medium
for solidarity is building.*

In addition to the well-known support that clubs give to their own communities, the international arm of the Lions Club dispenses over \$25 million per year, raised by members, in aid to the Third World both through its own network and in partnership with others, such as Habitat for Humanity.

We envisaged a twinning relationship between the Rivas and Spring Green clubs that would not only be a direct and effective channel for identifying opportunities to help Rivas, but, equally important, a way to connect the members of our small, rural community to have new friends and experiences in Nicaragua.

Our recent trip to Nicaragua included a week in Rivas to inaugurate the twinning relationship. There are, already, both tangible results and considerable hope for the future. The first focus is on youth programs and help for the sight-impaired.

Rivas Lions is assisting poor rural schools. We hand-delivered school supplies to just over a hundred students in three one-room schools, having collected them from local merchants and Walmart before leaving. In the two high schools in Rivas, a "pen-pal" program was initiated. We carried 33 letters from River Valley High School students of Spanish. Already, eighteen Rivas students have identified their "pal" and responded. Discussions have begun on student exchanges for periods from one month to one year.

Currently, Rivas has the services of an optometrist only one day a week to serve its population of 18,000 plus an equally large rural population. The fees are beyond the reach of the eighty percent of people who are unemployed, underemployed or without health insurance. As a temporary measure, Rivas Lions has been seeking used eyeglasses and dispensing them on a trial-and-error basis with the help of a newspaper. We were able to take a hundred pairs of glasses collected by Spring Green Lions. In the first two days after our arrival, 25 pairs had found new owners.



Randy Manning and Paris Fuentes shake hands to celebrate the ophthalmology clinic that is being built in Rivas with help from the Lions.

Our twinning club's major project for 2001 is to build an eye clinic and find a way to provide a free service. The Spring Green club and village optometrist both made donations to the eye clinic building fund and expect to help in other ways.

For the president of our club, this was a first venture outside the United States. The impact of both the poverty and the warmth of friendship was dramatic. The twinning will give both youth and adults in our community a similar experience in the future.

It is thanks to the WCCN network that this new medium for solidarity is building.

While in the country, we also took the opportunity to visit Santa Teresa, the sister city of Richland Center, WI. This project is now very fortunate to have a full time representative, Peter Smith from Hillsboro, living in Santa Teresa. Since his arrival there in the summer of last year, he has been able to enhance greatly our understanding of the community's priorities and the ever-changing players in local politics. The group now has a clear and ambitious plan for the future.

WCCN Study Tour of Nicaragua: Grassroots Responses in the Global Economy

January 12-20, 2002

Join WCCN for this insider view of Nicaragua. The tour will provide an overview of the economic situation in Nicaragua and visits to various projects that offer positive, grassroots responses to the challenges that today's global economy imposes on Nicaragua and other countries.

Contact WCCN for more information.

EMAIL: wccn@wccnica.org

PHONE: 608-257-7230

WEB: <http://www.wccnica.org>



Dorothy Granada to Visit Madison

WCCN will be hosting Dorothy Granada in Madison in October 2001.

Dorothy Granada has worked for more than 12 years in Nicaragua with the goal and commitment of empowering women and non-violent social action. She has succeeded in maintaining a women's health clinic in a rural area in Nicaragua, as well as supporting human rights and democracy in the country despite overwhelming challenges of poverty, violence and threats from the Nicaraguan government.

In a conflict beginning in late 2001 and not yet fully resolved, the Nicaraguan government attempted to deport Dorothy, accusing her of a variety of crimes such as performing abortions and aiding a banned armed group. Her story was front page news in Nicaragua for weeks. Massive support for Dorothy poured in from the women's movement, human rights groups and other sectors of Nicaraguan civil society, as well as from a considerable network of supporters in the U.S.

Please join WCCN in welcoming Dorothy as she shares her stories, her energy and her deep commitment with our friends and our communities.

Stay tuned for the dates of this upcoming special event!



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