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**Remarks by First Lady Hillary Rodham Clinton to the
United Nations Development Fund for Women Panel Discussion
"Women's Economic Empowerment"
Beijing, China**

MRS. CLINTON: Thank you, Noleen. Thank you very much. I want to commend all of you who are here because I think that this is one of the most important panels to hear from—the three people that you will be hearing from in a few minutes,—that will take place at this Conference. I want to thank Noleen and also the United Nations Development Fund for Women, which we all know as UNIFEM. It is a word that in any language translates into hope for women who dream of a better life for themselves, their families, and their nations.

Around the world, UNIFEM has invested in the lives and aspirations of women and has helped to empower women in ways that have not been tried before, which we will be discussing here this evening. I am pleased to announce that the United States is releasing its pledge of one million dollars to UNIFEM for 1995 so that it can continue this work.

We are here today to talk about micro-credit, where it's needed, what it is, what it can do, how it has transformed lives. It's called micro, but its impact on people is gigantic. It takes just a few dollars, often as little as \$10, to help a woman to self-employment, lift her and her family out of poverty. It is not a handout; it's a helping hand.

From the Grameen Bank in Bangladesh or to the Self-Employed Women's Association in India, or to the work in Ghana that you will hear about, to banks and programs modeled on these from Indonesia to the Dominican Republic, to my own country, we have seen that micro-lending works.

Women who have received loans from the Grameen bank, for example, have a repayment rate of 97 percent, and often within one year, and they invest their money well. Some buy milk cows to expand their family's agricultural livestock, some buy materials to make handicrafts which they then sell. Others make bricks, or repair bicycles.

But the fact is: give a woman a seed, and she will plant it, she will water it, nurture it, then reap it, share its fruits, and finally, she will replant it. In this way, step by step, the world's poorest women are leading their families, their communities and their countries to a better future. When we help these women to sow, we all reap.

I met many such women during my visit to South Asia earlier this year. I met women in India, I met women in Bangladesh. Whether it is a milk cow in Bangladesh, or a computer in Chicago, women need help and encouragement and credit to make that first investment.

I will never forget a woman I met in my own country at a program called Mi Casa in Denver that is modeled after these programs you will hear about this evening. It is a program designed not only to provide credit, but also to do something even more fundamental: to help build self-respect and self-sufficiency. The women who came to this program were on welfare, but they saw a better future for themselves and their children. And they just needed a little help—a jump-start—to realize their own potential. But often that jump-start is hard to come by.

As this one woman told me: "Many great ideas die in the parking lots of banks"—because women get only so far, they don't even get in the door, in many cases, before they are turned away. That kind of discouragement has killed the dreams of millions and millions of women.

In the United States we are attempting to build up a micro-enterprise network. It is still very young. But already several hundred programs have enabled tens of thousands of Americans to seek and find economic opportunity for themselves.

This Conference has identified economic opportunity as a critical area of concern, and we have to look for positive, practical ways to implement that concern. Access to credit, particularly through micro-enterprise, is a key priority.

Our country has accepted the challenge of making the World Conference on Women a conference of commitments. And I want to announce, this evening, some of the actions our government will take to further self-employment and microenterprise development in our country. Our Small Business Administration is already making more loans than ever to women. Through the Community Development Financial Institutions Fund, we will establish a new Presidential awards program to honor outstanding micro-lending organizations. These awards will provide challenging benchmarks for microenterprise programs throughout the nation and acquaint the public with the prevalence of such programs within our own economy. We believe they will also highlight the important work of programs that provide microenterprises with key support structures such as access to credit, markets, technical advice, and training.

The President also is establishing a mechanism to better coordinate microenterprise programs across a number of our federal agencies to ensure that those programs are doing the job they were set out to do. Additionally, the United States will continue to support microenterprise in developing countries through USAID.

We know that it will take a lot of education to spread the good word about micro-credit. Despite a record that is inspiring, we still meet with skepticism and outright disbelief. There are very few financial institutions anywhere in the world that can

report a 97 percent lending rate that is returned within a year. And yet, time and again, at conferences where microenterprise is discussed, bankers and others don't understand how they could actually do it in economies around the world. So in every way possible in our country we are going to spread the word and to provide such technical assistance as will make more microenterprise programs available.

We are also concerned that capital formation and growth in some economic sectors often is now accompanying higher unemployment, longer hours with less pay, and severe restrictions on access to credit. We cannot allow small enterprises to be marginalized as a result of greater consolidation within the global economy.

I became a believer in micro-credit years ago, when my husband was the governor of the state of Arkansas. It's a poor state, and we were looking for ways to help people who didn't have access to credit. We found our model at the Grameen bank from Bangladesh and the South Shore Bank from Chicago, Illinois. That bank helped steer private investments to neighborhoods that need them, and we worked out a partnership with both Grameen, thanks to Dr. Yunice, and the South Shore Bank, that created a development bank, that created a borrowing fund, and began to make the kinds of investments in that state that we would like to see made throughout our country.

It's been a privilege for me to meet leaders such as those who are on this panel because they have devoted their lives to finding ways of ending poverty, and they have been successful in changing the lives of so many people. They have particularly focused on changing the lives of women.

As Dr. Yunus has told me, when he started the Grameen Bank lending idea, he had the revolutionary concept in mind of providing loans in a fifty/fifty ratio, for men and women. He quickly found out that women were better credit risks, that women would invest the money more in the family, that women would repay the loans. Gradually over time, more and more women became the focus of the Grameen Bank's lending. That was not only revolutionary, but it set a fire that has gone through the developing world as a way of telling people that women are able to become self-sufficient if they are given the tools that enable them to do so on behalf of themselves and their families.

Because of the success of such programs, the World Bank and USAID, along with eight other major donors, have joined together to form a consultative group to aid the poor in order to finance small loans to the world's poor, the vast majority of whom are female. This is the kind of joint effort that we need to support.

I know that when we talk about issues such as lending money to women, whether it is in a conference such as this, or attempting to make the case to financial institutions around the world, there are often eyes that glaze over. Issues connected to women, such as poverty, education, health and children or micro-credit, are too often called "soft" by people who would have us think that these issues are unimportant. Nothing could be

further from the truth.

If there is any message that this Conference could bring about economic opportunity, it is that we must engage in micro-credit in order to build microenterprises. We must open the doors of banks and other existing financial institutions to women who can become self-sufficient and responsible borrowers and we have to do so while there are people like those on this panel who are able to demonstrate clearly that this approach works.

We really don't have a lot of time. The globalization of the economy has meant that many, many people are being marginalized, are being downsized, are being deprived of economic opportunities. We have to now, more than ever, make microenterprise a key element of providing economic opportunity for women and men everywhere in the world.

And I'd like now to introduce you to someone who has done that, whom I have had the privilege of visiting and seeing in action through the Self-Employed Women's Association in India. And so please join me in welcoming Ela Bhatt.

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