

**The Saints Peter and Paul Peace and Social Justice Committee invites you to focus on
Catholic Relief Services' MICROFINANCE operations**

Some of the best known stories in Sacred Scripture deal with two distinctively human activities: agriculture and warfare. These activities are intimately related to one another. People need land and water to grow crops and livestock, and so we often fight over control of these resources. Even when we find a way not to fight over control of land and water, the close living conditions of agricultural communities give rise to plenty of other causes (good or bad) for fighting. Finally, even if we could live in perfect peace with one another, we would still be in tension with the limitations and unpredictability of nature.

A lot has changed since the time of, say, Cain and Abel, but we continue to struggle with these issues, in some parts of the world more than others. The good news is, just like He guided (sometimes gently, sometimes fearsomely) our favorite Old Testament characters in their efforts to cultivate food and live in peace, God continues to guide us. To see God's work in these areas today, we need look no further than Catholic Relief Services' (CRS') Savings and Internal Lending Community (SILC) model of microfinance. For the past several months, we have been exploring the SILC model through the lenses of the various development areas with which it engages. Now, we will use the lenses of agriculture and peacebuilding to continue our exploration.

Agriculture is the primary economic activity in many of the poorest parts of the world. People living in these places are especially vulnerable to weather patterns and their incomes are often very unstable. In more developed economies, with more financial intermediation, a person with an unstable income has relatively safe ways to save money and take out loans in order to get through difficult periods, or to invest in ways to increase his or her earning potential. In poor economies, where services from reliable financial institutions are inaccessible, SILC groups can provide such functions.

CRS has integrated the SILC model into its agricultural programming, to great benefit. SILC funds can help farmers maximize the benefits of their production cycle. For example, in a time of desperation, a farmer may choose to sell immature crops in order to meet household needs. However, a SILC loan can help a farmer get his or her family through such a time while they wait for the crops to mature and come to their full profitability. SILC funds can also provide startup capital for agro-businesses. One farmer, Hawa John, from Taninehun village in Sierra Leone, learned plenty of farming skills in a CRS-supervised Farmer Field School. However, she lacked the resources to apply those skills. Then, she joined a SILC group, saved for three months, took out a loan and started her own farm. "If the savings and loan group in Taninehun had not been established, it would have been impossible for me to apply what I learned," she said. "Besides, I will have my planting stock for the rest of my life!"

The SILC methodology also helps farmers harness the power of collective saving and markets of scale. The more savings and interest accumulated by a SILC group, the better their opportunities to invest as a group in higher-quality inputs for their farmers. In Tanzania, several SILC groups have banded together into SILC group associations for the purpose of collective marketing during the selling season. The goal is always to maximize the benefits of farmers' production cycles in order to bolster their livelihoods and the well-being of their households.

Sadly, our struggles are not always with the land. All too often, they are with one another. Recently, Pope Francis publicly acknowledged the 20th anniversary of the genocide in Rwanda, and expressed his “paternal closeness to the Rwandan people, encouraging them to continue, with determination and hope, the process of reconciliation that has already manifested its fruits, and the commitment to the human and spiritual reconstruction of the country.”

What does money have to do with the sort of tragic violence that occurred in Rwanda and continues to occur in many other places in Africa? CRS sums it up nicely: “The poor are always the worst affected because they do not have the means to start over. Ironically, they are also the ones who are most easily drawn into participating in violent conflicts since they have little to lose and may be manipulated by the desire for quick gains. Anger and resentment over damaged assets create the desire for revenge, thus starting a cycle of violence that is difficult to break.” Knowing this, it is easier to see how SILC groups can have an impact. According to CRS, “The very nature of SILC requires trust.” This trust can help build social cohesion in areas that have been torn apart by violence. In these areas, it is important to make sure individuals heal and reintegrate with their communities, rather than remaining stigmatized victims or stigmatized perpetrators. Failure to do so can lead to future conflict.

In Rwanda, SILC groups have helped reintegrate individuals who had been shunned for crimes they committed during the genocide. In the Democratic Republic of Congo, where rape is used as a weapon of war in a longstanding conflict involving access to minerals, women who have been raped are often rejected by their husbands and families out of a misplaced sense of shame. SILC groups have helped these women regain their livelihoods and heal from the trauma. “Our group helps to make me feel good about myself because of the solidarity we all share about our experiences. We console each other,” said one woman, whose identity is being protected.

It is also important to integrate individuals who are stigmatized or isolated for reasons other than widespread violence. This can prevent a cycle of violence from starting in the first place. Marguerite Nyandwi, a woman from the marginalized, landless and poor minority ethnic group called the Batwa, in Burundi, reported that the first loan she received from her SILC group, “was great pride for me because since I was born, it was the first time that people trusted me to the point of offering me credit.” Before she received the loan, she dug each day in a public waste dump for items, such as empty bottles, that she might be able to sell (her initial SILC group savings contribution was scraped with great effort from this hard-earned income). After receiving the loan, she was able to find more dignified and fruitful avenues for income, including farming. “Now I am like the other people and they no longer look down on me,” she said.

The SILC model is a beautiful example of how God continues to work through us to bring peace and well-being to one another, and how He continues to help us find ways to live together with mutual respect and dignity in spite of our limited resources. We look forward to providing you with more information about CRS’ SILC model of microfinance, and its interaction with other areas of development. In the meantime, please take advantage of the resources available at crs.org to educate yourself and get inspired.