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Bolivia, Factor 11: Malnutrition

### **Bolivia: Fixing Malnutrition Using Microloans**

Imagine waking up and knowing that in a country only a short flight away from the United States (U.S.), millions of people wake up and have little to no food that day, no food in their stomach from yesterday, and little hope for enough food for the extended future. Now imagine that one of these families also has three children and two adults to feed. This family relies on one person, the father, for food and for life, and this person has no way of providing them food due to the current state of the families food availability. Meanwhile, the children, if they are old enough, help where they can to earn the family money, whether that means working on the family farm or perhaps getting a job to supplement their parents' income.

The simple idea of a world like this seems preposterous to millions of Americans, who have rarely had to go without food for more than 24 hours. Sadly, this is the life of over 40% of Bolivians today (Health Issues in Bolivia). As an article on the nutritional state of Bolivia, *Nutrition at a Glance*, points out, almost five million citizens of Bolivia are unable to fulfill even the most basic requirements of their daily nutrition. This article also states that over two-thirds of the urban population and four-fifths of the rural population live below the poverty line (Nutrition at a Glance), and they do not have enough money or food for themselves, much less their children. One can see that the life of a Bolivian is hard, and few can escape the crushing poverty.

As a result of the severe malnutrition problem felt by Bolivians, having a child can be a nightmare. First, Bolivia has the second-highest infant mortality rate in the western hemisphere with 31 out of every 1,000 children dying at birth, largely due to malnutrition of the mother (Health Issues in Bolivia). Even if a Bolivian child were to make it past birth, his/her life would not be an easy one. Health care in Bolivia is almost nonexistent, as almost no one makes enough money to afford health care. As a result, Bolivia has a high level of tuberculosis, malaria, chagas, leishmaniasis, dengue fever, yellow fever, HIV, and AIDS, with an overwhelming 22% of the population being diagnosed with at least one of these diseases (Health Issues in Bolivia). However, according to the article *Health Issues in Bolivia*, the most prevalent issue in Bolivia right now is be the malnutrition issue.

As the author of *Health Issues in Bolivia* points out, the typical Bolivian rural family lives completely outside of the cash-flow economy, which makes it extremely difficult for families to buy food, much less pay for any kind of health care plan. They either grow food for themselves, which leads to a very limited diet, or trade services for food, which is a very unreliable source of nutrition. A typical Bolivian family that does have a salary tends to make less than \$2 a day (Foreign Affairs, Trade, and Development Canada), which is an amount nearly impossible to live on, as it is near the extreme international poverty level of \$1.25 a day (The World Bank). Bolivians struggle every day to put food on the table, and, more often than not, they cannot meet this need. Many people in Bolivia do not have running water, electricity, or even plumbing. In fact, 49.2% of the population currently does not have access to plumbing (Foreign Affairs, Trade, and Development Canada). Only the wealthy can afford such luxuries.

According to *Bolivia Bella*, education in Bolivia is also a struggle. Over one million people living in Bolivia are completely illiterate. The average rural Bolivian child goes to school for 4.2 years, and the average urban child goes for 9.2 years. Most Bolivians will never reach secondary school. As a result,

children never receive a complete education, which severely limits the child's future potential careers keeping the country trapped in a circle of debt. The schools that are active in Bolivia often suffer from a lack of teachers and a lack of supplies, only made worse as teachers continue to go on strike for higher salaries.

However, this is beginning to improve, since public schools are beginning to be supported by private institutions. These institutions fund the schools, in the hopes of paving the road for the next generation of Bolivians. There are a few excellent, privately owned colleges; however, these are few and far between, as most Bolivians cannot afford the costs of sending their children to these expensive schools (Bolivia Bella). If Bolivia is ever going to make it out of the massive circle of debt, these schools must become more plentiful and made available to a wider variety of students. Only then can more children begin to advance their education, earn themselves more money to support their families, and eventually bring themselves and their villages out of poverty and into a safe and prosperous community.

The typical Bolivian farm is far behind that of the typical farm in other wealthier countries. The elevation of Bolivia is much higher than that of typical farming countries, which makes it very difficult for farmers to produce good crops. Almost 60 percent of Bolivia's farmers live in the Altiplano (National Geographic), but extracting a livelihood from this high, dry and cold land is difficult, particularly since this region has the least fertile soil and the least rainfall per year in Bolivia. The Altiplano is located high in the Andes mountain range within the rain shadow produced by the mountains. Combining the high altitude with the lack of rain produced by the rain shadow can make farming extremely difficult. Farmers generally practice traditional farming methods; fields are terraced and many still use foot ploughs, the same kind that the American pioneers used over 300 years ago. These methods would usually be effective on small farms. However, because of the harsh environment of the Altiplano, these methods leave crops vulnerable to frost, irregular rainfall, and erosion. Most farmers have small plots of between one and three hectares (2.5-8 acres) where they grow staple crops such as rice, beans, coffee, sugar, cocoa, and vegetables (Health Issues in Bolivia).

In the Altiplano, sheep, llamas and alpaca are abundant, providing insurance against poor harvests, as well as food, fiber, hides, and skins; yet, they also contribute to soil infertility and erosion through over-grazing. Livestock yields, milk extraction rates, and reproductive performance are low due to limited livestock support services in terms of training, technical assistance, technology transfer, and veterinary services, especially in the highlands. In a richer farming country such as the U.S., livestock typically has a very high yield rate because farmers can augment their livestock to be as efficient as possible through artificial insemination and different medicine, feed mixtures, and vaccinations. Milk extraction rates also leave much to be desired. Farmers living in the Altiplano do not have access to high-tech milking machines, leaving many still milking by hand. This method takes much longer than using a milking machine, and when combined with poor feed quality, it can lead to low levels of milk being given by the cows. Reproductive performance is also low due to a variety of factors. For example, when a cow has problems giving birth in America, farmers can simply call a veterinarian to help ease the situation. However, in Bolivia, this is a luxury most people cannot afford. Bolivians rely on their cows to give birth naturally, and in the event of complications, there is not much they can do for the cow. Also, reproductive methods are natural, meaning farmers have no influence over the gender of their offspring, which can potentially lead to a multitude of bulls and no cows. In order to deal with this, poor families generally raise a variety of different animals to supplement their incomes and diversify their activities, such as sheep, goats, llamas, and alpacas (Health Issues in Bolivia).

In order to combat the deficit of food production in Bolivia, the U.S. has put forth several initiatives led by programs such as the USAID, Food Health International, and the Global Food for Education program.

However, these programs are hardly making a dent in the massive problem from which the citizens of Bolivia are already suffering. The U.S. is handing Bolivians food, which is good for the few who can access this food, but due to the poor infrastructure, many cannot. Also, the U.S. cannot afford to continually give away free food to a country that can never hope to repay this debt (NY Times). Rather, the money the U.S. puts into these programs could be utilized in teaching Bolivians to make the best of the land they have, and, eventually, become a self-reliant and healthy country.

The U.S. has been giving free assistance to the citizens of Bolivia in a variety of ways for well over half a century. For instance, USAID has been a major player in the aid sent to third-world countries, such as Bolivia. USAID has been providing assistance to Bolivia since the 1960's and works with the government of Bolivia, the private sector, and the Bolivian people to achieve equitable and sustainable development. Together, USAID and Bolivia provide about \$85 million annually in development assistance through bilateral agreements with the Bolivian government and unilateral agreements with other organizations (NY Times).

USAID's programs support Bolivia's National Development Plan and are designed to address key issues, and have focused their efforts on Bolivia's poverty and the social exclusion of historically disadvantaged populations, among other prevalent issues. These programs are implemented by non-governmental organizations (NGOs), the private sector, and the Bolivian government. They have focused efforts on Bolivia's poor urban and rural populations. The USAID's programs in Bolivia strengthen democratic institutions and provide economic opportunities for disadvantaged populations through business development and trade. These programs also have helped to improve family health, promote sustainable use of natural resources and biodiversity conservation, provide farmers alternatives to illicit coca cultivation, and improve food security (Haerenes). Some of the basic ways the U.S. has been struggling to improve the lives of the citizens of Bolivia include building new medical facilities, bringing nutritious food to Bolivia, and bringing better farming methods to the country, along with multiple other methods.

However, these efforts are proving futile, as the U.S. aid to Bolivia is decreasing. The U.S. government is making little progress to help the ever-decreasing food security in Bolivia, and it needs a major overhaul to help create new farming methods in Bolivia. This program should create a sustainable food source, instead of relying on money and food from outside sources, without increasing the debt load from which the U.S. is already suffering. The best way to do this would be through a current program already in place known as Microloans. This program is designed to provide loans from \$5,000-\$75,000 to start-up newly established and emerging businesses located within many developing countries (MicroLoan Foundation).

This program has a few basic requirements to qualify for consideration. The applicant must have a business plan, be able to personally contribute a minimum of 10% of the project cost, and have a minimum of two months of working capital in reserve (Success Stories - MicroLoan Foundation). All owners and their spouses will be required to personally guarantee the loan. Besides being able to meet these qualifications, this program is open to people of all different walks of life, as long as they can meet these requirements, which is how this program has already helped thousands of people around the world (MicroLoan Foundation).

There are multiple problems with this Microloan program on the U.S. government's side that make it inaccessible for the vast majority of Bolivians today. For instance, as the MicroLoan Foundation acknowledges, one of the biggest hindrances in this process is the fact that the family must be able to pay for 10% of the original costs. Most families are lucky to have \$10 for emergency costs (Foreign Affairs, Trade, and Development Canada), and no more. All money families have is immediately put into food and survival, a reality that inhibits their ability to plan and save for the future. Unfortunately, living in

Bolivia is a day-to-day survival struggle, and most people are much too poor to be able to afford the original loan cost.

One way to combat this problem and to encourage economic growth in poor, undeveloped countries, such as Bolivia, would be for the U.S. government to change the requirements for the Microloan program. The current requirements can be a struggle for many U.S. citizens to meet, much less citizens in a third-world country with no means of funding this loan. Take Funny and Emmanuel Mbeve for example. This couple was unable to get access to a loan due to previous restrictions limiting the loans to certain countries. However, the foundation opened its doors to citizens of different countries, and a wave of positive change soon followed, as Funny and Emmanuel have proven. With the support of this loan, the couple was able to begin a grocery store and purchase additional stock to strengthen their supplies. This was the first truly successful grocery store in the area, and their community is on the rise, all thanks to the MicroLoan Foundation opening its doors to be more inclusive overall. (MicroLoan Foundation).

The U.S. government is putting up a strong front by utilizing the Microloan program, but they are not truly looking out for the good of the citizens of third-world countries that are too poor to meet these requirements. They have helped thousands of people around the world (MicroLoan Foundation), but the government has the potential to help millions. If this program were better-funded, more open, and more helpful, then millions of people could easily access this loan and use it to the best of their ability.

Loosening the requirements of the Microloan program would need to come with several safeguards intact. For example, one safeguard for both the U.S.' best interests and the people receiving financial aid would be sending over financial advisors to help create a successful business plan, help to implement this plan, and create a repayment process to the U.S.. This would ensure that the person receiving this loan would have a secure, profitable career, be able to pay off their debt to the U.S., and the U.S. government would not lose any money from this arrangement. Another part of this deal would be including technical advisors, whose duties would include teaching Bolivians how to properly utilize the new equipment they purchase with the use of these loans.

The biggest factor for the possible success of this program would be the inclusion of financial and technical advisors in this process. Vast majorities of the people of Bolivia have never encountered such large sums of money in their lives as they would be receiving from the loan or used the equipment now available for purchase, and they would be likely to waste this money right away, instead of saving this money and spending it on items that would help them profit in the long run. The equipment that could be purchased might possibly include new farm equipment, more land, and genetically modified crops that would be able to survive, and even thrive in the harsh climate of the mountainous region of Bolivia. Bolivians would then have to be advised by technical advisors, which are people in place to train Bolivians on how to use this equipment in new, more effective ways. Hiring these financial and technical advisors would also be very beneficial to the U.S. economy by adding thousands of jobs all around the world that would be helping people to improve their daily lives and save their lives and the lives of their children.

The Microloan program has been very successful, as proven above, and has allowed many small communities to improve themselves. Take Malita Banda, for example: She lives in a remote location, a 45 minute drive from the closest village. Several years ago, the Microloan Foundation offered Malita a small loan. With this loan, she set up a stall and sells tomatoes and fish at a local village of less than 1,000 people with limited access to any forms of technology. After almost five years of hard work and determination, Malita's current loan is only \$155 U.S. dollars. (Success Stories - MicroLoan Foundation).

She has been able to pay most of the loan back in the last 5 years, and is on track to pay the rest back in the next few years (Microloan Foundation).

With the money she has made from her stand, Malita has been able to send her four children to school. In fact, one of her children is currently retaking secondary school to improve his grades, and hopes to strengthen his future career opportunities. Along with supporting her children, Malita has earned enough money to purchase a bed and mattress, something she has never had before. Most recently, she has bought a bicycle so she can travel to and from the market, which is almost 40 miles from her home, more easily. In the long run, she hopes this will save her both time and money (Success Stories - MicroLoan Foundation). Malita would not have been able to accomplish anything she has today without the support of this loan from the U.S. Government.

Malita's success story is only one of many that Microloans have brought about. Microloans have had huge impacts on countries around the world, and this program can have this same impact in Bolivia. People in Bolivia lack the funds to start up the plans they have in mind, and are, therefore, unable to help themselves. If the funds for this become more readily available and the requirements loosened, the country's inhabitants will be able to help themselves buy better farming equipment, and begin practicing better farming methods.

The best thing about this program is right in the name of the program: these are loans, not grants, so the people will have to pay them back based on the business' success. That way, all the money that the government spends on this program will be almost fully reimbursed. This is a win-win for both sides. The government will keep its money, and the people will get low-equity loans that can be used to make more money and pay for a better lifestyle.

The sooner this method enters widespread use in foreign countries like Bolivia, the better. Currently, people are dying from the lack of nutrition in Bolivia from either not getting enough food in general or not getting enough of the right foods (Health Issues in Bolivia). There is so much more our country can do about this problem. The U.S. government can save lives, young and old, through loosening the requirements of this program. The only question is how long the people of Bolivia have to wait before the requirements of this program are loosened and made available to all citizens of Bolivia. This program has the potential to help millions of people, if only the government will allow the program to reach its full potential.

Bolivia has been suffering for many years from a severe case of malnutrition, one of the worst in the world (Nutrition at a Glance). The U.S. Government has been doing their best to help Bolivians, but have only succeeded in prolonging the inevitable and losing a large sum of money in the process. However, if the government simply improves the already successful Microloan program, the government could help Bolivians escape this cycle of malnutrition and poverty. In order to do this, the government would have to do two things. First, the requirements for access to Microloans would have to be loosened and made available to a wider range of people that have the will to improve their lives but lack the funds. Secondly, financial advisors would have to come up with the loans. These financial advisors would help the loan recipients to properly spend the money they receive and eventually cut out all reliance on U.S. subsidies. This program could help people living in third-world countries all around the globe if only these steps are taken.

How many more children will be born into a life of poverty and malnutrition before this program is given the change it so desperately needs? Over a third of the children in Bolivia are suffering from life-threatening malnutrition. Bolivian children are not given a fair chance at life, as they are born into a

massive problem of malnutrition, food insecurity, and a surplus of other issues such as government corruption, a lack of women's rights, and drug abuse. The survival rate of children from birth to five years of age is the second lowest in the Western Hemisphere. The U.S. has within their power to stop this suffering at little to no cost to the American government. All life has meaning, and it is the sworn duty of all to protect the life of those around us. This case is no different.

By doing nothing but changing the requirements on an existing government program, we can change lives forever. Just imagine, a country that currently has one of the worst cases of malnutrition in the world could be changed into a thriving country with a powerful, worldwide economy. Children that were previously forced to work for a living from the moment they could walk are now going to school full-time and coming home to a house with two healthy parents, a workable, successful farm, and plenty of good food. Their parents could look their children in the eyes with confidence, knowing that they have done everything in their power to grant their children a good future life, and they are aware that their children are much better off than they were, and they will be able to have amazing chances in life the parents never even dreamed of being able to have. All of this, and more, is indeed possible, if only the U.S. government is willing to take steps in the right direction, and simply change the requirements on one simple program, one that has the power to change lives forever.

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