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Microlending a big deal in Northwest

By Carol M. Ostrom, Seattle Times staff reporter

If a poor woman in Nicaragua or Honduras can leverage a \$50 loan into an egg-selling business to support her family, how about leveraging that kind of microlending system into a self-supporting endeavor?

Expanding microlending's power to lift people out of poverty has become a focus for a "growing confluence of smart people" in Puget Sound, says Bill Clapp, who founded Global Partnerships with his wife, Paula, in 1994.

At first, microlending sought only to make borrowers self-sufficient, Clapp says. Now, he and other proponents want to make the movement self-sufficient by relying not on donors, but on investors, who will do good and do well at the same time.

From the Gates Foundation to the Grameen Technology Center, organizations in the Puget Sound area are working on the "very cutting edges" of microlending, Clapp says. "These things start where there are people who care, who can get things done."

While other states have plenty of interested "socially conscious" investors, he notes, Puget Sound has those plus spare brain power to raise microlending to a new level.

Grameen Technology Center in the University District, for example, started after Clapp hosted a breakfast nearly a decade ago for wireless entrepreneur Craig McCaw and Nobel laureate Muhammad Yunus, founder of the Grameen Bank in Bangladesh, where microlending grew to worldwide significance. "Two brilliant entrepreneurs staring across the table at each other, wondering what they had in common," Clapp recalls.

It was this: Yunus knew that microlending needed better technology. And McCaw understood the problem and possible fixes. Plus, he had seed money to start the center.

Like many in this field, Clapp was inspired by Yunus. "He is absolutely bedrock in his belief that poverty does not have to exist," Clapp says. "And when you feel like it's complicated, he makes it simple again."

And Yunus didn't just talk, says Clapp. "He did it. He proved it."

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