

30 August 2008

The 22 highland weavers of Patacancha, Peru received payment for goods sold today. Their efforts to revitalize and maintain the skills of the ancient craft were rewarded with a small percentage of the millions of tourist dollars that annually flow through the sacred valley into Machu Picchu.

After receiving payment, discussing new products and anticipated market needs, they negotiated for the types of weavings required to meet market demand and the wholesale prices for those products. The weavers were efficient members of a smoothly functioning market.

Things had not always been so.

A few years ago a group of weavers down the valley did not fare so well. They were part of the initial “let’s get some money into the highland women’s hands” program. That program was modeled after the typical U.S.A. and European thinking of how to help people in the developing world: give them money and it will solve all their problems.

The westerners involved dutifully secured a grant and arranged to buy weavings from the women in the village. The westerners displayed the weavings but did not focus their efforts on selling them. After all, their grant money was intended to buy weavings, not sell them.

The weavers, being members of a traditional society in which goods and work were shared, wanted to bring their sisters, mothers and aunts into the weaving producers and share in the new wealth. The westerners quickly agreed. After all, their grant money was intended to buy weavings. The more weavings they bought from more women, the better they were doing their job of giving money to the poor in a developing country and solving all of their problems.



More and more village women joined the producers. More and more weavings were purchased. More and more money was given away. The westerners were certain they were solving all the problems of the village women and doing their part to save the world.

But a funny thing happened on the way to “give them money and solve all their problems” nirvana.

By allowing the village women to bring their friends and relatives into the program, thereby increasing the number of producers exponentially, the earnings per weaver dropped dramatically. It no longer made any sense to weave if you were only going to receive a tiny portion of the available handout.



At the same time the economics on the producer side fell apart, the market collapsed. The program had been buying weavings from the village ladies in large quantities whether people liked them or not, whether there was any market demand or not, and whether they sold or not. Regardless of market realities, the weavings were pushed out into the market at any price, just to move the merchandise. By flooding the market with masses of weavings the retail prices for weavings collapsed, crushing the earning potential of every weaver in the region, especially those not involved in the “give them money and solve their problems” program. The collateral damage was probably greater than those directly involved in the program.

What began as the typical “let’s give them money and we’ll make things better” European and U.S.A. approach to developing country aid had again turned into an unmitigated disaster that harmed not only the people in the program but other weavers in the area as well.

We have witnessed this same approach fail again and again all around the world. We have seen abandoned buildings, compounds and projects in nearly every developing country we have visited. Each featured a rotting sign out front from one of the major “big logo” charities or church denominations.

Each shared the common features of western aid failure:

1. We know what they need.
2. We will provide the solution.
3. We will determine everything.
4. We will drop in a solution from out of the sky with little to no consultation.
5. We will provide no skills training to operate or maintain what we build.
6. We will provide no spare parts to fix or maintain what we provide.
7. We will give them something for nothing – and that will solve their problems.
8. We will feel much better about ourselves for saving the world.

From disintegrated donated asphalt roads in the middle of nowhere with no equipment, skills or material to maintain them to abandoned and looted hospitals we have seen this failed model repeated again and again.



The pattern is always the same. The westerners decide that what will solve the problem is a mandated solution, a free gift from out of the blue. It is built / developed / constructed. The western aid people smile and shake the hands of the local dignitaries as the ribbon is cut. The westerners climb back into their gleaming white luxury SUVs and roar off over the horizon, back to a night in their luxury hotels before their first class flight out in the morning.

The locals watch the clouds of dust trailing the SUV convoy settle over the horizon and turn back to each other, bewildered, with no idea how to operate or maintain whatever it is the westerners gave to them without asking if they had any use for it in the first place.

The golden rays of the setting sun illuminate the Big Logo Charity sign. The locals shrug and walk back home. The next day the looting begins.

The classic example of the “give them money and it will solve their problem” aid model is Africa. Unfortunately, after 50 years and more than \$600 billion dollars worth of charity poured into Africa by the west, according to the U.N. there has been close to zero rise in living standards. There is no better example in human history that the pure charity model, simply giving people, societies and governments money and material goods, does not work.

The only model that works is investment and ownership. The local population must be invested in the initiative. They must select it as a priority. They must invest time, energy and wealth into the initiative. They must have ownership and responsibility for success.

Simply giving, simply distributing a hand out, does not work. Conversely, helping a people or a person achieve via offering a helping hand up - works.

Back in the highlands above the Inca’s sacred valley in Peru, the weaving program was in a shambles. It had collapsed for all the classic reasons.

Enter Kennedy Leavens.

Kennedy is an early 20s graduate of Georgetown University, degreed in foreign studies and groomed to be a member of the standard issue “we know how to build a country” Foreign Service teams populating the state department, DoD, various acronym agencies and NGOs worldwide. Along the way, however, she had the completely unconventional revelation that the reality of the world does not match the version the professors of Georgetown presented.

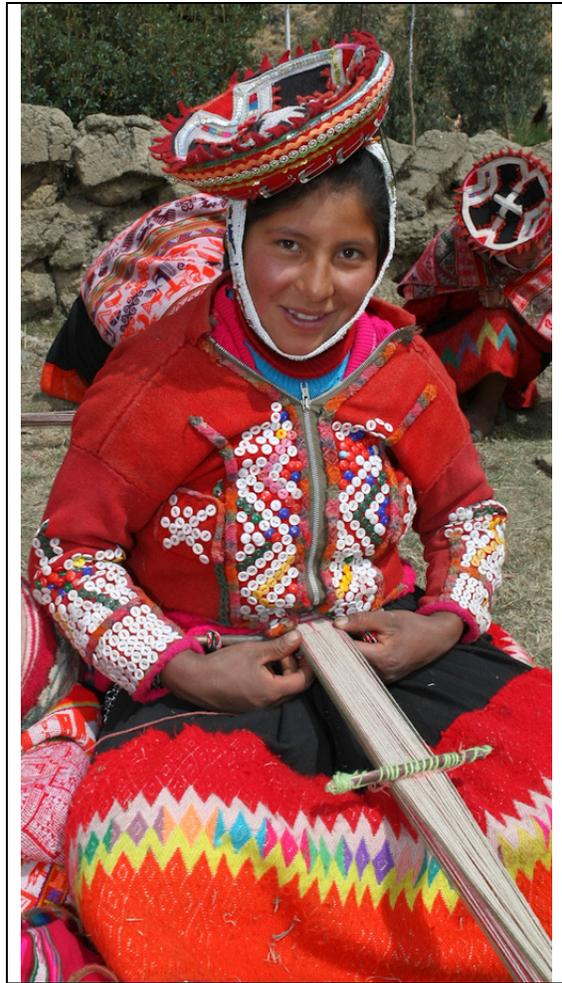


Upon arriving in Peru, she discovered not only the disastrous remains of the highland weaving program, but also an opportunity. It was an opportunity to learn from the mistakes of the past, pick up the pieces and try again. It was an opportunity for Weavers 2.0.

This time, however, Kennedy respected the local cultures and the fundamental laws of market economics. She selected a new village, Patacancha, and worked with the local weavers so that their first contact with a cash economy would not lead to self-destruction of the business model. She educated them, using the example of the weavers down the valley, so they understood that the market could only support a limited number of producers. She worked with them to find ways to mitigate the corrosive effects of cash entering a way of life that was previously a nearly 100% barter based economy. She did market research to learn what weavings were in demand and which would bring the best prices. She constructed a pure market relationship, where the weavers produced what the market desired in quantities the market could absorb. In short, she created a sustainable distribution channel to profitably serve an unmet need in the market.

There are, of course, downsides and trade-offs to the resulting reality. That's the difference between the reality-vacuum of academia and the on-the-ground-real-world. In the real world introducing cash into a barter economy leads to distortions and unintended consequences. In this case, processed foods and sugar are entering the local diets. Previously unknown health and dental issues are arriving with the processed foods and sugar laden sodas. Those processed foods and sodas are contained in plastic containers and are coming to the village in plastic shopping bags. Plastic is a heretofore unknown component of the trash stream, which up to now only had to handle and process all natural elements. What before would always rot or wash away now clogs the streams and blows in the wind.

The flip side of these negatives is that the women weavers are now a key economic component of their families and their village. They provide significant income that enables them to fund the education of their children and to purchase medicines and other cash-required goods when necessary.



Like the electricity the government is pushing up the valleys into the highland villages all across the country, every aspect of modern, developed life has a consequence, and Kennedy's weaving program is not exempt from these consequences.

The quest is to find the right amount of modern development to add to a traditional society without destroying the society, its culture and its way of life.

The challenge is to find a balance, to discover the optimum mixture of retained elements of traditional ways of life and components of modern, developed society.

It is a difficult goal, but one that given a solid grasp of pragmatic reality, is possible to achieve.

In my view, Kennedy's highland Weavers 2.0 program is a positive step in that direction.



Miguel (left), a local businessman and native Quechua speaker who partners with Kennedy to coordinate the program, the weavers and their children, and Kennedy Leavens (right).

The weavers of Patacancha, Peru



Florencia Huaman  
Quispe



Margarita  
Yupanqui Quispe



Jesusa Quispe  
Machaca



Juliana Mamani  
Quispe



Felicia Calizaya  
Machaca



Sabina  
Huamanhuilca  
Gamarra



Albertina Yupanqui  
Cjuro



Rosemery Mamani  
Yapanqui



Cristina  
Sullkapuma Puma



Luzmarina Quispe  
Usca



Placida Mamani  
Quispe



Rudecinda  
Sullkapuma  
Huaman



Gumercinda  
Palizaya Cjuro



Fortunata Quispe  
Quispe



Victoria Huaman  
Sinchi



Abelina Melo  
Huaman



Nicolasa Melo  
Huaman



Valentina  
Yupanqui Huaman



Graciela Luacata  
Quispe



Maria Machaca  
Riquelme

And the secretary and board of directors member, 16 year old Magdalena Quispe Machaca.



Weavers 2.0

Patacancha, Peru is located in the highlands above Ollantaytambo, Peru at S13.17501 W72.19172, elevation 12,610 feet / 3,844 meters.

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Our visit to Patacancha was a GivingPictures project. The mission of GivingPictures is to find people who have never held a photo of themselves, their family or their children and give them one. You can learn more about GivingPictures here: [www.givingpictures.org](http://www.givingpictures.org)



Photo by Stephanie Hackney

Photo by Stephanie Hackney

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Unless otherwise credited, all photos by Douglas Hackney.

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Photo by Jorge Valdes

Douglas and Stephanie Hackney are on a two to three year global overland expedition.

You can learn more about their travels at: <http://www.hackneys.com/travel>