



SUCCESS STORY

Financial Alternatives for Rural Women

Providing financial and training services to women in rural Mexico



Dominga Hernández Ruiz, in the center wearing a yellow top, meets with her "solidarity group" at an AISol training meeting.

USAID partner AISol is quickly increasing its outreach to indigenous women that banks deem too risky for loans in rural Chiapas, Mexico. USAID helps groups like AISol extend credit and services that help women boost their income and attain self-sufficiency.

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San Cristobal de las Casas is a city at the crossroads of two Mexicos: one prosperous and the other still struggling with a legacy of poverty. Located in the southern state of Chiapas and rich in traditions and classic Spanish architecture, the town is characteristic of Mexico's developing economy. A walk through the center of town reveals a city that is both modern and prosperous: international banks sit alongside global supermarket brands and world-class university campuses. But just 20 minutes outside of town lies a very different Mexico.

In rural Chamula, the benefits of globalization and a developing economy have been slow to arrive. Residents, who speak Tzotzil and very little Spanish, have historically had few opportunities to tap into the country's larger economy. Furthermore, traditional banks in Mexico have deemed communities like Chamula as too risky for loans; they are considered too poor to save money and too risky to merit a line of credit.

This is the Mexico where USAID has been supporting efforts to make small loans available to people who banks usually turn away. Since 1998, USAID has been working to narrow the gap between the two Mexicos through local partners like Alternativas Solidarias de Chiapas (AISol), which provides credit and training opportunities for promising women entrepreneurs.

Dominga Hernandez owns a small artisan textile business, providing for her family while preserving her culture, traditions, and language. In 1999, she received a loan of \$50. Since then, she has built a profitable business and a strong credit history — her credit line is now \$400. Moreover, Dominga is learning to read and write during AISol training classes. She has not only gained access to capital but also found a place where women entrepreneurs can share experiences and learn from each other. Like Dominga, AISol will mark seven strong years of growth in 2006, celebrating its own work and the accomplishments of the thousands of indigenous women it has served. With USAID's help, AISol has proven that providing financial services to communities like Chamula isn't just a possibility: it's a reality.

Photo: DAI/Nathanael Bourris