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DOMINICAN REPUBLIC:

PROGRAM FOR DEVELOPMENT OF MICRO-ENTERPRISES

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This case study was prepared by Susan M. Sawyer, under the supervision of the staff of the Harvard Institute for International Development Case Study and Training Project funded by the U.S. Agency for International Development. The purpose of the case is to serve as the basis for class discussions rather than to illustrate effective or ineffective handling of projects.

I. COUNTRY AND PROJECT BACKGROUND

A. Historical Background to Structural Unemployment

The social composition of most Latin American societies has been determined in part by four centuries of colonization by the Spanish, Portugese, English, French and Dutch. The strongest European influence in the Dominican Republic was that of Spain, which imposed the Catholic tradition on other, more varied, cultural traditions. However, the influence of pre-Columbian and African civilizations as well as the experience of slavery resulted in a tremendous variation in the acceptance of European values.

The Spanish conquered the island toward the end of the Fifteenth Century, and established a plantation economy based on sugar cane. In part because of the nature of the heavy labor requirements, African-Negro slave labor was imported. When the colonizers immigrated to richer lands, the sugar plantations lost their vitality, and a system of large cattle-raising farms which did not require slave labor was introduced, along with the exploitation of precious woods. These were the dominant forms of agricultural exploitation in the Dominican Republic until the late 19th Century, and are in part responsible for the nation's present economic structure.

In the early 1800's the government abolished slavery and initiated agrarian reform with the objective of expanding agricultural production for internal consumption and export. The production for export included the development of coffee, cacao and tobacco, as well as the continued production of sugar and beef cattle. These plantation export crops required large numbers of laborers on a seasonal basis, at low cost. Although there were 12,000 ex-slaves living on the Spanish part of the island, 90 percent of them were employed as domestic servants. Consequently, the government required people who did not have a means of subsistence in urban and semi-urban areas to go to the interior to work the land. In addition, it promoted the immigration of American Negroes and ex-slaves. Between 1824 and 1828, approximately 13,000 North-American Negro men were thus introduced into the Dominican economy as agricultural laborers.

During the latter part of the 19th and early part of the 20th century, the sugar industry began to employ imported Haitian labor at lower costs. Between 1916 and 1919, around 400 Haitian immigrants per year were registered to work in the sugar refineries of Las Pajas, Cristobal Colon, and Central Romana. By 1938 there were an estimated 20,000 Haitians working in the sugar cane fields. For that same year, other estimates indicated that 60,000 Haitians, including worker's families, were employed in agricultural work. Between 1967-70 the number of Haitian workers on Dominican sugar farms were estimated at 39,418, although three-fourths of these were permanent residents of the Dominican Republic.

Dominican agricultural workers have developed a deeply-rooted feeling that cane-cutting was an undesirable occupation--a conclusion based in part on the difficult conditions in which cane-cutters are forced to live during their seasonal work. Due to the profound prejudice which links cane-cutting to Haitians, the vast majority of poor Dominicans would rather do anything else to eke out a living than to go to work in the cane fields. The industrial development in the Dominican Republic over the past 20-40 years has not been capable of absorbing this labor force and the D.R. has one of the highest rates of urban unemployment and underemployment in Latin America.

One of the most dramatic effects of the displacement of Dominican agricultural workers by the migration of Haitian labor to sugar cane, coffee, and tobacco fields of the Dominican Republic is illustrated by the difference between population growth rates in urban and rural areas since 1935. Between 1935 and 1950 the annual urban growth rate in the Dominican Republic was 4.33 percent. The rate of population growth in the rural areas was 1.95 percent during the same years. Between 1960 and 1970 the urban growth rate in the Dominican Republic had risen to 5.97 percent, as compared to a population growth rate of 1.37 percent in rural areas. Between 1970 and 1981 the rural annual rate of increase for the total population decreased to only 0.33 percent, while that of the urban areas was 1.80 percent.

B. Unemployment and Underemployment Statistics

Official statistics from the 1970 census show a 22.3 percent unemployment figure for men and 29 percent unemployment for women. Tables 1-3 provide employment and underemployment profiles for the country. Rates of unemployment were considered to be slightly higher in the rural areas than in the urban areas.

An ILO study of unemployment in Santo Domingo in February of 1973 emphasized the unequal distribution between men and women in the unemployment statistics. The incidence of unemployment among women was 30 percent as opposed to 15 percent for men in that year. These labor force statistics typically underrate the proportion of women in the labor force. The female labor force in urban areas increased by 8.5 percent between 1960-1970, while that of males increased by only 5.1 percent. During this same period men represented a total of 88.2 percent of the labor force and women only 12.2 percent.

In a 1974 Ministry of Public Health Survey 8 percent of the women indicated that they had "renumerated work of any type," and 2 percent were without jobs. However, when asked about the type of occupation in which they were employed, 16 percent of the women named an activity. About 35 percent of women in the active labor force of the Dominican Republic were classified under the category of "not well-defined occupations" in the 1970 Dominican Census--a figure which may illustrate the difficulty of translating activities into occupations. (See tables 4 and 5)

*surveys of
employed ♀*

The sub-employment rate for the Dominican Republic, defined as paid work which is seasonal for only part of each week has been estimated to be between 40 percent and 50 percent in the rural areas of the Dominican Republic, and close to 40 percent in the urban areas. It is directly related to levels of formal education (66.0 percent subemployment is registered for illiterates, or those with no formal schooling.)

C. Projected Labor Demands For The Dominican Republic

The most recent review of labor statistics for the Dominican Republic makes some projections for labor demands to the year 1990, and include an analysis of how those demands might be met. Table 6 projects differences between labor supply and demand, indicating that 916,000 jobs (or 60,000 jobs per year) will be needed by 1990 in order to keep the majority of the population actively participating in the economy. The figures are based on projections of past and present growth rates of the different sectors of the economy.

"If the Dominican economy performs as it did in the last two decades, it will not be possible to provide productive employment to more than a minor fraction of the new contingents which will be added every year to the labor force; consequently, the number of unemployed and underemployed people will continue to rise, arriving at more than a million, probably near to a million and a half (around 60 percent of the active population) in 1990. Applying the respective rates observed in recent years, that number of people will be distributed in 500 to 600 thousand 'open unemployed' and 750 to 900 thousand underemployed in 1990. It should be emphasized that this will take place in spite of the fact that in the period under study the growth rate of the active population will be in a process of descent, caused principally by the diminution of fertility initiated twenty years ago."

It is the structural nature of the unemployment produced by an earlier, unequal development of the different sectors of the economy which has now produced a demand for innovative programs for generating employment and increased incomes among thousands of illiterate and or semi-illiterate migrants to the cities. The sectors of the economy which, up to now, have been able to absorb great numbers of unemployed have been the informal and service sectors. The Program for the Development of Micro-enterprises aims to strengthen the informal sector.

which is what?

*A of unemployed
is growing -*

D. Economic Activities within the Small Scale Enterprise (SSE) Sector

The economic activities of the SSE or "informal sector" in Santo Domingo range from businesses which sell charcoal in their neighborhoods, to coffee and food stands which sell to workers leaving for work at five in the morning, to small beauty parlors or general stores in homes. A description of the informal sector job categories is found in Table 7.

In Santo Domingo men run small grocery stores or butcher shops, or even small stands where they sell ices or icecreams. Men are seldom found in Santo Domingo selling hot prepared food on the street corner or charcoal in the neighborhoods. Most men working in the informal sector in Santo Domingo, however, prefer to operate micro-businesses in a mobile fashion using heavy cargo bicycles called "triciclos". At the lower levels of investment, it is possible to make more money per amount invested by operating one of these cargo tricycles than by having a stationary business since the turnover of merchandise is generally faster than for a fixed location. Aside from the greater flexibility in terms of markets offered by the tricycles, the vendor changes his products according to seasonal prices in the Central Market, the amount of working capital on hand, and his daily survey of the buyers' market. The types of businesses possible with a tricycle depend on the amount of capital investment needed at different levels. Scrap and bottle collectors, for example need the least amount of working capital, while those who sold things like ice-creams needed the largest capital investment. The range of possible tricycle businesses is not fully represented in the typology in Table 7.

No women in Santo Domingo were ever seen operating these cargo tricycles. One reason may be because of the weight of the tricycles with their load. Men who have done this work for years develop kidney problems after years of the heavy work involved. It is not known whether there are other strictly cultural obstacles to women entering this type of informal sector activity. The relationship of men to specific kinds of businesses changes, however, in different cities on the island, where there is often greater poverty and an even wider range of occupations.

II. CONTEXT FOR WOMEN

A. Gender Division of Labor

Industrial development in the Dominican Republic has been largely capital intensive, producing intense competition for jobs in the modern sector. Most of these modern sector jobs go to men. The general pressure on the existing available jobs is increased by the rapid urbanization and monetization of the economy. These factors heighten the need for women to earn an income and contribute cash to the families revenue stream. This need is heightened in the growing number of households in which women are the primary source of income. A recent increase has been noted in women-headed households in the Caribbean. For the Central American and Caribbean countries the average percentage of women head of households is

Jobs in informal sector by sex

women headed households

20 percent. Among barrio women, 21 percent report that a woman is the household head; among women factory workers, 52 percent are head of households.

Table 8 shows an employment profile for Santo Domingo in 1974, and Table 9 shows a breakdown of the occupational categories which absorbed women in Santo Domingo in 1974. Most of the lower-class female labor force was absorbed by the service sector, which accounted for 61 percent of rural migrant women in that year. Graphs 1 and 2 reveal the differences between male and female participation in the economy in 1960, 1970 and 1980.

Table 8 indicates that about 74 percent of women are concentrated in teaching, health, office work and services with only about 32 percent of men in these categories. However, the use of a broad classification system for registering occupations tends to hide the true dimension of the division of labor by sex in the Dominican Republic. At least one investigator who has studied the effect of these classifications in the context of that country suggests that many women classified as retail workers, office workers, as well as workers in the industrial and manufacturing sectors, are probably most often occupied in cleaning and other service work. Women workers themselves may exacerbate the confusion since "It is more prestigious for a woman to say that she works in an office or in a factory than to say that she scrubs floors."

Service Sector

In the service sector, women's work is largely that of maids, cooks, waitresses, washing and ironing or personal care (eg, beauticians and hairdressers) while men work as custodians, security officers, etc. In teaching, most female educators work in kindergartens and primary schools. In health care, women are nurses or auxiliary nurses. Under the categories of machine operators and artisans, most women are seamstresses or dressmakers. Since 1969 most of those registered as machine operators are seamstresses working at low wages in the factories of the new Free Trade Zone in the Dominican Republic.

For lower-income women in the Dominican Republic a primary source of income is in the so-called informal sector activities, i.e., retail activities on the street or in their homes, personal services, or productive activities such as making clothing or food to sell in their neighborhoods. Many categories of women's work never appear in national income accounts, and these include both household services and informal sector activities.

B. Family Structure

Different kinds of conjugal unions exist in the D.R. as elsewhere, but "the economic position of both individuals exerts an important influence on the type, and endurance, of a conjugal union." The ideal of legal marriage and a male supported family is realized only among middle and upper class families. The patriarchal family ideal remains dominant for many reasons including respectability, status and economic stability.

In the event that the wife must also work to add to the family income, the husband must give the wife permission, especially for work outside the home. Many times such permission is provided reluctantly, even if the women enjoy their work. For example, in one study of women who worked outside the home, 45 percent of the women declared that their husbands disapproved. However, 30 percent of these women also said, "My husband does not like it, but we need the money."

When the man cannot provide the financial support necessary for family survival, new patterns of union for men and women occur. These may include regular living arrangements without the sanction of marriage, more casual but regular "visiting unions," or a pattern of successive male partners among some women. Several studies have documented that poor women in the Dominican Republic who have a pattern of consensual union change partners frequently and are far more likely to be the primary economic support of the family over a long period of time. For many low-income women who are entrepreneurs, their economic situation is such that they do not want to give up independence in economic decision making, although the women faithfully carry out many household activities, such as cooking and laundering, which the man expects). The independence of the woman may be linked to her desire to maintain her own property, her desire to be free to move to a different location for reasons of bettering her trade, or her right to decide on her own who she should leave her children with if she has to go to a distant place for reasons of bringing more income into her family.

One study concludes that the pattern of having successive husbands has emerged as a very adaptive pattern for many lower-class women in the Dominican Republic for exactly those reasons. Some female entrepreneurs live with women relatives so as to have someone to care for their children when there was a need to travel for business reasons. An interesting example of this pattern was a woman in her late thirties who had a tiny sewing business on the outskirts of Santo Domingo. During the fall and winter seasons her principle markets were in Santo Domingo. However, during the spring she travelled regularly to small towns in the interior to sell her clothes to the Haitians who came for the cane-cutting harvests. This woman's mother lived with her and stayed with the children whenever she travelled. The entrepreneur explained that a good part of her profit was derived from this secondary market, which would soon allow her to expand into a second business. Some examples of highly successful women entrepreneurs have been women who acted as heads-of-households, whether there was a male present or not.

III. PROJECT DESCRIPTION

A. Institutional Background to the Project

The initiative for the Micro-Enterprise Project of the Dominican Development Foundation evolved from the first phase of a larger Project called PISCES (The Program for Investment in the Small Capital Enterprise Sector). The Project was funded by the A.I.D. Office of Urban Development in Washington, D.C. The main Contractor for PISCES was an independent non-profit organization called ACCION International/AITEC. Portions of the project were sub-contracted to two other non-profit organizations--The Development Group for Alternative Policies, and Partnership for Productivity.

Phase I of PISCES carried out research in 16 countries for the purpose of discovering the most adequate methodologies for assisting small scale economic activities of the urban poor. Under the requirements for Phase II of the PISCES Project, each of the three contracting organizations had to develop and evaluate two "demonstration projects" to show that such assistance could be effectively carried out through existing AID funding mechanisms. As the prime contractor, ACCION/AITEC intended to lead the way with a project that could be quickly grasped, implemented, and proven effective. The demonstration projects were to be based on the research results of the first phase of the PISCES Project. [These projects represented an institutional priority which gave assurance to the local implementing organization that funding would be forthcoming.] Two other organizations which were interested in the design of the demonstration projects also helped to complete the funding. IAF ATI?

Aside from defining the maximum investment level of economic activities to be assisted, the terms of the PISCES Project did not specifically define which members of the small scale enterprise sector should be targeted, or what form the assistance should take. Under the terms of the contract the requirements focused on developing mechanisms through which large numbers of SSE entrepreneurs could receive credit at low cost. It was left up to the three organizations contracted for the PISCES Project to define the most appropriate target beneficiaries and to define the most appropriate methodology to be used in assisting them.

Another set of constraints imposed on the design and implementation of these demonstration projects related to the timing requirements for evaluation. Under the terms of the PISCES Project for Phase II, all of the contracted organizations had to have two projects at a stage where their impact could be evaluated. This meant that there had to be enough data on the impact of these projects so that they would reveal adequate mechanisms through which AID funding could "assist the smallest businesses in the capital enterprise sector." During the early part of Phase II all of the contractors under the PISCES Program grant expressed the need to prove that particular methodologies for providing technical assistance to the sector were effective. With a relatively short time to

for whom?

Credit at low cost XX

Key

develop a project which would provide a convincing demonstration, ACCION had to find a target population which would lend itself to rapid project development with noticeable impact. A truly notable project would illustrate that ACCION's way of doing things provided a realistic response to the international debate regarding appropriate development strategies for the future.

The Program for Development of Micro-Enterprise (PRODEME) was begun by the Dominican Development Foundation in Santo Domingo in 1981, with a grant of \$500,000 U.S. Dollars from U.S. AID/Dominican Republic to generate income and employment among the poorest inhabitants in the urban centers of the Dominican Republic. The grant provided for technical assistance from ACCION International/AITEC to help in the design and implementation of the program.

The Dominican Development Foundation (DDF) is a non-profit institution which is financed by the private sector of the Dominican Republic. It has had a long history in implementing programs of economic and social development among the most marginal groups in the Dominican Republic. In addition, it had a longer history than any other organization in the D.R. in terms of administering a broad credit program to those sectors. The experience in dealing with credit and with international financing mechanisms were important aspects of the overall institutional setting of the project, since the institution came to be known among project participants as a very special kind of local bank.

B. Project Objectives

The objectives of PRODEME were:

1. To increase income among the poor;
2. To create new jobs;
3. To strengthen precarious jobs.

These objectives were a direct response to four major findings of a feasibility study carried out by the DDF with technical assistance from ACCION International/AITEC. According to these findings, micro-entrepreneurs in the Dominican Republic:

- (a) did not have financing opportunities appropriate to their needs, since traditional sources of financing direct their resources toward other sectors of the national economy which offer more security and profit for their investments;
- (b) have not received technical assistance from either the public or the private sector;

(c) were managed with an investment of less than \$10,000 and employed six or less persons.

small

(d) had potential to elevate their productivity and benefits of their businesses, as well as generate new employment with a program of social promotion, consultation on business administration and management, and financing.

The program was to direct credit and technical assistance to the smallest scale economic activities among the urban poor. The idea was to strengthen the economic viability of what people were already doing for themselves, rather than to teach them new skills or create new activities as a means of earning a living.

C. Project Identification

The feasibility study referred to earlier had examined very small businesses with fixed locations in four barrios of Santo Domingo and in some secondary cities. Of the enterprises identified in Santo Domingo, 77 percent qualified for the Program along the dimensions of number of employees and levels of total investment. Of the enterprises identified in the secondary cities, 87 percent also qualified along the same dimensions. Among those which qualified, 56 percent were in commerce, 26 percent in services and 18 percent in manufacturing. A sample of 322 of the services and manufacturing businesses was selected and studied in depth. Commerce businesses were not included in the sample because it was assumed that loans to commerces would result in expanded inventory rather than new jobs.

The feasibility study focused on the need for credit which would be met by the program and concentrated its attention primarily on the most visible members of the SSE sector. Table 10 identifies the ownership of these businesses by gender. Of the female-owned businesses which were studied, the majority were seamstresses.

D. Components of the Project

The project had two major components: the Micro-Enterprise component and the Solidarity Group Component. Each component was directed toward providing appropriate credit and technical assistance to small-scale enterprises according to the size and characteristics of the businesses. (See Table 11)

*ME
SG.*

1. The Micro-Enterprise Component

This component provided management assistance and gave loans of between US\$250.00 to US\$3,500 to small production and service businesses such as tailors, shoemakers, mechanical repair shops, bakeries, etc. The objective was to increase the benefits to owners of these businesses and to create new jobs. To be accepted as a client for this part of the program an entrepreneur had to:

250 - 3,500 ME

- a) be 18 Years old or older;
- b) be willing to receive management assistance;
- c) have a minimum of one year's experience in the business;
- d) have the potential of expanding the business and creating new jobs;
- e) have a capital investment of under RD\$10,000;
- f) have six employees or less.

The form of assistance to very small-scale businesses offered by this component consisted of three basic elements:

- Loans appropriate to the size of the business;
- Formal courses in business management;
- One-on-one management assistance.

Program Coordinators assigned to individual businesses helped to determine the size of the loans appropriate for the enterprises and delivered formal courses on management practices. Then, through a system of weekly visits to owners, they provided suggestions for improving the management of the enterprises and reviewed the owners' follow-up of the new skills learned. It was felt that the loans granted had a better chance of being used appropriately if owners received regular, individualized management assistance.

2. The Solidarity Group Component

The Solidarity Group Component was conceived as an appropriate way of delivering credit and management assistance to the hawkers, vendors and small cottage manufacturers from the low income neighborhoods. The Solidarity Group was intended as a mechanism to guarantee loans from the DDF. The contractual basis of the loan between the Foundation and the Group made each member of the Solidarity Group responsible for each other in the repayment of the loan to the DDF. Members were registered with the Foundation as contracting members for the total group loan. The size of each person's weekly quota was designated on the Registration Form. Requirements for entering the Program were:

- a) be at least 16 years old;
- b) have at least one year of experience in the business;
- c) belong to a Solidarity Group officially recognized by the Dominican Republic Foundation;

- d) demonstrate solidarity with other members of the Group;
- e) participate in a series of presentations on Basic Social Education.

The theory behind the use of this methodology was that "peer pressure" would be sufficiently strong to ensure prompt payback on the part of each member of the Group without having to rely on any material guarantees. By assigning to the clients themselves the major part of the responsibility for promotion, selection, group formation and payback, this method was also expected to cut costs significantly. In addition, the exchange of business information between members of the Groups was expected to strengthen the rudimentary business skills taught to group members and to lead to the formation of some kind of grassroots advocacy organization.

In order to design an appropriate credit mechanism, the feasibility study had investigated the credit needs of SSEs operating at this level. The Solidarity Group component was specifically designed to enables operators of cargo tricycles break the cycle of paying most of their earnings in daily rental of tricycles. The loans were designed to cover the cost of new cargo tricycles. The largest individual loan which was possible to receive through the Solidarity Group mechanism was fixed at RD\$300 pesos --just enough to cover the payment on a new tricycle and leave RD\$25 pesos for "working capital". The smallest loans which were permitted through this component were straightforward Working Capital Loans of RD\$30 pesos, designed to meet the needs of the SSEs such as those of the market stall vendors and the "fritureras" who had no obvious need for new capital equipment. The average size of loans per group was RD\$1,745 and the average size of loans per individual member was RD\$282.

Weekly quotas were established according to the size of the loan and the amount of saving made possible through the loan. For operators of the cargo tricycles this mechanism was worked out in a very detailed way. The fixed daily rate of payment was established at RD\$1.20, which represented a savings of at least RD\$.30/day over the fee charged by the tricycle rental agencies. The loans were to be paid in fifty-two installments of RD\$7.20 per week per person. Each member of a Solidarity Group was to pay this amount, either on a daily or a weekly basis to the Group President, who then paid the total amount to the Foundation representative who met with them at the barrio-level meetings held each week. All loans were to be paid within a year's time, at an annual rate of 24 percent interest.

For the Working Capital Loans, the weekly quotas were established according to the actual amounts borrowed and were worked out between each individual entrepreneur and the Coordinator assigned to the Solidarity Groups neighborhood. Working Capital Loans made up 17 percent of the total loan portfolio, and 75 percent of these loans went to women's solidarity groups.

Methodology

X X X

Major features of the two components are compared in Table 12. Important personal characteristics of solidarity groups are profiled in Table 13.

E. Project Implementation

1. The Solidarity Groups

The idea for this part of the Program was that the essential principles of the Program would be simple and easy to grasp and promotion of the Program would spread by word-of-mouth. If an individual wanted to enter, that individual could join together with 5 or 6 friends from similar businesses, and together they could contract for a loan from the DDF. It was assumed that individuals would not take the risk of signing for a collective loan unless they knew the other people and their businesses. It was also assumed that the person elected to be president of the group would take the responsibility of finding reliable ways to ensure 100 percent payback on the loans each week. The weekly neighborhood-level meetings with the coordinators were partly for the payment of the weekly loan quotas by Solidarity Group presidents. In this way it became public knowledge when a payment was missed or incomplete and added to the peer pressure which was to be the principle guarantee for loan payback.

*As suppositions
• peer selection
• community
pressure*

Later in the Program, when problems of group disintergration and late payback occurred, another requirement for entering the Program was added. Prospective participants were required to participate in two short courses before being allowed to register as an officially recognized Solidarity Group. The two courses had been designed specifically to correct two misconceptions about the Program which, it was felt, had led to an irresponsible formation of Groups. The focus of the courses was to clarify for members of new Solidarity Groups that they were taking on a serious responsibility when they applied for a loan. If the Coordinator giving the courses felt that a new Group did not demonstrate real "solidarity", the group would not be allowed to register as an officially recognized Solidarity Group. This was the first official "filter" of the Program. The second was the analysis of each Group's application for a loan by the Financial Credit Analyst. If the Coordinator or the Credit Analyst decided that there might be problems in the payback of the loan, the group would not be allowed to register. When a group was rejected, it was unlikely that the individuals of the group could reform easily into new groups, since they would have to be approved by the same Coordinator and Credit Analyst.

*Courses
prior to
loans*

On their own initiative, the first Solidarity Groups who entered the Program in Santo Domingo formed an Association. The Association helped to strengthen many aspects of the Program by serving as a means of communication for all groups and providing special services to its members.

*Open-
way?*

2. Staffing and Delivery Systems

Two Coordinators for the Solidarity Group component and two Coordinators for the Micro-Enterprise component were trained by the local AITEC Director of Technical Assistance. The Director had designed and carried out the feasibility study for PRODEME. The Coordinators were young men who were students in economics at the University. One was doing his thesis on Micro-Enterprises.

The basic tasks of those working with the Solidarity Groups were the following:

- a) to orient and train new groups; ✓
- b) to prepare credit proposals; ✓
- c) to collect weekly loan repayments; ✓
- d) to "troubleshoot" for groups having difficulty with their loan payments. ✓

Since it was often difficult in practice for the Presidents of the Solidarity Groups to enforce regular repayment by all members, various procedures were invented along the way by those implementing the Program to ensure repayment. These procedures included:

- a) elimination of some members and reformation of Groups;
- b) collecting from individual members rather than from Group Presidents;
- c) re-possessing of vendor licences and/or tricycles from all members of groups who fell too far behind in their payments.

The different purposes of each component of the Program affected the degree of staff contact with clients and the pace of the delivery system. For the Solidarity Groups the principle assistance was the credit itself, and orientation to clients on how to handle a formal credit system. The assistance was expected to have a positive effect on the businesses by freeing the entrepreneurs from their former dependency on informal sources of credit and exorbitant interest rates. The costs of this assistance were kept low by raising the ratio of clients to Coordinators.

The emphasis of the assistance to Micro-Enterprises was on teaching business owners to use rational business strategies and to work with them closely to overcome obstacles which were inhibiting of new business growth. Growth was expected to lead to new employment possibilities within the SSE Sector. The Loan Proposals from the entrepreneurs from both components, however, were submitted to the central Credit Department of the DDF for credit analysis and approval.

make loan decision?

*pace of delivery system
S.G.*

H.E.

Process 3

The basic tasks of the Coordinators of the Micro-Enterprise component included:

- a) promoting the Program and recruiting new clients;
- b) financial analysis on the viability of the business and assessment of willingness to accept management assistance;
- c) assisting business owners in the preparation of credit proposals and planning of a rational strategy of investment for their businesses;
- d) weekly supervisory visits to each business to provide new technical assistance where needed;
- e) give regular courses on business management to new clients;
- f) collect on loan repayments.

Loan Process unclear

As sobre la marcha?
When?
Who?

Several significant changes were made in the Program's staffing and delivery systems during the course of the Project. For example, a special Loan Committee was formed to serve the Solidarity Groups and the Micro-Enterprises, and expedite the processing of these smaller loans. Similarly, the Program also established a new position of a program Financial Credit Analyst in order to make the loan processing more agile.

The new PRODEME Credit Analyst was specifically trained to look for weaknesses in the economic activities served by the Program. Emphasis was put on making the reviews quickly, yet thoroughly enough to be able to defend each case before the Loan Committee. Loan Proposals which were in doubt were rejected by the Analyst before they even got to the Loan Committee. The Financial Credit Analyst and the Loan Committee were all men.

For the Solidarity Group component, a specific recommendation had been made at the time of an early evaluation (8 months into the program) to hire a women as a Coordinator. At that time, more than 80 male street-vendors had just formed their Association of Tricicleros. Two small groups of women also were formed and had been admitted to the Program. With their entry, other women began to come to meetings and to inquire about the Program; they made up a tiny cluster of women in a huge garage filled with tricycles and their owners. These women stated:

"We need someone here to talk with us --not just now...every week...There are things we cannot say to the men. We are not important...so they don't listen..."

apparent

A few months after the recommendation was made, one female Coordinator, a sociologist, was hired. However, she was not assigned to work in the neighborhood where these first groups of women had joined. She was assigned to another neighborhood where a female political leader had earlier started a broad-based women's movement and several women's groups had been formed. Misinformation and political manipulation, as well as an opponent lack of attention to the women's real economic needs had led to many of these women becoming disillusioned and dropping out. Others had over-extended themselves on the credit and were unhappy with the lack of support. In spite of this difficult beginning, the interest of women entrepreneurs began to re-emerge with the entrance of a female Coordinator. That neighborhood eventually became the center for the biggest nucleus of women in the Program. By mid-1982 there was a movement on the part of many of these women to begin their own Association.

observed

does it still take women to look at special needs of low income women? requisite?

When PRODEME became a separate Division with the Foundation, it was able to expand its staff to keep pace with Program growth, and to organize its operation more efficiently. Separate departments were established for each component, with procedures designed to match the special needs of each. The best Coordinators within each component were moved to positions of Supervisor in their respective Departments. New Coordinators were also hired in each Department to keep up with expanding workloads. No new women were hired as Coordinators.

organization

The following year two new male Coordinators were hired --one of them to work in a secondary city as the Program expanded into the interior of the country. There are no tricycles in that City and women who wanted to join the Program at the Solidarity Group level seemed to outnumber the men.

Santiago?

The principle contact which the clients had with Program staff was the Coordinators assigned to their Groups. They met the Financial Credit Analyst when he reviewed their Loan Proposal, and sometimes saw the Solidarity Group Supervisor when occasional visits were made by him to observe neighborhood meetings. It is also estimated that the Program Director and the Technical Advisor each spent about 42 percent of their worktime on the Solidarity Group Component. Some of that time was spent in supervision of office procedures rather than in direct contact with the Groups.

W/loan
tasks or time
allocation
we should look at this

3. Loan Disbursement

part of loan review

There were various different mechanisms for the disbursement of loans by the DDF to small client enterprises of the PRODEME Project. Decisions on how loans should be disbursed were made by the Loan Committee and the Central Credit Department. A long-standing method of disbursing loans to marginal clients was through the system of a Purchase Order. That system required the loan client to go to a store approved by the DDF and receive a quote on the cost of what he/she wanted to buy. The loan recipient received the merchandise directly and the merchant was paid in

W

W

Centralized decision-making.

cash or by check by the Foundation. Under this system, money never passed through the hands of the loan client, and merchandise had to be bought in stores approved by the DDF. However, those in the Credit Department of the DDF felt that this ensured that the money paid out in loans was actually going for business purposes.

but it taught borrowers nothing about managing their finances...

Loans for the purchase of a major piece of capital equipment used a similar method. This method was to place an order for the equipment in the name of the client, with the DDF paying the supplier directly. The possibility of repossessing the equipment itself formed the guarantee for these kinds of loans.

guarantee

When neither of those two methods were possible, loans were disbursed to clients by checks from the Foundation directly to the client. For example, Working Capital Loans to food vendor Solidarity Groups was disbursed to individual members of the Groups in this way.

a. Loan Disbursement to Solidarity Groups

The Tricicleros, 83 percent of the program clients, all received a combination of Capital Equipment Loans and Working Capital Loans. The Capital Equipment Loans were disbursed through payments from the DDF directly to the Triciclero manufacturers. At the same time, each Triciclero in the Group received a check for RD\$25 pesos for his Working Capital Loan.

purchase of inventory!

Disbursement to clients for Working Capital Loans were made as follows:

1. Disbursement of loans to food vendors was by a personal check from the DDF to the individual members of the group.
2. Loan disbursement to seamstresses was done entirely through the Purchase Order System; that clients were required to buy their yard goods only at stores. *higher cost?*

b. Loan Disbursement to Micro-Enterprises

The types of businesses assisted in this category included shoemakers, mechanical repair shops, tailors, dress-makers, a printing business and a ceramic-figure shop.

All of the women clients but one were dress-makers. The average amount of capital invested in their businesses was close to RD\$5,000 pesos, which was in the upper range of the overall investment in the micro-businesses.

Loans to the women's businesses usually were disbursed through Purchase Orders. Sometimes the Purchase Orders were combined with a cash

payment often related to the purchase of capital equipment. Other times the Purchase Orders were combined with direct blanket payments to the company where the women would be buying their raw materials. This mechanism depended on what sort of arrangements the factory outlets would permit. If payment was made directly with a blanket check, the women could choose the amount and kind of merchandise needed at that moment. If the disbursement was only through a Purchase Order, the merchandise had to be specified in advance, which did not permit any flexibility in production or pricing.

Disbursement of loans to male-owned businesses relied on a combination of methods, but did not rely so heavily on the Purchase Order system.

c. Effects of Disbursement on Business Practices

For the Solidarity Group enterprises, business practices had to be highly flexible and responsive to daily and seasonal fluctuations in both buyers' and sellers' markets. The regular need for small amounts of Working Capital was related to that factor. Tricicleros in the Program gained an edge on others in the sector because of their mobility and daily savings combined to make it possible to make regular shifts in product lines in direct relation to market changes. Interviews with female beneficiaries of the Program indicated that they also responded to the same kind of subtle changes in their markets. The most successful of these entrepreneurs were those who could keep enough capital on hand to respond to such changes. The most successful seamstresses, for example, seemed to have working capital to invest in other lines of business whenever there was a poor market for home-made clothing.

"I sell most of my clothes in December --a few in January, I guess..But most of my sales fall off after that, so I make my money on doing alterations and selling other items for the home when I can.

? "I always start buying beauty products after Christmas, and towels and things like that for the home. Those are about the only things I can sell then. It's a low season until late July or August. People don't have enough to get by, really, so they only buy what's necessary. I keep sewing --you know making things for myself and my family with old materials. But my earnings come from the other things, especially now that you have to buy where they have the Purchase Order. It's not the same...

"Well, I get along --in spite of the Purchase Order-- but mainly because I always plan ahead for this low season...I have a lot of clothes already made and I take them to Barahona...A lot of Haitians go there for the cane-cutting season, and they like to take fancy

Table 1

UNEMPLOYMENT LEVELS FOR THE ECONOMICALLY ACTIVE POPULATION FROM THE URBAN
AREA OF THE COUNTRY, BY SEX AND AGE GROUP, ACCORDING TO THE POPULATION
CENSUS OF 1970

AGE GROUPS	MEN		WOMEN	
	UNEMPLOYED	RATES	UNEMPLOYED	RATES
TOTAL	75,264	22.7	40,047	26.2
10-14	5,029	34.8	3,289	31.9
15-19	12,281	34.7	7,590	30.7
20-24	11,993	23.8	7,190	26.3
25-29	9,146	20.7	4,723	23.0
30-34	7,248	17.6	3,628	21.9
35-39	6,476	17.2	3,243	21.4
40-44	6,248	19.9	2,505	21.8
45-49	3,945	17.8	1,861	22.6
50-54	4,085	22.2	1,784	28.3
55-59*	2,434	18.6	1,127	8.1
60-64	2,309	18.5	1,296	8.9
65-69	1,531	20.5	603	6.9
70-74	1,235	20.2	490	6.4
75 and older	1,304	19.0	718	6.9

*Due to the fact that the definitive data on the 1970 census of the economically active population was not broken down into groups for every five years beyond the age of 55, the values for those groups was obtained by applying the distribution observed in the sample of 20 percent of the population which was published earlier by the National Office of Statistics in the Dominican Republic.

Source: N. Ramirez, A. Tatis and D. German: Poblacion y Mano de Obra en la Republica Dominicana, Instituto de Estudios de Poblacion y Desarrollo, January 1983.

Table 2

**UNEMPLOYMENT LEVELS OF THE ECONOMICALLY ACTIVE POPULATION
FROM THE RURAL AREA OF THE COUNTRY, BY SEX AND AGE GROUP
ACCORDING TO POPULATION CENSUS 1970**

AGE GROUPS	MEN		WOMEN	
	UNEMPLOYED	RATES	UNEMPLOYED	RATES
TOTAL	129,745	22.0	52,495	31.6
10-14	18,587	33.0	10,051	40.3
15-19	22,547	27.7	9,984	35.4
20-24	17,935	22.8	6,927	31.6
25-29	12,301	19.7	4,918	30.5
30-34	9,741	17.2	3,669	26.1
35-39	11,685	20.3	3,748	26.3
40-44	8,938	18.2	3,255	25.6
45-49	6,648	18.3	2,165	27.3
50-54	6,743	19.7	2,243	28.6
55-59*	3,588	16.0	1,204	7.9
60-64	4,595	17.5	2,151	10.9
65-69	1,815	14.0	395	4.4
70-74	2,485	17.3	689	5.8
75 and older	2,137	13.9	1,096	7.7

*Due to the fact that the definitive data on the 1970 census of the economically active population was not broken down into groups for every five years beyond the age of 55, the values for those groups was obtained by applying the distribution observed in the sample of 20 percent of the population which was published earlier by the National Office of Statistics in the Dominican Republic.

Source: N. Ramirez, A. Tatis and D. German: Poblacion y Mano de Obra en la Republica Dominicana, Instituto de Estudios de Poblacion y Desarrollo, January 1983.

Table 3

DISTRIBUTION OF THE ECONOMICALLY ACTIVE POPULATION FOR THE NEXT 10 YEARS
BY OCCUPATION AND SEX FROM THE 1970 CENSUS

OCCUPATION GROUPS	COUNTRY TOTAL			URBAN AREA			RURAL AREA		
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
TOTAL	1,211,704	899,656	315,048	472,450	321,445	151,005	739,254	575,211	164,043
Professionals, Technicians	34,060	17,927	16,133	27,813	14,435	13,387	6,247	3,492	2,755
Managers, Admin. and Directors	3,797	3,043	754	2,924	2,352	572	873	691	182
Office Employees and related	81,193	56,361	24,832	68,958	46,330	22,628	12,235	10,031	2,204
Salespersons and related	61,705	49,256	12,449	43,711	34,752	8,959	17,994	14,504	3,490
Agricultures, Cattles, Fishers, Hunters and related	551,617	458,638	92,979	47,325	40,060	7,265	504,292	418,578	85,714
Drivers and related	38,662	35,646	3,016	25,439	23,485	1,954	13,223	12,161	1,062
Artesans, Shoes and Dress Makers	84,296	68,226	16,070	67,396	54,827	12,569	16,900	13,399	3,501
Other Artesans	51,717	46,368	5,349	16,928	14,556	2,372	34,789	31,812	2,977
Workers and Journalists, N.E.O.C.	66,825	39,251	27,574	57,783	33,591	24,192	9,042	5,660	3,382
Workers in Personal Services	63,171	23,664	39,507	48,199	17,198	31,001	14,972	6,466	8,506
Other Workers	174,661	98,276	76,385	65,974	39,859	26,115	108,687	58,417	50,270

Source: National Office of Statistics, Dominican Republic

Table 4

PREVIOUS WEEK OCCUPATIONAL SITUATION FOR POPULATION SEVEN
YEARS AND OLDER BY SEX. DOMINICAN REPUBLIC AND SANTO DOMINGO,
DIAGNOS, 1974.

<u>Occupational Situation</u>	Dominican Republic		Santo Domingo	
	<u>Male</u> %	<u>Female</u> %	<u>Male</u> %	<u>Female</u> %
Active Labor Force				
-Had remunerated work of any type	57	8	44	15
-Without work (unemployed) and looking for first job	6	2	19	9
Household Chores	1	57	1	42
Non-Active				
-Student	34	32	34	33
-Retired, invalid, recluse, and profit income	2	1	2	1
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Source: Ugalde, Antonio- "Determinants of Female Participation in the Labor Force and Family Structure in the Dominican Republic," Dept. of Sociology, University of Texas at Austin, May 1981.

Table 5

ALTERNATIVE BREAKDOWN OF OCCUPATIONAL SITUATION FOR THE STUDY OF
EMPLOYMENT IN THIRD-WORLD COUNTRIES

Active Labor Force

- Have remunerated work of any type
- Without work (unemployed) and looking for first job
- Family Worker without pay
 - household chores only
 - household chores and other work
 - other work than household chores

Non-Active

- Student
- Retired, invalid, recluse, and profit income.

Source: Ugalde, Antonio- "Determinants of Female Participation in the Labor Force and Family Structure in the Dominican Republic," Dept. of Sociology, University of Texas at Austin, May 1981.

Table 6
PROJECTED LABOR DEMANDS FOR THE DOMINICAN REPUBLIC

<u>CONCEPT</u>	<u>PROJECTIONS</u>		
	1980	1985	1990
1. Active Population (thousands)	1,862	2,197	2,556
2. Employment Generated "	1,340	1,476	1,640
3. Difference between #1 and #2	522	718	916

Table 7

A TYPOLOGY OF INFORMAL SECTOR ACTIVITIES IN SANTO DOMINGO

ACTIVITY (CHARACTER)	GENDER	LEVEL OF INVESTMENT AND EARNINGS	% of informal sector involved in each activity
1. Retail of Charcoal; neighborhood markets. Fixed location for storage; occasional delivery.	<u>Female</u> Dominated	Very Low to Low	✓
2. Bottle & Cardboard Retail on foot	Male Dominated	Very Low to Low	
3. Bottle & Cardboard Retail on tricycle.	Male Dominated	Low, but profitable in quantity.	
4. Coffee Stand; neighborhood route to work; semi-fixed location.	<u>Female</u> Dominated	Low, may expand to sale of food.	✓
5. "Fritura" -Stands selling hot, prepared food; semi-fixed.	<u>Female</u> Dominated	Low, but slightly expandable.	✓
6. Stand selling ices or fruit; semi-fixed anywhere.	Male Dominated	Low to medium.	
7. "Tricicleros" selling fresh fruit, vegetables; non-fixed.	Male Dominated	Low to medium.	
8. Street-corner Stands selling chewing gum, candy, cigarettes; semi-fixed.	<u>Female</u> Dominated	Medium ✓	
9. "Ventorillo" -Street-side window selling candy, cigarettes; Fixed.	<u>Female</u> Dominated	Medium ✓	
10. "Fantasia" -Bigger street-front store selling beauty items, toys, clothing, etc. Fixed.	<u>Female</u> Dominated	Medium to High.	

of 16, 8 dominated by ♀; 6 ♂ male

3 low
2 medium
2 high

2 low
2 low to medium
2 high

2 mixed high

♀ not necessarily in the least profitable businesses.

Table 7 (cont.)

ACTIVITY (CHARACTER)	GENDER	LEVEL OF INVESTMENT AND EARNINGS
11. "Buhoneros" -Enclosed stands on side of street selling sundrys, semi-processed foods, etc.	Mixed	Medium to High.
12. Neighborhood foodstands selling fruits, vegetables, chicken, etc.	Mixed	Medium to High.
13. Neighborhood Home Beauty Parlors. Fixed Location (in the home).	Female Dominated	Medium to High.
14. "Tricicleros" selling Ice Cream or packaged Ices. Non-fixed.	Male Dominated	High.
15. Neighborhood Butcher Shops. Fixed	Male Dominated	High
16. Neighborhood Seamstresses; Fixed (in home)	Female Dominated	High

Developed by Susan M. Sawyer in Santo Domingo, February-March 1983.

Typology raises questions about the # of ♀ employed in informal sector in comparison with # of men.

Table 8

FEMALE AND MALE EMPLOYMENT IN SANTO DOMINGO, 1974^{a)}

<u>Occupational Categories</u>	<u>Female</u>	<u>Male</u>
Business and professionals ^{b)}	3%	6%
Health occupations	5	1
Teaching	11	2
Military	0	4
Managers and Administrators	3	4
Retail Operators	2	7
Sales Persons	4	6
Office Workers	16	19
Service Workers	42	10
Transportation	0	12
Construction	0	14
Machine Operators and Artisans	10	13
Industrial and Manufacturing Workers	4	3
	<u>100%</u>	<u>100%</u>

a) includes only persons who declared specific occupations (unspecified occupations are excluded)

b) does not include health professionals and teachers

Table 9
 FEMALE OCCUPATIONAL CATEGORIES BY SELECTED SOCIO-DEMOGRAPHIC
 CHARACTERISTICS. SANTO DOMINGO, 1974 (PERCENTAGES)

Occupational Categories	Household Position		Literacy		Marital Status		Social Class			Migration Status		
	Head	Spouse	Yes	No	S	M	Up	Mi	Lo	No	Rural	Urban
Business & Professional	4	4	3	0	2	5	16	3	2	5	3	5
Health Occupations	1	9	6	0	4	5	13	4	5	7	1	6
Teaching	13	8	15	0	12	11	11	21	4	18	6	11
Managers & Adminstrators	1	7	4	0	0	5	13	1	0	1	1	1
Retail Operators	3	5	3	5	1	4	0	3	2	0	1	1
Salespersons	6	5	5	0	3	6	0	7	2	4	8	2
Office Workers	8	21	21	7	16	16	47	22	8	28	3	29
Service Workers	42	24	28	72	50	33	0	27	61	28	61	35
Machine Op- erators and Artisans	20	10	11	16	10	10	0	10	11	4	12	3
Industrial & Manufacturing	3	8	4	0	1	6	0	3	6	3	3	5
	101	101	99	100	100	101	100	101	101	99	99	100

Source: Ugalde, Antonio- "Determinants of Female Participation in the Labor Force and Family Structure in the Dominican Republic," Dept. of Sociology, University of Texas at Austin, May 1981.

Table 10

PERCENTAGES OF MALE AND FEMALE-OWNED BUSINESSES
INCLUDED IN PRODEME DURING DIFFERENT PHASES

<u>Item & Phase</u>	<u>% Male</u>	<u>% Female</u>	
1. <u>Planning Phase: Feasibility Study.</u> Sample chosen for In-depth study of Micro-business with fixed locations.	97	3	✓ ✓
2. <u>Implementation Phase: Data on Program</u> Participants at time of Mid-Point Evaluation (Sept. '82) <u>-Business Owners/Micro-enterprise</u> <u>Component:</u>	80	20	✓ ✓
<u>-Employees of those Enterprises:</u>	89	11	
3. <u>Implementation Phase: Data on Program</u> Participants at time of Mid-Point Evaluation (Sept. '82): <u>-Solidarity Groups:*</u>	83**	13***	

* Recorded by Group, not by Individuals, and Monitoring not Gender-Specific. *Key*

** This percentage appeared in Data from Mid-term evaluation. These were all-male groups of "Tricicleros." *data collection not sex disaggregate. no analysis possible.*

*** This is an estimate based on the following data: 17% of Groups who received loans were Working Capital Groups. 75% of these were all-women's Groups. The remaining 4% were Mixed Groups. (From Jeffrey Ashe, Senior Associate Director, ACCION International/AITEC.) *ok*

* Substantiates the hunch that women were not properly considered in the design stage

Table 11

COMPARISON OF PRODEME COMPONENTS*from Ashe*

SOLIDARITY GROUPS

Selection

- consensual selection of group members who will share responsibility for loan payment.

Mechanism

- clients form their own credit programs of from 5 to 8 business owners;
- group process is reinforced by regular meetings of the solidarity groups, in barrio-level meetings or through the Association.

Assuring Loan Payback

group structure insures that those who do not repay will be pressured by other group members;

if this fails, program coordinators can, as a last resort, repossess property purchased through the loan.

MICROENTERPRISE

Selection

- suitability of client is determined by the project staff through an economic analysis of the business;
- loans are further guaranteed by property, inventory or co-signers.

Mechanism

- one-on-one assistance to individual clients.

Assuring Loan Payback

- coordinators are advised of late payments and visits are made to the business;

- if this is not sufficient, legal procedures are carried out.

Table 11 (cont.)

Management assistance

- exchange of ideas about improving business practices occurs informally through conversations with group members and more formally in meetings of the Association.

Beneficiary's role in the program

- clients can assume increasingly important roles in meeting program goals:
 - membership
 - informing others about the program
 - taking an active role in the solidarity group
 - becoming a solidarity group president
 - participating more actively in the Association
 - assuming Association leadership.

Management assistance

- program personnel teach clients how to improve their businesses in one-on-one sessions or in formal courses.

Beneficiary's role in the Program

- aside from the client's activity in program promotion and the courses, their role is limited.

Table 12

How Ade

COMPARISON OF SOLIDARITY GROUPS

<u>Tricicleros</u>	<u>Working capital loan recipients</u>
<u>Is working as a vendor principally of fruits and vegetables or as a collector of bottles, cardboard or metal.</u>	<u>Is working as a sidewalk vendor, a market stall holder or a cottage artisan, most likely a seamstress.</u>
<u>Is a male head of household</u> (there are no female tricicleros): 88% are heads of households averaging between 5 and 6 members.	<u>Is a female head of household</u> : 3/4 of the working capital loans are to women business owners. Of these, 58% are heads of households and 15% are wives; the rest are other adults living in the household. Of the men, 75% are heads of households. Households average between 6 and 7 members.
<u>Average age 30</u> : virtually none are over 50; peddling a heavily-laden triciclo through the streets of Sto. Domingo is work for the young.	<u>Average age 38</u> : three-quarters are between 21 and 50.
<u>Is poorly educated</u> : average 4 years.	<u>Is poorly educated</u> : average 4 years.
<u>Is an immigrant to Sto. Domingo</u> : only 4% were born in Sto. Domingo.	<u>Is an immigrant to Sto. Domingo</u> : only 5% were born in Sto. Domingo.
<u>Is a long-term urban resident</u> : average 9.6 years. Only 18% have been in Sto. Domingo 3 years or less.	<u>Is a long-term resident</u> : average 14 years. Only 2% have been in Sto. Domingo 3 years or less.
<u>Has lived in the barrio for several years</u> : average 5.5 years.	<u>Has lived in the barrio for several years</u> : average 6.5 years.
<u>Works long hours and is experienced</u> : a triciclero's work week averages 48 hours, 6 eight hour days. They have been tricicleros for an average of 5.3 years.	<u>Works long hours and is experienced</u> : the work week averages 47 hours over 6 days. They have worked at their current occupation for 8.7 years.
<u>Percentage of Family Income Derived From Business</u> : For 87 percent of tricicleros, business is 75 to 100 percent of family income. For the remaining triciclero owners, their business was at least 25 percent of family income.	<u>Percentage of Family Income Derived From Business</u> : For 42 percent of working capital recipients, their business is 75 to 100 percent of family income. About 25 percent of the recipients reported that their business was less than 25 percent of family income.