

United For Zion

Principles For Uniting The Saints
To Eliminate Poverty



Warner Woodworth

Joseph Grenny

Todd Manwaring

United for Zion: Principles for Uniting the Saints and Eliminating Poverty

Warner Woodworth, Joseph Grenny, Todd Manwaring

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Address: 615 South State Street

Orem, Utah 84097

Tel: (801) 932-2405

Fax: (801) 932-2406

Table of Contents

Dedication	iv
Acknowledgements	v
Preface: The Power of One	2
Chapter 1: They Began To Have Success Among the Poor Class of People.....	5
Chapter 2: United Order Principles For Eliminating Poverty	13
Chapter 3: Microcredit.....	50
Chapter 4: Cooperatives	64
Chapter 5: Other Ways to Practice United Order Principles	78
Chapter 6: Three Easy Ways to Get Involved: Study Share and Join	84
Chapter 7: Another way to Get Involved: Create.....	91
After forward: A Note to Third World Leaders	98
Appendix A: Prince Cooperative Principles	102

Dedication

This book is based on over twenty years of experience in empowering the poor around the world to give a measure of improvement in transferring their lives—from degradation to dignity, from poverty to a better quality of life, from depending to self-reliance. While we have been privileged to serve them, we have also benefited greatly by learning from them. Rather than view them as beneficiaries of our work, we see them as our partners, even “the least of these.” And it is to them, the poorest-of-the-poor, that we dedicate this book.

Acknowledgements

We owe a great debt of gratitude to all those who helped make this book possible. First of all, to the poor in the Third World from whom we have gained practical and theological knowledge by laboring together in field studies and action research.

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UNITED FOR ZION

Preface: The Power of One

And it is my purpose to provide for my [poor] saints, for all things are mine. But it must needs be done in mine own way... - D&C 104:15-16

The Lord's promises in the scriptures are clear. He will care for His poor. But, He will do it His way. "His way" of doing things made it possible to feed 5000 with only enough fish and bread for a family picnic. If we work in His way, He makes the astounding promise that we will do "greater works than these..."¹ As we do His work in His way, He promises to extend our small abilities.

A message we can take from seeing His way of doing things is that one person--even one with the equivalent of a few fishes or crumbs of bread--*can* make a difference. Sometimes our little offering is as simple as spreading the word and drawing attention to needs and concerns. The Lord can take these efforts and add to them. As we spread the word, what was one person becomes a few who are one in purpose. He tells us that where just a few are gathered who are unified in His purposes, He will be with us.²

For example, let us introduce you to Elisa, Jed, Josh, a high school student council, and a bunch of their neighbors and friends.

In October, 1998, Hurricane Mitch pounded the Central American nation of Honduras leaving hundreds of thousands homeless and devastated. A couple of weeks later, 16-year-old Elisa was kicking back at home after a tough day at high school when her college age brother Jed and his buddy Josh came bouncing in. They were buzzing about how they had just joined a group that was trying to figure out what they could do to help Hondurans get back on their feet.

Jed and Josh rattled on about setting up little banks, making loans, providing small business advice and other interesting things they had heard about in this group.³ As she listened, Elisa moved quickly from curiosity to fascination. She began to wonder if there was really something a couple of poor and busy college punks could do to make a lasting difference in a faraway place.

That afternoon, while Jed and Josh moved on to other topics, Elisa continued to think. She wasn't a college student. She had no money. She had a full time academic commitment. What *could* she do?

Since she didn't know what to do, she did what Jed and Josh had done: she talked.

First she talked to girlfriends at school. Then *they* talked to some student body officers, who talked to school administrators, who talked to all of the Senior Class officers. After a while, the talk piled up high enough to reach a decision: to change the school's tradition of choosing a Senior Class project that would benefit the school. This year, they would choose a project that would benefit poor Hondurans.

¹ John 14:12

² Matthew 18:10

³ For a more complete description of microcredit, see Chapter Three

And benefit them it did. Elisa's talking started a chain of events that raised \$5,500. That money was enough to start two small banks that would make loans of \$50-100 to around 150 struggling Hondurans. These loans were used by them to start small businesses. Those businesses generated money that rebuilt houses, fed families and repaid loans. The repaid loans made other loans possible which continued the virtuous cycle.

Then Elisa went further. She told a large group of family and friends that she wanted to go to Honduras to help set up the banks. Each contributed a little, and, the following summer, she, Jed and Josh headed for Central America to serve for a couple of months.

Look now at where all this started. And look how many people became involved just because one person took a small and simple step. The good work that was done in Honduras required hundreds of conversations, dozens of small donors and a handful of energetic leaders. The result was a oneness of heart and mind that helped erase a little bit of poverty. What action started the chain of events that unified those hearts and rolled back poverty? Talking.

The message of this book is that when millions of Latter-day Saints start taking small steps like these, the result will be increased oneness among the saints. As this oneness prevails, the Lord will extend our efforts. Our solutions joined with His blessings will have effects far beyond our abilities--so much so that when our unity is sufficient, there will finally be no poor among us.

As you read this book we hope you will find one or two things you can do to become part of the process starting now.

This book is organized around the three goals that drove us to write it.

In Chapter One, we will suggest that the first step to eliminating poverty in the church is for all of us to gain a greater understanding of the Atonement of Jesus Christ. Oneness with the Father and, likewise, amongst the family of Christ is the purpose of the Atonement. Christ was referring to this oneness when He said that "This is life eternal, that they might know thee, the only true God, and Jesus Christ whom thou hast sent."⁴ As we'll see, oneness of heart and mind is also a condition for eliminating poverty. We believe that when our understanding of this truth deepens, spiritual and temporal progress will accelerate hand in hand.

In Chapter Two, we will take a lesson from former day saints on how to eliminate poverty. If the Lord says that work with the poor must be done "in mine own way," we would do well to find out what His way is. In recent decades billions in international aid has been spent in Africa alone with no appreciable improvement. On the other hand, saints in the past have ascended rapidly from poverty on at least ten separate occasions. From our study of latter- and former-day saints' economic development strategies, we will put forward the set of United Order Principles we saw reflected in these efforts. We believe that through practice of these principles they were able to make such extraordinary progress. Furthermore, we suggest that these principles are what the Lord means by "His way" of aiding the poor. Our progress can also be

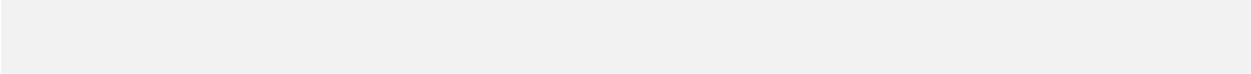
⁴ John 17:3

miraculous as we, through both inspiration and perspiration, find ways to apply these principles in aiding the poor among us.

In Chapters Three through Five, we will describe efforts underway in various parts of the world—both inside and outside the church—to eliminate poverty. After describing these strategies we will lay them alongside the United Order Principles as a way of demonstrating how Latter-day Saints can help make good works even better.

Finally, in Chapters Six and Seven, we will offer options for even the most harried of Latter-day Saints to help in the work of unifying the saints and eliminating poverty.

As you begin this book, we acknowledge you for the commitment you've already demonstrated by reading these pages. We hope as you read you'll find something to talk about. We are confident that as you talk, you will be inspired about how you can become part of this 21st Century equivalent to the pioneering of 150 years ago. What they began is ours to finish—the building of Zion.



1. “They began to have success among the poor class of people”⁵

What an exciting time we live in. Look around and everywhere you see the work of the Lord rolling forward. Prophecy is being fulfilled in every element of the threefold mission of the church:

- The gospel is being proclaimed: An army of over 60,000 missionaries has penetrated over 150 countries and is preaching the gospel in the native tongues of each;
- Saints are progressing: Membership in the church is doubling every few years; the number of committed, temple-recommend-holding members is increasing proportionately.
- The dead are being redeemed: Soon over 100 temples will circle the earth.

In addition, the church is finding a degree of respect and acceptance unprecedented in its history. This is enabling missionaries and temples to extend into places no one would have dreamed possible just a few years ago.

Our primary children learn to recite a belief that animates all of us: We believe in the literal gathering of Israel and in the restoration of the Ten Tribes; that Zion (the New Jerusalem) will be built upon the American continent; that Christ will reign personally upon the earth; and that the earth will be renewed and receive its paradisiacal glory.”

⁶ Never has this vision of the future seemed so close or possible as it does today.

And yet, one aspect of the progress of the church is not keeping pace. The prophet Moses testified that “the Lord called his people Zion because they were of one heart and one mind and dwelt in righteousness, and there was *no poor among them*.”⁷

The presence of poor among us is evidence that we are not advancing toward Zion as well as we should. As spiritual growth occurs, temporal growth should be following. Joseph F. Smith taught that, “... a religion which has not the power to save people temporally and make them prosperous and happy here, cannot be depended upon to save them spiritually, to exalt them in the life to come.”⁸

Now, this isn't a problem that will be solved overnight. And yet, shouldn't we be seeing progress? In places where members have had the fullness of the gospel for decades, where tremendous spiritual growth is occurring, shouldn't we see a temporal improvement at least to some degree?

Sadly, not only are there poor among us, but the poor within the church are increasing in number. There are even some indications that the temporal circumstances of some

⁵ Alma 32:2

⁶ 10th Article of Faith

⁷ Moses 7:18

⁸ Joseph F. Smith. “The Truth About Mormonism,” *Out West* (1905), Vol. 23, p.242

of our poor are declining rather than improving. Here are a couple of startling illustrations:

- A 1989 study of Filipino converts found that they were economically worse off than a decade earlier and that church members tended to be poorer and suffer greater unemployment than non-Latter-day Saints.⁹
- One survey of saints in Kenya, Africa found that 70 percent or more were un- or under-employed. In the decade or so that the church has existed in Kenya, there has been no improvement in this statistic. Most member families subsist on less than \$1/day/person.¹⁰

Behind each of these statistics are the millions of stories that melt even the most aloof:

- Consider the bishop of a ward in Kingston, Jamaica. His impoverished members meet in a run-down chapel with broken windows. When we visited him in the early 1990s and asked how many ward members had jobs, he replied all were without work, except himself who drove his old car as a taxi (when it was operable).
- Now attend a sacrament meeting in Indonesia. The members sing, pray, partake of the sacrament, and hear several testimonies. Then the rest of the meeting turns to a discussion of who obtained what food during the past week. Next they redistribute their goods so that all are taken care of in the days ahead.
- Finally, hear a mission President in Africa tell of a dreaded duty. Each month one or two native African missionaries will complete their mission. They don't want to go home. They have no hope for work. Consequently, they cannot marry. Many of these youth of Zion will, within a few years, sink into inactivity. In one Cusco, Peru stake, for example, 80 percent of returned missionaries become inactive within a year of completing their missions. For many, the path to inactivity begins with poverty.

As you continue in this book you'll see, as we have, that these examples are representative of the situation in every third world country where the church is currently recognized.

And the challenge grows daily. The church is finding converts far faster in poor countries than in relatively rich ones. By current estimates, it is entirely possible that in the next 30 years we will have over 50 million poor added to our numbers!¹¹

As in the time of Alma, we are having our primary success "among the poor class of people."¹² If, as we heard previously from Joseph F. Smith, our religion has power to save people temporally as well as spiritually, how and when is it to start happening?

⁹ "Indigenous Management: microentrepreneurship in the Phillipines," *Exchange Magazine*, ¶¶¶¶, pp10-13.

¹⁰ 1999 Survey of members in Nairobi, Kenya conducted by the authors in February, 1999.

¹¹ Encyclopedia of Mormonism, 1992, pp. 1518-1537.

¹² Alma 32:2

If we enjoy a Zion... we must make it for ourselves¹³

"I want to say to you, that we might just as well throw our hats in the air and scream as to hope to convert spiritually an individual... whose existence has been reduced to the instincts of animal survival. . . . We must take care of their material needs and give them a taste of the kind of salvation that they do not have to die to get before we can lift their thinking to a higher plane."

Harold B. Lee

On hearing and seeing these examples a first reaction for many is to wonder why *the church* isn't doing more. Few realize that the church's welfare program does nothing for the chronically poor. Our welfare program was designed to offer temporary aid to those who live in functioning economies—not to solve chronic problems of widespread poverty. Even church Humanitarian Services has historically focused more on relief efforts like sending clothing, medicine and food, than on long term economic development among the saints.

So who owns this problem? According to President Hinckley, "We must take care of [the poor] and we must have the facilities to do so. But we must be careful not to overinstitutionalize that care... I think there is a tendency among us to say, 'Oh, the church will take care of that. I pay my fast offering. Let the church take care of that.' We need as individuals, I think, to reach down and extend a helping hand without notice... to give of that with which the Lord has so generously blessed us."¹⁴

At present it sounds like we own the problem.

President Harold B. Lee warned that "we might just as well throw our hats in the air and scream as to hope to convert spiritually an individual... whose existence has been reduced to... survival." The spiritual and temporal progress of the Kingdom cannot be treated separately. To the Lord who says "all things unto me are spiritual"¹⁵ there is no distinction. If we make one it will stall the progress of the church.

Furthermore, Christ taught that "By this shall men know ye are my disciples, if ye have love one to another."¹⁶ We take from this that if we are His disciples there should be some visible evidence of the fact. Could it be that the way we participate in the temporal salvation of our poor should be one of these evidences?

If so, we've got a lot of work to do. If we are to build Zion, we must find a way to not only stem the decline of our poor, but in some way, as the prophet Jacob said, help them become rich like unto ourselves.¹⁷

This is not to suggest that we should focus only on the members of our church. What we do mean to suggest is that we have a special responsibility to apply the full power of

¹³ Teachings of Presidents of the Church: Brigham Young, p. 113.

¹⁴ Teachings of Gordon B. Hinckley, p 459.

¹⁵ D&C 29:34-35

¹⁶ John 13:35

¹⁷ Jacob 2:17

the gospel in jointly seeking solutions to this terrible crisis with our brothers and sisters around the world.

We hope as you read the following pages you will be inspired with a vision that the work with our Latter-day Saint poor is not a separate and optional activity for those with huge discretionary time and money. Rather, it is at some level, essential to our personal salvation. According to King Benjamin, it is even a prerequisite to retaining a remission of our sins.¹⁸

How could this be? In what way is our experiencing the benefits of the Atonement of Jesus Christ, related to finding a solution to the poverty that afflicts our ranks?

We without them cannot be made perfect

...For we without them cannot be made perfect; neither can they without us be made perfect...for it is necessary in the ushering in of the dispensation of the fulness of times, which dispensation is now beginning to usher in, that a whole and complete and perfect union... should take place.
D&C 128:18

As we begin, let us take a moment to position the work of uniting with the poor where we believe it belongs—at the center of our responsibility to participate in the reuniting and redemption of all willing members of the family of God.

There have been a handful of times in history when poverty was said to have been eliminated. A number of city-states achieved this rare condition. Some of their names are familiar: Bountiful, Enoch, Salem. For those of us interested in eliminating poverty in our day, we would do well to study how it was done in these successful instances.

While we know little in detail, it is certain there were policies, institutions and practices that contributed to lifting the poor. And yet it is interesting that to the prophets who describe what was done, few of these were important enough to mention. What do they mention?

As we saw earlier, Moses taught that the City of Enoch succeeded because:

... they were of one heart and one mind, and dwelt in righteousness, and there was no poor among them. (Moses 7:18)

Notice that the absence of poverty is the fourth condition mentioned—not the first. This sequence may suggest that the absence of poverty is more effect than cause. If so, then the reverse could also be true: the presence of poverty in the church and in the world is the result of too little of the first three conditions.

Notice that Moses did not describe aggressive government programs, applications for foreign aid from Canaan, or a plethora of non-profit organizations. Again, while we are confident there were practices, programs and policies that helped, these were not what Moses wanted to be sure we understood.

What he *did* leave for us was a process. They worked somehow to become of **one** heart, then of **one** mind. Ultimately the form or manner in which they 'dwelt' advanced

¹⁸ See Mosiah 4:26

into some form that was more 'righteous.' By so doing, at some point, poverty disappeared.

Our 19th Century brothers and sisters looked for--and found--ways of working together that similarly eliminated poverty. We'll look carefully at these in the next chapter. And yet, the success of all these practices rested on the first two conditions Moses indicates. From this verse, we conclude that there is a relationship between oneness of heart and mind, and the elimination of poverty.

We find it interesting—and highly significant—that this idea of “oneness” is a unifying theme throughout the scriptures. For example:

- 1 John 5:7 -- For there are three that bear record in heaven, the Father, the Word, and the Holy Ghost: and these three are **one**.
- Genesis 2:24 - Therefore shall a man leave his father and his mother, and shall cleave unto his wife: and they shall be **one** flesh.
- John 10:16 - And other sheep I have, which are not of this fold: them also I must bring, and they shall hear my voice; and there shall be **one** fold, [and] **one** shepherd.
- John 17:21-22 -- That they all may be **one**; as thou, Father, [art] in me, and I in thee, that they also may be **one** in us: that the world may believe that thou hast sent me. And the glory which thou gavest me I have given them; that they may be **one**, even as we are **one**.
- 3 Nephi 19:29 -- Father, I pray not for the world, but for those whom thou hast given me out of the world, because of their faith, that they may be purified in me, that I may be in them as thou, Father, art in me, that we may be **one**, that I may be glorified in them.
- D&C 38:27 -- Behold, this I have given unto you as a parable, and it is even as I am. I say unto you, be **one**; and if ye are not **one** ye are not mine.

Oneness is the chief characteristic of the Godhead. Oneness is Father's goal with us, for our marriages and within the church.

Helping us achieve this oneness is what the Atonement is all about. No matter how you ponder, pick at or view the word Atonement—whether you look at ancient derivations of the word or modern revelation, you can't escape the simple construction of it: at-one-ment.

The prophets teach us that, in some senses, the Atonement was not an isolated act in Gethsemane and on Golgotha that Christ finished two thousand years ago. It was not only about helping us return to and become one with the Father. Rather it is the scarlet thread that began with Adam and will run until the summing up of the world that defines the only mission that matters for all of us: unifying all willing members of the family of God. Ultimately, we are saved as individuals, but exalted as a unified family.

Elder Boyd K. Packer opens our view on this point: "*Jesus had not finished his work* when his body was slain, neither did he finish it after his resurrection from the dead; although he had accomplished the purpose for which he then came to the earth, he had not fulfilled all his work."

If he wasn't finished, what part of the Atonement had yet to be completed? Elder Packer continues, "And when will he? Not until he has redeemed and saved every son and daughter of our father Adam that have been or ever will be born upon this earth to the end of time, except the sons of perdition. That is his mission. *We will not finish our work until we have saved ourselves, and then not until we shall have saved all depending upon us; for we are to become saviors upon Mount Zion, as well as Christ. We are called to this mission.*"¹⁹

The Apostle John A. Widstoe adds, "In our preexistent state, in the day of the great council, we made a certain agreement with the Almighty.... We agreed, right then and there, to be saviors for the whole human family. We went into a partnership with the Lord. The working out of the plan became then not merely the Father's work, and the Savior's work, but also our work."²⁰

Our work? Does this mean that we cannot fulfill our purpose here until we have given our all to the unifying of all the Father's children? Yes!

In fact, with this idea in mind, re-read the four verses in John 17 (11, 21, 22 and 23) where Christ refers to "oneness" during His Great Intercessory Prayer. At the apex of His Atonement work where He describes its purpose and goal, you'll notice a total of nine references to oneness. In two of these references Jesus yearns for His disciples to become one with Him and the Father—what we typically think of as *the goal of the Atonement*. In three of those references He teaches us about oneness by describing His relationship with His Father. And in four of the references, He prays for this same oneness to be achieved between His disciples!

The first step to accelerated progress in building Zion is for us to realize that our salvation and that of our brothers and sisters is linked. Our individual spiritual progress and the goal of oneness amongst the saints, in our families and in our marriages are identical concepts. Likewise, spiritual and temporal progress are not separate subjects, but mirror images of the same principle.

And now we arrive at an essential conclusion: poverty exists today because we are *not* of one heart and one mind.

We live in a world where peace and bloodshed, desperate poverty and excessive wealth exist only miles apart. While in one country we spend billions each year on diet programs, miles to the south children are dying of starvation. While parents in one church ward spend thousands of dollars filling their children's closets with clothes, those in another despair of ways to even keep their children warm. While one ward raises thousands of dollars in an auction for its young people to travel to a distant youth conference, in another ward members walk three hours to church forgoing bus travel so they can afford to eat that day. This disarray makes it possible for those in wealthy, powerful countries to live blissfully unconscious of the horror that too many of our people call life.

¹⁹ Boyd K. Packer, in Conference Report, 10/95, 24

²⁰ Elder John A. Widstoe, "The Worth of Souls" The Utah Genealogical and Historical Magazine Oct. 1934, p. 189

We hope we are not going too far when we suggest that when the Apostle Paul and the Prophet Joseph teach that “we without them *cannot* be made perfect”²¹ they mean more than aiding in the redemption of the dead. Included also is the need to minister to, serve and dwell together in ways that seal the living in a oneness of heart and mind. As long as we have poor among us, we fall short of our church’s mission to “perfect the saints.”

Now please don’t misunderstand what we are saying here. On the one hand we are not suggesting that to be a worthy Latter-day Saint you must sell all you have and distribute it to the poor. On the other hand, neither are we suggesting that we rely on passive hopes that membership in the church and the passage of time will solve the problem. Action is necessary. Unity is necessary. Our point is that our unawareness of the circumstances of our brothers and sisters around the world is an impediment to our becoming of one heart and one mind. We believe that as our awareness increases, so will our concern. And as our concern increases, so will our joint search for solutions.

Now we are likewise not suggesting that work with our poor should supplant the work of redeeming the dead, perfecting the saints or proclaiming the gospel. Work with the poor is not a formal ordinance. And yet, we do understand that it is a saving condition. We would never have said in these strong words what the Lord didn’t refrain from declaring: “Therefore, if any man shall take of the abundance which I have made, and impart not his portion, according to the law of my gospel, unto the poor and the needy, he shall, with the wicked, lift up his eyes in hell, being in torment.”²²

Zion cannot be built up, He said elsewhere, if we neglect our poor.²³ No matter how well we perform in other saving work, Zion cannot advance any faster than our progress in this mission. In our minds, creating greater oneness in the church is an inseparable with the goal of perfecting the saints. This oneness will occur as we come to know and love brothers and sisters who live sometimes miles, and sometimes thousands of miles away from us. Where Enoch succeeded in unifying and sanctifying people who lived close to one another, our challenge today is to do so with saints spread widely across the planet. Different than in any other age, the Lord is providing means for this to occur. Jet travel, global mail service, telephones, and now internet communication make possible a worldwide web of relationships that could not have existed even ten years ago.

In addition to providing technology, He is providing ideas. He promised that “in the last days, saith God, I will pour out of my Spirit upon all flesh: and your sons and your daughters shall prophesy, and your young men shall see visions, and your old men shall dream dreams.”²⁴ In this book you’ll read about good people who are being inspired with ideas and methods for uniting with the poor in ways that advance spiritual and temporal progress. The same spirit that accompanies those who do missionary and temple work is blessing those who seek to find gospel methods for solving the temporal

²¹ D&C 128:15

²² D&C 104:18

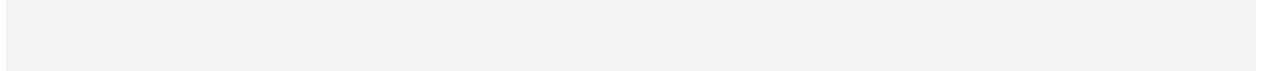
²³ D&C 105:3-5

²⁴ Acts 2:17

problems of the saints. Any work we do that contributes to bringing about the at-one-ment of Elohim's family produces similar expansion of soul and invites comparable assistance from both sides of the veil.

The Lord and His angels stand ready to inspire all of us who desire to find solutions to the chronic problems of poverty that afflict millions of our brothers and sisters. Our first hand experiences in this work tell us that solutions to problems of this magnitude will not come without both perspiration and inspiration. When we have consecrated our equivalent of a few fishes and loaves, angels interested in the establishing of Zion, and even Christ himself will bless our efforts, expand our ideas and give us success.

The work is one work—temporal and spiritual. Oneness is the goal. And unity will eliminate poverty.



2. United Order Principles for Eliminating Poverty

“... the ideal by which any proposed economic system may be tested [is that the] nearer any scheme for economic betterment conforms to the principles of the United Order, the more likely it will be to assist mankind.” - John Widstoe²⁵

In the first chapter we saw that unity is a key principle to eliminating poverty. In past years, we have searched for additional principles by studying the available histories of latter- and former-day saints' efforts to eliminate poverty. For example:

- Early Christians after the death of Jesus in Palestine “were of one heart and one soul: neither said any of them that ought of the things which he possessed was his own; but they had all things common” (Acts 4:32). Apparently in New Testament times a basic equality developed in which one’s worldly goods were shared among all believers, resulting in the elimination of social classes.
- At approximately the same time from the Americas, Book of Mormon saints embarked on a similar quest to unite all into a community of God’s children. After the Savior’s resurrected appearance to the Nephites, the people “had all things common among them; therefore there were not rich and poor, bond and free, but they were all free, and partakers of the heavenly gift” (4 Nephi 3). This happy state of Zion endured some 200 years while “there could not be a happier people among all the people who had been created by the hand of God.” (4 Nephi 16)
- Similarly, the ancient City of Enoch grew out of the righteous practices of God’s people over hundreds of years. As Elder Neal Maxwell teaches, the people “learned not to withhold affection and esteem from each other...” and this eventually led to their “no longer holding back” their goods. Brother Maxwell reminds that “Enoch tells us that it is not given that one man should possess that which is above another, wherefore the world lieth in sin.” The modern apostle explains several key values that were held to by the followers of Enoch: they obtained greater efficiency by laboring in love; they highly valued the work ethic; and they used cooperation rather than competition as their motivation.²⁶ The result? “The Lord called his people ZION...” (Moses 7:18).

Our goal in this study was to try to understand more completely how the Lord wants us to work with the poor. As we saw earlier, He calls the poor His own, He promises He will take care of them, but He requires that 1) it be done in *His* way; and 2) we be involved. So, if we must do it, and must do it *His* way, what is *His* way?

Fortunately, He doesn’t make it too hard to find out. His way is woven throughout the scriptures. It is apparent in every instance where He’s intervened to help the poor. In this chapter we’ll lay out the plainly recurring themes in all these instances.

What we offer in this chapter is a gospel model for economic development. Our model is based on the seven United Order Principles (UOP) that characterized gospel-oriented economic methods we’ve studied. Now, it may sound kind of highfalutin to talk about “models”—but our goal is really pretty simple. By calling the UOP a model, we suggest that the principles that represent the Lord’s way of lifting the poor are like a formal

²⁵ Widstoe, John A. *Evidences and Reconciliations*. Salt Lake City, Utah: Bookcraft, 1960. P.376.

²⁶ Neal A. Maxwell. *Of One Heart: The Glory of the City of Enoch* (Salt Lake City, UT: 1979). See pp. 20, 37-39, 49.

meal, not a buffet. In other words, we're expected to partake of every item, not just pick and choose those that suit our tastes. Otherwise, who would eat the brussell sprouts?

We call the seven United Order Principles a gospel model because they fit together into a complete whole. We hope you'll use them like the checklist you may create before you go on vacation. People make checklists so they can avoid that nagging feeling you get when you worry you left something undone. If you've ever arrived at your destination to discover you forgot to pack a critical item, you know first-hand the reason checklists can be useful.

If we want to accomplish what earlier saints did, we must have a checklist of sorts to be sure we abide by all of the same principles they understood. The United Order Principles are a first attempt at a checklist to serve this purpose. We hope it will help you better explain failures, better predict successes, and therefore better choose and design those strategies you will support.

Altogether we've studied ten different time periods where saints have worked together not just spiritually but economically. These include: The City of Enoch, The City of Salem, Post-Messianic saints in Palestine, Post-Messianic saints in the Americas, Jackson County, Kirtland, Far West, Nauvoo, the Exodus (from Winter Quarters to the Great Basin) and Deseret (1847-1900). While there is far more available about 1830-1900 than previous dispensations, the earlier scriptural periods provide a good check and balance to our conclusions.

Here, then, are the United Order Principles we will discuss:

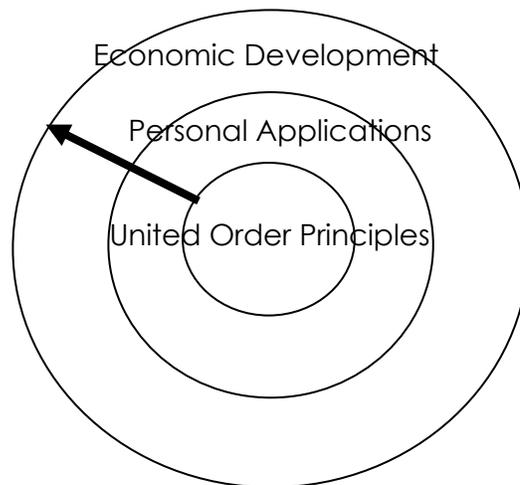
1. Spiritual Motivation
2. Cooperation
3. Self-reliance
4. Consecration and Stewardship
5. Equality
6. Commitment to the Poor
7. Emphasis on education, scale and innovation

In the coming pages we'll discuss each of these principles in turn. As each is described, we will share examples of its application by saints in prior times. Finally, we will suggest questions we may ask to check for consistency with that principle.

We'll pose these questions at two levels. The first level we will explore is the individual. As President Ezra Taft Benson taught, "the Lord's way of changing society is from the inside out."²⁷ For us to merit the Lord's blessing as we work to advance the temporal welfare of Zion, we must first live these principles ourselves.

²⁷ "Hope for Better Life Flows in Kenya: Money From Fast of Members Helps Bring New Water System", LDS Church News, Saturday, March 18, 1989

Secondly, we will offer questions implied by this principle which you may use to assess various economic development strategies. 19th Century Latter-day Saints referred to these principles as "The United Order." As you'll see, the United Order did not always refer to one system of communal living and stewardship. It took many different forms. The important thing to church leaders was not the form but the foundation—or principles. They critiqued, experimented and searched for various methods of applying these principles to find those that worked best. Our belief, like that of Apostle John A. Widstoe at the beginning of this chapter, is that the more closely a strategy conforms to *all* of these principles, the more likely it is to lift people spiritually and temporally. The questions we'll outline combine to form a rigorous set of tests to see how well a strategy matches up to the full set of UNITED ORDER PRINCIPLES.



Before we begin, we want to emphasize that we approach this subject with no particular authority. Rather, we do so as scholars and as more-than-casually-interested individuals. We are under no illusion that the model we outline will be the final word. Our real hope is that this first suggestion of a model will provoke study, debate and participation from others more gifted than ourselves. From this dialogue, aided by inspiration, we are confident that a far better and more complete model will emerge. George Q. Cannon once said that God had "chosen his people, the Latter-day Saints, to solve these knotty problems that have troubled the brains and afflicted the children of men for so many centuries."²⁸ We see this book as a small step toward finding workable solutions.

1. Spiritual Motivation

[When the saints look to] the building up of his Zion on the earth, and take themselves and their individual interests out of the question... they will become the wealthiest of all people, and God will bless them and pour out wealth and intelligence and all the blessings that the earth can afford

²⁸ Journal of Discourses, vol. 13, pp. 97-99.

Joseph Smith taught that “A man filled with the love of God, is not content with blessing his family alone, but ranges through the whole world, anxious to bless the whole human race.”³⁰ Poverty is a symptom, not the root problem. It is a symptom that too few in the world are filled with the love of God. When the sons of Mosiah were filled with the love of God, they were unable to keep themselves from doing missionary work. They were “desirous that salvation should be declared to every creature, for they could not bear that any human soul should perish; yea, even the very thoughts that any soul should endure endless torment did cause them to quake and tremble.”³¹

Poverty will only be eliminated when a sufficient number of people are filled with this “love of God” that makes us unable to bear anything less than Zion. In short, if we are to succeed we must be motivated not just by a desire to eliminate poverty, but by a commitment to building Zion. We must want to bring souls to Christ. We must have an unquenchable urge to help bring about the at-one-ment of Elohim’s children.

In every one of the ten periods we’ve studied, this was the single-minded motivation that led people to sacrifice, endure and work until all prospered together. It was not a social movement or economic drive—it was a zeal for Zion.

Historical Examples

To see the need for spiritual motivation in producing temporal improvement, you need look no further than the occasions when the Lord gave his people not only spiritual food, but the chewable kind. In these instances, He intervened in dramatic ways to sustain His covenant people. Here are some that come easily to mind:

- He fed hundreds of thousands of Israelites during their forty-year sojourn.
- He showed Lehi where Nephi could find beasts when his family was near starvation.
- He fed well over 5,000 men, women and children with a small quantity of fish and bread.
- He sent quail that sustained Latter-day Saints as they fled for their lives from Nauvoo.

Two points are clear from these and similar examples. First, the Lord intervenes when His people face obstacles in the course of following His will. We are told that He gives “no commandments unto the children of men, save he shall prepare a way for them that they may accomplish the thing which he commandeth them.”³² And so, if, and only if, we single-mindedly work to build His kingdom, he intervenes at appropriate times.

The goal of building Zion is the unifying idea in all we do. Whether we’re serving in temples, going on missions, or magnifying other callings, our individual actions are part

²⁹ *The Gospel Kingdom*, John Taylor. Book 4, Chapter 23, page 259.

³⁰ *History of the Church*, Vol 4, Chapter 12, page 227.

³¹ Mosiah 28:3

³² 1 Nephi 3:7

of this all-encompassing task. Joseph Smith was not shy about the magnitude of it: “I calculate,” he said, “to be one of the instruments of setting up the kingdom of which Daniel spoke by the word of the Lord, and I intend to lay a foundation that will revolutionize the whole world.”³³

If we are to gain the divine help we’ll need for our formidable task, all who join in this effort must be animated by this larger and encompassing vision. Only this depth of motivation will be sufficient to call forth the sacrifice that will be required.

Second, when the Lord steps in, He does so in a way that affects people spiritually as well as temporally. He sent manna to teach the Israelites to be dependent upon Him and Him only. The way He saved the Lehighites taught them a similar lesson: when the family stopped depending upon God, they went hungry. When they exercised faith in Him, they found food. In both these situations, temporal challenges brought spiritual lessons.

As President Lorenzo Snow explained: “The system of union, or the Order of Enoch, which God has taken so much pains to reveal and make manifest, has been, and is, for the purpose of uniting the Latter-Day Saints, the people of God, and preparing them for exaltation in the celestial kingdom, and also for the purpose of preparing them here on this earth to live together as brethren... so that there shall be no poor found in the midst of the Latter-Day Saints, and no monied aristocracy in the midst of the people of God...”³⁴ Even President Snow had a hard time separating the spiritual from the temporal purposes of gospel approaches to economic development.

Early saints made absolutely no distinction between spiritual and temporal affairs. In fact, those who received mission calls in Deseret were just as likely to be called on an “economic mission” as a proselyting one. The saints were sometimes criticized for what some saw as the “materialization of the spiritual.” The Mormons saw it differently. They believed that our temporal labors were some of the most telling signs of our spiritual condition. When people were called on missions (during General Conference, no less!) to mine gold, manufacture iron, grow cotton, or produce silk,³⁵ they saw it not as degrading of the spiritual but as an elevating of the temporal. These were seen as sacred callings with a spiritual purpose.

Questions Suggested by this Principle

The following questions will help you consider both your use of this principle and the consistency of various economic development strategies with it.

	Individual Applications	Applications to LDS-Oriented Economic Development Organizations
Spiritual	<ul style="list-style-type: none"> Am I living the 	Does the strategy or organization...

³³ *History of the Church*, Vol 6, Chap 17, p 365.

³⁴ *Working Toward Zion*, p 98.

³⁵ *Great Basin Kingdom*, p 33.

Motivation	principle, “Seek ye first the Kingdom of God?” or do self-aggrandizing goals still occupy too much of my attention?	<ul style="list-style-type: none"> • Contribute to the spiritual growth of all participants (employees, donors, volunteers <i>and</i> recipients) • Engage participants in the larger vision of building Zion rather than just in serving their own immediate needs.
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As we describe the remaining six principles, we will add related questions to our model. When we're through, you will have a broad set of criteria by which to judge at the individual and strategic levels. Remember, we are looking for approaches which offer better answers to *all* of these questions, not just a few.

2. Cooperation

[It] would have been impossible to accomplish the great work before the pioneers, had they not practiced cooperation - John A. Widstoe³⁶

Apostle John A. Widstoe preached that the United Order is “the practice of cooperation under which many unite in one enterprise, in such a way that no one person dominates it, but that all concerned have a voice in it...”³⁷ Evidently the Lord's economic program isn't one of survival of the fittest. Instead of rugged individualism and dog-eat-dog battles for wealth and success, the Lord uses a different paradigm—unity and cooperation.

Cooperation eliminates wasteful competition

According to Apostle Erastus Snow, Latter-day Saints were to implement the United Order because it promoted cooperation. It “embraces labor as well as capital, and it designs to make the interests of capital and labor identical,” resulting in a system of ideal industrial relations.³⁸ While competition creates incentives that pit customers against suppliers, employees against owners, and business against the community/environment, cooperation aligns interests and eliminates energy wasted in conflict.

Cooperation is the calisthenics of spiritual growth

Our 19th Century brothers and sisters used the words cooperation, unity and oneness synonymously. For them verses like D&C 38:27 had applications in more than just the spiritual domain: “Behold, this have I given unto you as a parable, and it is even as I am. I say unto you, be one; and if ye are not one, ye are not mine.” Cooperation isn't optional—it's eternal!

³⁶ Ibid, p. 147.

³⁷ John A. Widstoe. *A Rational Theology: As Taught by the Church of Jesus Christ of Latter-day Saints.* (Salt Lake City, UT: Deseret Book, 1965) p. 147.

³⁸ Journal of Discourses 17:74.

An ultimate example of cooperation is described in 4 Nephi where, after Christ's ministry "... they had all things common among them; therefore there were not rich and poor, bond and free, but they were all made free, and partakers of the heavenly gift."

Early church leaders stressed that cooperation is the calisthenics of spiritual growth. For instance, the Prophet Joseph Smith counseled: "The greatest temporal and spiritual blessings which always come from faithfulness and concentrated effort, never attended individual exertion or enterprise."³⁹ In other words, both temporal and spiritual increase comes when we stop trying to go it alone and begin working cooperatively.

Cooperation invites divine assistance

The scriptures further indicate that cooperation unlocks divine assistance. Jesus promised his discipline that when "two or three are gathered together in my name, there am I in the midst of them."⁴⁰

In summary, cooperation is key to economic progress, spiritual growth, and divine assistance. Are not the Atonement and the entire plan of salvation the ultimate expressions of cooperation? What better example could we find of combined spiritual and temporal blessings that flow from this principle? The Atonement makes possible both the resurrection (a temporal blessing) and exaltation (a spiritual blessing) of mankind. And no one can hope for both of these blessings without entering a covenant whereby, if we always remember Him, and keep His commandments, we become "perfect in Christ."⁴¹ Cooperation is key to eternal *and* mortal progress.

Historical Examples

Several brief examples of LDS cooperation will show the practicality of this principle. In contrast to the individualism and competition emerging in America in the mid 1800s, Latter-day Saints collaborated as a group. The result of this was that such innovations as the railroad and the telegraph were quickly installed in the Utah Territory. By comparison, in other midwest and intermountain areas people waited on others, or even on the government to finance construction. Where people hoped to benefit without cooperative sacrifice, progress was slower.

Thus, Utah became the first territory in the West and one of the earliest widespread regions throughout America with ample telegraph and rail lines. Utah was also the only place where these innovations were installed without government subsidy. This early cooperative spirit led to the creation of a network of privately built transport systems such as the Utah Northern Railroad, Utah Southern, and so on. Likewise, the Deseret Telegraph line was created soon after the transcontinental line was completed in 1861. Church members throughout Utah donated to fund the necessary monies and to provide sufficient workers to install a network of 500 miles of telegraph lines connecting

³⁹ Teachings of the Prophet Joseph Smith. Compiled by Joseph Fielding Smith (Salt Lake City, UT: Deseret Book, 1977) p. 183.

⁴⁰ Matthew 18:20

⁴¹ Moroni 10:32

pioneer communities throughout Utah--all outputs from the spirit of unity and cooperation.

One other dramatic success that emerged from early LDS cooperative practices is that of Zion's Cooperative Mercantile Institution (ZCMI). It was a unique idea – to create what would become America's first department store. Until the 1860s when Latter-day Saints launched ZCMI, U.S. merchants were primarily small firms who each offered a category of products – dresses, shoes, meat, clothes, paper, hardware, and so on. Church leaders saw waste in the proliferation of such stores. Each competed for the same customers, employing too many people in distribution of goods and taking them away from production of goods. ZCMI was created by putting all such products under one giant roof—so to speak. Furthermore, ZCMI developed a network of cooperative outlets in over a hundred Mormon towns in the West that would sell items shipped from the main store in Salt Lake City. Not only did ZCMI help saints get better products cheaper, but also by offering an efficient outlet for distributing good made in rural towns, it facilitated job growth throughout Deseret.

Through practical cooperation, ZCMI cured some of the ills that afflicted saints because of the business practices of Mormon and Gentile merchants alike. Claiming they were merely doing business based on the principle of supply and demand, they took advantage of near-monopoly conditions to exact outrageous profits. To make matters even worse, these merchants would then take their profits out of the region for their personal use while Salt Lake Valley was reduced to a barter economy because of a dearth of cash.

ZCMI set prices in a way that benefitted both seller and buyer. Since both local producers and customers could own stock in Zion's cooperative, both had a stake in its success. Since ZCMI was interested in serving all these parties, its business practices resulted in reasonable prices, fair profits and high quality products. In addition, the capital accumulated in ZCMI remained in the Utah economy, rather than fleeing at the first opportunity out of the region. This is the great value of a cooperative economy -- that when people seek to benefit all, trade operates smoothly, resources are allocated to their best possible use, and the community's quality of life improves.

Cooperation didn't stop with ZCMI. Early Latter-day Saints launched over one hundred United Order enterprises. Sometimes cooperation took the form of broad stock ownership by all workers in a particular enterprise. The cooperative of St. George consisted of one big, unified cooperative in which the town's businesses were structured into a single, large corporation. Elsewhere, cooperation took the form of rural communes, like Orderville in Central Utah, where all economic activity was fully integrated and coordinated, as were living and dining arrangements. In contrast in larger cities like Provo, Ogden and Salt Lake, each ward formed its own United Order as a cooperative enterprise capitalized by ward members who labored to produce goods to be later sold in the marketplace.

Cooperation was key in all ten periods of church history we studied. By combining time, talents and money, saints were able to accelerate progress—both spiritual and temporal. Cooperation speeds temporal progress because energy and resources are not wasted or misallocated through self-serving motivations. Cooperation advances spiritual growth because it requires more nobility of soul to sacrifice for and labor in

cooperative systems than is needed to labor for oneself. Cooperation is a central United Order Principle.

Questions Suggested by this Principle

	Individual Applications	Applications to LDS-Oriented Economic Development Organizations
Cooperation	<ul style="list-style-type: none"> Do I participate in cooperative efforts to solve community problems? 	<p>Does the strategy or organization...</p> <ul style="list-style-type: none"> Cooperate with other groups seeking to improve the lot of the poor? (e.g. by sharing ideas, resources, and information) Unite participants in finding shared solutions to their common problems?

3. Self-reliance

My experience has taught me and it has become a principle with me, that it is never any benefit to give, out and out, to man or woman, money, food, clothing, or anything else, if they are able-bodied, and can work and earn what they need, when there is anything on the earth for them to do. This is my principle, and I try to act upon it. To pursue a contrary course would ruin any community in the world and make them idlers. – Brigham Young⁴²

The primary purpose for work with the poor is to help them become self-reliant. According to Joseph F. Smith, it is not helpful to other's welfare to give handouts:

The Church has always sought to place its members in a way to help themselves, rather than accepting the method of so many charitable institutions of providing only for present needs. When the help is withdrawn or used up, more must be provided from the same source, thus making paupers of the poor and teaching them the incorrect principle of relying on others' help, instead of depending upon their own exertions. . . . Our idea of charity, therefore, is to relieve present wants and then to put the poor in a way to help themselves, so that in turn they may help others."⁴³

As Brigham Young said above, it is a good principle to never give something to those who could work for it. The Doctrine and Covenants even suggests that this principle be applied when one congregation has needs. It recommends that assistance from one congregation be made to others as a loan rather than a gift: "And let that which belongs to this people be appointed unto this people... And let that which belongeth to this people not be taken and given unto that of another church. Wherefore, if another church would receive money of this church, let them pay unto this church

⁴² Journal of Discourses, 11:297

⁴³Joseph F. Smith. "The Message of the Latter-day Saints on Relief for the Poor," Improvement Era, August 1907, p. 832.

again according as they shall agree."⁴⁴ Clearly if the Lord thought it important for various branches to stand on their own as far as they're able, He must expect it of individuals and families as well.

Self-reliance means value should be given for value received

We have seen four implications of the United Order Principle of self-reliance in our study of gospel-based economic development efforts. First and foremost it means eliminating idleness. "Thou shalt not be idle; for he that is idle shall not eat the bread nor wear the garments of the laborer."⁴⁵ Brigham Young taught that an economic system that doesn't allow the lazy to go hungry is one that neither serves them well, nor is it one that will endure. Even those who are by nature vigorous can be seduced into dependency if strategies to assist them give something for nothing. Our operating rule should be that value should be given for any value received.

Those being assisted must take the primary initiative

Second, self-reliance means initiative. No one ought to passively sit and wait for someone else to "bail" them out. To do nothing ought to result in going hungry, if need be. Those who only wait for assistance need to experience the results of passivity. To help people in spite of their doing nothing for themselves breeds dependency and continuous seeking of more outside help.

Well-intended "outsiders" often undermine self-reliance because they do too much. In the interest of accelerating progress they plan, organize, fund and even execute much of the plan. If self-reliance is being practiced, when the poor are lifted they should, in large measure, be able to say, "We did it." If the role of the helper becomes that of savior, or leader, something is wrong and results will be shallow and short-lived. Gospel models of economic development should be ones where outside help is optional but not essential.

Self-reliance means gainful employment

Third, self-reliance has consistently meant that church members need and deserve employment. The direct goal of all the historical methods of economic development we've studied was to assist others in becoming financially independent. "This is the spirit and aim of the United Order and that we should endeavor to establish," said Lorenzo Snow. "We should employ our surplus means in a manner that the poor can have employment and see before them a competence and the conveniences of life, so that they may not be dependent on their neighbors."⁴⁶

In the Doctrine and Covenants this is often referred to as assigning each person a "stewardship." In the 19th Century agricultural economy, this often meant land and the implements to work it. In the 21st Century, a stewardship is a job. Our goal must be for all to find jobs. Once reasonably employed, through frugality and judicious investment the poor may then find ways to improve their situation in the future. Our work will not be

⁴⁴ D&C 51:7,10,11

⁴⁵ D&C 42:42

⁴⁶ WTZ p 101

complete until all have gainful employment. And what is gainful employment? It's the kind that allows all to provide their families with shelter, clothing and good food; access to the blessings of the temple; security against disaster and setbacks; access to education; means to serve a mission; time to fill church callings; and so on.

Ownership increases self-reliance

Fourth, and this will be a bit foreign to many readers, past prophets have been uncomfortable with the notion of working “for” others. Self-reliance and self-employment were synonymous. Admittedly the nature of work during the lifetimes of prophets of centuries and millennia ago was not what it is today. But even as modern economic shifts were taking place, leaders continued to stress the need for individuals to have some degree of ownership in their means of earning a livelihood. They saw danger and inevitable class distinctions when labor and capital were separated.

Lorenzo Snow lamented that, “The great difficulty I have had to fight against has been the ignorance of the laborers, their inability to make their labor pay for itself, and their unwillingness to be put to the test [as owners rather than workers]. They prefer someone to raise the capital to be invested in the enterprises, and employ them and pay them big wages.... They will say, ‘Let us work by the day or piece, and be paid our wages every Saturday night; and then let us have a store to spend our money at, that we might do as our fathers used to do in the old countries we came from.’ This is the spirit of the working classes of the old world, and I said before, unfortunately we brought ourselves with us when we emigrated to the new world.”⁴⁷

In a capitalist economy, labor is often valued cheaply and is consequently exploited. When laborers are also owners, this vulnerability is lessened. In Deseret, all were encouraged to purchase stock in the co-ops that employed them. In other communities members were owners in shared assets by virtue of their participation. When labor and ownership are separated, it is in the interest of the owner to pay the least possible to workers and suppliers, and charge the most possible to customers for the lowest quality they'll tolerate. When the laborers are the owners, these practices disappear.

In developing countries where labor is cheap and capital scarce it is all the more important to consider increasing the self-reliance of workers by helping them, at some level, to also become owners.

Historical Examples

So how did LDS pioneers use this ideal? Instead of giving a handout, they gave a hand-up. Instead of fostering dependency, they created systems that developed interdependence and self-reliant economic approaches. Translated for our day, relief was given as short-term emergency assistance. But ultimately, what the poor needed most was the means to earning a livelihood. An individual and/or family member becomes self-supporting when they have secure and well-paying work.

⁴⁷ Journal of Discourses 19:184.

Thus, Joseph Smith in Nauvoo and Kirtland organized public works projects-- building roads and bridges, for instance, to create jobs for the poor. Even the temples in those two cities had a temporal purpose. Not only were they structures for sacred worship, solemn assemblies, and the receiving of eternal covenants, but they were also the means for investing in the poor by creating jobs for them.

One reason many people offer charity rather than promoting self-reliance is that the latter is tougher to achieve. Charity requires only pity. We feel sorry for people in their predicament and make a generous gesture to offer temporary assistance. Self-reliance requires more than pity. It calls for discernment. And discernment demands relationship. We cannot fully discern someone's situation whom we don't know well. Thus, a gospel approach to economic development is built on relationship and discernment with those being helped. It requires a careful understanding of their needs, resources, and challenges. This information can then be incorporated into the strategy of assistance that is consistent with principles like spiritual motivation, cooperation and self-reliance.

When we don't have or take the time to discern, the tendency is to simply make gifts (like quilts, hygiene kits or other necessities) and ship them off. Or we organize an Eagle Scout project to assemble literacy kits for needy youth elsewhere. While the intention behind these acts is marvelous, the approach is sometimes useful and sometimes not.

But by creating a relationship first, we can with those in poverty jointly assess needs, a process that inevitably yields better results. By doing so we literally "become one" with them. As you can see, creating self-reliance is more complex than simple charity. That's why so little of it is done. And yet, self-reliance is the only enduring solution.

This principle was beautifully practiced in the 1850s during the height of the Perpetual Emigration Fund. Started in 1849, the P.E.F. as it was called was formed using donations from those who were already established in Deseret. Converts in Europe who were too poor to emigrate were loaned money from this fund on the commitment that they'd pay it back when they were able. This cycle of loaning, repaying and then re-loaning to others gave the fund a "perpetual" character. Over 50,000 people were assisted by the P.E.F. which grew to over \$2 million dollars. It is awesome to imagine that struggling communities were able to assimilate such a massive number of people in such a short period of time without reducing the already fragile economy.

How did they do it? By assigning immigrants to local wards where their needs and abilities could be carefully understood. As a group of a thousand or so would arrive in Salt Lake City, "placement meetings" were held in which immigrant families were assigned to a bishop's ward. The bishops of all wards would stand in a circle and, one by one the new arrivals were introduced. If one was a mason, for instance, and a particular bishop knew of bricklaying work in his ward, he would raise his hand and that family would be so assigned. Within minutes hundreds would have a temporary home, temporary employment and new friends to help them.⁴⁸ Since support was offered at the ward level rather than by some large bureaucracy, real discernment was possible in providing for temporary employment and permanent career path.

We mentioned earlier that self-reliance only exists when an individual has a well-paying job. Job creation was a major focus in the early church. Church leaders in 1849

⁴⁸ Great Basin Kingdom, p 107-108.

counseled, "True charity to a poor family or person consists in placing them in a situation in which they can support themselves."⁴⁹ John Taylor went so far as to instruct Mormon ecclesiastical leaders in 1879 about the importance of work: "The presidency of this stake ought, and all ought to unite with them. . . in finding employment for every man and woman and child within this stake that wants to labor."⁵⁰ Jobs were not seen as just a nice feature for a family to have, but an economic and spiritual necessity.

In more recent times, Marion G. Romney, a long-time member of the First Presidency, taught that when a quorum member becomes unemployed, it is a priesthood responsibility to help the individual secure new work so that he becomes "fully self-supporting and active."⁵¹

Questions Suggested by this Principle

	Individual Applications	Applications to LDS-Oriented Economic Development Organizations
Self-reliance	<ul style="list-style-type: none"> Am I properly prepared temporally to care for myself and my family through tough times? 	<p>Does the strategy or organization...</p> <ul style="list-style-type: none"> Point participants to the significant resources within their communities that can be used in solving their own problems before bringing in outside resources? Move people quickly into jobs that allow them to provide for their own needs. Offer afflicted communities a way of solving their own problems with potentially <i>no</i> outside involvement? Require participants to offer full value for services or benefits received? Encourage savings among participants and also set aside reserves to accommodate unforeseen needs of the organization? Require local programs to quickly become self-sufficient, and eventually more than return resources provided to help them get started?

4. Consecration and Stewardship

The brethren wished me to go among the Churches, and find out what surplus property the people had.... Before I started, I asked brother Joseph, "Who shall be the judge of what is

⁴⁹ *Deseret News*, April 13, 1854.

⁵⁰ *Journal of Discourses* 20:165

⁵¹ Marion G. Romney. "The Role of Bishops in Welfare Services," *Ensign*, November, 1977, p. 80.

surplus property?" Said he, "Let them be the judges themselves....⁵² I never [found] a man yet who had a dollar of surplus property. No matter how much one might have he wanted all he had for himself, for his children, his grandchildren, and so forth.... Occasionally, some were disposed to do right with their surplus property; and once in a while you would find a man who had a cow which he considered surplus, but generally she was of a class that would kick a person's hat off, or eyes out, or the wolves had eaten off her teats. You would once in a while find a man who had a horse that he considered surplus, but at the same time he had the ringbone, was broken-winded, spavined in both legs, and had the pole evil at one end of the neck and a fistula at the other, and both knees sprung. – Brigham Young⁵³

The principles of consecration and stewardship are two sides of the same coin. Consecration is surrendering ownership of all we have and are to the Lord for use in building Zion. A stewardship is what He gives us back when we do. In essence after having consecrated all, we become stewards of it, answerable to Him to use it for the best benefit of Zion. In this sense, some misunderstand the covenant of consecration we make in holy places. This covenant is not just a foreshadowing of "true" consecration sometime in the future, but of one that is in force from the moment we make it in our first visit to a temple.

This is hard doctrine. In a world where consumption supposedly equals happiness, and accumulation equals esteem, to truly live as though none of what we garner is ours is terribly counter cultural. And yet, by taking a covenant of consecration, that's what we've committed to do. From the time we so commit, we are under obligation to employ our means for the benefit of Father's kingdom.

One day we will account to the Lord for how we've employed the stewardship He deeded back to us. By what principle will He judge us? Lorenzo Snow preached that "We should employ our surplus means in a manner that the poor can have employment and see before them a competence and the conveniences of life...."⁵⁴ Herein lies the rub: what, we may ask, is our surplus?

President Young complained that most people believed they had none. "No matter how much one might have," Brigham recalled, "he wanted all he had for himself, for his children, his grandchildren, and so forth."

Consecration means our resources are no longer ours, and we are accountable to God for how we use them

The principles of consecration and stewardship mean that we literally--emotionally and psychologically--divest ourselves of all our resources. We no longer own them. They are not ours. The Lord made this painfully clear when He said, "Behold, all these properties are mine, or else your faith is vain, and ye are found hypocrites, and the covenants which ye have made unto me are broken; And if the properties are mine, then ye are stewards; otherwise ye are no stewards."⁵⁵

⁵² P 349 (Brigham Young Priesthood manual? WTZ?)

⁵³ Journal of Discourses 2:307.

⁵⁴ Journal of Discourses 19:349.

⁵⁵ D&C 104:55-56.

After this divestiture, we begin to think about and use our resources differently than when they were ours. Once we have "sufficient for our needs," we ask, "To what use would the Lord put this?"

As we seek answers to this question, our search should not just be for "good" uses, but rather for "best" uses. It is so easy to begin to think of the unifying benefits of a second or third home for our family. It's not hard to think of good that happens as the children play together on expensive recreational toys. Caring parents can also see good in endowing their children with generous inheritances.

President Spencer W. Kimball pointed describes how consecrated people weigh spending decisions (while reinforcing a number of other United Order Principles) when he said,

"Because of the overriding significance of this great welfare plan, I thought it appropriate to restate the fundamental truths of this work and to emphasize how we should apply these in this generation. Pres. Joseph F. Smith said: "You must continue to bear in mind that the temporal and the spiritual are blended. They are not separate. One cannot be carried on without the other, so long as we are here in mortality." The highest achievement of spirituality comes as we conquer the flesh. We build character as we encourage people to care for their own needs. As givers gain control of their desires and properly see others needs in light of their own wants, then the powers of the gospel are released in their lives. They learn that by living the great law of consecration they insure not only temporal salvation but also spiritual sanctification. Isn't the plan beautiful? Don't you thrill to this part of the gospel that causes Zion to put on her beautiful garments? When viewed in this light, we can see that Welfare Services is not a program, but the essence of the gospel. It is the gospel in action. It is the crowning principle of a Christian life."⁵⁶

In truth, there are probably an infinite number of "good" things we could do with our money. And yet the good can be the enemy of the best. The only way to hold ourselves to a standard of "best" use is to stop considering options independently. We must compare each option to available alternatives. Only then can we hope to find how best to employ our stewardships. For example, is \$10,000 best spent on a timeshare to help make memories for our family, or on a humanitarian investment that lifts the poor (possibly while uniting the family in labor with others)? Do we really need or deserve a cabin in Idaho when our LDS members in Mozambique cannot afford bus money to attend church? Do we need a third car when Indonesian saints need jobs?

We do not mean to imply that there is no room in the Lord's economy for righteous consumption and temporal enjoyment. The Doctrine and Covenants refers to both "wants" and "needs" in use of stewardships.⁵⁷ We do, however, hope to provoke deeper thought in decisions about our use of the Lord's resources.

⁵⁶ Pres. Spencer W. Kimball, Ensign, Nov.1977, p.76-79.

⁵⁷ D&C 51:3.

We will not be Zion, and there will continue to be poor among us, until such time as we begin to think of those poorer than us 'like unto ourselves.'⁵⁸ As we spend money, we should think of their needs alongside our wants. The Lord assured us that, "The earth is full, and there is enough and to spare."⁵⁹ Then he warned that, "Therefore, if any man shall take of the abundance which I have made, and impart not his portion, according to the law of my gospel, unto the poor and the needy, he shall, with the wicked, lift up his eyes in hell, being in torment."⁶⁰ Sounds like He's kind of serious.

When we begin to impart of our time and resources as we should, we will both find and fund economic development efforts for our poor that will eliminate poverty in such a short period of time that all the world will take note. By this, and other evidences, they will know that we are His disciples.

Consecration by the poor in cooperative efforts invites the Lord's blessings

Consecration on the part of the poor is also essential in United Order Principles. Latter-day Saints sing that "Sacrifice brings forth the blessings of heaven."⁶¹ In every historical period where the Lord miraculously provided for the needy, the miracles came only after they had given their all. We'll share an extended example of how this happened in Deseret. Before we do, we'd like to demonstrate the same principle in the salvation of Egypt from famine.

Recall how Egypt and Israel were both saved from famine by divine intervention. Joseph, the son of Israel, was shown in a dream what to do. He stored up Egypt's surplus during seven years of plenty. The Lord had revealed to him that seven years of famine would follow. When the famine struck, Joseph did not just create an enormous food distribution program. Rather, he served Pharaoh by selling the grain. When money failed (because Pharaoh had it all), he traded for livestock. When livestock failed, he traded for land. And when land was all in Pharaoh's hands, they gave *themselves*.

This passage is a powerful metaphor for how we are told to approach Christ. It is when we surrender *all* and become *His* that He can assume responsibility for saving us. At this point in the story of Joseph in Egypt, Pharaoh gave his people back their land and cattle who then served as his stewards. From that point forward, Pharaoh, through Joseph, gave them enough to eat. When the people had given everything, they discovered that their Lord had reserved for them "enough and to spare."⁶² The record of the Lord's temporal dealings with His people reinforces what we already know spiritually: that we are saved "by grace, after all we can do."⁶³

We've seen amazing examples of what the poor can do when joined in a spirit of cooperative sacrifice. When they practice self-reliance, there is truly a great deal they

⁵⁸ Jacob 2:17.

⁵⁹ D&C 104:16.

⁶⁰ D&C 104:18.

⁶¹ *Latter-Day Saint Hymns*, "Praise to the Man," p 27.

⁶² D&C 104:15-18

⁶³ 2 Nephi 25:23

can do. And, when they've done all they can, the record shows that the Lord will intervene for their good.

Stewardship means holding organizations accountable

The principle of stewardship is one of accountability. Many potentially useful economic development efforts fail for lack of accountability. For example, those managing a project are often poor stewards of donated resources. Some keep very poor financial records. Others squander resources on fund raising or high staff salaries. Before you support an organization with your time or money, you should ask them to account for the percentage of dollars that directly benefit their programs. If they cannot answer satisfactorily, you may want to delay your involvement until they can.

Unfortunately, there is an even more common failure in accountability in organizations who work with the poor. Far too few collect any data about the impact their efforts are having. It is impossible to be accountable if you don't measure results.

A quick word to leaders of economic development efforts: We understand that the research effort required to track results detracts from real work. To those so concerned, we share our repeated observation that any time "lost" in accounting for results is more than returned in increased effectiveness. Without objective data, we are vulnerable to only seeing what we want to see. We miss seeing many opportunities for improvement and course correction. Eventually, we can be like the person who, thinking that he's lost, doubles his speed. Gathering results data may slow us down, but it gets us where we want to go faster because it ensures we're moving in the right direction.

Having spoken to leaders of efforts to lift the poor, we want to add a note to those who support them by giving time, talent or money. We are convinced that the LDS economic development community will continue to ignore this aspect of stewardship until people like you demand reports on results. What do we mean by "results?" First, we do *not* mean the typical "activity" reports organizations typically publish. Activity reports detail how much is being done without telling whether it made a difference. For example, activity reports may indicate: number of people who received loans, repayment rates on loans made, volume of clothing shipped, tons of food delivered, and so on.

If our goal is to eliminate poverty, none of these impressive sounding measures matters. What we really want to know hear is, "Are your participants better off than they were before they met you?" And how do you measure this? The same way you do. You know you're better off one year over the previous by looking at your income—right? Well, then why should we not have information about the per capita income of families affected by each organization's service? We understand that these figures will sometimes need to be adjusted for cost of living increases, currency devaluations, and so on. But such a measure, while still imperfect, tells us something about whether a family is closer to self-reliance as a result of a given economic development approach. An organization who is a good steward should ultimately be able to say, for every thousand dollars it receives, that X number of families will receive a permanent increase in household income of Y through its method of using this money.

We urge all readers of this book to begin requiring this kind of information of all LDS-oriented economic development projects. If leaders resist or delay in providing this

data, consider finding an organization that does. As a side note, Unitus intends to make the search for “wise stewards” easier. The website we’ll describe in Chapter Six will eventually give visitors easy access to information about who does and does not track results.

Stewardship means holding individuals accountable

Finally, stewardship and accountability are also essential in the day to day operation of effective organizations. If, for example, jobs are given out to those who need them rather than to those who deserve them, this principle is violated and the enterprise will collapse. The Lord commanded that in the United Order only those who were both faithful (i.e. good) *and* wise (i.e. smart) were to be trusted with money or resources by the treasurer.⁶⁴

In poorer areas many have not learned to hold others accountable for their behavior and contribution. We’ve seen a number of efforts collapse because leaders who were incompetent or dishonest were forgiven again and again rather than being removed and replaced. Unless strong accountability becomes part of the fabric of daily operation, there is no hope of viability. A good economic development strategy is one that places people in positions based on merit, expects diligence and skill, and scrupulously remedies cases where individuals fall short.

Historical Examples

George Q. Cannon, who served for decades as a member of the First Presidency, put stewardship responsibilities in the clear light of latter-day practices: “The time must come when the talent of men of business shall be used to benefit the whole people... to uplift the masses, to rescue them from their poverty. That is one of the objects in establishing Zion, and anything short of that is not Zion.”⁶⁵

In the Latter-day Church, applications of this ideal included pooling the resources of the wealthy into a storehouse so that the surplus could be redistributed among the poor, whether in Ohio, Missouri, or Utah. Later as tithing began to be practiced, one-tenth of a person’s increase was given to a bishop who would employ it in ways that allowed impoverished families to become self reliant.

Members in Deseret were at first assigned to wards not for religious or spiritual worship, priesthood or auxiliary programs. Instead, early LDS wards were organizational mechanisms for assigning clear stewardship for who was to help which poor members. Within these wards, they organized farm labor and carried out timber-cutting projects to keep families warm through the winter. They launched fishing expeditions to supply food, as well as houses constructed to earn money and provide shelter. Those in wards used their surplus means to eliminate poverty in their area.

It was not always easy to practice the principle of consecration and stewardship. The ideals of the higher road are lofty, as Brigham Young pointed out: “We are engaged in

⁶⁴ D&C 104:75

⁶⁵ Journal of Discourses 23:281-82.

a higher-toned branch of business than any merchants or railroad men, or any institution of an earthly nature."⁶⁶

There are many examples in our history of how those with much consecrated for the benefit of the poor. And yet, the more common stories are of the poor who sacrificed in ways that brought down temporal blessings from heaven. We'd ask your indulgence here as we share one inspiring instance that is little known in the Church today. This experience was called by some who lived it: "The Miracle of the Gold Rush."

In July, 1847 the first small company LDS Pioneers arrived in the Salt Lake Valley. The day after their arrival was Sunday. Led by Brigham Young, this small group sat on the tongues of their wagons in the hot July sun and worshipped together. In this setting they agreed "not to scatter their labor. They would combine and concentrate their efforts and work cooperatively—that a kingdom built in any other way was a fraud—a 'kingdom of the world.' They formally agreed to put their 'mites' together for that which is the best for every man, woman and child."⁶⁷

Their situation was precarious given the lateness of the season. They urgently needed to get crops in. And yet, they knew they weren't there just to feed themselves. They had a kingdom to build. So they organized themselves to accomplish both long and short term needs. They assigned some to make ditches, fences, homes, sawmills, gristmills, and other infrastructure. In addition, some cleared land and planted crops. All worked together for the good of all.

A second contingent soon arrived into the Valley. Had there been a good harvest in the Fall of 1847, this second party would still have been too large. But there was no such harvest. Early snows destroyed part of the crops. To make matters worse, "cattle and horses got into the planted acreage and destroyed everything but the potatoes. Later in the winter, the Indians, wolves, and other 'destroyers and wasters' made away with much of the livestock... Rationing was instituted limiting each person to about one-half pounds of flour per day."⁶⁸ To survive, the pioneers were reduced to eating crows and foraging for thistle tops, bark, roots and Sege Lily bulbs.

Many began to lose hope when the Spring 1848 harvest was almost entirely consumed by crickets. While some of the harvest was miraculously saved by seagulls, the situation was still so desperate that a note was sent to Winter Quarters urging people not to come lest they starve.

In these trying circumstances, many were tempted to leave for California. But most stayed. Amazingly, while their very survival was in doubt, they continued to spend what little energy they had after foraging for food in building canals, canyon roads and even public buildings. In October 1848 the starving saints voted to build a wall around the Temple Block, a council house, a small adobe church, office building, a public bathhouse, a tannery, a leather manufacture, additional gristmills and sawmills, an armory and a new bowery that would accommodate meetings of more than 3,000

⁶⁶ Journal of Discourses 15:34.

⁶⁷ *Great Basin Kingdom: an economic history of the Latter-day Saints from 1830-1900*, Leonard J. Arrington, p 45.

⁶⁸ *Ibid*, p 48.

persons! In a feat of ultimate irony, these struggling pioneers even cleared and planted 800 acres in what was known as the Church Farm—a crop consecrated to the benefit of the poor!⁶⁹

Through all of this, while *all* experienced hunger, none starved. To make sure of this, the city was organized into 19 wards. A bishop was appointed for each. Each Sunday those with a surplus of food were asked to turn it over to the bishop who would distribute it so that all had some. History shows that starvation can drive some to barbarism and crime. Among the saints it forged unity and cooperation.

At this point, as if to make the test even more difficult, gold was discovered in California. Word of miners making a fortune almost overnight spread rapidly among the weary Mormons. One pioneer described their condition in his journal:

They were living on roots, work cattle, and a small ration of cracked grain. Their clothes were wearing out; their agricultural implements were 'getting used up, broken, or destroyed.' Many of their wagons had broken down, and there was neither timber nor iron for repairing them. 'There we were, completely shut out from the world... the first shop was a thousand miles off.'

Seasoned farmers were concluding that the Salt Lake Valley was simply incapable of producing crops. More considered moving on to California. At this precarious moment, Brother Brigham testified: “God has appointed this place for the gathering of His saints... and you will do better right here than you will by going to the gold mines.... Those who stop here and are faithful to God and His people will make more money and get richer than you that run after the god of this world....”⁷⁰

And so, the saints worked together to plant their seeds, build their city and await the decisive harvest of 1849.

The harvest of 1849 was enough to feed not only the 8,000 in the Salt Lake Valley, but over 3,000 in surrounding settlements and Winter Quarters as well.⁷¹ And yet while the crops staved off death, the situation was still deteriorating. The saints were desperate for tools, equipment, wagons, and other supplies. They had no source for money with which to purchase them.

At this point, another harvest began. Just as seagulls had descended a year earlier, would-be gold diggers ascended the Rockies from states in the East and, without intending to, supplied “enough and to spare.” Here’s how.

Citizens in the East were on fire with news of the discovery of gold in California. Many merchants, seeing an opportunity to strike it rich, exhausted their fortunes buying wagons, clothes, spades, picks, shovels, woodworking tools, and every other kind of implement and supply to carry for sale to gold rush towns in California. These merchants intended to sell these goods for enormous profits then turn gold-miners to make an even larger fortune. According to one pioneer, the merchants’ carried “just the things they would have done, had they been forming companies purposely for relieving the

⁶⁹ *Great Basin Kingdom*, p 54.

⁷⁰ *Great Basin Kingdom*, p 61.

⁷¹ *Ibid*, p 66.

saints, and had they determined to do it as handsomely as unlimited wealth would allow."⁷²

Just before these men reached Salt Lake City, they were met with terrible news. Ships loaded with just such supplies as they now carried would arrive in California before them. Now they faced a dilemma. Should they turn back to the East to return their goods, losing precious time while mining claims were being snapped up? Or, should they keep going to California and risk selling their merchandise at a loss? In this agonizing predicament, the gold rushers chose to unload everything in Salt Lake City for whatever price they could fetch so they could travel faster to the gold mines. Most of their goods they sold happily for less than half of what they would have gotten in the States.

Some decided against wasting even the time required to negotiate with the Mormons. Filled with gold lust, they abandoned everything on the plains. So, those Mormons with cash traded with merchants traveling through Salt Lake City. And those with no money found all they needed scattered along the Oregon trail. Like the Israelites of old, teams of Mormons were dispatched to retrieve tools and equipment of every kind arrayed like manna on the ground for the taking.

What the saints received in 1849 was precisely what was needed to "catapult a struggling valley economy, in three short years, into a burgeoning, confident, regional commonwealth...." The saints were enabled "to furnish themselves with... every (almost) needful variety of necessary needful thing for the saints to make use of. And thus in a few years in this desolated part of the mountains we were beginning to enjoy to some degree that which might have taken years had not the Lord provided for the poor saints by His providence in opening up the gold mines in California and inspiring the Gentiles with a lust for gold."⁷³

Brigham Young's prophecy was fulfilled. The Lord provided for His people. Sacrifice brought forth the blessings of heaven.

As both poor and rich in the Church consecrate what they have, seek for self-reliance, act with spiritual motivation and cooperate fully, the record shows that the Lord intervenes for His saints.

Questions Suggested by this Principle

	Individual Applications	Applications to LDS-Oriented Economic Development Organizations
Consecration and Stewardship	<ul style="list-style-type: none"> Do I see all that I have as the Lord's? Do I consider all of the uses the Lord might 	<p>Does the strategy or organization...</p> <ul style="list-style-type: none"> Require participants to sacrifice for interests larger than their own?

⁷² Great Basin Kingdom, p 67.

⁷³ Ibid, p 68.

	<p>have for my resources before I make major spending decisions?</p>	<ul style="list-style-type: none"> • Practice complete transparency with all information on the efficiency of its operations? • Hold individual participants accountable for their work and character—even to the point of removing them if needed? • Offer positions and participation based on merit, ability and character? • Publish “results data” (not just activity data) demonstrating increase in per capita income of participants for the resources used.
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5. Equality

The united order has been suspended as a required form of life in the Church, but its spirit still remains.... It finds present partial expression in the practice of cooperation, under which many unite in one enterprise, in such a way that no one person dominates it, but that all concerned have a voice in it, and that the profits resulting from the enterprise are divided more or less uniformly among those connected with it... - John A. Widstoe

Equality is a key feature of a Zion society. It's also one that makes relatively wealthy members of the church a bit nervous. We want to state at the outset that we find nothing in the scriptures or in church history that suggests equality means redistributing the combined assets of members so everyone is arithmetically equal down to the last toothpick. As you'll see below, Zion is characterized as a condition where all have equal opportunity. Now, lest some readers too quickly heave a sigh of relief, the record is also clear that the wealthy are responsible to help create opportunities for the poor.

In the past, when wealthier members have taken this responsibility seriously, the result has been a more equal distribution of possessions. This is illustrated in descriptions of the righteous cities where the saints "... had all things common among them; therefore there were not rich and poor, bond and free, but they were all made free, and partakers of the heavenly gift."⁷⁴ It is clear that the early Christian church in Palestine who "had all things common"⁷⁵ must not have had gross distinctions in possessions as well. It appears that an enormous gap between the wealthy and the poor is a sign of a society where the rich are negligent in their responsibility and the poor are systematically denied opportunity.

Gross inequality is described in the scriptures as a root cause of evil: "It is not given that one man should possess that which is above another, wherefore the world lieth in sin."⁷⁶ Such inequality is the germ of pride—particularly in the Church where members "wax proud, because of their exceeding riches, and their fine silks, and their fine trimmed

⁷⁴ 4 Nephi 1:3

⁷⁵ Acts 4:32

⁷⁶ D&C 49:20

linen, and because of their many flocks and herds, and their gold. . .lifted up in the pride of their eyes... and very costly apparel... [as they] set their hearts upon riches and upon the vain things of the world."⁷⁷ When large gaps between rich and poor persist, the rich begin to conclude that this gap is more attributable to their own wit rather than to inequality of opportunity. This was the doctrine of Korihor, who taught that "every man fared in this life according to the management of the creature; therefore every man prospered according to his genius..."⁷⁸ It is a convenient philosophy that tells you what you have is due you because of your innate ability, and what others lack is due entirely to their dullness.

To shock us out of such rationalizing, God commands his people, "You are to be equal... every man according to his wants and his needs, inasmuch as his wants are just."⁷⁹ Here's where we begin to see that righteous differences of possession can exist. People might have different wants and different needs—and therefore different circumstances. The Lord's ideal is not a *Truman Show* kind of society where people live in cookie-cutter copies of each other's situations. In a sense it would be much easier on us if the answer were that simple. But it's not. The Lord expects us to examine ourselves and determine whether we are wise stewards with what He's entrusted to us. We must continually ask whether we are slipping into self-aggrandizement or whether we are keeping our eye single to His glory.

When *significant* inequalities exist, it is a sign that we have erred on this count. Thus, large and persistent inequality of possession is a symptom, not the root problem. The root problem is, in part, the inattentiveness of the rich to their responsibility to create equality of opportunity. For example, as evidence of the wickedness that resulted in the terrible judgments and destruction in 3 Nephi, we are told, "And the people began to be distinguished by ranks, according to their riches and their chances for learning; yea, some were ignorant because of their poverty, and others did receive great learning because of their riches."⁸⁰

When we attribute our advantageous position primarily to our genius, we proudly overlook the profound effects of privileged access--access to learning, contacts, open doors, capital and other benefits. Access is a result of privileged opportunity not supreme capability.

When we neglect our responsibility to give equal opportunity to our disadvantaged brothers and sisters, the consequences are not just temporal, they are spiritual--"For if ye are not equal in earthly things," the Lord warns, "ye cannot be equal in obtaining heavenly things."⁸¹ The way we will be equal in obtaining heavenly things is by becoming joint-heirs with Christ of all that the Father has. Those who celebrate earthly inequality suffer a fool's trade. For an impressive piece of this planet, they surrender worlds without end.

⁷⁷ Alma 4:4-9

⁷⁸ Alma 30:17

⁷⁹ D&C 82:17

⁸⁰ 3 Nephi 6:12

⁸¹ D&C 78:6

Apostle Orson Pratt preached the critical importance of this principle in what is often referred to as the most masterful discourse of his life, depicted in his great book, The Seer, as “The Equality and Oneness of the Saints.” In this passage he describes inequality as an impenetrable impediment to unity—or oneness.

“Be one; and if ye are not one, ye are not mine.” This is the command of Jesus Christ to the Latter-day Saints, given as early as the year 1831, before the Church was one year old. In what respects are the saints required to be one? We answer: They are required to be one in things temporal and spiritual... The commandment to “be one” embraces all other commands. There is no law, statute, ordinance, covenant, or blessing, but that was instituted to make the saints one.... The saints... are to be made one in temporal things without which they cannot be made equal in spiritual things.... Anything short of a perfect equality in temporal things is a sin.... An inequality in property is the root and foundation of immeasurable evils; it tends to derision, and to keep asunder the social feelings that should exist among the people of God. It is the great barrier erected by the devil.... It is a principle originated in hell.”⁸²

Elder Pratt doesn't leave a lot to debate. If he is right in what he says here, then unrighteous inequality is not just the cause of temporal inconvenience, but it is also at odds with the mission of bringing Father's family into a condition of oneness—which we saw earlier, is the ultimate aim of the Atonement of Jesus Christ!

We find these ideas personally very challenging. We don't share them here glibly. We also have no sense of self-righteousness about it. And yet we cannot in good conscience write this book and shrink from a candid discussion of equality.

Having offered this taxing call for self-examination, we turn now to a couple of implications of equality for the design of economic development methods that are consistent with United Order Principles.

Equality of ownership

Equality in our personal lives has a corollary in business. As we mentioned in our discussion of self-reliance, past gospel models of economic development strongly advocated a kind of equality in the business by promoting various forms of worker ownership. Stock or share ownership was regularly preached over the pulpit during 19th century general conferences. And yet, even stock ownership is not enough to build a sense of equality in an organization if there are not significant mechanisms to foster meaningful involvement.

Equality through involvement

The principle of equality is manifest in the Church's emphasis on unity and consensus. For example, while we have hierarchical leaders, we are also told that all things are to be done “by common consent.” Likewise, our leaders—up to and including the president of the Church—are all members of quorums. We are taught that their actions fall short of full divine sanction if there is not agreement between all members of these

⁸²Orson Pratt. *Masterful Discourses and Writings of Orson Pratt*. Compiled by N.B. Lundwall, (Salt Lake City, UT: Bookcraft, 1962) pp. 624-628, 633-634.

quorums: "And every decision made by either of these quorums must be by the unanimous voice of the same; that is, every member in each quorum must be agreed to its decisions, in order to make their decisions of the same power or validity one with the other."⁸³

The Lord's system of leadership appears to leave room for clear hierarchical leadership, but not at the expense of the involvement of followers. Thus, while we do not put all decisions to a vote, leaders are instructed to counsel broadly before coming to decisions. In day to day operation, presiding quorums must be able to act freely and without consulting with our millions of members. And yet, these leaders report their stewardships in bi-annual conferences where members are given the opportunity to sustain them, or express their concerns if they feel they can't.

Involvement is the key to balancing the need for strong leadership with the need for equality. This principle is applied in healthy business organizations. The best leaders strike a blend between involvement and autonomous action. To be consistent with United Order Principles, we should watch carefully for danger signs of uninvolved followers as well as oppressive or self-serving leaders. In righteous organizations all should feel they have a voice and the opportunity for influence and leaders should feel accountable to followers.

Practices of shared ownership and broad involvement work together to establish a spirit of equality. This spirit deepens commitment and increases effectiveness.

Historical Examples

Based on the above scriptures and latter-day priesthood teachings, what did 19th Century Mormons do to practice equality? Bishop's storehouses were stocked with voluntary contributions so that the poor were ensured equal access to life's necessities. One of the significant legacies of this practice is that modern Utah still enjoys greater equality of wealth than any other state.

United Order cooperatives were created to generate jobs and ownership for all. When the co-op had a successful year, the fruits of that success were widely shared. In contrast, when there was a downturn in the business, members' incomes suffered proportionately. In other words, the pain was shared by everyone: Equality in success, equality in suffering.

As a side note, there is a positive trend in the U.S. today toward greater employee ownership. For example, employees of Sears, Microsoft, Wal-mart, and United Airlines own a significant share of their companies' stock. At Saturn Motor Company, a division of General Motors, union workers voted from the beginning to peg their own bonuses to company profitability. This practice had served them well during the heyday of their company, but when profits thinned, many observers expected the workers would opt out. After a couple of years of decreasing profits, the issue came to a vote. It is evidence of peoples' desire to be part of a culture of equality that these workers voted decisively to keep their system, even though it meant they'd receive little or no bonus that year.

⁸³ D&C 107:27

Apostle George Q. Cannon believed firmly that shared ownership would enhance economic equality. This belief was manifest in the system he designed for distributing land to immigrant converts arriving in Utah. His goal was to create "a more widespread ownership of the soil than you will find in any part of the United States... a land (in) which men cannot... monopolize large bodies of land to the exclusion of their poor neighbors."⁸⁴ As land was distributed to arriving pioneers, none was allowed to hold more than he could work. Cannon and his colleagues had watched in Kirtland and Nauvoo as early arrivals bought huge tracts of land which they sold to later immigrants at huge profits. They resolved that in Utah such speculation would not be allowed. The way water, timber, land and other natural resources were divided was for the greatest benefit of all. At the same time in "gentile" territories, speculation by some resulted in the accumulation of great wealth in the hands of a few—a situation of inequality that perpetuated itself far into the future.

In fact, it was to combat inequality that early church leaders first formulated plans to create United Order cooperatives. The First Presidency and each member of the Quorum of the Twelve signed the 1875 Apostolic Circular which read:

One of the great evils with which our own nations is menaced at the present time is the wonderful growth of wealth in the hands of a comparatively few individuals. The very liberties for which our fathers contended so steadfastly and courageously and which they bequeathed to us as a priceless legacy, are endangered by the monstrous power which this accumulation of wealth gives to a few individuals and a few powerful corporations.... If this evil should not be checked, and measures not taken to prevent the continued growth of riches among the class already rich, and the painful destitution and want among the poor, the nation is likely to be overtaken by disaster.... The growth of such a class was dangerous to our union.... Then it was that the saints were counseled to enter into co-operation.⁸⁵

Now, Brigham Young was quick to add that equality did not mean a dead-even mathematical exactness between all people. Neither did it mean a one-time redistribution of wealth. He argued that if this were done it may establish a temporary equality, but it would simultaneously violate most other principles like self-reliance, stewardship, and so on. In the last general conference before his death, President Young observed:

The people might gather the idea that we shall be expected to divide our property equally one with another and that this will constitute the United Order.... Supposing that the property of the whole community were divided equally today amongst all, what might we expect? Why a year from today we should need another division, for some would waste and squander it away, while others would add to their portion.⁸⁶

⁸⁴ Journal of Discourses 20:34

⁸⁵ Edward L. Allen, "Appendix A: Apostolic Curriculum of July, 1875." In *The Second United Order Among The Mormons*, (New York: Columbia University Press, 1936) pp. 120-130.

⁸⁶ Journal of Discourses 18: 353-54

The prophet went on to explain that the saints need to be trained “how to earn and produce.” So, while the gospel emphasis on equality goes beyond crude human arithmetic, it still calls for narrowing the size of the gap between rich and poor. How is this to be done? Rather than driving everyone down to the lowest common denominator, God’s system is for the rich to use their surplus to cooperate with the poor in becoming self-reliant. This is a more complex task than redistribution can accomplish. It includes attention to all of the seven United Order Principles.

Pioneer united orders realized that equal ownership would matter little unless all “owners” were, in a sense, equally involved in the direction of the enterprise. They created practices of participation and equality by giving all a voice in significant decisions. They avoided systems of top-down control. Rather, equality emerged through involvement from the bottom-up.

For instance, the first pioneers to arrive in the Salt Lake valley built a meeting place on the Temple Block out of brush and boughs called the “Bowery.” Here they met each Sunday and held church services. These services were somewhat different than ours today. Topics during these services included pricing of goods, distribution of work assignments, and resolving of disputes. Those who participated in these “worship services” report that it was through “free and open discussions” that all important decisions were made.⁸⁷

“Free and open discussion” is a powerful practice of good leaders. It tends to increase the amount of available information, which improves the quality of decisions. It also creates a sense of equality of commitment on the part of those who must implement decisions. As the great revelation on righteous influence, D&C 121 explains, corrupt leaders emphasize their power and control. They may be formally called, but they are not really chosen because they aspire to relationships of unequal power. This results in pride, ambition, and compulsion over others in contrast to the heavenly ideals of humility and equality. When leaders exercise control, followers begin to ‘esteem them to be their enemy.’⁸⁸ People who are repeatedly treated as unequal begin to offer resistance rather than commitment—and wasteful conflict follows.

Today, many enterprises not only give workers shares of stock ownership, they also provide psychological ownership by giving employees a greater voice in decision making. For example, Royal Dutch Shell went so far as to consult all 75,000 employees about the acquisition of a new company. This involvement brought new information to light that executives were completely unaware of. The decision was called off, avoiding a potential catastrophe for Shell.

Questions Suggested by this Principle

Individual Applications	Applications to LDS-Oriented Economic Development Organizations
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⁸⁷ Great Basin Kingdom, p 46.

⁸⁸ D&C 121:43

Equality	<ul style="list-style-type: none"> • Do I behave as though the needs of the poor are equal in importance to my own desires? • Do I see those with less resources or education than myself as equal to myself? 	<p>Does the strategy or organization...</p> <ul style="list-style-type: none"> • Avoid client/patron relationships, instead fostering equal relationships between participants. • Foster participation and leadership by all participants. • Give a voice to all participants in the strategy, direction and key decisions. • Give all participants opportunity for ownership in their means of work? • Create a strong sense of mutual accountability from leaders to followers, followers to leaders, between peers, organization, etc.—in essence among all categories of participants.
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6. Commitment to the Poor

And remember in all things the poor and the needy, the sick and the afflicted, for he that doeth not these things, the same is not my disciple – D&C 52:40

The Lord has declared: “Remember in all things the poor and the needy, the sick and afflicted, for he that doeth not these things” is not a genuine disciple.⁸⁹ Likewise, in Jacob 2:19 we are told there is only one justification for seeking wealth, and that is to help the needy.

The Lord expects the rich to unite with the poor

Latter-day pioneer leaders also preached the duty of all to sustain those in need. Apostle Parley P. Pratt: “I expect the saints to give money for the support of the poor... to the extent of all they have to spare.... I shall teach them to do so and if they do not do it, their religion is vain. We preach a religion which very materially affects men's purses; and a religion which does not affect men's purses is worse than none.”⁹⁰

Even the poor are to be aware of others in poverty

Former and Latter-Day Saint church history demonstrates that it isn't only the rich who should think about the poor, but the poor also. In fact, in some of the ten historical periods we've referred to, *all* were poor. To these people, King Benjamin said “Unto the poor, ye who have not and yet have sufficient, that ye remain from day to day; I mean all you who deny the beggar, because ye have not; I would that ye say in your hearts that: I give not because I have not, but if I had I would give. And now, if ye say this in

⁸⁹ D&C 52:40

⁹⁰ *Writings of Parley Parker Pratt*. Edited by Parker Pratt Robinson (Salt Lake City UT: Deseret News Press, 1952) p. 184.

your hearts ye remain guiltless, otherwise ye are condemned; and your condemnation is just for ye covet that which ye have not received."⁹¹

All of us need to be involved as much as possible in the interests of others like or less fortunate than ourselves. As we do, we receive divine assistance.

Historical Examples

So what did 19th Century saints do to practice such teachings? They had numerous charitable programs to lift those in poverty. In Nauvoo, Illinois many immigrants arrived with little more than a testimony. To aid them, Joseph Smith started the Nauvoo Agricultural and Manufacturing Society "with a view of helping the poor."⁹² Through this program, capable Mormon business people created projects such that all who applied could be given work. While wages were modest, they were sufficient to help willing workers obtain food, shelter and clothing while they developed a longer-term plan.

One of the greatest examples of attending the poorest of the poor was the "Missouri Covenant" of 1839. As they faced expulsion from the state of Missouri, Latter-day Saints signed a pledge to "stand by and assist each other to the utmost of our abilities." They empowered a committee to reallocate their property "for the purpose of providing means for the removing from this state of the poor and destitute."⁹³ By this collective effort to support those in poverty, all were able to make it to Illinois where another relief fund was established. When the relatively wealthy saints of our day are willing to unite in such a voluntary pledge for the benefit of our poor, poverty in our ranks will be short-lived.

The Perpetual Emigrating Fund we referred to earlier was inspired by the same spirit as the Missouri Covenant. Through this mechanism, even the poorest of the poor were offered ways of emigrating and enjoying equal blessings with the saints in Zion. Eventually, millions of dollars (in 19th Century dollars) were pooled in this fund to uplift the poorest of the poor, resulting in the largest transfer of wealth to the have-nots in that period of the American West.

United Order Principles balance principles like stewardship—which suggest that access to resources be based on merit—with the principle of commitment to the poor—which dictates the need for opportunities to even the humblest and poorest of the poor. This latter principle calls for a kind of safety net that ensures none who are willing to cooperate, consecrate and work fall through the cracks.

Questions Suggested by this Principle

Individual Applications	Applications to LDS-Oriented Economic Development
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⁹¹ Mosiah 4:24-25

⁹² *Wilford Woodruff's Journal*. Edited by Scott G. Kenny, Vol. 2 (Midvale, UT: Signature Books, 1983) p. 180

⁹³ Joseph Smith. *History of the Church*. Vol. 3, pp. 250-254.

		Organizations
Commitment to the Poor	<ul style="list-style-type: none"> • Is work with the poor occupying as much of my life as it should? 	Does the strategy or organization... <ul style="list-style-type: none"> • Engage all participants to work for the benefit of the poorest of the poor.

7. Emphasis on Education, Scale and Innovation

Mormonism must, indeed, be a _____ poor religion, if it cannot stand one railroad. – Brigham Young⁹⁴

Joseph Smith was no small dreamer. His plans in Kirtland, Jackson, Nauvoo, and even his vision of the kingdom in the Rocky Mountain were not those of pastoral Luddites shying away from technology in preference for cottage crafts.

Emphasis on large-scale enterprises

In the first ten years in the Great Basin, the saints cooperated in Herculean undertakings to build major industries in iron, wool, silk, cotton, sugar, pottery, paper and more. They knew that the infrastructure needed to support the future economy of Zion would be substantial. Thus, Deseret was the first and only state to complete extensive railroad and telegraph lines with no government subsidy. Salt Lake City was the first city of its size in the U.S. to build efficient streetcar and gas systems.

The Provo Co-Operative Woolen Factory is a great example of the ambitious scale of LDS enterprise development. In the 1870s, wealthy LDS businessmen provided capital while willing workers earned 'sweat equity' through construction and operation of the factory. Completed in 1872 at a cost of \$155,000, all of the labor and materials were furnished by men of the surrounding area. Most of the capital for the \$100,000 in machinery was invested by members of the School of the Prophets—a group of committed saints brought together by Brigham Young. The factory made use of hydropower and operated over 1000 spindles. Within a short time it was producing 4,000 yards of cloth per week.⁹⁵

The single largest venture undertaken by President Young was the plan for the Y.X. Company. If it's establishment had not been interrupted by the Utah War, this company would have connected Eastern states to Western territories in a reliable, efficient and massive transportation system entirely financed and operated by Latter-Day Saints. One historian called it a "bold and well-conceived enterprise, which, if 'war' had not been its outcome, would undoubtedly have changed the whole structure of Mormon, and perhaps Western economic development."⁹⁶

⁹⁴ Roberts, B. H. Comprehensive History of The Church of Jesus Christ of Latter-day Saints. 6 vols. 1930. Reprint. Orem, Utah: Sonos Publishing Inc., 1991, Vol 5, Chapter 152, p 245.

⁹⁵ Great Basin Kingdom, p 320.

⁹⁶ Great Basin Kingdom, p 162.

Early church leaders clearly understood the need for scale in creating jobs that would provide for the needs of present and future settlers in Zion.

Investment in education

Some of the first institutions established after the saints arrived in the Rocky Mountains were schools. Church leaders were very aware that this kingdom would not be built on good intentions alone. People of ability were needed to conceive, build and operate the significant enterprises they envisioned. Thus education, both formal and informal, was a major emphasis.

And when a particular expertise couldn't be found in the valley, missionaries were charged to find and teach the gospel to those who had it.⁹⁷ Joseph Smith started this practice in 1834 when he was commanded to build a temple. He asked members of the Twelve if they knew any good architects. Brigham Young answered that he knew of an Artimus Millet in Canada who was quite talented but was not a member of the Church. Joseph turned to Brigham and said, in essence, "I have a mission for you, then. Go to Canada, convert Artimus Millet, and tell him to come to Kirtland with his family and \$1000 cash."⁹⁸ It is typical of Brigham Young that he did exactly as he was told.

Other missionaries went after talent in a different way. Some were called on missions to learn needed skills. Mahonri Young, for example, was sent on an "art" mission to Europe. He spent years learning sculpture, painting and other representational arts. He brought his improved talents back to Zion and shared them liberally. George D. Watt was called on a mission to spread "the gospel of silk."⁹⁹ His job was to inspire and enable people throughout Deseret to participate in building a silk industry.

Early saints organized conferences and fairs to accelerate the spread of better methods in disciplines of farming, iron, lead, clothing, wagons, agricultural machinery, paper, horticulture, animal husbandry, and more. Leaders even established an organization for this purpose. Zion's Central Board of Trade was charged with rapidly diffusing technology and best practices of many kinds throughout the territory.¹⁰⁰

Aggressive use of new technologies

While some expected that innovations like railroads and telegraphs would be the demise of Mormonism, in fact leaders saw them as an enormous boon. While on the first wagon train to the Great Basin in 1847, Brigham Young was already surveying for a railroad connecting Deseret with the East! These leaders understood that they needed to lay a foundation which could create of meaningful, value-added work for people producing useful products while making good wages. This, of necessity, meant continuous education, larger scale enterprises, and aggressive use of new technology.

⁹⁷ Ibid, p 97.

⁹⁸ *Joseph Smith the Prophet*, Truman G. Madsen, p58.

⁹⁹ Ibid, p 227.

¹⁰⁰ Ibid, p 342-45.

Brigham taught in the 1868 General Conference: “We want to associate with men who aspire after pure knowledge, wisdom and advancement, who are for introducing every improvement in the midst of the people...”¹⁰¹ Apostle Wilford Woodruff helped create the Deseret Agricultural and Manufacturing Society for the specific purpose of researching state-of-the-art technologies that would generate jobs for unemployed Latter-day Saints.

One of the splendid examples of the saints' rapid assimilation of new technology was in the construction of the 37-mile-electric line from Ogden Canyon to Salt Lake City. Through cooperative effort a dam was built across the Ogden River to create an enormous reservoir for hydroelectric power, culinary and irrigation use. The power was sufficient for factories of all kinds as well as for proposed electric railways in both Ogden and Salt Lake City.¹⁰² Completed in 1897, the water pipelines required the planing of 2,000,000 cubic feet of wood, cutting through sheer cliffs (one tunnel went through 600 feet of solid rock), and building machine shops to produce steel pipe with a diameter of six feet. The Pioneer Power Electric Company, as it was called, was the first ever long-distance transmission system for hydroelectric power.¹⁰³ It was also the longest distance electric transmission system up to that time. Not only were Church leaders not shy about the use of new technology, they were on the cutting edge.

Why, one might ask, were these feats accomplished so well and soon in Deseret as compared to other states and territories? Because the saints applied *all* of the United Order Principles. They had a common spiritual motivation which enabled large scale cooperation. Wealthier members provided capital, not solely for financial gain, but often at great risk of financial loss because of their commitment to building Zion. This same spirit of consecration was seen in others who contributed land or labor. For example, thousands gave land to allow for the placement of 2,500 poles to support the power lines of the Pioneer Power Electric Company. At the end, in a spirit of equality, all who participated received stock, water for their farms, or in other ways benefited as part of the group.

19th Century Church leaders believed that building Zion would require continuous education, large scale enterprises and rapid assimilation of innovations. The same is true today. United Order Principles eventually lead people to participate in the competitive, rapidly changing and more rewarding global economy.

While because of a lack of education, our models may need to start people in cottage trades offering subsistence wages, they must not stop there. These models must enable people to advance past subsistence through ongoing education.

Ideally, strategies will help people be self reliant in their pursuit of education. For example, we could seek ways to help all who are willing to find means of employment that give them some discretionary income which they can invest in their own learning. Also, we must find ways to combine the capital of some, the labor and resources of others in profitable enterprises which have growth potential. We must not be satisfied

¹⁰¹ Journal of Discourses 12:288-89

¹⁰² Great Basin Kingdom, p 394.

¹⁰³ Ibid, p 396.

with creating a class of subsistence laborers out of the LDS poor. Our work will not be through until, in the prophet Jacob's words, "all are rich like unto yourselves."¹⁰⁴

Questions Suggested by this Principle

	Individual Applications	Applications to LDS-Oriented Economic Development Organizations
Emphasis on Education, Scale and Innovation	<ul style="list-style-type: none"> Am I continuously educating my mind in spiritual and temporal things? 	<p>Does the strategy or organization...</p> <ul style="list-style-type: none"> Offer ways participants to make an income today while continually increase their knowledge, skills and abilities for tomorrow? Help people find jobs that promise to eventually integrate them into secure, middle-class positions? Gain people access to appropriate advanced technologies that will help them remain productive and competitive in the future?

Conclusion

In conclusion, the Lord's approach to building Zion employs all relevant gospel principles. We've suggested that these include: spiritual motivation, cooperation, self-reliance, consecration and stewardship, equality, commitment to the poor, and emphasis on education, scale and innovation. Such principles and concepts, when combined, will lead to powerful changes in Latter-day Saint families and communities. They show the strength of group effort, not just one individual trying to operate alone.

These seven aspects of LDS economic development offer a practical and proven application of gospel principles. The challenge to us 21st Century pioneers is no less formidable that that of our earlier counterparts. We must conceive, test and refine methods of applying these principles so that we can achieve globally what they did regionally—the virtual elimination of poverty amongst us.

In the 1870s a great cooperative movement spread throughout Deseret. A great deal of experimentation and innovation followed. There was no one model—in fact, there were as many differences as similarities between cities like St. George, Orderville and Brigham City. Through this kind of vigorous and inspired testing, some models were found to work better than others. For instance, when Brigham Young saw the spectacular results achieved in Brigham City, he began encouraging other communities to adopt some of their more effective practices.

¹⁰⁴ Jacob 2:17

Unitus as a learning community

The next three chapters will describe practical ideas that are generally consistent with United Order Principles—and which can be applied today. As we turn to practical applications, we'd like to take a moment to begin telling you about a resource called *Unitus* that is available to all who are working to eliminate poverty from our ranks. We'll briefly describe its purpose now, then we will describe some of its offerings in later chapters.

Unitus is an organization aimed at: helping saints become of one heart and one mind in helping our poor. *Unitus* hopes to increase oneness of heart by broadening awareness and involvement among Latter-day Saints in this important element of building Zion. *Unitus* works to bring about a oneness of mind by creating a community of learning aimed at finding strategies that work. At the end of this book we will describe ways you can use *Unitus* to learn and link: to learn more about methods others are trying; and to link up with organizations and individuals that need help or want to help.

Unitus invites all to come, share, test, debate and search. Millions of willing participants are needed. Unprecedented cooperation between organizations is required. Only when volunteerism and cooperation swell will we see marked progress in lifting the poor. With increased involvement will come greater unity. If history repeats itself, then greater unity will bring richer blessings. And ultimately, there will be no poor among us.

As President Benson stressed, "It takes a Zion people to make a Zion society, and we must prepare for that."¹⁰⁵ We believe President Brigham Young foresaw the labor of love before us when he declared:

The time will come when this cooperative system which we have now partially adopted... will be carried out by the whole people, and it will be said, "Here are the saints. Will there be any rich or poor them? No."¹⁰⁶

What we must be about is indeed our *Father's business*. This is His work and we need to apply His tools to accomplish it. What we are really building is not a game plan for the economic crisis of Third World Mormons today. Instead, we are building a global movement to change the world as we know it.

Where We'll Go Next

In the next two chapters we'll demonstrate the usefulness of these seven United Order Principles. In Chapter 3 we describe one of the most successful and exciting innovations in economic development in practice today—that of microcredit. After doing so, we'll invite you to use the model and related questions to critique this strategy. We will offer our critique as well.

¹⁰⁵ Ezra Taft Benson. "Cleansing the Inner Vessel," *Ensign*, May 1986, p.4.

¹⁰⁶ Brigham Young. *Journal History of the Church of Jesus Christ of Latter-day Saints*. (Salt Lake City, UT: Church Historian's Office, January 2, 1870).

In Chapter 4 we describe another useful strategy—the formation of larger-scale-cooperative enterprises. We'll detail one particular attempt at cooperative business development in Nairobi, Kenya. Then we'll turn our model on it. Our belief is that if we first become better critics, we can then be better designers of gospel-based strategies.

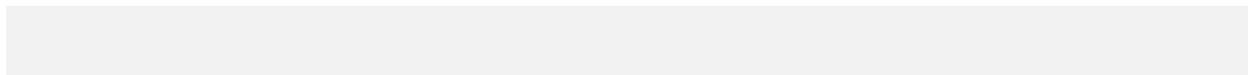
We want to add that we offer our critique hesitantly. We worry that in doing so some will misread our intentions. We have no desire to discourage anything that is working. Our sole interest is to demonstrate that gospel principles can be used to explain what is working, and to point to opportunities for improvement. We believe that real unity requires complete candor. A false and weak feeling of cohesion is obtained through withholding feedback. If we are to come to a oneness of mind, we must first speak our minds. If we are one in heart then candor won't wound rather it will build. This candor, we hope, will provoke creativity and innovation.

Here, then, as we conclude this chapter, is the combined model through which to view all that follows.

United Order Principles

	Does the strategy or organization...	Evaluation
Spiritual Motivation	1. Contribute to the spiritual growth of all participants (employees, donors, volunteers <i>and</i> recipients)	
	2. Engage participants in the larger vision of building Zion rather than just in serving their own immediate needs.	
Cooperation	3. Cooperate with other groups seeking to improve the lot of the poor? (e.g. by sharing ideas, resources, and information)	
	4. Unite participants in finding shared solutions to their common problems?	
Self-reliance	5. Point participants to the significant resources within their communities that can be used in solving their own problems before bringing in outside resources?	
	6. Move people quickly into jobs that allow them to provide for their own needs.	
	7. Offer afflicted communities a way of solving their own problems with potentially <i>no</i> outside involvement?	
	8. Require participants to offer full value for services or benefits received?	
	9. Encourage savings among participants and also set aside reserves to accommodate unforeseen needs of the organization?	
	10. Require local programs to quickly become self-sufficient, and eventually more than return resources provided to help them get started?	

Consecration and Stewardship	11. Require participants to sacrifice for interests larger than their own?	
	12. Practice complete transparency with all information on the efficiency of its operations?	
	13. Hold individual participants accountable for their work and character—even to the point of removing them if needed?	
	14. Offer positions and participation based on merit, ability and character?	
	15. Publish “results data” (not just activity data) demonstrating increase in per capita income of participants for the resources used.	
Equality	16. Avoid client/patron relationships, instead fostering equal relationships between participants.	
	17. Foster participation and leadership by all participants.	
	18. Give a voice to all participants in the strategy, direction and key decisions.	
	19. Give all participants opportunity for ownership in their means of work?	
	20. Create a strong sense of mutual accountability from leaders to followers, followers to leaders, between peers, organization, etc.—in essence among all categories of participants.	
Commitment to the Poor	21. Engage all participants to work for the benefit of the poorest of the poor.	
Emphasis on Education, Scale and Innovation	22. Offer ways participants to make an income today while continually increase their knowledge, skills and abilities for tomorrow?	
	23. Help people find jobs that promise to eventually integrate them into secure, middle-class positions?	
	24. Give people access to appropriate advanced technologies that will help them remain productive and competitive in the future?	



3. Microcredit

We have not capital; yet by combining our means we can obtain all the capital that is necessary, . . . and instead of seeing men walking around with their hands in their pockets, because of not having work, there would not be an idle man in the Territory. For any portion of our people to be idle is wrong, and there is something radically wrong about a system that admits of or has a tendency to keep a portion of the community in idleness. – George Q Cannon¹⁰⁷

As this chapter is being drafted we are sitting in a Cusco, Peru chapel of the church. We spent the whole day interviewing poor church members residing in this ancient capital of the Inca. Today it is home to thousands of Latter-day Saints for whom the daily effort to feed one's family is a daunting task. Some 70-80 percent of our members have no regular jobs. This problem was also the primary topic as we spoke with area and stake presidency members today. These leaders lamented the fact that so many Peruvian returned missionaries promptly drop from the church rolls within a year after their missions. They return here to conditions of squalor in cramped, run-down houses. They have no hope of higher education. They can't afford to get married. They first lose hope, and then lose faith.

Is there a way out? What options may exist? Or what possibilities could be created to reverse this tragic situation?

As we travel the world we are convinced that two things keep so many poor in poverty in Peru and elsewhere. The first is their nations' failure to create enough jobs. The second is a lack of capital with which they could create their own jobs. One of the most encouraging strategies to assist the poor we've seen in the past two decades is one that bypasses corrupt and bankrupt national economies and puts small amounts of capital directly into the hands of the eager poor. In Bangladesh thousands of so-called *village banks* have been established which to-date have extended millions of *microcredit* loans. Recent research shows that these loans have catalyzed enormous initiative among the poor through which they are improving their circumstances. As George Q. Cannon suggested, capital can be a ladder out of poverty. If we find ways to "combine our means"—we can offer the less fortunate a way out of their predicament.

In this chapter we'll take a look at microcredit—also known as village banking—and describe some ways it is being used to serve LDS poor. Finally, to demonstrate how to use United Order Principles as a means for evaluating economic development approaches, we will offer an assessment of microcredit using the 24 questions at the end of Chapter Two. Our goal in this assessment is not to convince you our opinions are correct, but only to show how these 24 questions can be used to critique and improve upon any approach.

To begin with, let's take a look at the economic world inhabited by Third World Latter-day Saints. By giving this background we hope to give you an appreciation for the relevance and genius of microcredit.

¹⁰⁷ Journal of Discourses. George Q. Cannon, Vol. 18, pp. 105-107

The Informal Economy

Most Latter-day Saints in North America and Western Europe labor in what economists refer to as the “formal economy.” They have jobs at corporations that pay a monthly salary. They enjoy certain additional benefits such as health insurance, vacation pay, and so forth. Taxes for local and federal government programs are deducted regularly from their paychecks. Such people rest easier knowing that when they’re older, they will receive some kind of pension or social security payments. Those in the formal economy live a higher standard of living not only because of their jobs, but also because of their credit. Many are able to obtain cars, buy homes and start businesses because they have access to credit. As we’ll see, this access is a critical reason the rich stay rich and the poor stay poor.

The formal economy is not the world inhabited by most Third World Latter-day Saints. Most poor toil in what is called the “informal sector,” “underground economy,” or the “grey market.” In place of a predictable paycheck, those in the informal sector face each day as a new challenge for survival. Today they will rack their brains for some new approach that will bring them sufficient to subsist and start the whole process again tomorrow. Through misfortune of birth these people face this gnawing uncertainty not as a temporary setback, but as life.

The “business” of those in the informal economy often takes the form of street vending. You’ll see these people selling everything from tortillas to telephones, shirts to shoe shines. Hundreds like them will sell exactly the same service or product side by side. With so many selling and so little differentiation, few have any hope of moving beyond the daily “rat race” for a few pennies. At the end of the day these people crowd into the shantytowns or slums that define so much of Third World city skylines.

These enterprises are small, clandestine, and unregistered. Since they operate informally, they contribute no taxes to the state. Because of this, some political leaders consider them a nuisance and occasionally dispatch police squads to bulldoze or disperse them.

While the informal economy has been viewed by some economists as a temporary reaction to natural or financial disasters, reality suggests the opposite. The Third World informal economy is, in fact, growing. It is here to stay and makes up a significant percent of the gross national product of many poor nations.¹⁰⁸

Research over the past decade demonstrates that the informal economy is a vital alternative for the masses of the poor to whom the formal economy offers nothing.

So, here is the situation. The majority of our poor subsist today in their country’s informal economy. In spite of decades of effort and billions of dollars in foreign aid, their formal economies still offer them no jobs. Since large scale, macro-economic efforts have done so little, what can we as individuals possibly do that could make a meaningful difference? From Bangladesh to Peru, we are learning that when big doesn’t work, small sometimes does.

¹⁰⁸ The Other Path: The Invisible Revolution in the Third World. Hernando de Soto, 1989.

Small is Beautiful: Village Banking in Bangladesh

In the mid 1970s, a young man by the name of Muhammad Yunus returned from the U.S. to his native country after earning a Ph.D. in economics. He was anxious to apply his new tools to the problems of chronic poverty that afflicted his homeland of Bangladesh—a place that then U.S. Secretary of State, Henry Kissinger, called “the basket case of the world.” It wasn't long before he concluded that the theories he'd worked so hard to understand were useless in dealing with Bangladesh's enduring poverty.

In despair, he set his learning aside, and began instead to talk to ordinary people. He asked them what they did to survive. He watched them as they went through their daily routines. For example, he found a woman who each week purchased a measure of straw and string with which to make small brooms. She sold these brooms for a few cents profit. Her routine began when she borrowed a few pennies from a local loan shark. After selling her brooms she would pay the man back with interest of over a thousand percent.

Yunus saw this pattern repeated over and over in the village. In all he interviewed 42 women who subsisted through usurious loans in support of microenterprises (or what some call “cottage” businesses) in the informal economy. He saw others who had ideas but no capital with which to try them. From this study, Yunus realized that what kept these hard-working people from making any progress was a lack of access to capital. They had ideas. They had energy. They even had skills. What most lacked was the funds to put these ingredients together to form a business. Those who did find credit got it on such onerous terms that they could never escape the need to borrow—a situation the loan shark preyed on.

On completing the interviews, he tallied up the capital needs of these 42 women. All told they operated their 42 microenterprises on the equivalent of \$27. He was tempted to take the money from his pocket and make a gift of it to these hapless souls. Fortunately, he thought again.

As he contemplated the needs of the millions of microentrepreneurs in his country, he realized that gifts would not solve the problem. Besides, he reasoned, there is only dependence and not dignity in gifts. What they needed was access to capital on the same terms as any other business. They needed loans. So that's what he offered. He returned to each person he had previously interviewed and offered a small loan. They gratefully accepted—but only on condition that they be allowed to repay with interest. To Yunus' delight, to a person they all quickly repaid their loans.

Thus was born the first Grameen—or, in English, Village--Bank. From the humble beginnings in the mid 1970s, Grameen Banks in Bangladesh now serve 2,200,000 clients in 37,000 villages. Cumulative loan disbursements are now over three billion U.S. dollars. Borrowers are required to save for a period of time before receiving their first loan—and then to continue saving afterward to remain active in the bank. The emphasis on savings helps them make steady progress out of poverty. Total savings today from these working poor exceeds eighty million U.S. dollars. Amazingly, all of this borrowing and repayment is done with poor people. These poor have been systematically excluded from credit by traditional who believed they were not creditworthy. Today banks who

sat by skeptically waiting for Grameen to fail, marvel as village banks sustain repayment rates over 97%.

And the story doesn't stop there. As Yunus was discovering village banking in Bangladesh, another inspired leader by the name of John Hatch struck on the same idea in Bolivia. He started an organization called FINCA, which today operates in 17 countries. From Bolivia and Bangladesh, the idea has spread across the globe. Small loans of \$30 to \$100 are now offered to individuals or groups by over 1600 institutions in 137 nations.¹⁰⁹ Because of the pure motives and inspired methods of two men on opposite sides of the globe, there are now over 23 million families of borrowers who are measurably better off. Because microcredit organizations and their borrowers have been good stewards of the money given them, over \$7 billion in assets has been redirected from traditional uses into service to the poor. By extending microcredit to the poorest of the poor, millions of new jobs have been created, thereby empowering individuals and families to gain some control over their destinies.

These statistics tell two stories. First, they suggest that this is a strategy with legs. Microcredit has the capacity of enabling the poor to gain some degree of victory over poverty. So, while microenterprise will never allow masses of poor to have access to the kind of food, health care and education available to most middle class families, it removes a measure of uncertainty and desperation from their lives.

Second, if we focus on LDS poor, the numbers we've shared suggest that only a very small percentage currently have access to microcredit. If poor Latter-day Saints have access to microcredit proportionate to their representation in the world population, then this resource is currently available to a little more than 38,000 of our poor. If microcredit can be a first-phase strategy for rising out of poverty, then most of our poor aren't even on the first rung of the ladder.

More recently, the LDS Church has been collaborating with several NGOs¹¹⁰ like FINCA, Grameen and Katalysis to fund village banking projects in Asia, Africa, and Latin America. Some of these programs benefit Latter-day Saints.

A Quick Primer on Microcredit

With so many organizations engaged in village banking, many variations have emerged. The common feature of all these organizations is that they offer relatively small loans to poor people to help them form and expand microenterprises. The list below outlines some of the elements that vary from organization to organization:

- **Group Loans.** Most village banks extend loans to groups rather than to individuals. This puts their “social collateral”—or good name within their peer group—at risk to ensure they pay back their loan. Yunus and Hatch both struck on this idea independently, realizing that while the poor have no physical

¹⁰⁹ Empowering Women with Microcredit: 2000 Microcredit Summit Campaign Report, Lise Adams, Anna Awimbo, Nathanael Goldberg, Cristina Sanchez, The Microcredit Summit Campaign, June 2000

¹¹⁰ NGO stands for Non Governmental Organization. In this book we use it to refer to the thousands of private, typically non-profit organizations that have sprung up in the past twenty years to conduct grass-roots humanitarian work in nations around the world.

collateral, their reputation in their village is precious to them. If an individual defaults on a loan, their entire group is accountable to repay it. Thus, the entire group takes the role of collection agents, using informal influence to ensure all are true to their promises. In places like the U.S. that lack a village social structure, organizations like FINCA make individual loans. Repayment rates are still high as FINCA has found ingenious way to gain the support of individual's social circles in encouraging honorable repayment of loans.

- **Training.** Some village banks focus on training as well as credit. Some offer literacy training. Others offer training in basic business skills like bookkeeping and customer service. Yet others train in “life skills” like communication, personal finance and self-esteem.
- **Consulting.** Enterprise Mentors International (EMI) operates in a half dozen countries and targets many Latter-day Saints for its services. In addition to small loans and business training, EMI offers consulting services to microentrepreneurs to help them improve and expand on their existing businesses. Many EMI clients have doubled the size of their business as a result of this targeted consulting. Each EMI client is responsible to pay for services they receive, sometimes by acting as a consultant for other clients in the future.
- **Focus on Women.** Some village banking organizations deal exclusively or primarily with women borrowers. This practice is in part a result of experience which shows that women who receive discretionary money tend to invest it in their families. Many men, on the other hand, put it to frivolous or even self-destructive uses. Another rationale is that in many Third World countries women are cut off from means to sustain themselves through custom and law. In some places they are kept from owning land, holding public office or even defending their interests in an impartial court. Some microcredit organizations attempt to enfranchise women through village banking. Many gain confidence as they take leadership positions in their village bank. All gain independence as they employ borrowed capital to start and run their own businesses. Approximately seventy-five percent of worldwide microcredit loans go to women.¹¹¹
- **Poorest of the Poor.** As microcredit organizations expand around the world, they must find ways to ensure that their small banks avoid corruption, maintain efficiency, and expand systematically. Many have indigenous “promoters” who travel regularly from village to village or neighborhood to neighborhood to oversee operations and recruit new members. In the process of incenting these promoters to ensure good repayment rates, there has occasionally been a reduced emphasis on recruiting the poorest of the poor as borrowers. To address this concern, some are creating strategies that intentionally target the poorest of the poor. One such organization, H.E.L.P. International, targets the poorest of the poor LDS in Central and South American countries. H.E.L.P. has developed its own system of microcredit called *Accion Contra La Pobreza* (Action Against Poverty). We will describe this organization in more detail below. Also, many microcredit organizations have joined the Microcredit Summit Campaign whose goal is to target the bottom 50 percent of those living below each nation's poverty line—an ambitious vision which includes the 100 million poorest families in the world.¹¹²
- **Interest Rates.** Most microcredit organizations adjust their interest rates to closely match the rate offered by banks to larger businesses in the local area. In some countries this rate can reach 30% or more. While that may sound high to First World readers, it is still a rate far lower than would otherwise be available to those in the informal economy from “moneylenders” (aka loan sharks). Yunus and Hatch both wanted to set interest rates at a level high enough to attract capital from traditional banks into

¹¹¹ Empowering Women with Microcredit: 2000 Microcredit Summit Campaign Report, Lise Adams, Anna Awimbo, Nathanael Goldberg, Cristina Sanchez, The Microcredit Summit Campaign, June 2000.

¹¹² *ibid.*

microlending, and make the village banks self-sustaining, but low enough that borrowers could keep some profits for themselves.

- **Cooperative Strategies.** Village banks sometimes become a clearinghouse for cooperative ideas. Borrowers who discover they use the same raw materials as others in their village bank can pool their purchases to gain greater buying power. Other banks become marketplaces for improvement ideas. Entrepreneurs who have faced and overcome challenges share what they've learned with others, thus helping them avoid unnecessary pitfalls in their business growth.

Anyone who reviews the results achieved in the past three decades through microcredit must forever dismiss any notion that the poor are that way because of laziness. The capital that millions of poor now have access to has acted like a gust of air on a fire. It has fanned the flames of initiative in many whose hope had almost died. Now they bootstrap themselves by creating their own jobs. This type of work requires a great deal of sweat to build equity. For many it's a family affair: brothers, sisters and parents join together to make and sell a product that brings needed money into the home.

To give you an idea of how microcredit projects are started and run, we'll next share an extended case where village banking has made a difference with LDS poor. After that, we'll take a look at how microcredit stacks up to United Order Principles.

A Contemporary LDS Case: H.E.L.P. Honduras

Let's now turn briefly to a current application of microcredit with poor church members in Central America. The story starts with the devastation of rain, winds and floods caused by Hurricane Mitch in November 1998. Those who watched this disaster unfold on the news heard of ten thousand killed, many more than that missing, over a million without homes, 70% of staple crops destroyed, and 90 percent of the Honduran infrastructure (roads, bridges, communication and electrical systems) completely destroyed. International development experts estimated that the region was set back by decades. Even before Hurricane Mitch, Honduras had been ranked as the poorest country in Central and South America.

As the initial crisis subsided, relief workers poured in from around the world. In the midst of this inspiring effort, a BYU professor called for students to help by organizing a longer-term response. While food, shelter and medical supplies were urgently needed, it appeared that few were asking what could be done to help sufferers regain economic stability in their lives. Some fifty volunteers responded to the call to fill this void. Calling themselves H.E.L.P. Honduras (H.E.L.P. stands for Help Eliminate Poverty), they organized themselves into teams who would shape elements of their action strategy:

- 1) Logistics: Decide where to labor, what equipment is needed, when and how to get to Honduras.
- 2) Microcredit training: Develop plans for educating and training volunteers in village banking methodologies.
- 3) Fundraising: Lead campaigns to generate funds for volunteer flights to Honduras, low cost room and board for families students would live with, and loan capital to form village banks.

- 4) Public Relations: Tell the story and raise awareness to generate funds and in-kind donations.
- 5) Technology and Communications: Connect the 50 participants by email, phone, fax, and a website.
- 6) Orientation: Prepare volunteers to work in the Honduran Culture by orienting them to national norms and values, food and language, etc.

Over the next four months, the teams did research, prepared materials, and trained each other on various topics. Many of the student volunteers played tireless leadership roles in the effort. While a few people dropped out over time, new individuals stepped up and took their places. By April the effort involved students from BYU, Utah Valley State College, Salt Lake Community College, University of Utah, Ricks College, and Stanford University. Church groups, families, and professionals from California to Maryland gave support.

At the end of April 1999 the first H.E.L.P. team left the United States for Central America. By early May 11 people were in Honduras surveying areas hardest-hit by Hurricane Mitch, generating data on families and needs, interviewing church and community leaders, meeting with U.S. embassy officials, foreign nonprofit aid groups and Honduran relief organizations.

These and later teams then spread out to targeted villages and began offering a combination of relief and economic development service. Relief work consisted of assisting Hondurans to rebuild homes, construct bridges, and supply medical aid. Some examples of the impact these volunteers and the donors who supported them had include:

- 60 school kits assembled by a Provo LDS ward (each containing a small slate board, chalk, paper, pencils and pens, crayons and colored markers, scissors and glue) were given to a very poor, small elementary school. One school in rural San Jeronimo lost all supplies to hurricane Mitch. When H.E.L.P. arrived it was facing imminent closure. Thanks to these materials, it soon reopened to peasant children in the region.
- Water purification systems donated by a Seattle company, not only enabled U.S. volunteers to access clean, safe drinking water but to create new businesses by selling the product to the Honduran public.
- Some eight pickup truck loads of used clothing were gathered in Utah and delivered to the Honduran poor.
- In Comayagua, the beautiful old capital of Honduras, H.E.L.P. volunteers found an orphanage for rescued street children. One of the most pathetic outcomes of Mitch was the increase in numbers of street children, perhaps as many as 10,000 who lost their parents in 1998's floods. Without family or shelter, many were forced to survive in the streets by begging for food and sniffing glue. The glue-sniffing was less for the "high," than to reduce the gnawing pain of hunger. With H.E.L.P. assistance, the Comayagua orphanage operates as a kind of boys' school where young men can go to school, learn to read and write, wash their own clothes, and develop woodworking or welding skills. Volunteers reported great satisfaction as they served at the school, giving toys, clothing and other donated goods to these kids.

Each week volunteers would spend 20 hours in relief work, while the rest of the time they would:

- 1) Teach basic business training programs in microenterprise and family business production;

- 2) Consult with those who wanted to start or expand their microenterprise.
- 3) Build microentrepreneurship acumen, values and spirit among groups;
- 4) Recruit members for and establish village banks.

To get its microcredit program going, H.E.L.P. first established linkages with other NGOs in Central America to learn their methods. The group ultimately decided to partner with FINCA (Foundation for International Community Assistance) rather than start its own microcredit organization in Honduras. Since FINCA has a tremendous track record for loan repayment and organizational efficiency, H.E.L.P. volunteers were enabled to avoid the risks of starting from scratch and immediately focus attention on starting banks. This collaboration also ensured that after the H.E.L.P. team left that the new banks would continue. We think this experience is also a good example of Latter-day Saints working with an existing—and even non-LDS-focused—organization to create LDS-focused projects. FINCA has likewise collaborated on LDS-focused banks with both LDS Charities and other private LDS initiatives.

During the first few weeks in Honduras volunteers worked closely with in-country FINCA personnel. Students met with their national leader and officers, observed how promoters started new banks, sat in on workshops and new startup meetings, and followed borrowers back to learn about their businesses.

In cooperation with FINCA, the H.E.L.P. team conducted the training and formally inaugurated each new bank. Each bank was initially capitalized with about \$2,500 in H.E.L.P. donations. After each bank started, volunteers returned each week to monitor the group's progress, and to provide further training and consulting.

The real impact of this effort is expressed better in stories than in statistics. Here are two examples of what these selfless volunteers accomplished:

- Women members (*socias*) of a new village bank in a rural region called Aldea de Siria were transformed when entrusted with their group's first loan. As their loans were paid off, interns report, "They were so excited, so proud of themselves for paying off 100 percent of their loans with interest, as well having a savings account for the first time in their lives." One microentrepreneur declared: "We may be poor and humble, but we are responsible and we work hard." The result is not just economic success, but a new, more confident self-image.
- Conception Hernandez Martinez, known as "Conchi" to her friends in the town of Danli, began her business with an initial microloan of 400 *lempiras* (\$28 U.S.). With that tiny sum, she built a simple, wooden restaurant that measured 6 ft. by 8 ft. Gradually, serving good food and growing her customer base, she became qualified for larger loans, and she has experienced significant improvement. Conchi's latest village bank loan totaled over 6,000 *lempiras* (over \$420 U.S.) and she is the proud owner of a large 120 ft. by 75 ft. restaurant, the most successful in the region. Her case is but one of hundreds of H.E.L.P. microenterprises in which a little capital can go a long way.

Banks started by H.E.L.P. volunteers in 1998 served some 800 Honduran women, which directly benefitted thousands of family members.

The H.E.L.P. Honduras field director in Honduras, BYU MBA student Lisa Jones reported: "The efforts of our teams have yielded impressive outcomes so far, but our long-term impact and sustainability are yet to be determined." Approximately \$115,000 was raised by enterprising volunteers who found generous donors, in many cases including their own families. A number of students paid their own airfare to Tegucigalpa in order

to preserve donated funds for microcredit. Because of this sacrifice, we were able to start forty-seven new village to empower the poor. According to John Hatch, FINCA's Founder, we actually impacted a total of 96 banks because FINCA was able to leverage H.E.L.P. monies with other capital.

While H.E.L.P. brought important benefits to those it served, those who served were blessed as well. Many volunteers learned a great deal about the joy of sacrifice and serving those who suffer. They had experiences that not only brought relief to Honduras, but also changed the students themselves. Whatever their eventual profession, they will be more aware of the sick, the vulnerable, the poor, widows and orphans. They will give life-long service in their careers, families, and communities. They gained a unity with those that suffer and those that served that they will never forget. They qualified—and will likely continue to qualify—in a very special way to stand one day as saviors on Mount Zion.

Also important is the education these students received. They now know how to offer not merely a hand-out, but a hand up. They now understand what Anne Frank declared in the Nazi era when she observed, “How wonderful it is that no one need wait a single moment to improve the world.” Who would have thought that young, middle class American Mormons could have had such a marvelous impact on over 4,000 poor Hondurans? It was truly a miracle.

At the writing of this chapter the date is July, 2000. A little over a year since the first group of 47 volunteers left for Honduras, H.E.L.P. is involving over a hundred volunteers who have completed four months preparing to go to Peru, Venezuela, Honduras, and El Salvador. Students have been generous with their time. Donors have been generous with their funds. Students from seven universities have gathered small and large checks totaling about \$250,000 to offset travel, start banks and offer a permanent step out of poverty to thousands. Perhaps a couple of decades in the future, H.E.L.P. will have become a Grameen-type bank for the poorest of the poor in Latin America, designed and operated by L.D.S. young adults for and in behalf of the poor. Indeed, it looks somewhat promising as a type of Mormon Peace Corps with a long-term strategy of uniting with the poor and transforming the world one family at a time.

Gospel Reflections on Village Banking

President John Taylor could have been talking about microcredit when he said:

“Talk about financiering! Financier for the poor, for the working man, who requires labor and is willing to do it, and act in the interest of the community for the welfare of Zion, and the building up of the kingdom of God upon the earth. This is your calling; it is not to build up yourselves, but to build up the Church and kingdom of god. . . Do not let us have anybody crying for bread, or suffering, for want of employment. Let us furnish employment for all.”¹¹³

Practices like village banking seem consistent with other words of President Taylor who counseled the Latter-day Saints to get “engaged in a work that God has set his hand to accomplish . . . to introduce correct principles of every kind—principles of morality,

¹¹³ Journal of Discourses. John Taylor, Vol. 19, pp.308

social principles, good political principles . . .”¹¹⁴ We must be constantly in search of better systems, principles and practices to reshape the world into its paradisiacal, and eventually, celestial state. As Brigham Young said in the first chapter—this won’t happen by a miracle, it will happen through hard work and natural laws.

The Lord made it clear that the root cause of economic problems is not supply but distribution when He said: “For the earth is full, and there is enough and to spare; yea, I prepared all things, and have given unto the children of men to be agents unto themselves.”¹¹⁵ We conclude from this passage that the Lord expects us to be agents in ensuring that the supply (which is enough and to spare already) gets distributed justly. Microlending seems like a wonderful way of using our agency to take existing supplies of capital, and make them available to the poor. The beauty of microlending is that it accomplished this goal without violating the United Order principle of self-reliance. It builds independence rather than fostering entitlement. Village banking offers a hand-up, not a handout. It seems an appropriate way to “unite with (the poor and jobless_ . . . in finding employment for every man and woman and child . . . that wants to labor.”¹¹⁶

Village banking is a practical self-help tool that accomplishes the goal of President Joseph F. Smith. President Smith taught that Mormonism “has always sought to place its members in a way to help themselves, rather than adopting the method of so many charitable institutions of providing only for present needs. . . Our idea of charity, therefore, is to relieve present wants and then to put the poor in a way to help themselves so that in turn they may help others.” The basic principle is that “we depend on mutual helpfulness.”¹¹⁷

God’s poorest do not need condescending sympathy, but an opportunity to grow. Instead of the exploitation of moneylenders who slowly devour the poor for 20 percent interest per day, group credit programs offer a path to independence. Research has shown that microcredit not only generates jobs, but it also counters malnutrition, illiteracy, poor health care, inadequate housing, lack of running water and electricity. The reason is that as individuals generate income, they naturally begin to use it to solve these kinds of problems themselves.

Experiences like those of H.E.L.P. are also wonderful ways of building the Zion-like unity that we are told is a requirement if we are to eliminate poverty. As the saints join with their poor brothers and sisters in efforts like this, it will be easier for them to follow the admonition of President Ezra Taft Benson:

“We must not lose sight of the fact that all we are doing now is but a prelude to the establishment of the united order, and living the law of consecration. The individual saints must understand this.”¹¹⁸

¹¹⁴ Journal of Discourses. John Taylor, Vol. 15, pp. 169.

¹¹⁵ D&C 104:15,17

¹¹⁶ Journal of Discourses. John Taylor, Vol. 20, pp. 165.

¹¹⁷ Journal of Discourses. Joseph F. Smith, Vol. 10, pp 832

¹¹⁸ Teachings of Ezra Taft Benson. Ezra Taft Benson, pp.123

A UOP Critique of Microcredit

Now, how do microcredit methods compare with United Order Principles (UOP)? We offer our assessment below. Again, we offer our critique not to begin a debate about our answers to the 24 questions, but to show you how you can use UOP to evaluate various strategies. If you are a better critic, we believe you will be a better chooser (of projects to support) or creator (of your own projects). So, for what it's worth, here is our view:

	Does the strategy or organization...	Evaluation
Spiritual Motivation	1. Contribute to the spiritual growth of all participants (employees, donors, volunteers <i>and</i> recipients)	Yes and no. Most microcredit programs are decidedly non-denominational. However, almost all formally or informally use spiritual principles in their program makeup. There is no reason why new LDS oriented microcredit programs couldn't emphasize the spiritual growth of participants.
	2. Engage participants in the larger vision of building Zion rather than just in serving their own immediate needs.	No. Many microcredit programs emphasize the need for community involvement. However, this emphasis is often overlooked. Again, new LDS oriented programs could specifically emphasize the building of Zion rather than just serving immediate economic needs.
Cooperation	3. Cooperate with other groups seeking to improve the lot of the poor? (e.g. by sharing ideas, resources, and information)	Yes and no. Some NGOs offering microcredit are very protective and competitive—offering no cooperation to other NGOs. Some, like FINCA mentioned above are very open and collaborative. The Microcredit Summit Campaign is doing some great work in bringing together hundreds of microcredit organizations in order to identify the practices necessary to bring microcredit to 100 million people by 2005.
	4. Unite participants in finding shared solutions to their common problems?	Partly. The focus on group loans brings the poor together in cooperative arrangements. Typically, however, their businesses are fairly independent. Interestingly, though a study by one of the authors showed that many microcredit borrowers find the shared social and problem-solving atmosphere of the bank groups to be one of the greatest benefits of microcredit.

Self Reliance	5. Point participants to the significant resources within their communities that can be used in solving their own problems before bringing in outside resources?	Partly. This depends upon the organization. If the focus is on getting loans, loan recipients are completely dependent upon outside investors to make progress. We haven't seen villages start banks of their own initiative. Rather, they must wait on NGOs to come and do it for them. Once the banks start, however, some NGOs place great emphasis on fostering sharing between bank members which points them to resources within their own group.
	6. Move people quickly into jobs that allow them to provide for their own needs.	Yes.
	7. Offer afflicted communities a way of solving their own problems with potentially <i>no</i> outside involvement?	No.
	8. Require participants to offer full value for services or benefits received?	Yes. Loans are repaid with interest.
	9. Encourage savings among participants and also set aside reserves to accommodate unforeseen needs of the organization?	Yes. Savings are usually required before loans are given. Also, regular saving is an ongoing requirement for future loans. This is a great strength of microcredit.
	10. Require local programs to quickly become self-sufficient, and eventually more than return resources provided to help them get started?	Yes and no. Good microcredit organizations require local programs to become self-sufficient within 2-5 years. We have not, however, seen examples of these self-sufficient organizations paying back their seed capital to the sponsoring NGO.
Consecration and Stewardship	11. Require participants to sacrifice for interests larger than their own?	No. Participants are primarily involved to solve their own terrible economic problems.
	12. Practice complete transparency with all information on the efficiency of its operations?	Yes. Good microcredit NGOs conduct impact research on income increase of clients, and publish data on loan repayment rates, percentage of funds going to loans vs. operations and fundraising, etc.
	13. Hold individual participants accountable for their work and character—even to the point of removing them if needed?	Yes. Good microcredit organizations will expel borrowers who are frequently delinquent or do not meet savings and other standards. Also, they have good auditing and control practices to guard against corruption by bank staff.

	14. Offer positions and participation based on merit, ability and character?	Yes. Village bank leader are elected by their peers. Good microcredit organizations hold promoters and other paid employees accountable for results.
	15. Publish “results data” (not just activity data) demonstrating increase in per capita income of participants for the resources used.	Depends upon the organization. Most don’t. They publish repayment rates, and other financial data but don’t conduct impact research on income improvements realized by participants.
Equality	16. Avoid client/patron relationships, instead fostering equal relationships between participants.	Yes. The borrower/lender relationship is one of wonderful dignity and mutual respect.
	17. Foster participation and leadership by all participants.	Partly. The bank is run by professional staff, but there are leadership opportunities within the bank group.
	18. Give a voice to all participants in the strategy, direction and key decisions.	Partly. Participants have 100% control over their own businesses. They have little input into the functioning of the village bank itself.
	19. Give all participants opportunity for ownership in their means of work?	Yes.
	20. Create a strong sense of mutual accountability from leaders to followers, followers to leaders, between peers, organization, etc.—in essence among all categories of participants.	Yes. The bank is accountable to borrowers in that they can always leave. The borrowers are accountable to their borrower group and to the bank.
Commitment to the Poor	21. Engage all participants to work for the benefit of the poorest of the poor.	No.
Emphasis on Education, Scale and Innovation	22. Offer ways participants to make an income today while continually increase their knowledge, skills and abilities for tomorrow?	Some do. Some microcredit NGOs offer training and consulting. Many do not. However, as participants gain financial independence, they generate some funds they can use to invest in education for themselves and their children.
	23. Help people find jobs that promise to eventually integrate them into secure, middle-class positions?	No. A few use their microenterprises as a stepping stone to larger businesses. Most don’t. This is a weakness of microcredit in that it alone doesn’t offer a way of smoothly integrating microentrepreneurs into the formal economy.
	24. Give people access to appropriate advanced technologies that will help them remain productive and competitive in the future?	No. Again, the focus is microenterprise, not small, mid or large scale business. Most don’t make the transition from home-based business to larger scale.

4. Cooperatives

The time will come when this cooperative system which we have now partially adopted in merchandizing, will be carried out by the whole people, and it will be said: 'Here are the saints.' Will there be any rich and poor then? No. – Brigham Young¹¹⁹

The most visible theme in the Mormon history of solving problems is cooperation. Whether facing mobs, droughts, insects, armies or poverty, the saints always sought solutions cooperatively. In Jackson County, Kirtland, Far West, and elsewhere, the pattern was similar. The saints pooled their resources, developed a plan and rolled up their sleeves.

Consistent with the UNITED ORDER principle of self reliance, there was no case where an outside agency rescued the saints from their problems. If we are to find effective development methods for the 21st Century, we should seek those that enable groups who, like the early saints, aren't willing to sit and wait for help. When such methods are found, we are certain that they will be based on cooperation.

To demonstrate the potential for cooperative solutions, we'll use this chapter to describe a promising project in Africa that we've both watched and supported. The idea for the project began one Sunday when we attended church services in Nairobi, Kenya. The services were in the Upper Hills branch. Around a hundred were in attendance. Most branch members there are converts of less than five years. Although most were poor, all were smartly dressed. Each welcomed the other with broad smiles and occasional embraces. As talks were given, the speaker's opening greeting was returned by the entire congregation's enthusiastic, "Good Morning."

The sacrament meeting concluded and we moved into the gospel doctrine class. During class discussion, we noted the extraordinary level of gospel knowledge members had acquired in their brief membership. Sisters quoted from the Book of Mormon, brothers cited relevant stories from church history. Many who spoke were very articulate—speaking in a beautiful accent that is at once English and African. Between meetings we got to know some of the members. Here is a man with a college degree in marketing. There is a woman trained as a nurse. Another is a skilled technician. Almost everyone present read easily from their copies of the scriptures.

Imagine our surprise after forming these impressions, when we discovered that 70 percent of these members were unemployed. Most foraged for work that would employ them for a day or two here and there. Few found work that utilized their unique training. A number were return missionaries—capable, young, rich in ambition but poor in opportunity.

As the meetings concluded, we watched the members disperse to their homes. Something was different as they moved away. Minutes earlier, assembled in the chapel, they had seemed vibrant, united and powerful. As they went their separate ways they looked small, lonely and weak. They filed off to face their solitary

¹¹⁹ *Great Basin Kingdom: An Economic History of the Latter-day Saints from 1830-1900.* Leonard Arrington, p 315.

discouragement. Monday morning they would stand alone against a broken economy, a corrupt government and hollow prospects. What a waste, we thought, to have all this talent and capacity sitting idle. And even worse, what is wrong that these collectively powerful people are being divided and conquered in the way they face their common problems?

We sensed that day that there was far more potential in their unity than the sum of their individual efforts. That day we began searching for ways they could benefit from their combined potential.

As we considered the options available for Nairobi, we reflected on the inspiring stories of two leaders who found themselves in similar situations, faced similar challenges, and achieved marvelous results.

A Tale of Two Leaders—Lorenzo Snow

In 1853, Brigham Young charged Apostle Lorenzo Snow, who had just returned from a trying mission to Europe, to head north sixty miles of Salt Lake City and build a city of Zion. Along with fifty faithful families, he did as he was asked. They called their settlement Brigham City.¹²⁰

The colonists were rich in willingness but short on cash. While hard work was essential, it wouldn't buy them tools, nails, spindles, millstones, saws or other items to turn their campsite into a town. Most of these items could only be obtained through import from eastern states. And imports called for cold, hard money.

After years of struggle and setbacks, Elder Snow and the rest of the colonists found a way to avoid squandering what little money they had for non-critical purchases: they established a mercantile cooperative. The cooperative was formed by selling stock to residents—thus precious cash was pooled in this community institution. By deciding as a group what was essential to buy, they were able to exercise greater restraint over non-essential purchases. Also, by combining their purchasing power they were able to get better prices on things they did buy. As profits were realized in the co-op, dividends were paid in kind. Through this shrewd practice the co-op became a mechanism for accumulating cash capital for future collective investment. Ward leaders encouraged members to buy capital stock and within four years the cooperative had \$10,000.¹²¹

At this point, the group was ready to make its first major investment. It chose to build a tannery. The tannery created both desperately needed products and welcome jobs. Members extended the principle of cooperation by purchasing all their boots, shoes, saddles, and harness from the tannery. Thus, a whole category of items that had previously drawn cash out of Brigham City were replaced with locally-produced goods. With this advance, shared capital grew even faster. The co-op was soon able to start a \$35,000 water-powered woolen mill with over 200 spindles.¹²² The mercantile cooperative, led by Apostle Snow, became the primary distributor of woolen goods. Products produced in excess of Brigham City needs were exported to other cities,

¹²⁰ *The Presidents of the Church*, ed. By Leonard J. Arrington, p 163.

¹²¹ *Great Basin Kingdom*, p 324.

¹²² *Ibid*, p 325.

territories and states, bringing more in more cash. This further accelerated the accumulation of capital, which again quickened growth in Brigham City.

A virtuous cycle of job creation, cooperative production and purchasing and more job creation resulted in the literal elimination of poverty in Brigham City within just a few years. As new enterprises were begun, new jobs were created. Worker-owners would patronize the businesses so scarce currency could be put to use in the best interests of the community. When so invested, more jobs and valuable products were made available, and so on. Within 10 years the cooperative complex had approximately forty branches involved in every needed industry. Members could purchase brooms, hats, molasses, furniture, and so on—all produced by cooperatively-owned enterprises. Total capital was over \$120,000 and nearly every worker in the village of two thousand was both a shareholder and worker in a co-op department. Departments included a general store, tannery, woolen mill, cabinet shop, blacksmith, brick foundry and more. There were groups who provided carpentry, painting and home building. The cooperative owned 5,000 sheep, 500 milk cows and 100 hogs in addition to operating several farms which produced specialty crops. There was a public works department that created more jobs by building roads, dams, bridges, canals and public buildings.¹²³

Under Apostle Snow, this economic system provided both rapid and robust progress. When in 1873 a financial panic struck Utah, Brigham City experienced its greatest expansion to date. So successful was the cooperative system that newspaper reporters visited to study it. Some were struck with the way homes were built for the poor and widows. Others noted how cooperation resulted in quicker integration of new technologies than in other western towns. For example, cooperators in Brigham City developed a plan to locate their shops and factories on a twelve-acre square at the center of town. Street cars would then run from this square to various parts of the town to transport both workers and customers. Others were fascinated with the efficiency of the community's monetary and banking system.

Within a few years of its founding, and with no outside investment, Brigham City emerged as one of the most prosperous and progressive towns in the territory. Cooperative methods created a growing source of capital. And cooperative investment, consumption and production saw that the aspirations of the entire community were met rapidly and effectively. In 1875 total production was \$260,000 of which \$100,000 was invested in new operations.¹²⁴ The saints in Brigham City approached their challenges with one heart and one mind. And in a short time, there were no poor among them.

A Tale of Two Leaders—Jose Maria Arizmendiarietta

Some who read about 19th century cooperative strategies like that of Brigham City are understandably skeptical. They wonder whether any of these ideas are applicable in our 21st Century global economy. One might wonder, for example, whether cooperative organizations might be too soft, too slow or under-capitalized for battle in

¹²³ Ibid, p 325.

¹²⁴ Ibid, p 325.

a fierce and rapidly changing marketplace. To address these questions, we'll travel to a 50-year old work-in-progress in Mondragon Spain.

In 1941, a Catholic priest by the name of Jose Maria Arizmendiarietta began serving in the Basque region of Spain. On his arrival he found widespread poverty, run-down and overcrowded housing, oppressive employment practices and even an outbreak of tuberculosis.¹²⁵ The major employer in the area was a foundry and metalworking factory called Union Cerrajera. Laborers at the factory chafed at exploitative wages, and unfair limits to advancement imposed by owners. Shareholders effectively blocked the upward mobility of any not of their families by limiting management positions to those of their ranks. The best others could hope for was a lifetime of hard labor and uncertain employment in the foundry. With unemployment always running high, many resigned themselves to these conditions.

From the beginning, Don Jose Maria believed that there could be no progress without education. So he approached the management of Union Cerrajera hoping to persuade them to open their apprenticeship program to non-relatives of employees. His proposal was rejected.

Convinced that raw numbers represented potential power, Don Jose Maria refused to join the thousands who allowed economic and social distinctions to keep them in misery. He became convinced that cooperation was a catalyst that could make the individually weak collectively powerful. So he formed an association of parents committed to organizing an independent school. Parents placed boxes on street corners throughout Mondragon. Those willing to support the school placed a slip of paper with their names written on it into these boxes. In total about six hundred residents offered to participate. In 1948, the Escuela Politecnica Profesional opened its doors.¹²⁶

The school was governed by elected representatives from among the teachers, parents, students and community members involved in it. Each gave support in the form of cash or labor. Some taught, some built, some maintained and some recruited in order to pay their dues.

Not only did the school operate cooperatively but it also taught cooperation. Participants were trained in technical skills, but equally important were long discussions with Don Jose Maria on religion, sociology, self-management and worker-participation. These discussions built a new consciousness in the graduates about options and possibilities for social change that they would otherwise never have imagined. Students were taught through word and deed the power of cooperation in building the soul and advancing the community.

The first thing graduates of Escuela Politecnica Profesional learned after leaving the school was how little education mattered in their class-based society. Factory owners simply refused to hire graduates into senior positions. So far all the school had succeeded in creating were smarter poor people. The final impetus to what was to follow came when, in the early 1950s, the management of the Union Cerrajera offered

¹²⁵ *Making Mondragon*. William Foote Whyte and Kathleen King Whyte, p 26.

¹²⁶ *Ibid*, p 30.

new stock for sale. Seeing in this an opportunity to improve the conditions of workers, followers of Don Jose Maria urged top management to allow workers to purchase stock. Their proposal was flatly rejected.¹²⁷

Despairing at the intransigence of factory owners, Don Jose Maria and five of his most committed supporters decided to start a new factory. Many scoffed at the idea. It was simply too fantastic to imagine. These were poor people, after all. Where would they get the capital? How would they get sufficient skilled workers to leave safe jobs at the existing factory? How could they compete with established companies? Don Jose Maria's answer was simple and direct: they'd cooperate.

These five individuals, supported philosophically by Don Jose Maria, canvassed the countryside persuading ordinary people to invest a few dollars. Although investors were promised no specific return, many were so captivated by the vision that they offered all they had to spare. The five soon-to-be founders of Mondragon cooperatives evangelized about a new way of working. They preached a revolutionary gospel that put labor, not capital, at the top of the enterprise. They spoke not of endless profits to feed boundless consumption, but of creating sufficient for peoples' needs, then investing in growth so that more jobs and more opportunities could be created.

The numerous small subscriptions the five collected eventually added up to \$361,604 (in 1955 dollars)!¹²⁸ In 1956 the first co-op, Ulgor, opened for business, employing 23 worker-owners and producing oil-burning heaters.¹²⁹ Since then, Mondragon has weathered recessions, depressions and government coups with hardly a down year. Of the 103 cooperatives created in Mondragon's first 30 years, only three failed—an amazing success rate when you consider that 80 percent of U.S. businesses fail within the first 5 years.¹³⁰

How do Mondragon enterprises compare with more traditional private and public companies? Very well. Research shows them as more efficient, more profitable, better capitalized and faster growing than any comparable Spanish private firms. Turnover and absenteeism are far lower than national averages while job creation and productivity are significantly higher.¹³¹ What's most impressive is that none of Mondragon's success is attributable to outside subsidies or grants. All of it was built through the practices of self-reliance, cooperation and equality of its members.

Today Mondragon consists of almost 200 enterprises which produce such diverse products as electrical parts, automotive parts, refrigerators, stoves, dishwashers, bicycles and bus bodies. These enterprises employ over 30,000 worker-owners and produce over six billion dollars per year in annual revenues. In 1996, Mondragon leaders

¹²⁷ Ibid, p 33.

¹²⁸ *Making Mondragon*. Whyte & Whyte, p34.

¹²⁹ Ibid, p49.

¹³⁰ Ibid, p 3.

¹³¹ *Working Toward Zion*, Lucas and Woodworth, p 312.

projected that 8,000 new jobs would be added in the next four years.¹³² In addition to producer co-ops, the Mondragon complex includes a bank, research centers and a university with over 6,000 students.

Mondragon cooperatives have substantially reduced poverty and improved quality of life in this area of Spain. Almost from the beginning, the cooperatives designated 10 percent of profits for investment in community development. Schools were started cooperatively to provide education for the children of worker-owners. High quality health care was offered to all members.

A key to Mondragon's rapid growth in capital intensive industries has been its mission-driven manner of allocating profits. After setting aside money for reserves, social causes and training, the remainder is distributed to member "capital accounts" which cannot be touched until retirement. These capital accounts are an enormous source of investment capital which Mondragon uses to create new jobs and form new cooperatives. Funds which in other firms would be lost to consumption after distribution as dividends, bonuses or high executive salaries, are instead pooled to provide for job growth today and generous pensions tomorrow.¹³³

Let's take a moment to critique the Mondragon (and by implication, the Brigham City) experiment using our Gospel Model of Economic Development.

Spiritual motivation. From the beginning, Don Jose Maria was as motivated by the challenge of fostering a spiritual revolution as he was a temporal one. He taught that, "The economic revolution will be moral or it will not succeed" and that "The moral revolution will be economic or it will not succeed." The constitution of Mondragon makes it clear that: "The cooperative Corporation itself is a moral entity having responsibility at three levels: 1) toward the individual employees, 2) towards the cooperative corporations which make up the Mondragon family, and three) towards the general society of which it is the basic unit."¹³⁴ The fact that many managers remain at Mondragon even when offered higher compensation elsewhere demonstrates the tremendous spiritual pull of Mondragon's mission.

Cooperation. Cooperation is infused into every step of Mondragon's history and every policy today. The initial capital was raised cooperatively. Workers today join Mondragon under similar terms as those in 1956. Each is required to make a substantial capital contribution, equal to as much as a year's pay. A portion of this can be financed and deducted from member wages. Everything in the bylaws and practices of Mondragon is designed to remind members that the General Assembly (the name for the entire body of worker-owners) is sovereign. All are required to participate in general meetings and vote in elections for governing officers. While all Mondragon enterprises operate independently, they cooperate through a mechanism called the Caja Laboral Popular (Caja). This ingenious device, begun at Don Jose Maria's initiative in 1959, demonstrates his foresight in realizing the critical role of capital in the future

¹³² From Mondragon to America: Experiments in Community and Economic Development. Greg MacLeod. P 13.

¹³³ Ibid, p 31. See also p 35.

¹³⁴ Ibid p 89.

growth of Mondragon. The Caja (or bank) is, in essence, a cooperative of cooperatives. It acts as guardian of the vision, financier of growth, integrator of firms and purveyor of best practices.¹³⁵ We will discuss these roles more below.

Self reliance. Both the Brigham City and Mondragon methods proved effective at rapidly generating capital which enabled internally funded job growth. In addition, since the kinds of enterprises started were of a larger scale, the jobs they could offer quickly moved members from poverty into middle class. Different than many economic development methods that rely on external funding or that focus on forming small-scale, low-wage enterprises, cooperation allows a community to 1) get started using only resources they consecrate to shared benefit; 2) target the development of businesses that offer higher paying jobs.

Consecration and stewardship. Both Mondragon and Brigham City started because of the shared sacrifice of their members. Members today are required to sacrifice through their substantial capital investment as well to be eligible for employment in a cooperative.

The principle of stewardship and its sister, accountability, are also crucial to Mondragon's success. Mondragon businesses are no country club. There are clear roles and strong leaders. While workers have a strong say in the general plan of operation, day to day financial and economic decisions are the responsibility of talented managers. Don Jose Maria realized that skilled management was critical to the success of large enterprises. Thus, Mondragon places a premium on the training and development of managers. With this investment comes high expectations. Managers who don't perform are removed from their positions.

A sense of accountability from leaders to members is maintained at Mondragon through complete financial transparency. All workers are informed regularly through various reports about company profits, investments and budgets.

Equality. Three practices helped build equality in Brigham City and continue to do so in Mondragon. First, no member has any more say than any other person in setting strategy and shaping yearly financial plans at Mondragon. Regardless of the amount of capital one has accumulated, he or she still has only one vote in General Assembly deliberations.

Second, since all workers are also owners, there is no hierarchical relationship between capital and labor. In Brigham City, church leaders worked actively to persuade members to buy shares in the co-op. They knew that only by making the workers owners could they ensure a sense of ownership and equality.

Third, a sense of relative equality is maintained by a policy in Mondragon that limits the ratio of the highest to lowest pay levels to six-to-one (During the first thirty years this ratio stood at three-to-one). This practice, along with egalitarian practices in perks and office appointments, has helped Mondragon avoid the emergence of corporate aristocracy that is so rife in the U.S. today. Imagine the intimidation for a Fortune 500 company worker instilled as she walks through mahogany lined hallways and passes multiple secretaries to enter a CEO's office large enough to test drive a Winnebago in.

¹³⁵ *Working Toward Zion*, op cit, p314-15.

Commitment to the poor. Mondragon stays actively interested in serving the poorest of the poor in two ways. First, it places a tithe—ten percent—of surplus of all operations in a Social Fund to benefit communities where it has a presence. Second, its fundamental mission is job growth—not ever-escalating profits and wages. New business opportunities are evaluated on their potential to create good quality jobs as well as produce a good return on capital.

Emphasis on education, scale and innovation. From the beginning education was a core value of Mondragon. It all began with a school and Mondragon stays at the forefront of the industries in which it competes through aggressive development of its members. By policy, ten percent of an enterprise's surplus must be set aside for the continuing education of members.

Don Jose Maria was never interested in promoting survival-level businesses that would do little to integrate members into the mainstream global economy. Rather, he encouraged founders to target high value-added, capital intensive industries where returns were potentially larger. How does Mondragon ensure it remains competitive in these kinds of industries today? The "Caja" we mentioned above is one of the answers, because it is more than just a bank. It is an enabling structure to support the whole cooperative complex.

The "Caja" acts as guardian, integrator and purveyor of best practices. It acts as guardian by offering generous benefits in financing, consulting and inter-firm synergies to those who maintain their contract of association. If a firm were to violate one of Mondragon's basic principles (say, for example, by allowing for wages ratios to exceed six to one), the Caja would sever ties with it. The Caja promotes growth through judicious placement of the huge capital reserves accumulated in member pension funds. Because of Mondragon's conservative financial practices, these assets have grown so large that Mondragon's biggest problem today is finding new and promising ideas in which to invest. They have all the money they need to support new ideas.

The Caja acts as integrator by fostering intercooperative arrangements for sharing of marketing, production or distribution assets. Finally, the Caja has a powerful consulting arm that identifies effective practices in one firm and passes them on to others. This consulting arm provides the excellent guidance to start-up cooperatives that account for Mondragon's less than 3 percent failure rate of new ventures.

Back to Kenya—The PRINCE Cooperative

As we reflected on the large number of talented individuals we met in Kenya, we were reminded of an experience one of us had on a previous Sunday.

Since we lived fairly close to our chapel, my daughter decided to walk home after church. The rest of us arrived home before her. I was upstairs changing clothes when I heard the doorbell ring. A minute later I heard a very impatient knock. After another minute, I heard something that resembled a battering ram—probably my daughter's foot. Finally I walked down stairs, turned the door handle and opened the door. She stood there sweating in the heat of the sun, hungry and frustrated at having to stand and wait. The door had been unlocked the whole time.

We wondered if part of what kept the saints in Kenya hungry, tired and “on the porch” was a belief that all doors were locked. The belief that escape from poverty is in the hands of the economy, big employers, or outside capital keeps them from noticing resources that exist in abundance in their own group. Brigham Young once said: “All the capital there is upon the earth is the bone and sinew of workingmen and women....”¹³⁶

Now here is someone qualified to make such a statement. As we pointed out in Chapter Two, the early saints on at least five separate occasions moved from complete destitution to relative wealth within the span of a few short years. How? These capable converts didn't separate after Sunday meetings to face their problems alone. They faced them cooperatively. And therein lies a key to accessing the capital already possessed by every congregation of LDS poor in the world.

In February, 1999, we began discussing this notion with members in Nairobi. Many were intrigued. We related to them examples from our LDS heritage of cooperative economic strategies. We told them of Lorenzo Snow and Brigham City. We shared detailed descriptions of the work done by our Catholic cousins in Mondragon. Little by little the idea took hold. Hope increased. A spirit of cooperation and trust grew.

In April 1999 a BYU MBA student named Harrison Luvai—himself a native of Kenya—returned to Kenya for a few months to hold weekly training sessions with over 200 Nairobi saints. In these sessions they studied cooperative business practices. They learned to develop a business plan. They practiced assessing various business opportunities. They started to think like investors. By July, they had developed rough business plans for over a dozen different prospective enterprises.

On July 23-24, 130 of these members met in intensive sessions to hammer out bylaws and to select the first business they would start. Seven of those present were elected to act as a Managing Committee. A number of these seven set aside paying work to assist in the difficult task of forming the cooperative. For example, Hesbon Usi, a branch president and local architect surrendered his profession to provide leadership and benefit the saints in Nairobi. Merab Poche offered her skills as a retired banker by acting as treasurer. The Managing Committee was tasked with refining the business plan, collecting members' capital contributions, and interfacing with Unitus in the U.S. The Managing Committee worked feverishly for almost a year with no compensation in hopes of creating a better future for all members.

Thus, on July 24, 1999, Utah's Pioneer Day, the PRINCE Multipurpose Cooperative Society of Kenya, Ltd., was born! They sang hymns of the early pioneers, and officially inaugurated the launch of United Order-like cooperatives by African Latter-day Saint pioneers. The name PRINCE was derived from the values the cooperators adopted: Purity, Responsibility, Initiative, Cooperation/Charity, and Equality. A snapshot of some ways these principles were expressed in their bylaws is included in Appendix One. The name of PRINCE was also meant to draw attention to the *Prince* of Peace.

At the July 1999 organizing meeting, after much discussion and debate, cooperators agreed to first start a bakery. This, they believed, was a business that could pay well enough to get workers out of the slum, and yet was not so complex that they could not rise to its challenge with their existing skills and experience.

¹³⁶ *Teachings of the Presidents of the Church, Brigham Young*, p 229.

During the next 12 months, PRINCE members missed meals, walked instead of riding buses, and in other ways economized from their already lean lifestyles to save the \$70 per person that was their initial capital investment. To get the business started, all who participated made extensive sacrifices. Some of them include:

- Managing Committee members sacrificed time and money for almost a year with neither compensation nor expense reimbursement while organizing and leading the co-op.
- Better-off Kenyan members joined the cooperative so they could invest money in the capital fund for the benefit of the poorer members of their branch.
- Members agreed to take jobs in the cooperative which paid less than they were making elsewhere because they had talents crucial to the success of PRINCE. Some successful business people also gave freely of their time by serving on an advisory board.
- All PRINCE members agreed to maintain a basic wage with no raises (even if the bakery makes money) so that profits could be used to expand the bakery until all who wanted were given jobs.
- Some well-trained saints (employed in the co-op as controllers or managers) agreed their wages would be equal to those of unskilled members until the bakery employed all members.

While cooperation among Kenyan saints was the essential ingredient in starting PRINCE, uniting with brothers and sisters from the U.S. and Canada helped accelerate progress. Once the Kenyan saints had saved 10 percent of the needed capital, Unitus extended a loan for the remaining 90 percent at reasonable interest rates. This loan came from Unitus' Perpetual Capital Fund. As the loan is repaid, these funds are once again available to support cooperative growth around the world.

Kirk Waldron, the mission president for Kenya, Uganda, Tanzania and Ethiopia, was very supportive of the effort—as were the district president, Joseph Sitati and various other local ecclesiastical leaders. Their support primarily took the form of advice and encouragement. The formation of PRINCE in Kenya would also have not happened without the tireless help of Cecil and Elsie Grow, and LDS Employment Missionary couple in Nairobi. Elder Grow, a retired accountant, helped ensure that financial records were carefully kept. He counseled the Managing Committee as they faced challenges in forming themselves into an effective leadership group. And, to be perfectly honest, played taxi driver many times as no members had their own transportation. So far this project has been a great example of how the official church and private member efforts can work hand in glove to accomplish more than either could alone.

Unitus also helped PRINCE find a business mentor. Jon Heaton, proprietor of Mountain Mill bakeries in Utah, gave generously of his time and talents to help prepare for, build and open the bakery. His advice and training bolstered the confidence of PRINCE members and increased their likelihood of success. As the bakery opened, Dale and Bonnie Romrell, a retired couple from Washington, spent time in Kenya providing business advice and independent oversight. In addition, three college students—Stacie Long, John Laycock and Nick Peterson—paid their own way to Kenya to volunteer as consultants in teamwork and customer service.

In the first chapter of this book we suggested that unity will eliminate poverty. It is hard to imagine a strategy more inclined to make the saints of one heart and one mind than a cooperative business. Along the way the PRINCE members discovered that greater closeness brings risks as well as rewards. Since a Cooperative consists of imperfect human beings, problems are sure to occur. Some work harder than others. Some are tempted to steal cooperative assets. Some make groundless accusations against a brother or sister. Jealousies arise. The quest for greater unity can be either refining or divisive—depending upon the level of commitment of the cooperators.

While the PRINCE Cooperative is a work-in-progress, the power of cooperation is an established fact.

If Latter-day Saints seek a model of economic development that

- Produces economic as well as spiritual growth
- Can thrive in a global capitalist economy
- Integrates the poor into the mainstream economy
- Has the potential of moving many people quickly from poverty to middle class
- Produces rather than consumes capital
- Can begin at the initiative of the poor with no outside resources

... the strategy of forming worker-owned cooperatives seems to fit the bill.

Furthermore, Mormonism has a rich history in cooperation. Virtually every strategy employed by every prophet from 1830 to 1900 to produce economic progress, build Zion and eliminate poverty, was designed on the principles of cooperation. If you were to travel back in time to the Utah Territory in the late 19th Century, virtually every enterprise you'd encounter would bear the name "cooperative."¹³⁷ In fact, Brigham Young saw this method of development as having more spiritual than even economic purposes. "This cooperative movement," said Brigham Young in 1869, "is only a stepping stone to what is called the Order of Enoch, but which is in reality the order of Heaven."¹³⁸

A UOP Critique of PRINCE

Once again, we now offer our critique of the PRINCE project using United Order Principles (UOP). In some sense it is difficult to evaluate PRINCE since it is too early to tell how it will ultimately work. As we write this chapter, the bakery is just opening. We are hopeful—but are also confident that problems will arise. So read the following with our intent in mind. We do *not* care to convince anyone that our critique of this specific project is accurate. We only want to demonstrate how United Order Principles, and the 24 questions we've put forward, can be used to design and improve upon economic development efforts.

¹³⁷ Ibid, p 314.

¹³⁸ Ibid, p 326.

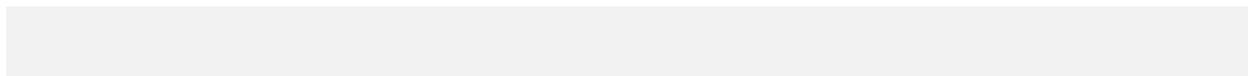
The PRINCE project was designed from the beginning with these questions in mind—and we found that all the way through the first year of formation we had to continually revisit these questions to ensure we did not compromise. It was not easy. But we can look back now and see that using the principles like a “Liahona” to keep us on track helped a great deal.

Here, then, is our view of PRINCE:

	Does the strategy or organization...	Evaluation
Spiritual Motivation	1. Contribute to the spiritual growth of all participants (employees, donors, volunteers <i>and</i> recipients)	Yes. Significant emphasis on mission to eliminate poverty, build Zion.
	2. Engage participants in the larger vision of building Zion rather than just in serving their own immediate needs.	Yes. See 1.
Cooperation	3. Cooperate with other groups seeking to improve the lot of the poor? (e.g. by sharing ideas, resources, and information)	Yes. Shares tools, information and key learnings with any interested. Contributes 10 percent of surplus to Perpetual Capital Fund for new co-op start-ups.
	4. Unite participants in finding shared solutions to their common problems?	Yes.
Self Reliance	5. Point participants to the significant resources within their communities that can be used in solving their own problems before bringing in outside resources?	Yes. \$9000 raised for startup capital from co-op members. Talent for leadership, business plan development, marketing, and other skills all contributed by co-op members.
	6. Move people quickly into jobs that allow them to provide for their own needs.	Yes. Starting wages are sufficient to move out of slum.
	7. Offer afflicted communities a way of solving their own problems with potentially <i>no</i> outside involvement?	Yes. PRINCE Kenya started <i>with</i> outside help. The same strategy could be used without any.
	8. Require participants to offer full value for services or benefits received?	Mostly. All outside labor in the startup phase was offered for free. All cash was on a loan basis with reasonable interest. Value will be paid as the co-op is profitable through regular contributions to the Perpetual Capital Fund and as co-op members offer free consulting to help start co-ops in surrounding regions.
	9. Encourage savings among participants and also set aside reserves to accommodate unforeseen needs of the organization?	Yes. It took many almost a year to save their initial capital contribution of \$70.

	10. Require local programs to quickly become self-sufficient, and eventually more than return resources provided to help them get started?	Yes. See #8.
Consecration and Stewardship	11. Require participants to sacrifice for interests larger than their own?	Yes. Earlier we described the many sacrifices members made on behalf of the group.
	12. Practice complete transparency with all information on the efficiency of its operations?	Yes. All company financial information is reported monthly to all co-op members. Unitus gives donors complete information on its use of funds.
	13. Hold individual participants accountable for their work and character—even to the point of removing them if needed?	Yes. Co-op employees evaluate one another's performance monthly through a unique feedback process. Daily production meetings engage all in reviewing that day's work and airing problems. The Managing Committee of PRINCE is accountable through election to the General Assembly. Non-performing MC members have been removed from their positions.
	14. Offer positions and participation based on merit, ability and character?	Yes. A selection committee of objective church members made decisions on all appointments based on resumes and personal experience with the applicants.
	15. Publish "results data" (not just activity data) demonstrating increase in per capita income of participants for the resources used.	Yes. Co-op members fill out a questionnaire on taking a position in the bakery. This questionnaire asks for information about household income, assets, number of family members, etc. Using this data PRINCE will be able to determine impact on per capita household income.
Equality	16. Avoid client/patron relationships, instead fostering equal relationships between participants.	Yes. From the beginning, PRINCE co-op elected its own leaders. Outsiders were in an advisory capacity. As a result, the process moved more slowly, but also more surely.
	17. Foster participation and leadership by all participants.	Yes. All members have equal votes. All tasks to study, prepare and open the bakery were performed by co-op members.
	18. Give a voice to all participants in the strategy, direction and key decisions.	Yes.
	19. Give all participants opportunity for ownership in their means of work?	Yes. All who work are also owners.

	20. Create a strong sense of mutual accountability from leaders to followers, followers to leaders, between peers, organization, etc.—in essence among all categories of participants.	Yes. See #13.
Commitment to the Poor	21. Engage all participants to work for the benefit of the poorest of the poor.	<p>Yes. 10 percent of company profits is set aside in a Social Fund for community investment.</p> <p>Profits that are deposited into member capital accounts are not withdrawn until retirement. This money is available to create new jobs for other poor.</p> <p>PRINCE created a cleaning business for those with no income to earn money for their capital contribution.</p>
Emphasis on Education, Scale and Innovation	22. Offer ways participants to make an income today while continually increase their knowledge, skills and abilities for tomorrow?	<p>Yes. All members receive weekly training in various skills. Each creates a personal development plan for the year.</p> <p>Funds are designated to purchase books and other training materials for members.</p> <p>College courses can be taken on computers in the Bakery—ultimately members will be able to earn degrees through computer courses.</p>
	23. Help people find jobs that promise to eventually integrate them into secure, middle-class positions?	Not yet. When the bakery reaches full capacity, minimum wage will reach about \$300/month, which is equivalent to a lower-middle class job in Nairobi. As the business acumen of members increases, more complex and more profitable businesses will be created.
	24. Give people access to appropriate advanced technologies that will help them remain productive and competitive in the future?	No. The bakery required substantial capital compared to other Kenyan business options. It is a labor intensive, not knowledge or capital intensive business. To continue economic progress for members, PRINCE will need to move to new lines of business.



5. Other Ways to Practice United Order Principles

In the past two chapters we shared examples of past and present methods of working with the poor. While we focused on a couple of cases where microcredit and cooperatives have been used, we add that there are a multitude of hybrids of each and combinations of both which have or should be tried.

Enterprise Mentors International, for example, while focused primarily on small business loans and consulting, has in the past assisted workers who bought out their defunct employer and turned it into a work-owned cooperative. PRINCE International, while focused primarily on larger-scale cooperatives, also realized it needed to have something to offer those who were last in line for jobs in the bakery. So they offered micro loans to poorer members to use to purchase bicycles and start their own bread delivery business.

Our point is that we should use what is working, but continue to use United Order Principles to inspire combinations and inventions which are better, faster and cheaper at lifting the poor. If, as we quoted George Q. Cannon as saying, God has really "chosen his people, the Latter-day Saints, to solve these knotty problems..." then let's be at it!

In this chapter we'll depart from the previous focus on self-contained strategies for economic development and share brief examples of a wide variety of things members of the church have done to practice United Order Principles. Few of these would score high on a test for all seven principles. And yet all of them demonstrate wonderful examples of one or two.

We share them for two reasons. First, to inspire you with ways you can go and do likewise. There will be examples of how people allow spiritual motivation to guide their business decisions. Some will show how a commitment to the poor has led Latter-Day Saints to provide relief for others. Yet others will show ways the poor have helped each other. As you read these, realize that there are many roles in each story besides the main one. Try to imagine how you could play either a main or supporting role in any of these examples.

Our second hope is that you might use these examples as a way to become more adept at considering United Order Principles. As you read, consider which principles the example illustrates well. Also, give some thought to how you could modify the case to include other principles. While this exercise will probably never become a best-selling parlor game, it may be fun for now.

Here, then, are some inspiring examples of Latter-Day Saint efforts to live their religion.

Individuals Reach Out

- A pair of elderly women who served as missionary companions in Mexico over half a century ago have been collecting used clothing, especially white clothing for temple service, packing the goods, and driving a truck from Utah to Mexico in order to better clothe church members across the border-they have been

doing this for some 20 years. The ladies are known in Provo as the "bread ladies" because they also bake hundreds of loaves of bread during the Christmas holidays and go door-to-door in certain Provo neighborhoods, giving families freshly baked goods.

- A young Provoan, Jason Thomas, served a proselyting mission in Tennessee and returned to his Utah home after two years of preaching, determined to next serve a humanitarian cause. He ended up in India as a volunteer, working for a year in Calcutta with programs of Mother Teresa, the Nobel Prize-winning nun.
- A French Relief Society president in Paris, Cecile Pelous, mobilized her stake to create a "Drop of Water" program wherein members fast and donate to various causes around the globe. Bengal orphanages have benefitted from French members' funding of gardens, a fish pond, chicken coops, and a water pump project. Several dozen Indian families each obtained roosters and hens that became an ongoing source of nutrition and income. Sister Pelous herself exemplifies the spirit of consecration by serving as a volunteer in India a quarter of each year, donating her paycheck as well as her time. There she organized a day care center for some 40 young children in one area. She also taught orphaned teenage girls how to print Batik designs on cloth in order to raise funds for their orphanage. Ultimately, these young women made clothing for some 800 children in other orphanages.
- After selling his management training firm, Steve Mann, an Idaho resident, felt his great "calling" was to move his family of six to Africa and launch a fight against HIV-AIDS. He has now mobilized Zimbabwe government officials, health experts, United Nations agencies, and other organizations, to create a highly successful strategy to combat this terrible disease that is decimating millions of African families.
- In 1997 Big Cottonwood Stake youth committee meeting, leaders talked about options for a service project. The discussion moved from local cleanup projects to more ambitious work with LDS poor. At first some suggested making hygiene kits. Others built on the idea and they created a four-pronged plan targeting an area 20 miles from Cusco, Peru. Stake youth and other members fanned out through neighborhoods and businesses spreading the word about their plan. Merchants, neighbors, LDS and non-LDS joined together to gather needed money and materials. They organized a 10-day expedition under the auspices of the Humanitarian Foundation of the Andes—an organization whose board is dominated by returned missionaries from Andes regions. To date they have carried in 25 tons of goods. They have labored alongside native Peruvians to make a medical post, homes and gardens. More recently they have begun to establish village banks offering microcredit.
- William Jackson, a California physician, started a small project in the Philippines to provide restorative surgery to poor Filipinos from rural islands. The patients usually suffered from cleft palates, club feet, terrible body burns, and so on. Dr. Jackson convinced a Manila hospital to provide free or greatly-reduced operating and recovery rooms, and several of his U.S. friends volunteered to provide free surgery. From that small beginning, Deseret International now has projects, clinics and expeditions of U.S. physicians that travel to a dozen countries each year.
- A number of LDS families have formalized their own structure for economic well-being, recognizing that the family itself can be, or should be, a United Order-type organization. In certain cases, they have created an impressive pool of savings for their children to go on missions, then to attend college, or even later to provide down payments on first homes. These joint financing schemes operate like a revolving loan fund, in that the beneficiary eventually pays back the original amount so it can later be passed on to another family member. Extended family associations have acquired characteristics of tribal cultures and clans, which build strong relationships and help transmit the family values from older to younger members.
- Tim Stay sold his internet business and is using some of the proceeds to fund projects in Africa and Latin America. Stay, who has experience running a successful call center, started a similar operation in Brazil. Today this center offers jobs to native returned missionaries in Sao Paulo who receive pay, housing and training in lucrative internet programming skills. When they complete six months of internet

programming training, they “graduate” from the simpler and lower-paying call center jobs to ones that enable them to establish themselves financially, start a family, and return to their home areas.

- Carol Forrest, a Latter-day Saint who used to be a foreign language teacher in Maryland, gave up her comfortable life to volunteer as a medical assistant in the wretched, increasingly dangerous conditions of Somalia in mid-December 1992. She spent six months among the sick and wounded, helping in Digfer Hospital operating rooms, its pharmacy and Inpatient wards. Among injured people on crude tables soaked with blood, Carol labored with a shortage of equipment, medicine and doctors, as well as continual power outages. In one instance, she donated her own blood to save a dying victim of a gunshot, since there were no blood banks. Starvation, conflicts between native clans, and the bedlam of lawless Mogadishu itself, made for daily new horrors. Carol began each day with prayer and Book of Mormon reading, and then went out to work, hoping among other things that she would not be robbed or murdered, as some relief workers have been. Carol's conviction is that this is God's calling for her: I wanted to do something tough.... I wanted to go where I could make a difference for a long time.... I have a drive in me to leave a mark for good in the world, not for the personal recognition, just to do something that will help the world be a better place.
- Many people we know have for years donated privately to church members who needed groceries, medicines and other support. A number of our associates have supported young men and women who desire to serve church missions, who otherwise could not do so. Such commitments have a history going back to pioneer days. This history is typified by a neighbor's grandfather who was orphaned a century ago at age eight in Denmark. Adult relatives took the boy's inheritance for themselves, paying a small amount to cover the passage of the child on a boat to America. In New York the boy was befriended by LDS missionaries, who eventually took him to Utah, where he was cared for and raised by the Olsen family in Ogden. While he eventually served three church missions, it was his practice of supporting others that is so impressive. As an adult he started a small business and over time became quite successful. A number of young men were hired to work in the firm, and when some of them were called on missions, Brother Simonsen continued to pay their regular salaries for the two or three years the youths were away doing missionary work, allowing many poor Ogden boys to serve who otherwise would never have been able to do so.
- Steve Gibson volunteered his time for years to administer the micro credit and business training program of Enterprise Mentors International in the Philippines. In 1999 he began preparing new training materials and getting his life in the U.S. in order. Then in Fall 1999, he and his wife, Bette, moved to Cebu in the Central Philippines where they rented a building which they converted into a dormitory and business training center. With a combination of their own money and donations from others they have launched the Academy for Creating Enterprises (ACE) to assist Filipino young adults in becoming self-reliant. Groups of 20 or so are selected to move in at the Academy, go through 16 weeks of intensive training and creating entrepreneurial start-up plans. Gibson then helps them secure necessary funding to implement their business plans. Although, it's too early to assess the impact, results so far are quite promising.
- In the late 1980s, a number of returned mission presidents, LDS business people and general authorities carefully studied the economic challenges facing poor Filipino church members. Out of this study, discussion and generous funding by church members grew Enterprise Mentors International (EMI) whose mission it is to assist small-scale enterprises and would-be entrepreneurs who show business leadership potential to generate jobs and raise living standards for Filipino poor—LDS or not. Since that time, EMI has expanded to multiple locations in the Philippines, Mexico and Central America. EMI offers several services: 1) training in accounting, marketing and other business skills to existing and would-be entrepreneurs; 2) small loans with which clients start and expand their businesses; 3) networking opportunities where business owners can learn from each other; 4) business consulting services providing assessments and advice. All services are offered by paid native professional staff. And all assistance is given on a “value for value received” basis. Even if payment is only a token fee, clients are required to pay what they can.

- LDS wards in North America have reached beyond their own boundaries to "adopt" a group of Latter-day Saints in another part of the world, taking a very real interest in the well-being of their distant brothers and sisters. They send books, church supplies, and clothing, facilitate exchange visits by teenagers, and otherwise attempt to broaden their understanding and appreciation of God's people in other cultures.
- Youth leaders of the Pleasant Grove Utah Timpanogos Stake accompanied adult advisors on a tour of the Deseret Industries Sort Center in Salt Lake City in late 1992 to learn about the needs of the poor in other lands. They then spent several months planning a series of stake projects to involve Mutual age members in aiding the needy- church funds budgeted for refreshments, decorations, and stake dances were reallocated by the youth to purchase project materials. Individual young people also donated monies out of their own pockets. Altogether they raised \$1,600. In May 1993, about a hundred Timpanogos Stake young men and women spent a Saturday making toy wooden cars, chalkboards, metal mirrors, and first aid items. They assembled 75 education kits containing erasers, pencils, chalk and board, and puzzles. Some 100 hygiene kits were made, each consisting of soap, washcloths, towels, shampoo, combs, buttons, thread and needles. Local firms such as The Stitching Corner donated fabric for some of the items. The youth also made 100 first aid kits with scissors, pins, gauze pads, leper bandages, burn cream, adhesive bandages, aspirin and so forth. In the end the youth learned empathy and were excited to help people far away; and all the supplies were shipped to youth in Somalia and Bosnia who suffer so greatly.

Business Leaders Practice Their Religion

- Mike Murray is a Stanford MBA and convert to Mormonism who used his marketing skills to help launch Apple Computers, and later became vice president of human resources at Microsoft. In the early 1990s when the genocide in Rwanda occurred he was horrified. He proposed to Microsoft top management that the company make a large donation to help victims of the massacre, but he was rebuffed. So Murray took matters into his own hands. He seized the initiative and emailed thousands of company employees inviting them to take part as individuals. Within weeks Murray had amassed \$100,000, purchased needed relief supplies and got an east coast foundation to fly the donated supplies to Rwanda.
- Frank Martino, CEO of Russell Newman, Inc. in Texas, began to explore how the firm could expand beyond the United States. A producer of women's apparel, demand for the company's products was growing. His son, Jim, had served an LDS mission in Guatemala, and was well aware of the high quality sewing skills of Central Americans. Father and son traveled to a small rural town where Jim had served. They found a small sewing firm owned by one of Jim's converts, proposed a new partnership, and loaned the owner capital to greatly expand his small factory. They shipped sewing machines from Texas and the firm's technicians were flown in to install and train the people. The result has been a real win-win: Russell Newman, Inc. has a new source of higher quality, low cost products, and the Guatemalan Mormons and some non-LDS neighbors now enjoy many new, high paying jobs and a positive future.
- Like many large hotel chains, Marriott has suffered problems of hiring and retaining service workers—hotel maids, custodians, and so on. Most jobs in the industry are filled by low skilled immigrants who struggle with English, often have poor work habits, and who frequently move on to other companies. A few years ago, the Marriott family drew on their LDS business and economic principles by creating an innovative human resource practice. They began training and hiring the very poor and chronically unemployed from inner cities. Participants in their program are offered training in not only housekeeping, but in life skills as well (communication, time management, decision making, etc). They also provide courses in English and literacy. Marriott, because of their investment in the poor, now has a large cadre of employees who are motivated, skilled and loyal. Marriott has a well-earned reputation as a socially responsible corporation.

- George Romney rose to become CEO of America's fourth largest auto company and later governor of Michigan. But at American Motors, the economic and business values of his LDS pioneer ancestors led him to develop the first profit-sharing plan for all employees, managers as well union laborers. It was hailed as a ground-breaking innovation by the U.S. Department of Labor, the Chamber of Commerce, and the AFL-CIO. Over time, Romney's philosophy of sharing the economic fruits became a new paradigm for most other major U.S. corporations today.
- Brent Bishop, Latter-day Saint and president of Greenbacks/All-A-Dollar stores throughout the West, felt his firm should get involved in bettering society. As he thought about what to do, he considered how many customers of his company's low-cost merchandise were single mothers who struggle to make ends meet. In 1998, he and others established a nonprofit foundation—Greenbacks Bringing Hope. They began preparing training booklets for women in need. They now hold an annual Wasatch Front Single Mothers Conference, which is attended by 500-1000 women. In addition to speeches and workshops, the conference includes a resource fair featuring dozens of organizations and products to help single mothers. Greenbacks also forms support groups that meet in someone's home with a facilitator and workbooks. This program consists of ten weeks of intensive study and discussion to help each participant build a personal safety net. Topics include motivation, overcoming depression, how to make a resume, getting a job, budgeting, and so on. Then, after ten weeks as a group, each woman is paired up with a mentor who provides monthly coaching and support. The program has been so well received that other companies are now joining in the effort, and it is expanding beyond Utah to Arizona, Idaho and Nevada.
- Alan Ashton, co-founder and former-CEO software giant WordPerfect ran his company a little differently than most chief executives. For example, he held regular management prayer meetings. He encouraged all employees to go home at 5:00 pm to spend important time with their families. He gave company stock ownership to thousands of employees so they could share in the fruits of WordPerfect's success. Many "WordPerfect Millionaires" today are evidence that they did!
- In 1987, Joe Cannon bought U.S. Steel's Utah-based Geneva Works when the Pittsburgh giant began to abandon the mill. Cannon attributed the buyout that saved 2,000 steelworkers' jobs to spiritual motivations he had felt. He also portrayed the buyout as a way of honoring the legacy of his ancestor, Apostle George Q. Cannon, one of the leaders of pioneer United Order efforts. Cannon has since invested hundreds of millions of dollars in anti-pollution equipment to clean up Utah Valley air quality, and an equal amount in new technology to make the steel mill more modern and productive. He has also donated millions of dollars to community arts and culture, public schools, and other good causes.

The Poor Take Action

- In Lima, Peru, quorums of priesthood brethren set up a concrete block factory in the early 1990s that has enhanced LDS members' opportunities to secure building materials to improve and expand their rudimentary houses.

Perhaps the most extensive efforts to provide temporal help among church members has occurred in the Philippines, where church growth has been phenomenal. Missionary work was first launched in Manila in the 1960s, fueled by LDS servicemen and the Vietnam War. By the early 1970s, statisticians at church headquarters predicted that within two decades there would be 35,000 Filipino saints. In actuality, membership today is over half a million. The area presidency in Manila began to encourage local leaders to do read Leonard Arrington's *Great Basin Kingdom* to learn how LDS pioneers were able to raise their standard of living. Some examples of ideas that sprang from this encouragement include:

- Jose Tecson, a Chinese merchant and regional representative, has several handicraft stores. Approximately one-third of the items he sells are made by church members in cottage industries- carvings, shells, dolls, and so on.
- One stake has created a consumer co-op to purchase food wholesale and distribute it to the membership.
- A group of 15 saints in Cebu has raised 37,000 pesos and set up a stone-cutting operation, subcontracting work for a larger conventional company.
- A marketing co-op was started in Paranaque, Metro Manila, to sell products made in members' cottage industries.
- A group of Presiding Bishopric area office, temple, and Church Education System employees have formed a credit co-op, pledging 500 pesos each to join. They now contribute two percent of their monthly gross income through payroll deduction. The idea is to encourage members to save, so they can have a pool of capital from which people can borrow at a reasonable interest rate.
- Two American members belong to a women's club in Manila that encourages Filipinos to start up microenterprises in which they will make crafts and ship them to one of their fathers who owns a U.S. company which sells them.
- The mission president in Davao plans to remain in that part of the Philippines after his release and help new coops, such as the pineapple fiber co-op in Cagayan de Oro. The group has started making paper and fine material for kimonos to be marketed in Japan.
- Pasay Ist Ward began a program several years ago to help its poor members by organizing a resource committee to serve welfare needs. All employed saints were asked to bring a handful of rice to church each Sunday, and when they shopped for food, to buy an extra can of goods to donate. The unemployed were also invited to sacrifice by bringing items such as old clothes and toys to church meetings. Everyone was asked to go through their homes and take to the chapel everything they no longer used. Members without jobs would go to the chapel, repair and paint these used items, and record their time spent. With earned credits they take out what they needed from this storehouse of goods. The result? Within the first year fast offering support was no longer needed. Those without jobs can now start micro-businesses of their own. The idea has since spread to other wards and stakes in a program called "Tsang dakot na bigas"-a handful of rice.

6. Three Easy Ways to Get Involved: Study, Share & Join

If you've ever been to a big city, it's likely you can identify with how disconcerting it can be trying to navigate the unfamiliar streets and landmarks. As newcomers to New York City, for example, all of the authors have felt the anxiety and dread that can come when you try to comprehend the one-way streets, dead ends and no-turn-allowed intersections. Names are completely unfamiliar. Streets which head north one moment then turn imperceptibly until you find yourself staring into the Hudson.

If learning to work your way through a new city can be challenging, it's no surprise that many fail to take action to work with the poor. Even if you have a couple hours a week in which you could do *something*, it's hard to decide where to start. Our guess is that this book might make the process seem even more intimidating. Now you want to not only do *something*, you want to do something that *works*! Like finding your way around your home town, it used to be easy to help create a few hygiene kits and hope they'd arrive at a place where they'd make a difference. Now the world has gotten more complex. We've introduced microcredit, cooperatives, job creation, and other ideas that intersect, weave and turn in ways you haven't yet mastered.

In this chapter we'll offer reassurance and provide some easy next steps you can take. First, we want to reassure you that you needn't feel obligated to solve world hunger tomorrow. These problems have been around for millennia and will likely be around for a few decades more. We don't propose that you quit your responsibilities, sell all that you have, move to a commune, and focus all of your efforts on the LDS poor. Rather, we recommend that you seek the Lord's guidance about the level of involvement that is appropriate for you now. Your level of involvement can easily change along with your life situation. For some involvement may mean moving to Nairobi, Kenya and working side-by-side with members of the church there. For others it might mean helping raise awareness by talking about what you've learned in this book. For everyone, there is something in between these two extremes that we can do.

Sometimes we discourage ourselves from doing *anything* because we believe we need to do too much. Other times we quickly dismiss the need to get involved because, after all, we've very busy. In a recent conference talk, Elder Joe J. Christensen shared a good principle to use when deciding how much we will do for the poor:

"In addition to paying an honest tithing, we should be generous in assisting the poor. How much should we give? I appreciate the thought of C. S. Lewis on this subject. He said: "I am afraid the only safe rule is to give more than we can spare. . . . If our charities do not at all pinch or hamper us, . . . they are too small. There ought to be things we should like to do and cannot do because our charitable expenditures excludes them."¹³⁹

¹³⁹ *Greed, Selfishness, and Overindulgence*, April 1999 General Conference

So, give some thought to what you have to offer. Think about the amount of time (e.g., an hour or more a week, a couple of weeks of vacation time, a year off on sabbatical, etc.), the kind of resources (talents, equipment, materials, etc.) and the portion of your wealth you are willing to put toward this important part of building Zion. And as you think about what you have to offer, here are some ideas for how you can begin finding where to offer it.

Action Options: Study, Share or Join

How can you get started? Easy. You can choose to study, share or join. In fact, doing them in this order is wise as it helps you become more effective in your efforts as you proceed.

Study

First, study. We hope this book has convinced you that good intentions are not all that are needed. Good strategies must be married to good intentions or, while we may “commit many random acts of kindness,” we may still not make a real difference. Reading this book is a great start. We have some others you may want to dig into as well.

Approaching Zion, Hugh Nibley, Deseret Book Company, Salt Lake City, 1989.

Building the City of God: Community and Cooperation Among The Mormons, Leonard J. Arrington, Feramorz Fox, Dean L. May, Deseret Book, Salt Lake City, 1976.

From Mondragon to America: Experiments in Community Economic Development, Greg MacLeod, University College of Cape Breton Press, Sydney, Nova Scotia, 1997.

Great Basin Kingdom: An Economic History of the Latter-Day Saints, 1830-1900, Leonard J. Arrington, Cambridge, Mass., 1958.

Small Really is Beautiful: Micro Approaches to Third World Development – Microentrepreneurship, Microenterprise and Microfinance, Warner Woodworth and Collaborators, Third World Thinktank, Ann Arbor, Michigan, 1997.

Working Toward Zion: Principles of the United Order for the Modern World, Jim Lucas & Warner Woodworth, Aspen Books, Salt Lake City, Utah, 1999.

Reading these books will help you be a more educated participant in anything you do. While you may never start your own economic development project, you'll be a better supporter of one if you know how to ask smarter questions and offer better alternatives. By reading books like these, you can expand the range of options you and others have available.

Another good place to study up is at various conferences on economic development. The Unitus organization sponsors two regular conferences each year. The first is held in a different city each March/April. The second is held in Salt Lake City, Utah at a time near the LDS Church's general conference. The Unitus conference generally features speakers, workshops, training sessions, and other networking opportunities for all interested in joining the search for better United Order approaches. It is an excellent opportunity to meet face-to-face with other volunteers, practitioners, and like-minded

individuals. Information about the upcoming conferences can be found at Unitus' website, <http://www.unitus.com>, or by calling Unitus at (801) 932-2404.

Another regular gathering is the Microenterprise Conference held each year during the month of March at Brigham Young University. This conference brings together microcredit organizations, scholars and volunteers. It offers a great opportunity to learn about strategies for using this exciting approach for grass-roots economic development. Information is available on this conference at BYU (801) 378-6690, or by writing to #141 HRCB, BYU, Provo, Utah 84602.

In conclusion, we recommend that you not study alone. If you're going to study, study with others! Find people to share the journey with you.

Share – Talk is cheap, so give lots of it

A more active level of involvement than reading alone on a park bench is to read *with* others. This may sound trite, but it is through small and simple actions like talking that hearts are united, minds are changed and the world progresses.

Simple words have enormous power to build souls and to change the world. In fact, according to one prophet, they are more powerful than the sword!¹⁴⁰ Think for a moment about all of the saving ordinances of the gospel. While there are physical actions (like immersion) involved in many of them, their essence is words--sacred, soul-sanctifying words. Christ Himself, the Savior of the World, is even referred to in the first chapter of John as *the Word*.

A common term for the exchange of words is "communicate." Consider some words with similar prefixes: communicate, community, commit. The prefix "com-" means connotes unity or cohesion. And talking, or communicating, is the agent that brings about this condition. Even if all you do is share some of the ideas you've gleaned from this book with a few others, you will have contributed to bringing about the oneness of heart that will lead to one day having no poor among us.

Talking, or sharing is important, too, because it helps bring about a oneness of mind. Oneness of heart helps involve people in shared purposes. Oneness of mind leads to purposeful action. We've shared many examples in this book of wonderful efforts that began with people getting together and talking. Here are a couple more.

"The Ouelessebougou-Utah Alliance formed during the Ethiopian famine of 1985. The church had just had a special fast for the victims of this terrible famine that raised over \$10 Million. A dozen LDS members got together and talked about the good that the church was doing. As they continued talking they began to wonder how they could have a more personal impact with their brothers and sisters living in poverty. They suspected that while Ethiopia dominated the news in that year, there must be other places facing similar problems. They talked about different ways they wanted to help and discussed different areas of the world that they could serve in. After literally months of discussing, brainstorming and deliberating, a few of them decided to visit the nation of Mali in West Africa. Most in the group had little experience with economic development. And yet,

¹⁴⁰ Alma 31:5

they felt that if they first decided where they'd help, the how could follow. They were led to the region of Mali called Ouelessebougou. At the writing of this book, the Ouelessebougou-Utah Alliance continues to evolve in how it is assisting the poor Malians. The group initially mobilized Utahns to travel there and attempt to help the natives to cope with severe drought and famine, but over the years, the effort has broadened. Medical teams have trained a local indigenous staff to strengthen health care capabilities, as well as providing direct services when Utah doctors visit Mali to help reduce disease and perform surgeries. The result is that some 17 villages now have rudimentary health clinics, some medicines, and health workers. Leprosy, malaria, and malnutrition are declining in those regions. To combat arid devastation, the Alliance members and villagers dug over 60 new wells in various villages and planted 14 gardens. Working with Laubach Literacy (whose international director is Lynn Curtis, a returned Mormon missionary) led to literacy projects and other types of educational training. Dozens of schools and small libraries have been built to date resulting in literacy for over 5,000 people. What has not changed in ensuing fifteen years and counting, is the spirit of love that unites all who participate. The rich, the not-so-rich and all those in between have found ways to make a difference because a few people kept talking in 1985."

"One BYU masters student we know of volunteered as a summer research intern with FINCA International—a pioneer in microcredit. He intended to spend three months studying the impact of microcredit in the lives of FINCA members in Nicaragua and El Salvador. As he prepared to leave, he sent an email to previous co-workers in Seattle, Washington and shared what he was doing and asked if they would be interested in sponsoring a FINCA Village Bank in El Salvador. He shared a similar message in his Orem, Utah ward. A few weeks later thirty separate donations came to his house. Enough was donated (about \$5000) to start two banks. His purpose for going to Central America wasn't to start another village bank. However, by simply sharing what he had learned about microcredit and talking about the opportunity to sponsor a new bank he found people who wanted to get involved."

Today when we view a fifteen-year-old organization like the Ouelessebougou-Utah Alliance it is inspiring to realize that it started through after-dinner conversations by ordinary but interested people. The second example is meaningful to us in particular, because it was a formative step in what today has become Unitus.

So what is your next step for sharing? Commit to share your feelings about this subject with someone today. Share what you've just learned in this book with your friends and loved ones. Perhaps you could even loan the book to them. Teach it to your children or parents in a family home evening lesson. Imagine what would happen if each reader of this book shared it with one new person every month. If 1000 people read the book this month, by the next month there would be 2000 reading and talking, the following month 4000, and so on. Within one year, over two million people would be more aware, more informed and, hopefully, more involved than they had been before. Yes, words, sharing, talking can change the world.

Here are a few suggestions for ways you can begin to share what you're learning:

- **Share with family.** Hold a family home evening. Read a few scriptures or share some experiences of early saints from this book. Then get family members involved in discussing what you could do to make a difference. If you have internet access, you could even jump onto the Unitus website and see what options look interesting to you.
- **Share in groups.** Think of groups you're already a member of (quorums, scouting or young women's groups, school or community based organization, returned missionary organizations, bridge clubs or bowling leagues, etc.). Consider ways you can teach, share or involve people in these groups as a way of spreading the word.
- **Share in classes.** Have you ever noticed how when you learn a new word, you start hearing it like you never did before? This isn't because people spontaneously began using it after you learned it. It's because it is now part of your awareness. In a sense, what you see is what you know. Often we skip over the almost ubiquitous topic of the poor in the scriptures because we don't know how to talk or think about the subject. Now that you are much more aware, we suggest you share that awareness by giving these scriptures their due. For example, in D&C 88:1-17 is a doctrinally rich dissertation on the atonement, light, the sun, redemption, the earth and other intriguing topics. And then, in verse 18, there's this phrase, "And the redemption of the soul is through him that quickeneth all things, in whose bosom it is decreed that the poor and the meek of the earth shall inherit it." What we're suggesting is that rather than pass over this reference, as often happens, we ask, "Why the poor?" or "Why in a discussion about the Christ descending below all things so that He can become the 'light of truth,' is there now a reference to the poor and meek inheriting the earth?" The subject of the poor is woven throughout every one of the books of scripture. If we begin to notice it as frequently as it's treated, we'll help other members see the deep relevance of work with the poor to everything we hope for and believe in.

Join

Another easy step to take today is to join an existing group or organization working to solve a part of this worldwide economic problem. You may not feel comfortable starting something on your own, so getting involved with a group of people already doing something is a great way to get your feet wet. This section of the chapter lists three different ways you can easily and quickly join in this effort.

Unitus provides a web site that may be your easiest way to get involved. The website is found at <http://www.unitus.com>. One of the first things you will at this address is an invitation to register with Unitus. All you need to do is provide a little information about who you are, where you are, and what you're interested in. Once you've registered you will not only receive access to the website, but you will also be informed from time to time about advances and opportunities in the world of LDS economic development.

This website will also help you quickly identify existing LDS-oriented economic development projects that you can join. Using this website you can indicate what you have to offer (time, talent, equipment, materials, money, etc.), the people or place you'd most like to serve, and within seconds you'll have a list of those projects that match with your abilities and interests. It's that simple.

The other exciting thing about the Unitus website is that it will eventually help you evaluate projects based on United Order criteria. In the future we will offer information

about organizational efficiency and effectiveness, which will enable new users to make rapid decisions about where to focus their efforts.

Here is an example of how the Unitus website works. Let's say PRINCE International—a Co-op organization in Nairobi, Kenya—needs someone with bookkeeping experience to work in a cooperative for two weeks next summer. Someone from the PRINCE organization logs into the Unitus website and enters this need into the database. A few days later you log into the Unitus website. The website allows you to put in resources and interests you have as a profile for yourself. You mention some experience with bookkeeping and the website search engine shows a response to your search that looks something like this:

PRINCE International: Nairobi, Kenya

PRINCE International has the need for a bookkeeper to go to Nairobi for two weeks to train employees of the PRINCE Cooperative basic bookkeeping skills. Room and board is provided, but the volunteer will need to provide airfare (approx US\$1,600). For more information contact PRINCE at (801) 932-2404 or via email at prince@unitus.com.

As more projects are created and posted on the website, matching possibilities will grow proportionately. Other organizations might post information about their projects in Latin America. Let's say that in your resource/interest profile you mention an interest in Spanish speaking countries. Your search would bring up multiple projects with different types of resource needs. Perhaps showing multiple entries like the following:

Enterprise Mentors: Managua, Nicaragua

Enterprise Mentors is starting a new program in Nicaragua. We are looking for donors interested in helping us raise US\$100,000 for the initial capital investment. We are also searching for a country director for Nicaragua who speaks fluent Spanish and English and has prior experience working in economic development. For more information contact Enterprise Mentors (<http://www3.primary.net/~mentors>) at (636) 537-9222 or via email at mentors@primary.net.

HELP International: Tegucigalpa, Honduras

HELP International is looking for financial donors for its Acción Contra la Pobreza (ACP) microcredit program. Each US \$50 donation provides a loan for one LDS microentrepreneur to use in expanding his or her business. For more information contact HELP Int'l (<http://www.help-international.org>) at (801) 932-2404 or via email at help@unitus.com.

Hopefully you can see how easy it is to quickly find a project that might interest use using the website. Logging on and registering is a great way to join the effort now. A big advantage of joining an existing project (versus starting your own) is that you gain greater experience and knowledge about various economic development methods. Even if you want to start you own project, joining one that is already working is a good first step.

If you're one of the early readers of this book, you'll likely notice that the website has only a few projects listed. The next chapter is focused on the highest level of involvement: create. Many hundreds of projects must be started in the next few years if we are to even make a dent in LDS poverty. Thousands will be required to eliminate it. We highly recommend you join existing programs to get your "feet wet." But if you're inclined to take a leadership role, then turn the page and we'll suggest some options for creating new and very needed projects.

The second way the website can help you join in the action is by introducing you to a Unitus Action Group in your area. We'll talk more about these in the next chapter.

Before we get complicated, let's simplify something

In the next chapter, we'll move to the fourth way you can take action: create. As we said, these options increase in complexity and commitment. So we want to close off this chapter by encouraging you, if you have any hesitation at all about getting involved, to start simple. The most important thing is to start!

We urge you to be prayerful about your decision to begin. Don't overcommit. "It is not requisite," as King Benjamin said, "that a man should run faster than he has strength."¹⁴¹ One reason people resist getting involved in LDS economic development is because they feel that their lives are already too complicated. We believe that by following the spirit and taking some easy first steps like those mentioned in this chapter that you will find that while joining in this great effort will add some complexity to your life, it will be far more than matched by the joy it will add. You will literally be able to point to a part of Zion that has become more beautiful because of your sacrifice.

¹⁴¹ Mosiah 4:27

7. Another Way to Get Involved / Create

In his journal, Wilford Woodruff describes a meeting he attended in Kirtland in 1834. At this point the membership of the church numbered a few hundred. The future of the Kingdom didn't look particularly bright. Persecution and financial difficulties were increasing in proportion to the growth of the church. In this context Joseph asked each of the brethren assembled in a log cabin that day to bear a five-minute testimony about the future of the church. When they'd finished, Joseph sustained what had been said, but added that "they did not have any idea of the magnitude of the work in which they are engaged. It will go to the Rocky Mountains, and will eventually fill all of North and South America. When this prediction was made we were all in a little log cabin." This, he said, at a time when all the priesthood of Kirtland could fit into a 14-foot square cabin!¹⁴²

It says a lot about Joseph that in a dingy little cabin, in the midst of overwhelming opposition, his vision could extend so far beyond his present reality. Apparently, he not only saw our day, but beyond. Today, the growth of the church is breathtaking. In places, like the Philippines, where just three decades ago there was little more than a branch, we now have thousands of strong wards and branches. In Joseph's day the biggest barrier to growth was finding the honest in heart. Today there are many willing to listen and join, but too few who are able to lead. According to President Hinckley, "As the Church moves out across the world and into the future we face two very serious problems. The first [problem] is the training of local leadership...."¹⁴³

And so it is with economic development. Today we could probably fit the leaders of LDS-focused economic development efforts in a cabin only fourteen feet square. The handful of examples of economic development strategies we've described in this book are not just a representative list, they are almost an exhaustive one! We're confident there are dozens of small-scale efforts underway that we're not aware of—but we're equally certain there are nowhere near the thousands that are needed. If Zion is to put on her "beautiful garments,"¹⁴⁴ if we are to abolish her slums to history, millions of people will need to be involved in ways we've outlined in this book. And before millions can be involved, we will need thousands of leaders.

For those so inclined, we hope this book points to some directions you can take to get started. We hope Unitus can be a resource as well to linking you with others who are joining the search for solutions. We trust that the principles we've struggled here to describe will be like a Liahona pointing to possible directions in a couple of ways. First, they are not a roadmap—they don't lay out the whole terrain and show the specific steps to take. Those who want a roadmap will not make it as leaders in the work before us, because one doesn't exist. What we have instead are principles that we can use to judge whether the direction we're taking is basically right. Second, as we head in a basically "right direction," we'll need the confidence in continued revelation that Nephi

¹⁴² The Discourses of Wilford Woodruff, pp. 38-39.

¹⁴³ Gordon B. Hinckley, National Press Club Speech, Washington D.C., March 9, 1999

¹⁴⁴ Isaiah 52:1

had who went “not knowing beforehand” the things he'd do.¹⁴⁵ Experience in the workings of the Spirit and comfort with ambiguity are twin qualifications for those who would lead in this exciting work.

In this chapter we'll briefly outline three ways you can begin to take a leadership role in the search for United Order-consistent methods of working with the poor. The three, in increasing order of challenge, are:

1. Start a Unitus Action Group
2. Become a Unitus guide
3. Start a Non-Government Organization (NGO)

Few members realize that LDS-oriented economic development has historically not been part of the the Welfare and Humanitarian services organizations of the church. Welfare services most often takes the form of temporary assistance for church members facing short-term setbacks—usually because they are between jobs. Little has been done to date for those in countries where too few jobs exist.

Furthermore, The Humanitarian Services/LDS Charities program of the church provides humanitarian service almost entirely to non-LDS people around the world. This important outreach effort has helped the church develop strong bonds of cooperation with corporations, governments and agencies around the world. It has demonstrated our Christian principles in action. And yet, some members have heard of the significant effort of Humanitarian Services and mistakenly assumed that our LDS poor were, therefore, well-taken care of.

Recently the church has directed Welfare Services to focus more significantly on helping members in Third World countries get jobs. This effort will involve three primary strategies: education, job placement and job creation. It appears as though church administration will get heavily involved in helping members with education and job placement. The intention with job creation is to work with and through effective, local efforts of other organizations. Today, the reach of existing LDS-oriented job creation programs covers a fraction of 1% of our poor.

Our greatest need today is for leaders.

Start a Unitus Action Group (UAG)

Most of the LDS-oriented economic development organizations we've described in this book started the same way. They started because a handful of people saw a need and held a meeting. Then another meeting. Then regular meetings. Ouelessebougou-Utah Alliance, for example, went through this process. A few people had casual and speculative conversations. A couple of them went to the trouble of putting together a meeting. A series of these meetings were required before some real plan of action emerged. What we're trying to demonstrate here is that meetings are often the raw ingredients of action.

¹⁴⁵ 1 Nephi 4:6

If you're 1) inexperienced at economic development; and 2) willing to play a leadership role, we suggest you start by organizing a Unitus Action Group (UAG). This is a fancy way of saying: Find some friends who want to make a difference. The difference between a casual conversation and a UAG is an ongoing commitment to meet, learn and plan. By organizing a UAG, you'll be helping to bring about the "one heart, one mind" condition that's so important to building Zion. And, just as important, you'll be setting up a social system that will help you keep momentum with your commitment to make a difference.

Many organizations are based on the idea that putting something on your schedule helps you keep it in your mind. Kiwanis, Rotary and other fine community clubs hold regular meetings as a way of keeping one another involved in community service. But service can easily drop to the bottom of your "to-do" list if you don't do something to keep it on top. Many people will read this book, get excited, then do nothing for lack of some method for keeping the need in front of themselves. Joining or forming a UAG helps you solve this problem and overcome inertia.

So, how do you get a UAG going? We've tried to make it simple. And the simpler you keep it, the more likely it is you'll keep at it.

First, find a group. You may already have a church group (a quorum, or class or just a bunch of roller-blading buddies) that you'd like to recruit to participate. If so, you've finished step one. If not, there are a couple of options on our website you can check out. You can check whether there is an existing group in your area. Even if you want to start your own group, attending meetings of another group can give you a leg up on how to organize a new one. If there isn't an up-and-running group in your area, you can register your interest in starting one on the Unitus website (www.unitus.com). As others indicate an interest, you will receive email to that effect. When you've got enough interest (you decide how much is enough), you can call the first meeting.

Second, set a meeting. Do we really need to write a paragraph about this step? We didn't think so.

Third, set the agenda. Don't feel a need to rush to action. A good starting agenda is to assign a chapter of this book to be read before each of the first few sessions and allow participants to discuss their thoughts and feelings about it. Over time, you can begin to decide the kind of project (microcredit, co-op, other), the location of the project (perhaps you all served Latin American missions?), the target population (return missionaries, a specific branch or village, etc.). You may choose to use the Unitus website to find a project that fits your criteria. The website will help you fit your group's ability to get involved with the needs of a project.

If there isn't a project that suits your interests, you can either change your interests, or start your own project. We'd advise you to get a bit of education by getting involved in an existing project first. Then use what you learn to start your own. We'll share a few ideas on how to do that below.

Ultimately, a UAG exists not to meet, but to act. Each UAG enables LDS economic development somewhere in the world. If thousands of these groups are started, and all share their learnings and enthusiasm with others, the result will be an immense

acceleration in unity and devastating damage to the enemy: poverty. Here are some action steps a UAG could take—(many of which are facilitated by the Unitus website):

- Find a specific economic development program and commit to raise the necessary funds for one of its activities.
- Sponsor a neighbor to go help in a specific economic development program for six months.
- Find a location where the LDS members have no economic development programs. Send a person from the UAG to scout out needs and possible partners in the area. Replicate an existing program or create one that meets the member's needs.
- Raise awareness of Unitus and raise funds for the Unitus Bank, which provides funds for new and existing LDS economic development efforts.

So, if you're one who would be a leader, take the lead now. Form a UAG.

Become a Unitus Guide

One of the most intimidating things about getting involved in LDS economic development is deciding where to start. The Unitus website can help a great deal in simplifying the search for meaningful options. But let's say you find three or four possibilities in Uruguay. How do you decide between them?

At some point websites don't substitute well for humans. That's where Unitus guides come in. And we hope many of our readers will be excited enough by this role to step forward and become one.

The Unitus Guide becomes a kind of volunteer expert to tell people what's going on. This should be someone who has traveled extensively in the area of interest—or is willing to do so. They should be familiar enough from first-hand experience with many projects in their area to answer questions of potential participants. In a sense they're like wise Park Rangers who can give you good advice (Don't feed the bears) and steer you to the interesting and rewarding opportunities (We spotted some buffalo over thatta way). We could see returned mission presidents, area presidents or missionaries filling some of these volunteer positions. Also, those who in their business careers have traveled in a particular area would be well suited as Unitus guides. Others who may consider this are those who do or have lived in a developing country and/or retired individuals with "heart" or "blood" connections to a region.

Unitus guides can also be those who know a great deal about a particular economic development topic, like microcredit or co-ops. Whether you are knowledgeable about an area or a topic, you can sign up to become a Unitus guide by following the instructions given on our website. Once you've registered and indicated your areas of knowledge, individuals will seek you out and ask questions via email. You may also choose to make telephone or in-person contact if you so choose. After people have consulted with you, they will be asked to rate how helpful your advice was. In this way, you can learn to offer better advice, and users can check out who is more or less knowledgeable about a given subject.

Some Unitus guides will be people well versed in the United Order Principles and comfortable with critiquing efforts using it. They may be people who are conversant

with the various economic development strategies in use in the world. These people play a role not only in helping volunteers find and link up with promising projects, but also in sharing new learnings and methods between the various projects and organizations working in their area. While the Experts have no formal authority, and are not employed by Unitus, if they are diligent in keeping up with activities in a given area, and effective at learning and teaching more advanced ideas, their informal influence will be tremendous.

New Unitus guides will find that some countries have existing projects underway. Other countries have no programs in existence at all. You may feel like the Maytag Repairman for a while—sitting by a silent phone for weeks on end. If so, feel free to begin contacting various UAGs or other groups you know of to solicit their interest. Thus, an expert may simply respond to inquiry, or become proactive by initiating discussions with others—it's all up to you.

Again, how do you become a Unitus guide? Log onto Unitus.com and register yourself as a guide in whatever topics you know about. Don't worry if others have similar expertise, the community of experts gets stronger with every additional member.

Start a Non-Government Organizations (NGO)

Okay, so you're tired of reading, tired of talking—you wanna go do something. You went to our website, and—surprise! No one is doing anything in the area or with the people you feel inspired to serve. What do you do? Start your own.

When most of us think about economic development we usually think of very large, bureaucratic, government agencies providing aid and development at the national level. In fact, most of the really exciting economic development work being done today is carried out by *Non-Government Organizations*, or NGOs. This fancy-sounding title can refer to an organization as small as a single individual who travels to Malawi and teaches welding for two-weeks every summer, or as large as the Grameen Bank in Bangladesh with two million borrowers and thousands of support staff.

The non-governmental organization movement sprang from the desire to enable more grass-roots development activities. In many ways this was motivated by some of the colossal, top-down, multi-billion dollar failures of recent decades. While large, bureaucratic strategies by their very scale have a hard time applying United Order Principles, home-grown NGO efforts are far easier to shape.

So, if you feel that the world is too big for small solutions, think again. Starting your own NGO is a great way to join the self-organizing army of volunteers that are making the kind of difference the big guys have rarely made. When it comes to economic development, small is beautiful!

For example, a former Bolivian missionary by the name of Tim Evans formed his own NGO in 1982 by the name of C.H.O.I.C.E Humanitarian (Center for Humanitarian Outreach and Intercultural Exchange). His goal was to get more people involved in humanitarian work by bringing them into intimate contact with those in need. He organized expeditions to work on projects in Central America. Today C.H.O.I.C.E. builds relationships between hundreds in the First and Third Worlds by offering dozens of trips to

many locations. More recently, C.H.O.I.C.E. has added microcredit to its existing projects for building schools, wells, homes and health clinics.

Now, it might seem intimidating to try to duplicate what C.H.O.I.C.E. is doing. So don't. Just get started. Starting your own NGO is actually very straightforward. In the United States, you'll first want to form a 501(c)3, nonprofit organization. This gives you advantages of tax free status and limits your liability—an unfortunate but important consideration in our litigious world. The process outlined below, however, should be similar for most countries.

1. Find a How-To Book Most bookstores carry manuals on starting nonprofit corporations. One publisher, Nolo Press (www.nolo.com), produces a good handbook called *How to Form a Nonprofit Corporation*. There are similar books by different publishers. Even if you expect to pay a lawyer to form your NGO we still recommend purchasing a handbook so that you'll understand what is happening. Appendix 7a shows the table of contents from the Nolo Book to give you a good idea of the wealth of knowledge a book like it provides.
2. Decide Your Strategy what will your NGO be doing? What will your focus be? What will your name be? What donors will you be marketing to? What value will you bring to the economic development community?
3. Incorporate Your Nonprofit Business Create your Articles of Incorporation and file these with the appropriate state agency.
4. Obtain Your Tax ID Number Most countries know you by an ID number. In the U.S. this is a brief IRS form that assigns a tax number to your new business entity.
5. Create Your Corporate Bylaws These describe how your nonprofit NGO will be governed and run.
6. Submit For Charitable Tax Status In the U.S. this is your IRS 501(c)3 Application. This form may be the most complex of all the forms necessary to run as a legal nonprofit, charitable organization in the United States. It will take the IRS up to a year to get a response to you. However, as their applications states, if you file for 501(c)3 status within the first fifteen months of your state incorporation then all contributions are counted as charitable contributions retroactively when your application is accepted. So, as soon as you've submitted your paper work, get moving.
7. Call Yourself An NGO There is often no formal organization that proclaims an organization to be an NGO rather than just another charitable organization. Call yourself one, work with other NGOs, act like one, and you are one.

Now that you've finished the boring part, you can experience the real treat: Getting To Work.

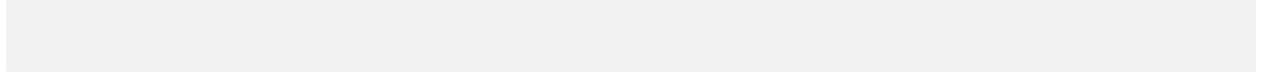
This is the hardest part of the process of starting your own NGO. The first seven steps could be done in a matter of weeks. If you do this without a lawyer in the United States it should cost less than \$600 for an NGO that will be raising large amounts of money, and less than \$150 for a smaller one.

As you get to work, Unitus would like to be of help. Check out our websites, conferences and other resources to find out what services and publications we can offer to help you get farther faster. If you're one of the early readers of this book, we ask your patience. You may find you are one of the first wagons to come into the Salt Lake Valley, and there's no Hotel Utah for you to stay in. If we have little to offer you when you contact us, perhaps your role will be to help build the infrastructure others will benefit from. Later, please stay in contact with us. Send us copies of things you develop. Let us copy like

crazy so we can share your experience with others. We will offer you the same benefit as the store of knowledge we in the LDS community amasses over time grows.

On the path toward a oneness of mind, a lot of thinking, writing, discussing and testing will be needed. We invite you to take any role you can in this exciting mission of participating in the sacred work of unifying our Father's family. It is one work. It will make us more one in heart. As President Gordon B. Hinckley said, "If we are to build that Zion of which the prophets have spoken and of which the Lord has given mighty promise, we must set aside our consuming selfishness. We must rise above our love for comfort and ease, and in the very process of effort and struggle, even in our extremity, we shall become better acquainted with our God."¹⁴⁶

That we may all come to know God, build Zion and be one is our fervent prayer and hope.



¹⁴⁶ President Gordon B. Hinckley, *Ensign*, Nov. 1991, p.59.

Afterward: A Note to Third World Leaders

We worried a bit when we read back over the previous seven chapters that those who are--or who live among—the poor might believe it is targeted to First World members. Admittedly, many of the examples we've offered focus on actions of First World Latter-day Saints. So we want to use this last chapter to avert the misconception that Third World saints can do little more than hope and wait for outside help. Nothing could be further from the truth.

To Third World readers, we offer a few specific suggestions. If this book has given you a sense of principles and possibilities for unifying saints toward temporal and spiritual progress, then we invite you to become a leader in this effort. Leaders are those who develop a vision, and mobilize people to achieve it. Leaders don't have to be the ones at the front or with big titles. They can be quiet ones in the middle of the group, influencing those around them toward greater commitment. You can lead by taking any of the steps we suggested in chapters six and seven—you can study, share, join or create.

Let's say, for example, that you are a Third World bishop, relief society or quorum leader. Most of the members in your ward are unemployed. As you've read *United For Zion*, you've been inspired by United Order Principles and how early saints have applied them. You feel impressed that you should do *something*. But what?

First of all, do not feel responsible to have all the answers. If you would like to be a force for unifying your brothers and sisters to help them solve their shared problems, your should not develop a plan by yourself then present it to them as a polished program. The very process of jointly seeking and developing solutions is what builds unity. When a leader does too much *for* people and too little *with* them, the people become too dependent--the opposite of self-reliance. When problems arise the people blame the leader and fragment--the opposite of cooperation. The same could be said of all of the United Order Principles--unless people are involved in figuring out how to apply them, they miss the spiritual sacrifice and growth that come when you work to solve your own problems.

So, to you potential Third World leaders, we encourage you to involve others as you study, share, join and create. Here are a few ways you can do it.

Study

If this is the first material you've read about economic development, we suggest you get ahold of some of the other books we've indicated in this book. To your study you should add prayer. If you do, revelation will supplement your study. But don't wait on the Lord for ideas. He tells us that to receive revelation you must first "study it out in your mind."¹⁴⁷ We testify that inspiration is available for those who seek to build Zion, but not until you have paid the price through study.

¹⁴⁷ D&C 9:8-9.

Some sources for books and literature include NGOs in your country and government offices responsible for economic development. If you have access to the Internet, Unitus will offer an increasing amount of educational material on economic development strategies as we grow. We urge you to log on to our website and get everything you can.

Likewise, you should study up on what's being done in your own country. Many Third World saints are only faintly aware of existing programs they could take advantage of. For example, there may be NGOs offering microcredit in your area that you just don't know about. Talk to microentrepreneurs in your area, contact government offices, network with NGOs you know of to discover others. In some communities there is a community coordinator who could provide assistance in identifying existing programs. Study diligently and you may find resources you never knew existed.

Share

One of the most important roles of leader is that of teacher. Teach what you've learned in this book. Don't think you have to stand in front of a group and lecture in order to teach. You can teach just by passing this book around and inviting others to read chapters then meet to discuss them. Start a study group.

Remember Don Jose Maria in Chapter Four? He helped start what today is a multibillion dollar association of cooperatives. How did he do it? By teaching. He met with people to study the scriptures. Over time he led discussions about implications of the scriptures for social and economic action. Like Jesus Himself, he built oneness by sharing truth.

As you facilitate study and conversation among others, they will become more aware of options and resources they never knew existed. You won't be the only one sharing—others will have experiences and ideas as well. As they share, they will grow in oneness. As they encounter new ideas, their hope will increase, too. And when hope and oneness are sufficient, concerted action can follow. And as we've seen in this book, unified action can bring about great change.

Join

We know that internet access is sparse in the Third World. We also know that in many medium-sized and large cities in the Third World, access can be obtained. If you can find a way, log on to www.unitus.com. When you and your group have developed a plan of action, register your project and indicate the assistance you seek.

Now, in the spirit of self-reliance, we urge you not to create a plan that leaves you no room for action short of waiting on a response from the cyber-world. Take action as a group. If you need capital, save it together. It may take months, or even years—but if you start small like the saints in Brigham City (see Chapter Four), you can do it. If this is the spirit of your endeavor, then if other saints find and support your project through www.unitis.com, their aid will not activate, but will accelerate your plan.

The other thing you can do on the website is look for Unitus Action Groups in your area. If one exists, even if it is only other poor members seeking solutions, you may find you have resources or ideas that complement each other. Don't limit your search to foreigners with a checkbook. Consider all the possibilities. Once when Brigham Young was in desperate search of cash to help the church, a debtor paid him with miles and miles of steel rails rather than the money they owed. President Young turned these rails into a railroad system that greatly served Deseret. Sometimes what looks like a pile of junk is exactly what you need.

Create

Let's say you've studied. You've involved others in the study. You've looked at all available resources. You've joined every useful program that could bring ideas and support to your efforts. And there is still a void. What now?

First, do not fear. Chaos and emptiness are the impetus for creativity. As we've indicated again and again in this book, the Lord promises to provide for His poor saints. He says it must be done in His way. And when it is, He promises to provide. The cumulative message of this book is that He will.

Second, take your time. Involve others. Take the lead. If no First World members join in at the outset, move out on your own. The resources others might have provided would *not* have solved your problem. They could have increased your rate of progress. But, if you can't do it on your own—with the Lord's help—then outside resources may only have provided a faster and surer failure.

Third, as you create your strategy, continually revisit the United Order Principles. If you find that your plan doesn't measure up on some dimension, don't proceed until you find ways to adjust it so that it does. Don't give into impatience by starting with a flawed plan.

Let's say, for example, that you create a plan to start an agricultural cooperative. Members agree to save money to purchase community equipment that will greatly increase productivity. Over the next few months, some members bring money as they agreed. But most give little or nothing. Then, along comes a donor who is willing to contribute money as a gift to the group, eliminating the need for savings. What should you do?

We have seen groups face this kind of situation in the past. There is a great temptation to let the gifted money cover up weaknesses inherent in the group. A good leader, however, would note that some in this group have not measured up to the principle of sacrifice. The "gift" undermines the opportunity for self-reliance. Since those who are not contributing are still allowed to be part of the group, the principle of stewardship (i.e. accountability) is absent.

Can you imagine what will happen if this group accepts the money, buys needed equipment and moves ahead? In all likelihood, the result will be failure. A group whose temporal progress exceeds its spiritual maturity is like a tree whose branches outgrow its roots. Eventually it dies because it can't sustain itself. What will happen in this group when problems arise? Will people cooperate? Or will some try to benefit at others'

expense? Will the group hold those who take a “free ride” accountable? Or will they avoid challenging them as they did before? What about when new resources are needed to benefit the group? Will individuals sacrifice for the group and for the future? Or will they hope someone will come along and “save” them again?

We hope this brief and simple example illustrates the importance of creating plans based on all United Order Principles. Don't rush. Exercise faith. Be patient. Think carefully and pray continually. If you do, we testify that the Lord will hold Himself responsible for assisting you. Once you have done “all you can do,” He will intervene on your behalf. You won't always know when this will be—but it *will* come.

One group we know of started what they called a “merry-go-round.” They weren't sure what to do to create well-paying jobs for themselves—but they knew that capital was a key. So they met each week to discuss their options. At these meetings, each would bring an agreed-upon amount of money which was added to the group pot. When the pot reached a certain amount, they drew lots. The “winner” received the pot as a loan from the group. In essence, they created their own microcredit program. Thus, one would take a turn on the “merry go round” while others pushed. They all agreed to participate until all had a turn (i.e. received a loan).

In their meetings they would share ideas, critique one another's plans, and encouraging each other's efforts. After this group had been operating for a while, they found and unitedly joined a larger project with greater promise. Could it be that this other project came along, in part, because these members were prepared for it? Perhaps. What we know, however, is that these people added greatly to the project they joined because of the growth they gained while trying to apply United Order Principles on their own.

Leadership is difficult, especially when examples of failure abound and successes are few. In a sense, leadership is the process of bringing into being something which does not yet exist. Is this not a good definition of faith? Leadership, after all, is a test of faith. We pray that the Lord will bless and inspire you as you work to create something that does not yet exist in your community—a path to temporal progress built soundly on gospel principles. A path to hope. A path to prosperity. A path to Zion.

Appendix 4A – PRINCE Cooperative Principles

1. Principles: The Cooperator agrees to adopt bylaws and business practices that are consistent with PRINCE International values. The PRINCE International values are: Purity, Responsibility, Initiative, Cooperation, Charity and Equality.
2. The Cooperator agrees to implement practices and bylaws that maintain the **purity** and ethics of the cooperative through openness and visibility with all fiscal and operational information to members. For example:
 - The Cooperator agrees to external audits by PRINCE International every 2 years, and to engage its own audit through a certified outside accountant every year.
3. The Cooperator agrees to implement bylaws and practices that foster personal **responsibility**. Specifically, those that:
 - Hold team members¹⁴⁸ strictly accountable for violating values (For example, dishonesty, chronic lateness, laziness, or poor quality work would be causes for dismissal).
 - Create reciprocal accountability from the Managing Committee (MC) to the General Meeting. For example, a no confidence vote of team members should require the Cooperative Managing Committee (MC) to assess a business manager's fitness. The MC then must decide to replace, counsel or override the concerns of team members in a hearing where team member representatives, the business manager and a quorum of the GC are present.
 - New members show personal responsibility for bettering their condition by making a capital investment equal to one years basic wages for the lowest paid team member in order to become full members of the Cooperator. A portion of this can be financed through a loan from the local PRINCE Cooperative. A new Cooperator may set a lower investment amount for those who invest before any business operations have begun. This amount will be set in such a way as to enable the Cooperator to raise funds sufficient for its first business start up.
4. The Cooperator agrees to implement practices and bylaws that take **initiative** for securing the short and long term vitality of the enterprise. Specifically:
 - Retain 20 percent of surplus from operations each fiscal period as a reserve against business downturns.
 - A minimum of 10 percent of surplus is allocated for training—this investment in education is a primary proactive strategy to advance human development and to keep the cooperative at the front of its industry.
5. The Cooperator agrees to foster practices and uphold bylaws the maintain and increase the spirit of **cooperation** in the organization. Minimally:
 - The Cooperator agrees to maintain equal wages for all team members at a basic salary level until all members who fully pay their capital investment before the first business is started are offered team member positions. By agreeing to this, members are cooperating to start larger scale businesses than would otherwise be possible.

¹⁴⁸ Note: a team member is an individual who has fully paid his or her capital contribution and then received a paid position in a business owned by the Cooperator.

- The Cooperator will implement bylaws declaring that at the beginning of each fiscal year, the MC will determine a market level rate of return to be paid on capital accounts resembling the rate paid for long-term savings accounts in the local region.
 - To help advance PRINCE Cooperation around the world, the Cooperator agrees to allow PRINCE International to provide all banking services (loans, savings, etc.). No borrowing will be done through any source other than PRINCE International.
6. PRINCE Cooperators also implement bylaws and practices that demonstrate **charity**. The goal of PRINCE is *not* ever higher wages, but, spiritual growth and economic security for all God's children worldwide. Thus, each Cooperative agrees to manage funds on the following principles:
- Members may not withdraw money from capital accounts until they leave or retire. If a member quits or is fired, the local PRINCE Cooperative is obligated to release only 90 percent of the capital account. The remainder is a penalty for early departure or poor performance. This 90 percent will be paid out at a rate to be determined by the local Cooperative over a maximum of 24 months.
 - 10 percent of surplus is put in a Social Fund for investment in the local community at the discretion of the Cooperator.
 - 10 percent of surplus is contributed to Perpetual Capital Fund of PRINCE International for assisting in startups around the world.
7. The Cooperator agrees to create a culture and spirit of **equality** in cooperative businesses by implementing practices and bylaws that encourage it. At a minimum, cooperators will:
- Involve all PRINCE team members in assessing the relative contributions of their coworkers—irrespective of title—at least twice a year. These relative rankings are used to determine the relative pay levels of all team members.
 - Set the maximum wage differential between lowest and highest paid team members at 1:3. That is, the lowest paid person in any of the cooperative businesses will make no less than 1/3 the total compensation of the highest paid individual.
 - Distribute the remaining 60 percent of Cooperators surplus (after reserve fund, social fund, training and contributions to the PRINCE International Perpetual Capital Fund) to member capital accounts. Surplus is disbursed based on relative wage levels—which is, in turn, set based on the combined assessments by team members of the relative contributions of all their team mates.
 - Assign one vote, and no more, to each member in General Meeting proceedings. No matter the total capital an individual holds in the cooperative, he or she is never entitled to any more than one vote in the General Meeting.
 - Ensure that the General Meeting is sovereign. While day to day management responsibilities can be delegated to the Managing Committee, ultimately the General Meeting has power to support or overturn decisions of delegates and to replace or uphold delegates as it sees fit.

ABOUT THE AUTHORS

Warner Woodworth is a professor of organizational behavior at Brigham Young University where he teaches Third World Development, Microcredit, and Social Entrepreneurship. Author of 7 books and over 150 articles, he has been engaged in empowering the poor for two decades. He has helped found and (or served on the boards of numerous nongovernmental organizations including Unitus, Enterprise Mentors International, Ouelessebougou-Utah Alliance, Chasquis Humanitarian Foundation of the Andes, H.E.L.P. Honduras, H.E.L.P. International among others. He is co-author of Small Really is Beautiful (1997) and Working Toward Zion (1999).

Joseph Grenny is a founder of the consulting firm, VitalSmarts, a former associate at the Stephen Covey organization, and a co-founder of Unitus, the world's first microfinance accelerator.

Todd Manwaring is a former tech expert in Seattle with clients such as Boeing, etc. He chose to quit his career to move to Provo, Utah and become a student of Professor Woodworth at the Marriott School, BYU. He helped launch H.E.L.P Honduras in 1999 and is currently involved in establishing Unitus.

About The Authors

Warner Woodworth is a professor of organizational behavior at Brigham Young University, where he teaches Third World Development, Microcredit, and Social Entrepreneurship. He is married to Kaye Colvin Woodworth and they have ten children. Author of 7 books and over 150 articles, he has been engaged in empowering the poor for two decades. He has helped found and/or served on the boards of numerous nongovernmental organizations including Enterprise Mentors International, Ouelessebougou-Utah Alliance, Chasquis Humanitarian Foundation of the Andes, and H.E.L.P. Honduras, among others. He is co-author of *Small Really is Beautiful* (1997) and *Working Toward Zion* (1999).

Joseph Grenny is co-author of two books including *The Balancing Act*, and various articles on leadership and organizational effectiveness. He is a co-founder of The Praxis Group and Vitality Alliance, where he writes, researches, teaches, and consults on personal, team, and organizational effectiveness. He has directed a major economic development project in East Africa over the last two years. Joseph is married to Celia Waldron Grenny, and is the father of six children. They live in Orem, Utah.

Todd Manwaring co-founded an NGO, Humanitarian Link, and served as its president since its founding two years ago. He worked previously in computer sales in the aerospace industry. Todd has direct economic development experience in Nicaragua, El Salvador, Honduras, and Kenya. He is author of a chapter in *Small Really is Beautiful* (1997), a book describing microcredit efforts throughout the world. He is married to Kristine Carter Manwaring, and they are the parents of four children and live in Provo, Utah.

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