

# Jacqueline's Journal

## Kenya

January 21-28, 2010

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I've never written a preface to a journal before. I'm also not sure I've ever had such a life-affirming few days in a single week. Indeed, I could have written many more pages, but feared the onslaught of my words were becoming overwhelming to even the most curious friend to this work of patient capital.

The people and events of this last week of January 2010 were extraordinary. I think of the seven young men from the slums who organized a highly professional and successful book club event for more than 90 people. One of the young men, Alex, wrote eight drafts of his introduction: I've never felt more honored by introductory words. The conversation about the book and about development that evening reminded me that we really *can* connect across class and tribe, nationality and ethnicity. We really *can* see one another and hear one another. And indeed, we must have more such conversations in every community across the world.

I was deeply touched by the successes of individuals supported by Acumen investments. Seeing Jane's gorgeous new house in Kaputei brought tears to my eyes. Experiencing her glorious level of happiness is something I'll never forget. I also was moved by John and Bernard who have shed their past lives as thugs and are focused on serving as community leaders and citizens who want mostly to be seen as "real people" now that they've tasted the respect that comes not from who is strongest but from who is most needed and appreciated.

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And the graciousness of people! I left much out, but it came in spades. For one thing, I returned to New York carrying some of the most beautiful gifts that I've ever received. The Kibera bookclub organizers gave me two hand-made soccer balls like the ones used in slums – and one of mine is bright blue! The care and love with



Vendors sell their wares at a thriving Toi Market, which was burned to the ground two years ago during the Kenyan post-election violence..

which they organized the event is a gift that no one will ever take away from me – or them. The biggest surprise of all occurred in the middle of my last meeting with a successful businessman and his mother, a Vice-Chancellor of one of Kenya's respected universities. A young woman approached me with a bag, saying that she was Teddy Warria's sister and had gifts from him to me. Teddy is a Student Leader for Acumen. He's also a force of nature. Still, I never imagined what his sister Judi would give me....

In her hands was a hand-knitted blue sweater, a replica of the one I first gave to the Goodwill, only to find it on a young boy in Rwanda. Judi's beautiful gift created a profound sense of rebirth in me – a reminder again of our interconnectedness and of how things come round again and again. I'd just been at Toi Market which had been burnt to the ground two years ago and was now thriving – more rebirth. I can only describe the feeling as magical.

Judi then gave me an enormous hand-knitted Acumen doll, a smaller girl doll carrying an Acumen bag and an accompanying child doll wearing, of course, a blue sweater. I had to buy a duffle bag just to get everything home.

The week also renewed my sense of hope for the future, and it deepened my understanding of Patient Capital. The "deepening" started when I heard Acumen partner, advisor and friend Seth Godin give a speech to launch his new book *Linchpin* (his most important book to date). He spoke about the nature of interest rates, and how tribal societies and many religions considered it a

sin to charge high interest rates within the tribe, though at least in some societies, it was acceptable to charge people *outside* the tribe.

Seth refers to Louis Hyde's book *The Gift*. Capital can be used to bring us together – we give friends and family money to help them buy their first house or start a business. We hope to see the money returned, and the transaction is considered to be mutually strengthening...

At the same time, capital can distance individuals from one another. Think of the sub-prime debt crisis. I know hedge fund managers who invested in sub-prime debt because it was being traded on secondary and tertiary markets. No one had to consider who the ultimate borrowers were. As one trader put it, "even if 90% of people don't pay, we still get our money back." Investors could not have been more distanced from the borrowers. Ultimately, many individuals lost their homes, and society lost a sense of accountability, of compassion, and, most definitely, of trust.

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In an interconnected world, our long-term survival depends on viewing ourselves as members of a single, interdependent tribe. We need to think differently about the economy, the environment, clean water, how we deliver healthcare. Patient capital in the 21st century must seek not to distance but to invest from the perspective of a single tribe – focusing on supporting communities and supporting change, while insisting on accountability and being repaid. Indeed, when patient capital is returned to patient investors, the lion's share is then re-invested in other innovations serving low-income communities. In our world, where the rich are getting richer and the income gap is widening, patient capital also presents an enormous opportunity for the wealthy to invest excess wealth in strengthening and accelerating underserved markets. As I learned from the joy I shared with Jane in her new home, dignity that comes from expanding opportunity and choice for low-income people is dignity that impacts all of us, rich and poor alike.

-- Jacqueline Novogratz  
January 31, 2010

**Thursday, January 22, 2010**

**NAIROBI, KENYA**

*"After the soft mellow manners of Cape Town, Nairobi is a shot of whisky. We drive from the airport into the city centre.*

*Around us: matatus swing in and out of gaps, darting into impossible angles, turning the traffic into a death-defying obstacle course. Manambas manage the matatus' movements like orchestral conductors. I see one guy, hanging by his fingernails, one toe on the open door, inches from death, letting go of both hands, and clapping and whistling at a woman who is walking by the side of the road, dressed in tight jeans. She raises her nose and looks determinedly at an electricity pole on the other side of the road.*

*This is Nairobi. This is what you do to get ahead: make yourself boneless, and treat your straitjacket as if it is a game, a challenge. The city is now all in the streets, sweet talk and hustle. Our worst recession has just produced brighter, more creative matatus.*

*It is good to be home."*

*-Binyavanga Wainana*

My colleague Catherine Casey, who loves Nairobi as much as I do, sent me this quote by our friend Binyavanga who captures the essence of Nairobi like few others. I feel home here, too, though the last time I resided in this city was in the late 1980s. Nairobi is a place that gets under your skin, nearly from the moment you meet her. And each time coming back really does feel in so many ways like coming home.

Jet lag strikes on the first night and I wake in the dark, waiting till dawn when I can finally peer out the window of my hotel room at the familiar trees outside as their bright flowers come into focus with the rising sun. After so many frozen New York City January days, the call of those trees and the birds singing among their branches is too great to resist. Catherine waits for me downstairs and we run together through the streets of Nairobi, around Uhuru Park where we check out the Ecotact toilet, one of Acumen's investments that is making a real difference in thousands upon thousands of lives.

The park is filled mainly with young men walking. We are the only two people jogging, though no one pays us much mind. Though we talk incessantly, catching up on the preparations Catherine and the team have made for this visit, the run isn't relaxing. Traffic and lines of pedestrians make the perimeter along the roadsides feel like an obstacle course. Inside is easier, although we find ourselves running around and around the same small lake, laughing at the cartoon-like marabou storks, and looking with wonder at the iridescent feathers of the starlings and Abyssinian rollers.

A quick shower and then breakfast with Biju, Acumen's East Africa Country manager. Biju has done a great job building a strong team and group of advisors. We discuss the economy, our investments, challenges and dreams. We barely have enough time to finish before we rush to the office to meet a panel of finalists for the Acumen Fellows program. We received 600 applications from 65 countries this year; and are now interviewing 57 finalists from around the world – today, we'll meet six of them.

I'm not prepared for the beauty and energy of our new offices which are spacious and bright, with the walls painted blues and orange, yellow and red. Dorcas, our administrative assistant, greets me with a huge smile and a nametag with my name written in her elegant calligraphy. It is wonderful to see everyone. It feels good to be home.

Panel interview days are always among the most exhilarating of the year, and this one surpasses expectations. Blair Miller, our Fellows manager, has everything organized to the minute. My fellow judges include Biju and Blair as well as entrepreneur David Kuria and three local advisors: Edwin Macharia, George Odo, and Duncan Onyango. We start by quickly meeting the group. They come from Kenya, Uganda, Ghana and the United States, and each is impressive.

Each also has a unique story. One tells us he is one of twelve children; of them, he's the only one who graduated from either high school or university. Now he's working in Northern Uganda and Southern Sudan with people living in impoverished, volatile situations. The work is dangerous but he's a man on a mission. Another is one of nine children, seven of whom were adopted. In addition to working on social businesses, he regularly plays football with boys in Mathare Valley, one of Nairobi's most notorious slums. A third was raised in both India and Ghana and sees himself as fully belonging to both. Despite their different stories, the candidates share a deep commitment to the work of change and a desire to learn more about patient capital.

Outside the window, I see an apartment building and the walls of the Yaya Center shopping mall where signs for Woolworth and Hugo Boss signal how quickly Nairobi is changing. A woman is working on her balcony, dressed in yellow and red with a turban on her head, methodically folding hundreds of kikois – brightly colored cotton wraps – that have been drying in the sun. I imagine her humming softly like my grandmother used to do when she would hang laundry to dry outside on lines that criss-crossed her neat patch of lawn and garden. Simple acts.

I find myself yearning for an afternoon of folding clothes outside, or of reading a book from start to finish in a sitting, or of organizing photographs into a book. Or even of ironing. The sudden ache

challenges me to integrate time for the quiet, the joy I get from plain old work where the fruits of one's labors are readily apparent.

The day ends with dinner at Duncan's beautiful home. More members of our community join: Jocelyn Wyatt, Suraj Sudhakar, and Catherine. They represent the three past classes of fellows and still are part of this community in fundamental ways. I think that what happens after the fellows program is more important than what happens during it, and hope we find ways to keep our fellows close always.

## Friday, January 22, 2010

### NAIROBI, KENYA

After another sleepless night, I run again with Catherine and then join Biju for breakfast and a series of meetings – interviews for portfolio positions in East Africa and a session with a local bank CEO who is interested in our work. It is exciting to hear the man's enthusiasm for the country as well as for Acumen's model.

At noon, we head to the Hilton Hotel in town to meet a film crew from *PBS NewsHour*. They have come to see our work and to follow us for the next two days. I immediately like Fred, the journalist, Tom, the filmmaker and Nikki, the producer: this is a group with a passion for change and for telling under-told stories. They are critical thinkers and want to know what doesn't work as much as what does – not from a place of cynicism, but in a thoughtful, provocative way.

Our first stop is Ecotact. David Kuria, the public-private toilet company's intrepid entrepreneur, wearing a black, grey and white polo shirt, greets us with a big smile. We walk the few blocks to one of Nairobi's public toilets – 5 shillings to use the spic-and-span, bright facilities. Along the back wall of the cream and ochre structure, six shoe shiners wearing bright red jerseys are busily cleaning men's shoes: not a single seat is empty. Music floats through the air, and three men sit near the toilet's front door, sharing their lunches. "Could you ever imagine sitting next to a public toilet and eating food?" Kuria asks with his signature enthusiasm. "Just imagine!"

Out front, two women sit behind the gate to collect the entry fees. Both are young and fresh-faced, each of them smiling. They tell me they enjoy their jobs. I ask why and Sally offers that before joining Ecotact, she sold *sukumawiki* (grilled spinach and tomato) at a street market. The work was hard and the pay, erratic, she says. In the past year, Sally has worked her way up to supervisor of the nine toilets in Nairobi city. She monitors quality, does the books, helps people out when they need it. The other woman used to braid hair, and now appreciates the chance to earn a steady income and do something important for the city. "Everyone is so happy to have this Ikotoilet here," she said, "I just like the feeling of being here."

Sally hands me a visitors' book to sign. Inside I see the names of public officials and familiar organizations. Customers also sign with notes of thanks and suggestions for improvements. Most common is a desire for more toilets, especially during the morning rush. "People are so used to having the toilets now," she tells me, "that they don't like waiting three or four minutes. They forget they used to have nothing here at all."

The women adore David. "I want to grow to be a leader like he is," Sally gushes. "He is a fair man, a good man, and he is doing so much for the people." The other woman dreams of earning enough to one day start a hair salon. I shout to Kuria that Sally might one day start a competitive Ecotact; he better watch out. Kuria laughs, saying he welcomes it.

Currently, Ecotact has 16 operational facilities serving something like 14,000 people per day (there have been more than 4.3 million uses in 2009 alone). All but two facilities (Mathare, a slum facility, and Nanyuki which just opened in December) cover their operating expenses with revenues. Moreover, Kuria is in conversation with other cities as well as governments in other countries that are interested in bringing the model to their locales. Last year, he was named African Regional Social Entrepreneur of the Year by the World Economic Forum. And he's only just beginning.

Patient capital enabled David to get started in bringing clean, effective, affordable public toilets to a city where poor sanitation is an enormous problem. From the beginning, both David and Acumen also have dreamed of finding the right model as well to bring sustainable, scalable sanitation facilities to the slums. This is a lot harder to do.

We drive across Nairobi to the edge of the city center where the land slopes down into the vast Mathare Valley slum. Mathare

is one of the most notorious slums in all of Africa, known for its violence, gangs, drugs, prostitution and persistent poverty. The white van moves across the upper rim where the air is still fresh, past a park where children use tires cut in half as seats where they sit and rock themselves like fairies sitting in crescent moons, watching older brothers play football. Further down is an old police station, a yellowish building made of concrete blocks, built low and long like barracks. "Don't take any pictures near the station," Kuria warns. "They don't like that."

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**"Build it and they will come" doesn't work in low-income markets, especially not when first introducing a product or service.**

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Just behind the police building you can see the sprawling slum unfolding for miles across, down to the river at the foot of the valley and up again to the other side near town. I've seen this place countless times now, yet am nonetheless hit as with a blunt instrument by the desperate poverty, the broken-down houses built along narrow alleyways running with raw sewage. Women, babies and laundry are everywhere. So is human waste.

I can smell feces, though the Ecotact toilet is down the hill. "You're standing where the toilets used to be," Kuria explains. "The latrines were here, atop the hill, but they were always overflowing and during the rainy season, human excrement would wash directly from the toilets into the neighborhoods below."

With horrendous and limited public sanitation, many people simply defecate outside. The hill is filled with human excrement so that it looks like a dog run where no one bothered to scoop the poop... except we're looking at the stuff of human beings.

At the bottom of the first hill where the houses begin, we meet the community leader in charge of the Ikotoilet. Anasthasia is a big woman with a wide, weary face and small teeth spread at intervals across an ample mouth. She shakes Kuria's hand and tells him things are going better, but the community has still not come together around the toilet, though it has been there now for five months. We wind ourselves through a narrow alleyway and turn left. Stuffed into a pocket of space in the middle of the slum is the familiar Ikotoilet logo atop a small structure painted the

company's colors of ochre and cream. Two young men work at the facility, yet despite the dense population of Mathare, there are no lines of people waiting to use the toilets. In fact, we don't see any customers while we are there, a stark contrast to the lines of people using each toilet in Nairobi.

"It is coming slowly," Anasthasia explains. "You see, we started by charging three shillings per use, but no one was coming; and so we changed to two shillings; and now after listening to the community members, we are charging a 100 shillings monthly fee for an entire family to use as often as they want. This is a better deal than what people pay for other toilets here. But still there are problems convincing people to come."

"Build it and they will come" doesn't work in low-income markets, especially not when first introducing a product or service. Ecotact faces numerous challenges here that don't exist in the city center. Hardest to overcome are tensions within the community. Mathare Valley, though organized politically in some ways, is

heavily impacted by gangs and divided by ethnic tensions, fueled by corrupt leaders clinging to easy threads of empty power. Although Ecotact pulled together a diverse community leadership group, it must still confront oppositional voices that come not with better ideas (other than that they want the toilet in their section of the slum), but with vocal disdain and threats of sabotage.

Thus far, 92 families or nearly 500 people use the toilet daily, but that represents just a tiny fraction of the area that could be served. To break even, the toilet needs to serve at least 200 families. Kuria believes they will get there, but it will take time.

Second, Ecotact is competing not only with the several private latrines charging two shillings. Such a competition would be fairly easy. The other latrines – dark, wooden, filthy – sit atop the open sewer so that you have to jump through refuse to open a wooden door which throws a fetid, awful smell onto the street. Only two people used the latrines, and each paid 2 shillings each time, but it was hard to believe they preferred it to Ecotact.

The bigger issue seems to be the “free options,” those of open defecation and “flying toilets.”

We walk almost gingerly in our open-toed sandals through the muddy alleyways, dodging raw sewage, smiling at the playful children sitting in the muck. A little girl wears a pink taffeta dress, swinging back and forth as if she is a little bell like all little girls like to do. Another wears her hair in a hundred little braids, each twisted at its end with a brightly colored bead. Colorful laundry hangs on lines between the houses like prayer flags. Most everyone says hello to us. I call to Nikki to avoid stepping on the plastic bags littering the path. These are the flying toilets, plastic bags used by people in their homes to relieve themselves and then flung into the path in front of their house. There are hundreds of them.

Worse, pipes lead from the private latrines directly to the river below, vomiting waste and disease and garbage into the flowing, poisoned, dead stream of filthy brown water. The problems of the slums impact the entire city, whether or not people choose to acknowledge them.

I worry about the incentives needed to keep a guy like David Kuria fighting to make sanitation in Mathare work. If people aren't willing to use the facility and are instead proactively rejecting it, and if David must fight not only entrenched behavior but tribal and political tensions, then where will he get the energy to focus on this rather than simply go to the cities where success is so much easier? Recently installed toilets in the city have broken even within a two-month period, whereas this toilet has been installed for four or five months and is still only halfway there. Patient capital can give him the runway to experiment, fail, learn and try again, but will he himself have the patience to keep pushing this?

David responds to my question: “It *is* hard and sometimes you want to walk from it. But this country needs to change. You see, it will come to the rich areas, but such changes come too slowly or not at all to the slums. I want to make a difference here too where it is so important.”

I make a mental note that we have to do a better job celebrating when our entrepreneurs take on these complex challenges. Capital will not flow easily to these ventures, yet if we are going to solve problems of poverty, we need to make things like toilets and healthcare work here in the slums.

There are hopeful signs in Mathare. One is the simple fact that despite the challenges, the toilet *is* halfway to break-even; and the first half is the hardest road to hoe. People are starting to hear about the toilet and are signing up to join. There was a recent outbreak of cholera in Mathare. The nearby community who refused to use the Ikotoilet lost five of its residents to the water-borne disease. On the other hand, not a single person contracted cholera in the area closest to the Ikotoilet. Maybe the answer is not to slow down, but to speed up, bring toilets to a number of communities quickly so that they can begin to see the lives that change as a result and come to decide, hopefully, that saving lives is worth more than bearing a dangerous, destructive tension between groups.

I feel a little overwhelmed as we leave Mathare, thinking about what it will take for real change to come. The sanitary conditions are atrocious. People know it, yet there is a sense of resignation among residents as well. Families have lived on this same hillside for three and four generations. The gangs and the politicians assume they will control external resources that come into the area (though too many they feel little accountability for the people who live there).

What is needed are not simply political rights: these ostensibly are in place. What is needed is the ability to utilize those rights and then the responsibilities to use those rights for the good of society. This is our generation's real challenge. For any of these interventions to take root and grow, society needs to take on the structural barriers that prevent capitalism from working – the corruption at all levels, the entrenched politics (more corruption) and donors unwilling or unable to stand up to them. It takes infrastructure that enables businesses –and schools – to flourish.

Acumen has a part to play in this, for it takes patient capital to enable brave entrepreneurs to build solutions that matter. Where I want us to get better and smarter is to identify and articulate the structural barriers (politics, corruption and plain old bad policies) that prevent real enterprise possibilities that could benefit all people from happening. By investing and being forced to try to make revenues cover costs, our entrepreneurs learn quickly what is valued by customers and what gets in the way of their accessing it.

## THE BLUE SWEATER BOOK CLUB

If Mathare is a stark reminder of the challenges to development, the day's next event is a blast of light, a joyful occasion of spirit, generosity and optimism. To start, the Kibera slum feels like a more stable, safer place to work than Mathare. The streets are lively and people are selling things along every streetside. Brightly colored signs for beauty salons and butcheries, electronics shops and barbers abound. We pass Toi Market where more than 2,000 vendors sell their wares seven days a week, all of them busy, all of them aspiring. Not far from there is Mama Hamza's community center, Mchanganyiko Women's SHG Hall. We turn into a gate behind a concrete wall and see a building made of corrugated metal sheets for the walls and roof. It glistens in the hot afternoon sun beneath the blue sky. I wonder how hot it will be inside, but it doesn't matter. Already, the young men who have organized the event are outside and everything looks beautiful.

Suraj, the lanky, boyish-looking Acumen Fellow who hails from Bombay and has made Nairobi his home, worked last year with David Kuria and Ecotact. He met a guy named Kevin while working at the toilet, and began talking about his work with patient capital and development. Recently unemployed and living in the slums, Kevin was interested in the ideas, so Suraj gave him my book, *The Blue Sweater*, with the condition that Kevin would read it and send him a review. Kevin kept his promise within a week or so, writing a thoughtful e-mail to me that I will keep forever.

That first exchange encouraged Suraj to give the book to two more young men, including the 22-year-old, fresh-faced young man (with a beautiful, unedited smile) named Alex Sunguti who cleans the Acumen Fund office. After writing a moving, honest, open review, he decided to start a book club.

Now, there are seven organizers and book clubs in five slums around Nairobi. The seven organizers – Alex and Kevin, of course, along with Jeremiah (angular face, almond eyes, and very serious; he works as an assistant at the community center); Dennis (string-bean tall and skinny, a 22-year old boyish father); Chris (slight build, whip-smart and ambitious with a journalist's proclivity to ask questions); Herbert (tall and thin, more conservative in appearance, the only one attending university); and Dickson (the youngest of the group with an irrepressible smile and always wearing his trademark red and blue wool cap pulled over his head) – are amazing, each and every one of them. They are smart, tough, funny and, increasingly, committed to being leaders in their community despite the challenges of being unemployed (only Alex and Jeremiah have “real” jobs), with little income (Suraj estimates that the guys earn between \$50 and \$70 per month doing odd jobs when they can), and little education. Indeed, the talents of this



Book club participants listen to discussion. (Photo: Shannon Jensen)

group of young men alone should convince the world of just how much potential the human spirit holds if only we would get rid of the structures that bind and oppress.

We pull into the community center at 4 o'clock. The guys have been there getting everything ready since 10 a.m... They've planned every element, made decisions by consensus and worked hard together to ensure a good turnout (including hanging flyers around the slums announcing the evening). They are dressed mostly in slacks and button-down shirts, though Alex is wearing a dark jacket over his light blue shirt. The center is painted turquoise with a yellow door. To the door's right, two of the guys are managing a table full of books with a visitors' guide. They expect – and ask – everyone to inscribe their names, phone numbers and emails. Although the event is scheduled to begin at 4:30, the hall is already nearly full at 4:15. People sit on white plastic chairs inside, waiting and talking, though the tin walls and roof make it hot – and this is before the room is filled and cameras are rolling.

By 4:30, more than 90 people are seated in the room. Not a chair is left unoccupied. Many people are carrying *The Blue Sweater* books with them: Jeremiah tells me that they'd asked each reader to come with at least one question about the book. For tonight is to be a *conversation* and not just a speech.

Kevin, the oldest member of the group, a shorter, dark-skinned guy with a shaved head, bodybuilder's physique, expressive face and wicked sense of humor, stands to introduce the event. He calls himself “the Controller” and he clearly loves the power in this title. He tells the audience that he's going to be tough in ensuring that we remain on time. “So none of those long-winded statements or questions that go on forever,” he tells the crowd. “This is about the future.”

Alex takes the stage to introduce me. I know from our team that he's written eight drafts of his speech, and has practiced a few times with Catherine and Suraj, yet if he's nervous, he doesn't show it. Alex starts by asking us to think about leadership:

*Leaders are born, are never created as Mongers are.  
When the going gets tough, the tough get going.  
Winners never quit, for quitters never win.*

He is direct and honest in his presentation and talks about my own background as well as the book. Beaming radiantly, Alex is most powerful when he speaks of his own experiences and challenges the audience to think about theirs:

*"I may not share the same experience with Jacqueline, but her story inspires me a lot. I didn't make it to advanced education after O Level. I was told to join one of the various arms of the government – like Kenya Army, Police, Navy, Security, media, banking sector among others – but I haven't gone through. It's not that I don't qualify, but I don't have money to bribe. People bribe to get a well paying job. What about the poor who have no money to bribe but have huge potential to transform the world?"*

*Tribalism and nepotism are yet other barriers to one's goal in life. I once went for a cleaning interview somewhere. I passed the interview well but to my surprise I could not make it to be employed because the person who was interviewing me wasn't of my tribe. My small kiosk collapsed because I could save nothing since my family depended on my income for our survival.*

He doesn't feel sorry for himself, but rather challenges the room to remember how powerful each of them can be, ending with inspiring words...

*"As I sit down I take this occasion to remind you that it's a New Year. Let us be new. Let's expand our energy and skills. Let's support Jacqueline in her efforts to transform the world.*

*Let me ask you: Before you throw the leftovers do you know how many people are starving and dying because of hunger? When you complain of your house, do you realize that some people spend nights outside or in tents even when it's raining? Think of it.*

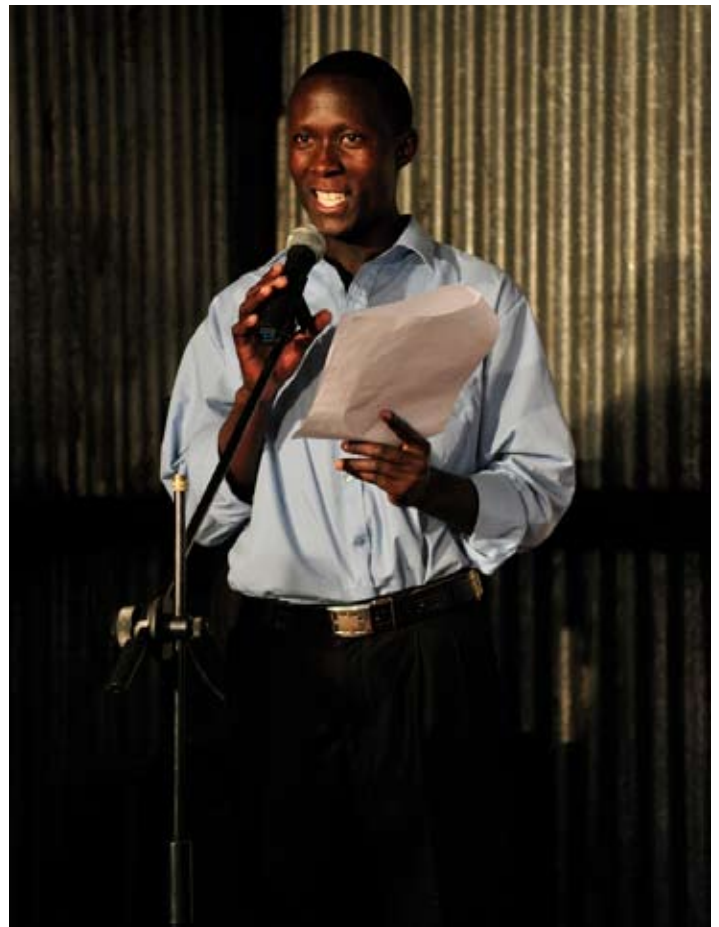
*We must live with Discipline and Accountability. There is no currency like Trust, and no catalyst like Hope. As Robert F Kennedy said: "Few will have the greatness to bend history itself; but each of us can work to change a small portion of events and in the total of all those acts will be written the history of this generation."*

I sit in the front row listening to Alex, transfixed by the beauty and generosity of his words. I've never been given a more meaningful introduction, and can't hold back a few tears though I know the "Controller" will be calling me to speak. In that moment, I'm not sure I'll have enough that is relevant to say.

Kevin, the Controller, adds his two cents to Alex's introduction, telling the crowd that I "don't look like a CEO" for I am "simple with everyone." The group has decided instead to call me "Development Ambassador." I'm not sure whether this is a demotion or a promotion, but accept the new moniker as an honor. The room is warm (in all senses) and upbeat. The respectful, interested faces sitting in front are the real honor.

The faces around me are radiant. The front row is taken mostly by young men wearing button-down shirts and slacks; there are more men than women here, probably because the book clubs were started by guys. A number of women wear brightly colored veils that drape from their head to the floors. Others wear scarves wrapped tightly around their heads. Ages range from late teenagers to mid-fifties, I'd guess. The Acumen East Africa team is there too, every single one of them. I feel a swell of pride that I get to work with such committed individuals who are all excited to spend their evening at a community gathering in a slum.

What distinguishes the room most, though, is the level with which everyone there is *present*. No one was fidgeting with a blackberry or texting on their phones (though most everyone owns a phone and most everyone sends texts). People here crave knowledge.



Alex delivers the introduction at the Kibera book club gathering. (Photo: Shannon Jensen)



The Kibera book club meeting attracted more than 90 participants. (Photo: Shannon Jensen).

After my talk, Kevin opens the room to questions. The questions are challenging, thoughtful, sometimes passionate. Mama Hamza, the entrepreneurial woman who runs the community center, asks about balance. “I want to be a leader on a better level like you are,” she says. “But I am a grandmother and I have so many children to care for in this community. What can I do?”

I look at the petite woman with a rust-colored scarf wrapped around her head, a jangle of silver bracelets around her delicate arm and imagine the challenges she’s overcome and the leader she must be. I start by saying we aren’t talking about “better” levels, just different kinds of leadership, and answer as honestly as I can.

How does anyone balance a life focused on family and community and also change the world, especially women? I’ve had this conversation a thousand times in New York City, but also in every country where I’ve worked. Maybe the truth is that no one gets everything, that we pay a price for every choice we make. Maybe finding peace and happiness and knowing we’re giving all we can provide a unique sort of

balance, though it comes only when we can count our blessings and accept the wholly imperfect.

Kevin, the controller, turns to me and says that I gave a fine response, “but please, could you keep your answers more concise?” Fair point, I say, and we all laugh. Kenya is changing, and I like it.

A number of younger people stand and ask whether Acumen can give them grants or small loans for their businesses. “Like you say, we have so much energy and so many good ideas, but not even the micro-finance organizations will fund us. What can you do?” I explained that Acumen doesn’t make grants and that we fund larger enterprises bring affordable water, energy, housing and healthcare, but the questions kept coming. Thankfully, Andrew and Kadidi from Jamii Bora are there, and I ask Andrew to speak. “You boys have to do things for yourselves. No one can do them for you.” He tells them about Jamii Bora’s micro-finance programs, and says he will talk to anyone who is interested. I hear a few days later from Andrew that many people followed up with him and now the organization has a dozen or so new members.

Communities need more opportunities for diverse gatherings. A number of times a question asked to me sparks an answer from someone else in the room, someone from the community, or from one of the communities represented.

A young woman named Khadija stands in the back and throws a question across the community hall in a voice filled with energy flashing anger. “I’m a teenager, a single mother and I don’t know who the father of my child is. I have no money. I have no job. Who will follow me? How can you say we can all be leaders? Who will follow me?”

This time, I hold my breath. “Jesus was a leader and he had no money,” I start. People applaud, and it gives me courage.

The great irony is that there are so many leaders in this very room. The young men who organized the event are leaders. They brought together nearly 100 people to hear some woman talk about her book about people like *them*. How easily they could have failed to make the evening happen. Mama Hamza is definitely a leader, a pillar of the community who contributes daily.

To my right, near the door, sits Jane in her red dress with her hair pulled back. I ask her to say something.

Jane is the woman I met in the Mathare slum last January, just a few months before she was moving to Kaputei, the new housing development created by Jamii Bora. I told her story at TED: she was a prostitute, HIV-positive, someone with no money, three children, and no prospects. That was in 2001 when she first came to hear about Jamii Bora. Through taking tiny loans to start her tailoring business, repaying them and investing again, she had reached the point where she was a thriving business woman, a community leader consulting people with HIV, and she was soon to be (and now is) a home owner.

Jane stands and tells the group, “If you would have known me ten years ago, you

would never believe that I am here today, telling you that every one of you can do it. Every one of you can make it. Don't give excuses. Don't blame others. Places like Jamii Bora can help you, but you have to do this for yourselves."

The questions continue for nearly two hours. Sweat is pouring down my face and back, and I worry about the rest of the people sitting in the room. I am so humbled by the many questions that start with thanks for writing about my failures for they face challenges too, they say. They say the fact that I kept failing gives them hope that they can fall down and try again and maybe succeed.

These words cause a choking feeling inside – how can they see me as someone with challenges similar to their own? I live in a loft apartment in New York City. I am one of the privileged; yet here I am standing in front of a group of people who are seeing themselves in my stories, connecting to the human spirit that persists, to a determination to make things better, no matter our starting point.

Our human bonds make me feel I am standing on sacred ground: I'm not sure whether I can bear this gift, this truth somehow that is hovering right there in the hot little metal box of a room. I have a deep urge to weep, but know that if I start, I might cry till I floated away. Still, I know that in those tears is also a searing hopefulness that we can and do connect, that we can see ourselves in one another.

I think of Ubuntu – *I am because you are.*

If we could walk from *this place*, if we could speak from *this place*, if we could make policy decisions from *this place*...

How can we dare as well to move from connection to compact? What will it take?

Tears don't fall until later that night when I start to write a letter to my mother and father to thank them for loving me, and for giving me structure and a belief in kindness.



Gabriel Kadidi of Jamii Bora joins other readers at *The Blue Sweater* event in Kibera. (Photo: Shannon Jensen)

I don't complete it, but send them a short email instead. I am bursting, a kaleidoscope of every possible emotion.

I feel anger at a system that oppresses human beings and squashes dreams. Many of the young people spoke about the bribes they couldn't afford to pay to go to schools, to universities. Corruption is part of every aspect of their lives. Boys in parking lots wear vests that say "Corruption kills" and then charge you for the good parking spot where your car won't get vandalized. And no one pays the price of petty corruption like the poor.

I feel gratitude, deep, deep gratitude for the generosity of the people there who read the book, who traveled for hours, who showed up and gave of themselves. For Suraj who is such a believer and who gives not just hope but mentorship and friendship to the young men who did so much to make it all real. And for Catherine for being a bridge in more ways than she knows.

I feel inadequate in my understanding of the complexity of the politics that swirl around everything you try to do in slums; and yet working through and with people

like Mama Hamza, like Andrew and Jane, and the young organizers creates powerful partnerships.

I feel hope every time I think of the beauty and dignity of Jane, the fearlessness of Andrew, the raw energy of Kadidi, the optimism of the young organizers, the fortitude of Mama Hamza, the potential that exists in every slum and every village across the planet. But how to communicate it so that policymakers and corporations see it too? How to speak truth to power in a way that provokes action, not dismissal?

Mostly, ultimately, I feel determination. I fall asleep being more determined than ever to be smarter, faster, better at what we do. We can choose to feel overwhelmed with sadness or we can choose to be inspired by possibility. The challenge is to be tough and focused and to hold people accountable in real and concrete ways while showing up without the posturing and masks that keep us distant from one another. Tonight, maybe more than any single evening, reminded me how possible this is. Indeed, tonight convinced me it is the only way.

**Saturday, January 23, 2010**

**NAIROBI, KENYA**

After a breakfast meeting, we meet the journalists to drive out to Kaputei, Jamii Bora's housing development located on the road past the Nairobi's industrial complex where our investments ABE and Insta operate. After about an hour, our white van turns off the main road onto a winding path that meanders through Masai land, gorgeous, open land where the sky is endless and the air is fresh. There could be no bigger contrast to the muck and refuse and the claustrophobic feeling of the slum we visited in Mathare -- yet many of the people now living in Kaputei moved from that place, and from other slums like Kibera and Korogocho. It is almost hard to fathom the change.

As the car approaches, I see the familiar red rooftops glowing in the sun. This is my first time visiting since the families have actually moved here. I remember visiting when Kaputei was just Ingrid Munro's dream: I saw an empty field in an impossibly beautiful landscape.

For the next two years, I visited to see Jamii Bora employees, many of them Masai who live in the area, making the concrete blocks and roof tiles that would be used for the houses (the organization has constructed more than three million concrete blocks). I saw the first houses that were built, and when I visited last January, I visited a place with over 240 houses that were ready to be occupied, though no one lived yet lived there.

And, Jamii Bora has now repaid every penny of the loan owed to Acumen Fund. Every penny.

I can only imagine what today will show us. Nothing could have prepared me. Though the roads are still dirt (and not easy to navigate), there is now a full-fledged community at Kaputei. People live in the houses, and many of them have painted their trim with bright colors – orange, blue,

yellow, green – making the neighborhood look cheery and warm. Many families have planted gardens, and children play outside. A few shops are open for business, and life here suddenly is filled with the things that so many people simply take for granted.

On the hill above the houses, boys wearing yellow jerseys are playing a boisterous game of soccer against the endless blue sky and soft green hills. Do they know they are playing in truly one of the most enchanted spots on the planet? You can't help but smile just looking at these beautiful kids, thinking about where we were standing

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**People live in the houses, and many of them have painted their trim with bright colors – orange, blue, yellow, green – making the neighborhood look cheery and warm..**

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just yesterday, awed by the almost unimaginable leap these families have made. Jane joins us: she wants to show us her new home. Her son is playing football, and she proudly points to the player wearing number 12. "That's my son!" she gushes. I think of my own mother pointing to anyone of her four sons at the countless games she attended over the years.

"Jane," I say, "how amazing is this?"

She smiles and says, "It is so good now. You know, this fresh air is so good for the kids. Children are too idle in slums. There is nothing there for them to do, and so they too easily get into trouble, doing nothing, sniffing glue. There is everything for them here. They go to school and play outdoors and I don't have to worry about them. They have to help me with the garden and the chickens and the puppies, and that keeps them busy too. It is all too good."

"Wait a minute," I say. "Gardens and chickens and puppies?" Now it feels unreal. "Seriously?"

"Come and see my house," she says, her whole face sparkling.

We walk first to the bore hole where water is sourced for the development, and then visit the wetlands area. Ingrid has designed a water utilization system so that used water flows from the houses to a set of six ponds that separate the water into the sludge and treat the water, so that the clean water is pumped back to the houses, and the sludge is used to fertilize the land. "Nothing is wasted here in Kaputei," the water engineer tells us proudly.

We walk back up the dusty lane, past the new schoolhouse where all the kids in Kaputei attend.

"It is so good for the children to walk a short distance to school, and now I don't have to worry about them. And the teachers are so good," Jane tells me. We pass more houses, then turn right and turn left to go up the next new street. In the middle of row of concrete block houses, one dramatically stands out. It is painted with bright orange trim, and on either side of the door at the back of a sweet lawn stand sunflowers growing as high as the roof.

Sunflowers! This, of course, is Jane's house.

"Sunflowers!" I yelp. The universe is telling me something on this trip. Sunflowers have always symbolized hope for me. In the Thar desert in southern Pakistan, I drove eight hours once with Dr. Sono, the irrepressible entrepreneur working with poor farmers there, and Rajan who I will never forget standing so proudly by his field of sunflowers growing seven feet tall. I end



Jane's dream home, with its painted trim and sunflowers.

so many speeches with images of sunflowers. I got married next to fields of sunflowers. And here they were again. Sunflowers turning their yellow faces to the sun. Determined to grow in water scarce areas and resolute in their bright, glorious beauty. Of course, Jane would grow sunflowers. *She is a sunflower.*

Now, we are giggling like girls with our arms around one another's waists. Now we are nearly skipping to her house with the open door which has a piece of fuschia fabric dancing with the wind in its opening. Now we walk into the living room with its walls painted bright green. Jane says proudly, "I love green because it means hope and because it is the color of Jamii Bora and because it is beautiful!" And it is certainly green in Jane's house. This is a bright green, a cheeky green that cannot go ignored.

We walk into her new bedroom with the view to the street outside. Now she has her own room. Now she has a double bed covered with a burnt orange bedspread standing beside a wooden armoire that houses her clothing. Around the bedroom are four sewing machines, all new and modern. She's been training four young women who she hopes to hire to do piecework as she builds her business. "I keep my old sewing machine beneath the bed now," she said. "This way I can always remember where I started." She pulls out the old fashioned foot pump machine, her old friend from days when this was all she owned.

Jane has a harder time earning income now that she has to take the bus 90 minutes each way to the second-hand clothing markets in Nairobi. The bus ride to and from Kaputei cost nearly \$10 so she can afford to go only once a week. Little by little, she's increasing her income by making and selling uniforms for the community's school and by producing jewelry. Still, she's one of the pioneers, the early adopters who've taken the risk to forge new territory; and hopefully, she'll reap increasing rewards as more and more people come to build a small town here.

Jane's children have their own room with two beds, and pictures of celebrities cut out of magazines on the wall. But the life-changing amenities inside Jane's new house are her new kitchen and bathroom. Jane is exuberant. "You know, one evening my daughter Cynthia asked me to help her look for something. I told her, child, it's in the kitchen." She paused. "And then I thought to myself, it's in the kitchen! The kitchen! Oh my goodness, I have a kitchen! You know, kitchens were always for other people. Rich people had kitchens. But now I have a kitchen too! I can tell my daughter to go look in the kitchen and it is my kitchen that I am talking about."

"Are you a good cook?" I asked. "I am such a good cook," she said. "And now I can cook whenever I want in my kitchen."

I asked Jane what she cooks. "Of course, I make ugali and beans and rice, and spinach. But now every morning I cook eggs for my children because I have chickens. Imagine!" Sure enough, sitting in an open box in the kitchen is a motionless hen nesting on four eggs that are about to hatch. "She won't move until she hatches and then we'll have more chicks! Already, I have four chickens and that is enough for our family." I would never have guessed that Jane might get into the egg business on top of everything else she does.

The kitchen sink sits below a window outside of which Jane can look at her garden and the houses beyond. Before going to see it, we walk into her new bathroom. After our short visit, I will never look at a bathroom in the same way again.

It is a simple bathroom with a flush toilet, a shower and a sink. But to Jane, this room is paradise. "You know," she says, "in Mathare, the water is dirty and the children are always sick. The little ones especially are always suffering with diarrhea and it is too far to go to the toilets and too dirty and expensive as well. You know sick children; they need to go sometimes ten or fifteen times in a day. My only option was flying toilets, but the diarrhea could be so bad that the children would soil the floor and it was always so hard to make everything clean again. But now, no matter how many times they need to go, the toilet is right here in your house."

"And now," she says, sitting down on the toilet seat to demonstrate, "you just sit and relax – she pauses and gives me a big smile," and then she stands and says, "and when you are finished, you just push the button and whoosh, it all goes away just like that!"

Tears well as I watch this beautiful woman so proud, and realize just how I take for granted my access to clean sanitation. Over a billion people in the world lack this luxury. And it is truly a luxury. What surprises me is that I've seen disgusting latrines and fields of open defecation for 25 years and so this recognition of how much I take for granted is not new. But this time, it is seeing the fundamental difference in makes in Jane's life, and the sheer joy it brings drives it all home with a powerful punch.

“And what about the shower?” I ask, laughing and shaking my head. “Oh, the shower!” Now beautiful Jane is jumping with excitement. She stands beneath the shower head and demonstrates how she soaps up and takes her time doing it and then pretends to turn the water on and then, “I stand there and hold my back and I feel the water flowing over me and ooh, it is so good.”

How do we measure happiness? Who do I know in New York that has shared such elation with me over the acquisition of something new? Who has worked harder than Jane to achieve it? And though I've played no measurable role in Jane's life, Acumen has played a small part in Kaputei by lending capital, and the point is only that Jane's happiness is infectious. I've not felt so happy in months as I feel right now standing next to this glorious woman whose joy is flowing over me and everyone near her.

An equation that could help heal a world with such a yawning gap between rich and poor is one where those with excess wealth invest in those with so little in a way that when success is realized, it is a shared success. This is where patient capital can play such a powerful role. This is why dignity is not just about the poor but about all of us.

We rush back to Nairobi to the Panafric Hotel where IDEO and Acumen Fund are jointly hosting an event to celebrate the end of a series of workshops on human-centered design around bringing water to the poor as part of our joint venture, Ripple Effect.

Actually, “rush” might not be the right word for what we do. The traffic is so bad that it takes much longer to return than it did to drive out to Kaputei. The vehicle creeps through crowded streets and we watch the clock move precariously close to the time I am supposed to be giving the evening's keynote address. There will

clearly be no changing into “presentation attire.” Catherine calls former Acumen Fellow Jocelyn Wyatt who is now a leader in IDEO's Bottom of the Pyramid work, and Jocelyn delays the meeting's start for a few minutes to give me a better chance of making it – and we eventually arrive.

The crowd of 75 or so is filled with excitement at the reception that follows immediately on the roof deck upstairs. As people sip on beers and eat samosas and other “bitings,” I get the chance to meet the entrepreneurs who have been involved in the project. One of them runs a for-profit water company, and earlier in the day, he launched his first attempt to reach into low-income communities. He's a big guy, full of life with a brilliant smile. I like him immediately, and ask what will really

then, thinking it was too much work and in a place where it will take a long time before we start making any money. I was doing it because it was the right thing to do – and because it's the low-income communities that really excite me in terms of what I want to do for the world. But, I was thinking if you're not only not going to appreciate this but are going to try to destroy what I'm bringing, then forget it....And then I saw a granny walking slowly to sign up, and I thought that I'm not doing this for the hooligans who guarded the place. I'm doing it for that granny and women like her who have been invisible for too long.”

I ask him what he's going to do about the extortion. “Agh,” he says, shaking his head. It takes too much time when you have a business to run. The only way to stop this

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**An equation that could help heal a world with such a yawning gap between rich and poor is one where those with excess wealth invest in those with so little in a way that when success is realized, it is a shared success..**

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motivate an entrepreneur like him to stick with the really hard markets when there is also such need in the middle and higher end markets. I tell him the story of the toilet in Mathare and say that he must have to confront similar issues with water delivery.

The big man laughs and shakes his head, saying I hit the nail on the head. “Today was our first day of reaching into low-income areas. We were all feeling so good and proud to see the lines of people waiting to sign up for clean water for the first time in their lives. But then the three security boys I've been paying to watch the site at night took me aside. They demanded that I pay them \$500 each or they would come back and burn down our site. Five hundred dollars each! This is extortion! I almost walked away from the whole thing right

without paying bribes is to go to the local district chief, have him sit down with the boys, talk to them, make things right, and keep moving forward. It isn't easy, but that's the game if you're going to be serious.”

“So how much can you really focus on low-income areas,” I ask, “because you're exactly the kind of guy we *want* to focus on them.”

“Oh, I'm gonna focus on them,” he responds, “it just might take some time so that I can get the company in shape and then expand more into the places I really want to go.”

This is the conundrum, especially when it comes to hybrid models, something that Acumen needs to crack as we ourselves move forward.



The book club organizers..

After the reception, I host a dinner downstairs at the same hotel to thank the young men who organized the Kibera book club event. There are eleven of us in total – the seven organizers along with Suraj, of course, as well as Biju, Catherine and myself. Everyone is in a good mood; feedback from the event has been beyond what we'd imagined.

I sit next to Alex on one side and Kevin on the other. Menus are passed out and all the young men claim they've eaten so much during the reception that they are too full to have anything more. I think of Suraj telling me once that he can tell when the guys come to a meeting after not having eaten for a day or so, and I know that this is the first time any of them have been inside one of Nairobi's big hotels. In fact, when Catherine had first invited the group, they accepted happily, and then quietly asked her if there might be someone to meet them at the door, just in case the hotel didn't allow them to enter.

"You have to order something special no matter how full you are," I tell the guys. Jeremiah insists he can only fit an ice cream, and Alex says he really wants just a small order of chicken wings. None of them will order anything expensive though they know they are being treated. I tell Alex he should try the grilled chicken, and Kevin finally decides to go with the fish. Dennis says he'll take whatever Biju orders, and Jeremiah sticks with ice cream. Most of the guys order mango juice to drink, although the Acumen team orders wine. There is no hint of entitlement anywhere in the room, not a single "taker." We could all learn something from the young men's politeness. The meals come slowly and one or two at a time. Those who get their food early have to wait a good ten minutes before everyone is served. While those of us on the Acumen team might steal a French fry to nibble while we wait, the young men who grew up in slums sit with hands folded, napkins on laps waiting till everyone is served before they take a bite.

Of course, despite the protestations of not being hungry, every plate is cleaned. I tell the guys that since they're now part of the Acumen family, they will need to participate in sharing an Aha moment, a moment of insight or reflection, a moment of seeing values in action. We go around the table. The insights are stunning. Alex says he realizes we need to work not for ourselves but for the world in which we want our children to live. How will we think about our actions if everything we do will affect our children or even our children's children?

Catherine laughs that the Blue Sweater guys put the Acumen team's Monday morning Aha's to shame. Right now, I'm seeing how much they can teach about a lot of things – and how supporting one another could provide a good exchange for everyone. A schmaltzy cover band is playing bad songs from the 1970s but the guys don't mind. All of us – nine guys, Catherine and I, begin to dance together on the dance floor. The band likes having an audience and plays La Bamba and then a Swahili song about a woman who worries during the day about how she'll send her children to school, and then works all night as a prostitute. The guys know all the words. Some of them are amazing dancers, and I wonder when the Panafric restaurant has been so full of energy. From the looks of fellow diners, I'd guess it has been a long time indeed.

## Sunday, January 24, 2010

### NAIROBI, KENYA

The day is short. I wake up at 2:30 with a splitting headache. My entire body aches and I pull myself into a little ball: dehydration. I curse myself for forgetting to drink all day despite being outside in the hot sun and going non-stop from 6:30 till after midnight. I try taking an aspirin and five minutes later, suffer a bout of dry heaving. The night feels endless. At 6:30 I finally go downstairs to find tea and Panadol and buy two big bottles of water. Nothing helps. Still, I have to do a 90-minute interview with the TV crew. Thankfully, they are good people and the interview is thoughtful, but I feel I'm talking and seeing through gauze.

A short trip to the Masai market and lunch at the Java House and soon after, I go to bed with more water and lots of salt and sugar, until finally, I fall asleep around 5 pm and call it a day.

## Monday, January 25, 2010

### KITALE, KENYA

I'm up again at 3, but the headache is gone and I'm feeling refreshed. There are e-mails to do and so much to think about. I work till 5:30, shower and check out of the hotel, and then wait to meet Catherine, Biju and Amon Anderson, our relationship manager for Western Seeds, a newly approved investment we hope to make in hybrid seed production and distribution in western Kenya.

We drive to the airport and get our tickets for the ten-seater airplane that will fly us to Kitale. The small plane flies low to the ground and you can see the beautiful Kenyan landscape during the entire trip. Unlike Rwanda where the land is divided like a patchwork quilt into millions of tiny plots, Kenya has many large farms on which small farmers work as well as small farms where the majority of Kenyans find their means of survival. Indeed, 70 percent of Kenya's agricultural output is produced by smallholder farmers (44% of Kenyan farms are less than 1 hectare in size); however, their productivity is lower than it needs to be due to numerous factors, not least of which is access to high quality seeds, fertilizers and the knowledge of how best to grow productive crops over time.

As I peer out the tiny window, I try to imagine the lives of 30 million people in the country working the land, each family growing what they can eat and hoping to produce a surplus to sell.

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**His dream is to transform agriculture in Kenya by providing high quality seeds and knowledge to small holder farmers so that they can, in turn, transform the economy.**

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Imagine you are the father of five children and have an acre on which to support your family. You have to pay to go into town to buy seeds and fertilizers, and often have to accept what is on the shelves, because you can't afford to go another time. You might plant maize and beans and onions on your land, and then hope for the rains to come as you typically don't have access to a reliable water source. If they don't, your children will go hungry. If you have a bumper crop, you do what you can to get your grains or maize to a market where you have a chance of selling it (along with the other farmers who are also trying to sell to middlemen who know there is a surplus and so will likely drive down the price). You wish you could wait for a month or two when prices will rise, but you have no storage facilities so can't afford to wait. In short, life goes up and down according to the weather and your own luck and ability to get the right inputs in the right way at the right time. That's a lot of variables.

Farming is a hardscrabble life, especially for smallholders in the developing world – and it is even harder to solve the problem of poor productivity. You can see some of the challenges just by looking out the window of the little jump plane: the farms are widely distributed with terrible roads connecting them. Typically,

farmers have no shared water source and towns are rarely close. Distributing anything means finding innovative ways to enable the farmers to get access and the distributors to provide training and get feedback along with ensuring a strong, reliable stock.

Saleem, the entrepreneur we'll be meeting has been involved in agriculture in Kenya since he was a child. Like many Indian-Kenyans, his grandfather came from Gujarat so try his fortune. He grew cotton and then sold seeds and handed his business to his son who expanded to other crops, then gave it to Saleem (whose brothers now live abroad). Saleem ran the family business in the 1970s and '80s and then started Western Seeds in 1986. His dream is to transform agriculture in Kenya by providing high quality seeds and knowledge to small holder farmers so that they can, in turn, transform the economy.

We meet Saleem at the tiny airport in Kitale, a beautiful town nestled in the highlands of Kenya, surrounded by rolling green hills and fertile land. The air tastes sweet and I want to gulp it down. The light and colors here are intoxicating. As soon as we land, I wish we could be there longer than the day we've planned.

Saleem greets us by the landing strip. Of medium height with short graying hair and dark, dark eyes thickly fringed with coal black eyelashes, Saleem conveys his intensity without saying a word. He wears a khaki shirt and pants, and pens in his front pocket like a good engineer. When he does speak, his words carry a refreshing candor and deep passion for his work: the man loves talking seeds.

We drive through town to the company's factory where seeds are produced, bagged and distributed, now to more than 150,000 farmers. Saleem's goal is to reach a million, for that will actually move the needle on GDP and help transform food productivity. His biggest competitor is Kenya Seeds, the government monopoly until the early 1990s when the agriculture sector was liberalized. There are others now, too, but the farmers in Western Kenya see themselves as making choices between KS and WS.

Through 11 years of developing, testing, and registering hybrid seeds, WS has been able to produce high quality, affordable seeds that enable a farmer to increase his or her yields from 5-10 bags of produce per acre to 25-30 bags. The cost of each 2 kilo bag of seeds is slightly higher than the KS product, but the farmers can see the difference to their crops in a single harvest. Still, as we are seeing with Ecotact, *Build it and They Will Come* doesn't work, especially in early years of product introduction.

Saleem explains that the issue is Adoption with a capital A. "A farmer gets only one good planting decision a year," he tells us. "Making the wrong one could mean risking everything so that his family might literally go hungry and his children might have to skip school that year. I figure it takes a good three harvests to convince



Western Seeds provides high-quality seeds to smallholder farmers..

most farmers to adopt a new technology like our hybrid seeds.” Their approach: first, build a demonstration plot so that farmers can see the possibility that the seeds provide. In the next season, the company will give a small packet of seeds to farmers so that they can plant in a small area and see what happens. The idea is that once the farmers experience the increased productivity, they will become customers in the next year.

If it sounds at all easy, know that it’s not. Western Seeds needs to count on people all along the supply chain, and agriculture has been neither the most competently run nor the cleanest business in Kenya, to say the least.

“Everything comes down to *Trust*,” Saleem says over and over. “We need to trust our growers who grow the seeds. We need to trust our distributors to keep the right seeds stocked, to charge the right price, and to ensure they don’t contaminate the seeds with lower quality, cheaper versions. In the past we’ve seen a 20 percent non-payment rate among our stockists (retailers), and that means their farmers don’t get access to the seeds. Farmers need to trust us, too. Last year, because of drought, our growers weren’t able to produce as much seed as we needed. Consequently, some of the farmers who had adopted the seeds in the previous harvest couldn’t access it. Now we have to pretty much start over with the adoption cycle, re-earning their trust that the seeds will come on time and be even more productive than they were the last time.”

One recent innovation of the company is its Direct Access Sales (DAS) program. Because the farmers live far from towns where retailers stock the seeds, they typically have to pay a few dollars just for the transport. This can double or triple the cost to the farmer of the already higher-priced Western Seeds. Through the DAS, the company goes directly to where the farmers work, gathers them together and organizes a day of selling and training. Farmers get a

reduced price and on the spot training; and Western Seeds gets to build a solid customer base that they hope will become increasingly loyal.

You have to be a little bit crazy to give your life to making all of this work in a sector like agriculture where consumers tend to poor, where you are dependent on weather, where distribution is so unreliable and corruption is rife, where government policies can make or break the success of even the best private companies. Saleem sees all of this, understands it and loves what he does – plus, he’s determined to make this one of Kenya’s success stories.

We meet other members of Saleem’s team. They are an eclectic bunch, starting with Alpha, a wise economist from Guinea who is an optimistic about Kenya for “corruption is coming down and we can see change coming”; and Chai from China who speaks fluent Swahili but very little English. Chai is the chief scientist who works tirelessly on finding new and better seed varieties. Then there is the effusive Dutchman named Rico, with wild curly hair who essentially maintains the production facilities. Finally, Saleem works closely with his nephew Osman who came from Pakistan to build the business with him.

Given all of the difficulties in converting farmers despite the superior quality of seeds, the company is building a Data Management system that ultimately will include profiles of every farmer the company serves. Acumen Fellow Josephat is working on this system and he’s the right one to do it, for Josephat comes from a farming family himself and he has an easy, simple manner with the farmers who enjoy being around him.

So what does Saleem think of the donors? “You talk about patient capital and we need it. The donors have no idea of what patience it takes to make this work. They want to give us money and then see adoption and real results overnight. It doesn’t work like that. You see, the system is broken. If donors wanted to help, they would work with local partners that would build the infrastructure to make the private sector function. Then we could all get on with our business in a way that provided real success. In the 1980s, you see, what incentive was there for a monopoly to bring the best seeds to farmers? None. This country hasn’t been able to feed itself in more than twenty years. That’s a sin. We have good land here. Kenya should have a surplus of food, and last year with the drought, thousands of people actually died of starvation.”

He continues. “We’ve got a lot of work to do. Yes, the technology for the hybrid seeds is important, but there are only three essential ingredients that need to go into each packet: One: Trust. Two: Trust. Three: Trust. For us right now, that means sustaining higher levels of seed production so that when the farmers want it, they can access it.”

We pile into two cars to visit a farmers' meeting. The road is long and straight as we drive from the highlands to what Saleem calls the middle altitude part of Western (Kenya). Along the roadsides are markets with cell phone companies, cyber cafes, gas stations and electronics shops. Technology has transformed life. Near Sirisia where we turn, I see a bookshop and wish we could stop to see which books are available. But we're on a mission. Nearby is the New Salama Bar but that, too, will have to wait for another day.

After about an hour, we turn onto a dirt road. The sun is hot, the sky bright blue and the green fields seem to whisper to come closer. We pass fields of maize, sunflowers, bananas and beans. Saleem thrills at the sight of each crop, and says when the fields are near the

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### Showing up - and not just for business - is one of the most important things we can do.

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harvest, he can tell which crops are from the 505 seed or the 904. "These seeds, they are like my babies," he admits.

Finally, we arrive at our first marketing meeting. More than 300 farmers, a mix of men and women, are sitting in the hot afternoon sun, waiting to greet us. The women dance down the dirt road toward us, wearing magentas and yellows and reds, all of them moving their shoulders, stomping their feet, most of them singing. The words mean "We plant, we work hard and we get the fruits of our labors..."

We sit in the "chief guests" chairs beneath a tent. Most of the male farmers are seated on plastic chairs in the sun and shade; the women sit on the ground. The Assistant Chairman of the district, a government official tells the team at Western Seeds, "Be Free. The government supports you very much. Western Seeds is changing the region because now farmers can plant two seasons per year." He ends with a request, asking if WS could produce seeds for crops beyond maize, to include onions and tomatoes, watermelons and green peppers.

The village elders introduce themselves. Next four members of the WS marketing team stand together. The leader explains the DAS program, saying that normally, each farmer would have to pay \$1.25 each way to go into town to buy the seeds, but today, they can buy the seeds at about \$3.75 with no extra money for transport. This means each farmer will have an extra \$2.50 in his pocket.

The farmers comment and ask questions. Most of them like the 505 variety. Last year, one of the farmers says, his yields were not good with the seeds, though. The marketing agent explains that one of

the stockists sabotaged the seeds by selling an inferior product and calling it 505. Now, he says, we are standing here again before you and we will guarantee that the seeds are the right ones.

Five farmers stand to give testimonials. They are smart, frank, and deeply curious about how they can access the seeds in the proper way so that they can see real change in their lives. No matter how many times I listen to farmers, I'm always struck by their no-nonsense attitude, their knowledge of their business and their eagerness for new information. These men and women are smart.

A woman stands and says she thinks the company should work more directly with women farmers because "they are not like the men -- they don't disappear." She wants to buy fertilizer along with the 505, and it isn't always available. That's a problem in terms of productivity. The WS agents are teaching people to compost and that helps, but bringing inputs as a more complete "package" is something the farmers crave.

Saleem stands to speak to the group. He grew up speaking Swahili and is a farmer himself. He knows how to talk to the group and they seem to appreciate him. One farmer tells him that the ugali (a sort of cornmeal, a Kenyan staple) is not as heavy as they'd like with 505. Can they work to improve it? Saleem listens and says they are working on it. Others talk again about needing good fertilizer, and wondering why there isn't more of the 904 variety in the market.

I sit on my shaded chair, musing on how many of these meetings I've attended in my life. I look at the women and wonder how many *they've* attended. In twenty years, the meetings haven't changed much, though now the women aren't afraid to stand and ask hard questions. Still, the speeches, the protocols, the waiting are all part of the experience. Having a more honest conversation, obviously, requires one-on-one discussion and much smaller groups. Saleem had hoped to organize that but his agents somehow got the wrong message.

More driving and we attend a second meeting that is a bit smaller – there are maybe 150 people gathered, and the questions are similar. People like the seeds. They want to make sure they can access them in a reliable manner, and they have different questions around how to improve them as well. Some of the farmers note that 505 works better in some areas, depending on elevation; than others. All of this needs to be part of the consumer profile database the company is developing.

One farmer stands, and directly addresses Saleem and his team: "If you keep coming, you will change our culture so that we create more productive fields. But if you stop coming, we will think you are here just for business, and nothing will change." Showing up – and not just for business - is one of the most important things we can do.

As we return to Kitale, we stop along the road to speak to random travelers whom we assume are farmers. The first is a retired teacher who tells us he likes the WS seeds, but doesn't always have choice so has to buy whatever the retailer has stocked. He can't afford to go back and forth to the store. A guy on a motorcycle driving his daughter home from school loves the product. He tells us that 505 goes to harvest faster and gives him two to three times the yields of other seeds. "What do you do with your additional income?" I ask. He looks back at his little girl dressed in her green gingham uniform. "I send my children to school so that they can have better futures." Enough said.

## Tuesday, January 26, 2010

### KITALE TO NAIROBI, KENYA

Early morning run with Catherine and Biju around the Kitale golf course. It is beautiful, lush and has only a single golfer walking around it. We see a little boy with a pack of dogs; and hear at least one wart hog before coming back to breakfast with Alpha and then a good meeting with Saleem and Osman. The biggest insight is around the expense of increasingly scarce land in Kenya. Farmers who are now earning significantly more through use of hybrid seeds aren't investing in more land for two reasons. First, and most important, the land is too expensive for them to purchase. It would take many years for an acre to generate enough revenue to buy another acre; and the farmers' children also are becoming more interested in more productive activities. As we saw yesterday, farmers instead use their excess income to send their children to schools, often low-cost private ones whenever they can afford it.

We discuss patient capital and what it means; and how Acumen is trying to build a corps of entrepreneurs who not only become models for how this approach can work, but who become partners in calling for a new kind of development, one that recognizes the importance of accountability while also having the patience to enable real experimentation, including failure in order to build business models that truly serve the needs and aspirations of low-income markets.

A quick flight home. I think about the importance of developing a functioning private sector. The public sector alone will not fix the problems. Without competition, there is little incentive for innovation, no incentive to upgrade the quality of its inputs. Decades of poor performance has left farmers with little access, insufficient knowledge, and a deep mistrust of the institutions that are supposedly there to serve them. How can Acumen do a better job helping the world understand these issues? Bill Easterly is right when he says that top-down proclamations of how government will help everyone too easily becomes politicized and ends with deeper injustices. Until we truly look at low-income markets as being filled with real consumers whose lives and opinions matter, we're going

to stay in an unnecessary mess. Seeing the drive of the Western Seeds crew, however, leaves me with a sense of optimism for the future. At the same time, what more can we do to invest in leaders and a different sensibility of what is possible?

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**Until we truly look at low-income markets as being filled with real consumers whose lives and opinions matter, we're going to stay in an unnecessary mess.**

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We spend the afternoon with the team, discussing our strategy, our challenges, the companies we serve. We're looking to do deeper dives in Tanzania where we currently have only two investments, and will be hiring a portfolio associate from there as well. The team is on solid ground, and it feels we are just beginning.

## Wednesday, January 27, 2010

### NAIROBI, KENYA

I meet Catherine for our daily run around Uhuru Park and a section of the main road has been cordoned off, apparently for a big church meeting that will happen under an enormous white tent filled with hundreds of chairs but no people yet. The park is nearly empty, and the officer guarding the tent won't let us pass. We smile and tell him we are just jogging and he finally gives us his blessing and allows us to run. When we return (we run four or five times around the little lake as it is the most pleasant part of the park), he teases that he will beat us with his whip. Finally, on round four, he asks us if we will buy him lunch. We pretend not to understand and decide that we won't go round again and see what the next level of interaction might entail. Corruption kills.

This morning, we're visiting Jamii Bora to see Andrew, the organization's seemingly mild leader in charge of all of the Kibera slums as well as nearby areas. I want to understand how the organization is doing and, of course, to see what has happened to John, the gang leader I met a year ago who was responsible, along with his 230 gang members, for burning down the Toi Market where second hand clothes were sold. The last time I visited in January 2009, John was working just outside the Jamii Bora offices under Andrew's watchful eye. Andrew had felt the only long-term resolution to the violence was not to shun the culprits, for they would come back even stronger, but to give them a stake in the solution, hold them close, do your best to work with them.



John overlooking Toi Market.

I thought I'd heard the story of how Andrew converted John from being a notorious gang leader to a conscientious business man, but I clearly had missed most of the details. I asked Andrew to tell the whole story of how Jamii Bora helped reconstruct a devastated and important market, how the organization decided to work with John and Bernard, and integrate them into the community, and how he sees the future today.

Andrew leans back in the chair behind the wooden desk in his pale yellow office. He has told this story before, I'm sure, but it is never boring. In fact, Andrew becomes more remarkable to me each time I meet him. "You see," he starts, the gang members, they wanted to destroy Toi Market so that they could take the land and build houses on it. They didn't care that they were destroying the livelihoods of more than 1,700 people who worked at stalls in the market. I wanted to make them see that."

Apparently, when John realized Andrew and Jamii Bora were going to get in the way of his plans for a takeover, he sent Bernard to kill Andrew. John showed up with two machetes and threatened to take Andrew's life, but Andrew would have none of it. He told Bernard that if he succeeded in killing him the entire community would go after him and kill him as well. There was no doubt.

Bernard said he could see how serious and courage Andrew. In truth, Andrew was scared to death, but he also had an inner strength to guide him.

"I felt God was with me," Andrew says in his matter-of-fact manner "so when Bernard to kill me, I told him that the people of the community will kill him and John the next day if he did." There must have been a certitude in the way Andrew said the words, for Bernard returned to John with news that Andrew was still alive and well.

John says he was furious at Bernard "for being so stupid and not following orders." Andrew tried to organize the Kikuyu community that had lost so much to speak to the boys, though he wasn't with them. The leaders came to the market to speak with John and Bernard. Apparently, an argument ensued, resulting in Bernard killing one of their deputy leaders. Now Andrew, a Luo, had to reach out to the Kikuyu community to get their buy-in into rebuilding the market and extending it to include others, including the young men who burned it down: a mission not for the faint of heart.

"They threatened to kill me, but I felt the presence of God and so I just walked in and tried to talk to them. Later, Kadidi, who is Kikuyu, told them that I was good, and finally, they believed."

When the trucks of Jamii Bora's emergency food began arriving, Andrew was struck by how Darwinian the scene of women fighting for food was becoming on the very first morning. He decided to ask John and Bernard to organize it and make sure it worked fairly for everyone. At first, the gang leaders told Andrew they were taking the truck for themselves or they would kill him. He said it would just result in Jamii Bora sending the truck elsewhere, and offered to work with the young men, paying them if they did a professional job distributing food. He figured they had the discipline to do it and few would dare make a scene and try to steal food when they were there.

Apparently, the guys did an excellent job. "Why did you trust Andrew at this point?" I ask John. "We still weren't sure about him, but this man just kept showing up. We would threaten to kill him, and still he would talk to us. Still, he would come to the next morning meeting. When he offered to pay us for the job, we didn't believe he would come through. But he did. He paid us. We earned money legitimately."

Still, there was the issue of who owned the Toi Market now and how it would be used. Andrew kept talking to the men, kept talking to the owners in the Kikuyu camp as well. Finally, he convinced the guys that if they built homes on the market grounds, they'd have no means to survive. None of them knew how to run businesses, and all of them – *everyone* – counted on the income and economic productivity provided by Toi to have a working, thriving Kibera. You can't just get rid of the one group of merchants that is making Kibera work, he said over and over.

As trust was building, John was readier to listen. By April, he had called off the violence, and his "army" of guys were the ones who rebuilt the market under the supervision of Jamii Bora. They completed the rebuilding in ten days. Part of the deal was that each gang member would be given a plot in the market along with a loan so that they could start their business. Ingrid herself did the redesign to accommodate nearly 1,000 new stalls for they were not

simply integrating the gang members but would make the market overall a more inclusive, accessible place.

So what happened to John? It is almost hard to imagine, really. We walk out of Andrew's office, and John walks up in a white button down shirt over a Jamii Bora t-shirt and grey creased pants. His face has softened, and he greets me with a bear hug and a huge smile. How's life? I ask him. "Just great!" he says with an ear-to-ear smile. "Business is good and I want to tell you about our football league too." And your baby? "Oh," he smiles again, shaking his head as if he's not sure he believes himself, "it is the most incredible feeling being called Dad. Every day, I walk into my house and my child, he calls me Dad, and asks how my day went. Now, I can tell him honestly about it and it is the best feeling."

John and Bernard have been growing their business hiring ex-gang members on a piecework basis to build metal trunks that they sell in Toi Market. I tease John that he's not getting his hands dirty and he retorts that he needs to focus on what only he can do which is to organize and sell and then he delegates the labor. "You're a CEO so you must know how important it is to delegate," he tells me.

I ask him if he still remembers how to make one of those metal boxes, and he jumps to the bait, telling me that he has great technical skills and then proceeds to make a beautiful trunk with a craftsman's precision. "I'm glad to see you still have what it takes, John," I laugh. He tells me he often trains young men in exactly what they need to do to be successful producers.

His and Bernard's biggest source of pride, however, are the Kibera Celtics. Named for the Scottish football team which was founded in 1888 (120 years before John and Bernard founded their club), the team in Kibera has grown to 500 young men who play teams across the city. They are *almost* undefeated, and John and Bernard are most definitely the proud papas. John shows me into his "office" where three cardboard boxes are filled with dirty jerseys from the



Bernard and John are founders of the Kibera Celtics soccer team.

previous game. The boys wear the shirts for the games and then give them back to John and Bernard for washing and the next game. Recently, they started a girls' team because "girls have so many issues in the slums, too, maybe more than boys."

John shares the philosophy he's developed over the past year or so, "We all need to change our minds about what is possible, all of us. I never thought I could be a real person but look at me. People see me as a father and a community leader now. My wife is proud of me and so is my son. To change the slums, we need to change the mindsets of the people living here. Football can help do that. You see, language is power and with football, we have only one language. This helps brings us together. Money isn't the answer. Having dreams and doing something about them is what changes things. You know, we were part of the problem. We burned down Toi Market and then we helped rebuild it. Now we are spreading peace."

Bernard shakes his head as John talks. "What about you?" I ask him. "Do you believe that football can really help change attitudes and help peace spread in the slums? Do you think it can help bridge tribal tensions?"

"I know it does," he said. "It is changing all of us now that we have steady jobs and income too." John leans over and tells me that Bernard wants to become a pastor. I shake my head. "OK, guys," I say, I can see huge transformation here – now you are businessmen, family men, community leaders...but pastor? Really?"

Bernard looks at me. "Yes. Pastor. You see, I did some really bad things to people. No single person can excuse me for it. Only God can forgive me. First, we burned the market and people got killed. OK, we helped rebuild it but we were the ones who destroyed it...I was in the dark before, and now I'm in the light. I thank God each day for bringing me Jamii Bora and for giving me Andrew. I first went to Andrew with two machetes to kill him. Now I work with him. Can you imagine what kind of a great man he is? He is a like a god to me. He doesn't care about my past, just how I am today and in the future. I get training with Jamii Bora but still, who would have thought that I'd be talking with smart people when I didn't go further than Standard Five? John and I testified before the community here in Toi Market through Jamii Bora. We told them what we had done. We were leaders of war. The community said we could stay and be part of spreading the peace. So that is what we're doing."

And then, he added, "You have to go the Kibera Celtics website. You have to follow us and support these young men and women. They can be part of the peace and a better future."

Sometimes magic happens. Andrew is one of the most courageous men I've ever met, though you wouldn't know that immediately

upon meeting him. We talk about the importance of leaders transcending boundaries, of listening and of bringing forth a vision people can believe in. Andrew showed up again and again with the young men from the gangs because he knew he couldn't ignore them if he were to restore peace and trust that the market could thrive again. He made an imperfect alliance, to say the least, and thus far it has not only worked out for John and Bernard but has shown so many young men what it looks like to choose to be "real people." How to honor these quiet leaders like Andrew...?

All of us share lunch at a funny place near our office that plays songs from the 1960s, and then we attempt to fly through town. Once again, the traffic makes us late. This time, I have to make it to Strathmore, Nairobi's shiny new business school. I'm wearing a casual skirt and shirt, so apologize when I meet Dean Mungai who is smartly dressed in an elegant suit and tie. Biju meets me there, also dressed in formal attire.

Strathmore currently trains 60 students per year for a two-year program. What I like most is that Dean Mungai is obsessed with ideas of moral leadership and moving from a place of strongly held and practiced values. I speak to the students and love the question and answer period. The questions come fast and they aren't easy. At the reception afterward, I talk to nearly every student who attended the talk. Again, I feel optimistic just due to the quality of the next generation of leaders. This is a generation that cares about the future and that wants to integrate both hard and soft skills. I could stay for hours talking, but am so tired by 9:30 p.m. that I have little choice but to return to my hotel to pack, to get in touch with New York, and, hopefully, to sleep early.

## Thursday, January 28

### NAIROBI, KENYA

The last day is filled with meetings with entrepreneurs, potential job candidates, entrepreneurs in our community and potential partners. Near the end of the day's final meeting, Catherine interrupts to tell me someone is there with a surprise for me. I have a near heart attack when Judi Warria takes out the hand-knitted replica of the sweater I found on that little boy nearly 25 years ago. Everyone in the restaurant smiles at the scene, and some gather to see the sweater – and the beautiful dolls. The poetry of the universe, the fact that a version of the sweater reappeared in Kenya, is sheer perfection.

This truly has been one of the most life-affirming weeks I've had for a very long time. I have met extraordinary individuals, seen the fruits of our work, and engaged in real conversation with all of our investments. The week was filled with stories of redemption, rebirth, and a reminder of how people can change and grow. I will never forget the Kibera bookclub experience as long as I live. All of it, thanks to this work that I feel so privileged to do, has rejuvenated and reinvigorated for whatever else is to come.

-- Jacqueline Novogratz  
February 4, 2009  
New York City