

What Haiti Needs: An Entrepreneurial Revolution

Apr. 27 2011 - 11:28 am

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What can NGOs and donor nations do to help Haiti gain a true independence?

First, foreign aid should be specifically allocated to infrastructure, a commitment from foreign governments to donate a specific amount over a twenty-year period toward road building, improvement of electrical grids, and ports, and training for Haitians so they can properly maintain the new infrastructure. These improvements would go a long way toward increasing private investment in Haiti.

Equally, a commitment is needed from the Haitian government. There must be assurances on the part of the Haitian government to create a close partnership with donor nations in order to receive the funds. The Haitian government must be willing to have strict oversight imposed upon it in the beginning of this process and see a relaxation of that oversight as it proves it is able manage the funds with minimal corruption. Haitians should not see this as an infringement upon their sovereignty, but should see it as safe guarding Haiti's future.

Second, NGOs and the international community should step up their efforts in aiding Haiti improve the rule of law. No investor, foreign or domestic, will stay in Haiti long if they are unable to trust the legal system to safeguard their investments and give them redress for breaches of contracts. These two elements are especially important because they create an environment that is conducive for entrepreneurship.

The third element is education. Again, NGOs should partner with the government to rebuild the public educational system. The process must be two fold: training of teachers and administrators and building up the youth. Improving the opportunities of the youth is as important as improving the Haitian infrastructure.

The youth of Haiti are its future. Today Haitian youth confront a number of challenges that prevent them from earning a living that would support a middle class lifestyle. The greatest challenges are

that they don't go to school, can't find work and lack guidance and support. NGOs can work within the Haitian educational system as a supplemental resource to help make it stronger.

NGOs could also focus on youth empowerment. Working with youth indentifying their skills, entrepreneurship, money management skills, communication and leadership training and mentoring programs.

The fourth and final element must be the addressing of the trade imbalance between Haiti and developed nations such as the United States. In 2008, the U.S. Congress passed Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE II). The Act provides tariff preferences for U.S. imports of Haitian apparel until 2018. The goal of HOPE II is to assist Haiti with rebuilding its economy by encouraging investment and job creation in the area of apparel. Before the earthquake evidence on the ground showed growth in the apparel industry as result of HOPE II. If Congress and the governments of other nations were willing to have tariff preferences that covered more than apparel, Haiti could experience steady growth that would rival other developing nations and put it on a path to success.

This monumental task will require all Haitians — those living in Haiti as well as members of the diaspora — to take the lead in shaping Haiti's destiny. According to a 2007 report by the UN Conference on Trade and Development (UNCTAD), most Haitian graduates will emigrate to another country rather than stay in Haiti. Haiti has been a victim of "brain drain" since the 1960s, and today roughly 20% of Haitians — 2 million people — who that were born in Haiti live outside of the country. In the past those immigrants sent home \$1.9 billion in remittances, approximately 30% of Haiti's GDP. Before the earthquake Haiti received \$900 million in foreign aid, less than half of the remittances generated by Haitians living abroad. As helpful as these remittances may be, the Haitian diaspora remains an untapped resource and, if harnessed properly, could help bring about the entrepreneurial revolution.

The effect of the diaspora on the entrepreneurial class in Haiti could have a greater financial impact on the country than remittances or foreign aid. The diaspora brings a personal and intimate connection to the country — and an understanding of the culture that is sometimes lacking in the typical foreign aid worker. Members of the diaspora have access to the informal "diaspora network" that has its finger on the pulse of the nation, gaining vital information about opportunities within the Haitian economy.

Additionally, members of the diaspora bring much needed experience from a wide range of areas. Within the Haitian diaspora there are doctors, engineers, lawyers, nurses, teachers, government bureaucrats and small-business owners, all of whom are a supply of untapped wealth. Although there have been some minor efforts to harness the power of the diaspora — as the UN special envoy to Haiti, President Bill Clinton has been recruiting Haitian-born businessmen and women to invest directly in Haiti — such efforts should be expounded for real growth.

Today Haiti finds herself at a crossroads. One path will lead to continued dependence on outsiders, poverty, paralysis and diminished dignity. The other will lead to an ascending independent and self-sufficient Haiti being lead into the future by its middle class. The middle class will be the engine that makes the economy move; it will bring stability and equality to the society. It will have the power to move an individual out of poverty, create jobs for many, bring about reform, give back human dignity, and save the nation from the abyss. The revolution needs to start today.

