

## Profugo

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# The Kernel



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### Do Not Drink!

by Jenny Koleth

Dear Friends,

As we've been making preparations for our field participants, I've been looking into potential health issues and the prevention thereof. Most resources out there for international travelers, especially to developing countries such as India, will advise avoiding tap water as it's often contaminated with bacteria, viruses, and chemical pollutants. Bottled water is recommended for consumption and should also be used when brushing one's teeth. Fruits and vegetables that have been washed (forget salads!) or drinks served with ice cubes should be avoided. If bottled water is not available, the traveler is advised to boil the drinking water or to use iodine/chlorine tablets to kill any bacteria and viruses. As you can gather from the above information, clean drinking water is a major issue for the international traveler. Gastrointestinal illnesses can vary in degrees and should not be taken lightly!

Let's shift our focus and think about our global neighbors for a moment. What does their access to clean drinking water look like and how does the lack of access affect their quality of life? Many of the families in Wayanad do not have access to a reliable water source. Even with access, the water is usually not of drinkable quality and needs to be boiled before consumption. This involves an additional step that requires use of energy. A great amount of time and effort goes into securing a basic commodity that we in the US can access by the turn of a knob. "The World Bank estimates that 21% of communicable diseases in India are related to unsafe water. Diarrhea causes 1,600 deaths daily—the same as if 8 full size airplanes crashed every day" (www.water.org).

How would we feel about taking a drink of water from the local well in India? How about serving this water to your children and family? This is what our neighbors are doing daily, *if* they can access the water. Profugo is responding to our global neighbor's need in Wayanad, India, and working to implement a water, sanitation, and hygiene project called *Water for Life*. We are working to address the need holistically with an intervention plan in accessibility, delivery, purification, and monitoring. Please stay tuned for project details.

~Greetings from one profugo to another!



## Human Nature and the Problem of Time-Inconsistency

By Ilja Hermans

How often do you go to the gym? Did you have New Year's resolutions to eat healthy and exercise more? Are you like me and have those plans faded into the occasional jog and carrot stick? Then you are familiar with what behavioral economists call the *time-inconsistency problem*. The difference in how we value the present over the future is a human tendency that is often ignored but is essential in the fight against poverty.

*What can we learn from the time-inconsistency in humanity?*

There are many issues that have to be taken into consideration when it comes to designing programs to help the world's poor. What is often overlooked in traditional economic models is that people might not always choose what is best for them in the long-run. Esther Duflo and Abhijit Banerjee describe some of these issues in their book: *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. They show that there are many cheap, easily accessible and very effective measures that could rapidly improve the health of the poor. Examples include: adding chlorine to water to prevent children from dying of diarrhea, sleeping under a bed net to protect them from getting malaria, and immunizing children to protect them from diseases and prevent high expensive on medicine later on. These solutions seem to be easy measures that could be introduced today and save lives tomorrow. However, many of the programs aimed at introducing these preventative measures do not seem to work.

In some cases it might be an issue with access to information; it is hard to understand the impact of a vaccination for a child when there is no clear link between the vaccine and the health of the child. We often attribute good health to luck and bad health to a failure of medicine, even if the sickness was unrelated to the specific vaccine. The US currently faces rising numbers of children suffering from the measles because of the supposed side-effects. The difficulty of providing accurate information is even more difficult in poor (rural) communities which lack access to certified doctors and information.

In the example of Zambia, however, we see that only 10% of the people use chlorine to purify their water even though almost everyone is aware of the benefits and have the means to do so. This brings us back to time-inconsistency and the fact that poor people face many choices on how to spend their limited resources. They might prefer to have a nicer meal today instead of buying chlorine that will benefit them tomorrow. Or, it might simply be related to the fact



that the water source is outside and they do not always take the time to get the chlorine before drinking the water.

Richard Thaler believes that we need to provide people with additional incentives to do the right thing. His book: *Nudges: Improving Decisions About Wealth, Health and Happiness*, describes ways in which we can present people their choices in a way that individuals will be nudged into choosing what is best for them. Going to the gym, for example, might be easier if your insurance company paid for part of your membership card. You can still choose not to go but the reduced cost might be the incentive you needed to overcome the time-inconsistency problem.

Seva Mandir designed an immunization project where immunizations came with the additional benefit of some food and a present upon completion of the program. This approach was very successful compared to other projects and increased immunization rates from 6 to 38 percent. Apparently, providing a small amount of food was enough for people to overcome their reservations about vaccines and the time-inconsistency of having to take their children in today.

The issue of time-inconsistency brings out interesting ethical issues when it comes to how we present health programs to the world's poor. Is it ok for us to 'bribe' people with food to get their children immunized? How does this relate to the millions of dollars spent on commercials here? How do we take into account religious and cultural traditions in our project designs? I think it is important to look beyond economic models that assume rationality and increase our awareness of human nature in order to maximize the positive effects of preventative medicine for the world's poor.

*Ilja Hermans is a senior at Bryn Mawr College, majoring in Anthropology and minoring in Development Studies. She is interested in how diversity of cultures and opinions can lead to mutual learning, exploration and innovation. Ilja is currently an intern at Profugo.*

### Business as a Means for Sustainable Development

What does sustainable development mean? To many, it means meeting the needs of current generations, without compromising the ability of future generations to meet their own needs. This term was developed decades ago as a response to the growing problems facing the planet. Today, we are presented with many of the same global challenges, including poverty, global warming, species extinction, limited access to education and healthcare, etc., and sustainable development is being utilized more and more to address these growing problems.

In the past, business has rarely been used to address the world's problems or as a means for sustainable development. In fact, many could argue that the goals of business often conflicts with the public's welfare and even is detrimental to our environment. However, as the awareness of our social and environmental problems grow, for-profit companies, governments, investors, non-profit organizations, and others are finding ways to use business as a means for sustainable development.

One might ask themselves: what does it mean to use business for sustainable development? To summarize, it means adopting strategies and activities that meet the needs of the enterprise and its governing body while also protecting, sustaining, and enhancing human and natural resources for future generations. This concept also addresses economic activity and encourages economic growth, but not at the expense of our limited resources. The type of business that can be used for sustainable development comes in all shapes and sizes, can approach different issues, and can even address the same issue but at different angles. For example, one company could donate a portion of their earnings to charity and another could be built on the premise of protecting the environment. A non-profit organization that uses business as a means of sustainable development could apply sustainable business models when working with their clientele. Each of these methods has a similar goal: to use business as a way to alleviate the risk and even help solve the world's social and environmental problems we face today.

The microfinance industry is one example of using business as a means for sustainable development. Microfinance organizations have grown tremendously over the past few decades. Organizations such as Acumen and Grameen Bank use different types of sustainable business models as an integral part of their organization. They help to educate, train, and support individuals to use business as a means for sustainable development and help these individuals move their way out of poverty.

Another example of how business can be used as a means for sustainable development is First Solar Energy. First Solar Energy is a company that creates and installs solar energy products that provide electricity to a growing population while decreasing CO2 emissions and reducing our carbon footprint. The company addresses the increasing demand for energy in an environmentally friendly way and ensures that future generations have access to the earth's

By Ty Thiele



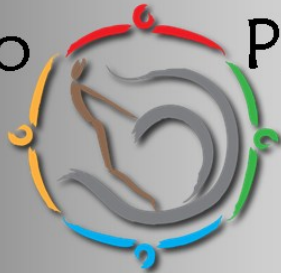
diminishing resources.

These examples are only a few of the many channels in which to use business as a means for sustainable development. Although this movement is in the early stages, it is growing very quickly. Across the country, there are changes occurring that are helping develop this industry from the grassroots level to the federal level. For instance, ratings such as LEEDS, Organic, Fair Trade, and B Corporations, are used to hold businesses accountable to certain social and environmental standards while allowing consumers the choice and freedom to shop with a conscious mind. Terms such as triple bottom line, going green, social business, social enterprise, and eco-friendly, are now mainstream ideas that help people understand the community of sustainable business and development. Socially responsible investing has become popular among people who would like to use their hard earned dollars to help develop this movement. Policies such as tax incentives for renewable energy and restrictions on large corporations are growing at the state and federal levels.

Profugo is playing its role in the movement to use business as a means for sustainable development. We are establishing income generation projects, which we believe is the key in addressing poverty issues sustainably. We are currently in the process of launching a tailoring business with the trainees of our tailoring workshop. The trainees will go through a business training program that will enable the participants to become stakeholders in the business itself. This is a process as the participants have historically earned their income as day laborers and think of the present day only. Profugo wants to build a framework where community members can access the resources and skills needed to develop their lives. By doing so, it will foster growth that will allow us to live in a balanced and harmonious way that will ensure that our children have the resources to do the same.

*Ty Thiele is an intern at Profugo. He graduated from Skidmore College with a degree in Psychology. He loves traveling, food, and meeting new people. He plans on going back to school to earn an MBA in Social Enterprise.*

# Profugo Profiles



## Shivakumar & Asha Kurujicatil



- Daughters: Vismaya, Shrutilaya, Nirmaya, and Nivedita
- Water: desperate need for water source
- Land: 40 cents
- Shivakumar is a trained tailor and will join Profugo's tailoring business upon launch
- House: currently being built, but very basic.

Shivakumar is a father of four girls. He has studied up to the 10th standard and is a good tailor. He had a good tailoring business, but when his customers did not pay him for the work done, he had to close the business due to credit problems. Asha is his wife. His father-in-law gave them a piece of land and they are presently building a very basic home. Shivakumar works far away at a rock quarry and stays away from his family to earn a living. He is worried about the safety of his family while he is away. Out of four children, two are twins. One of the twin girls is disabled. Their water source is very far and Asha carries the water. They have 40 cents of land. Their house is partially done; they have huge debts and loans.

*A global neighborhood for a better quality of life!*

### Upcoming Events & News

**February 25, 2012, 2-4pm — Café Profugo, 9 Rittenhouse Place, Ardmore, PA**

Join us as Water for Waslala's Villanova University Partnership shares about their mission to provide cost-effective, sustainable potable water solutions for the people of Waslala, Nicaragua. The organization began in 2004 after a group of Villanova students spent time in Waslala and were impacted by the lack of access to clean drinking water. Since then, 13 water systems serving the needs of over 2000 locals, have been constructed. We will also be providing an update on Profugo's Water for Life project to be implemented in Wayanad, India. Refreshments will be served—see you there!