

Thinking Outside the Box

by Earl P. Holt III

(This first appeared on this website in October of 2018, but it wasn't widely read. I believe it's as good an idea now as it was then.)

Former President Trump deserved a great deal of credit for threatening the governments of certain Latin nations with the prospect of losing U.S. Foreign Aid if they failed to prevent their own citizens' attempts to engage in an illegal mass-invasion of the U.S. This is not a long-term solution, however: the abject poverty, socialism and *graftocracy* that characterize the governments of most Latin nations make it inevitable that their citizens will repeatedly attempt to enter the U.S. illegally.

There is a better solution to the crisis, and it involves a role for private enterprise as an alternative to our currently wasteful, counterproductive and disastrous \$50 Billion per year *Foreign Aid Program*. That solution involves what is known as ***"Micro-Banking."***

Micro-banking is the establishment of small and private lending institutions, that make modest loans to poor individuals in need of capital to start their own small businesses and begin their journey into financial independence and self-sufficiency. Such a loan might be used to purchase hand tools, construction equipment, a vehicle for use as a taxi, seed money to open a taco stand or liquor store or grocery store, or any of a thousand other purposes that entrepreneurs might envision.

It's likely that the most efficient means of encouraging young Latinos to remain in their nations of origin is to create new economic opportunities for them in those nations, while improving their overall economies. This could never work in shitholes like Venezuela, Cuba, or Washington, DC, but it might work quite well in non-Marxist nations with a semblance of Rule of Law.

Micro-banks could be capitalized by philanthropic foundations, private investors, or by diverting some percentage of each recipient nation's annual U.S. Foreign Aid contribution to fund them.

The nearly unanimous motive of most Latino migrants wending their way towards the U.S. is the desire for greater economic opportunity and a higher standard of living. Establishing micro-banking facilities in Latin America would create these very economic opportunities they seek, and do so in their nations of origin.



Historically, much of our \$50 Billion U.S. Foreign Aid budget has probably been stolen by the central governments of recipient nations. Micro-banking could supplement the anti-poverty objectives of our Foreign Aid Program, and do so by targeting the very people in whose hands it will do the most good.

Such a program would have the added benefit of excluding any role for the central governments of participating nations. In fact, direct Foreign Aid to the governments of Latin nations might even be made conditional upon their non-interference with legal micro-banking transactions.

Of course, every socialist will oppose the idea, especially Congressional “*Democrats*” because a growing middle-class of entrepreneurs -- with no role for government planners -- is anathema to Marxism. However, after the last 100 years, not even Marxists, themselves bother to give lip service any longer to the plight of the world’s poor, because they are solely concerned with consolidating power.

A lot of reflexive opposition will also come from the Jews' Media, the focus of socialism in the West. Yet, President Trump is a man who wisely rejects the “*conventional wisdom*” of the Washington cesspool, much of which originates on the Editorial Pages of the ***NEW YORK TIMES*** and ***WASHINGTON POST***. In his second term, Trump's *State Department* should give some consideration to this idea. Donald Trump is a man who is not afraid to try radically different approaches to old and resilient problems.

Over time, the role of micro-banking in alleviating Latin American poverty could play a dramatic and powerful role -- supplementing a “*Remain in Mexico*” policy and Trump's Wall -- in helping to stabilize the immigration crisis on our southern border.