

Journal of
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PRACTITIONER AND DEVELOPMENT PERSPECTIVES

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GREETINGS FROM THE EDITORS

In inaugurating this new journal we want to convey our personal excitement about the future we face. As the world enters the coming millennium, it seems appropriate to launch a major publication on what is arguably the most innovative strategy to address the problems of global poverty—that of microfinance.

This not a small movement. According to the World Bank, there are some 900 microcredit institutions in 101 countries that offer loans to the world's poor, and these are only some of the oldest, largest, and most stable of such organizations. In a sample consisting of 206 of these microcredit organizations, it was reported that they had issued some 14 million loans with a collective loan portfolio of over US\$7 billion.

Lacking in the microfinance movement are coherent assessments that more fully and objectively document what works and what does not, as well as identifying key factors which assure genuine success. Of course, a related matter is determining the criteria for success.

Hence, this new journal attempts to begin addressing these deficiencies. Long-term impacts of microfinance will only be sustainable if a coherent body of research sheds needed light on these radically new economic tools. Also, we want to more fully understand how they operate in both rural and urban settings.

Journal of Microfinance offers the latest research on innovative approaches to traditional economic development. Strategies of microenterprise creation and microfinance are not the classic "hand-out" mentality, but rather a fresh methodology, that of a "hand-up." Microfinance is not a global welfare program, but instead functions as an investment in the poor. As such, the *Journal* will attempt to analyze, promote, and evaluate this radical new paradigm.

We are grateful to our wonderful editorial board of world-class microfinance experts, as well as our managing editors, and current and future authors. We express appreciation to the Marriott School, Brigham Young University, and other donors who have given moral support as well as needed financial resources.

We dedicate this charter issue to the millions of poor women and men, microentrepreneurs in the trenches of the Third World, who because of microcredit now enjoy a better quality of life for themselves and their needy families.

Warner Woodworth

Gary Woller

Editors

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