

Trust in Tuition



Through his microlending nonprofit Vittana, Kushal Chakrabarti empowers us all to make a difference.

Nobody made a greater mistake than he who did nothing because he could do only a little.
—Edmund Burke

In Peru,

Kushal Chakrabarti met a young man with a dream of becoming an attorney and a plan: He would work for a year and go to school for a year, work for a year and go to school for a year, work for a year and go to school for a year—for as long as it took to finish college and then law school. “When I met him, he was in the fifth year of this 16-year plan,” recalls Chakrabarti, a California native and Berkeley grad. “This was his game plan, and he was sticking to it. You see so many stories like that.”

Stories like that are the reason Chakrabarti founded Vittana, a Seattle-based nonprofit that builds student loan programs in developing countries. That’s more radical than it sounds. In much of the developing world, college loans are either unheard of or available only to a fortunate few with collateral or a willing cosigner. Studying hard and getting good grades don’t amount to a hill of beans for those who can’t pay for college. The best they can hope for is to scrape out a living.

Enter Vittana, which takes its name from the Telugu word for “seed.” In less than two years, Chakrabarti and a small team have established student loan programs in half a dozen countries, including Peru, Paraguay, Nicaragua, and Vietnam. The loans are administered by local microfinance institutions—nongovernmental organizations or banks that specialize in lending small sums—and funded by people around the world. Chakrabarti, 27, is quick to point out that most of Vittana’s lenders aren’t rolling in money. They’re average people with two things in common: a social conscience and an Internet connection.

Vittana.org works much like Kiva.org, which pioneered online microlending. Lenders go to the website, browse profiles of borrowers (students in Vittana’s case and microentrepreneurs in Kiva’s), and contribute as little as \$25 to support the borrower of their choice. “You do that, your friend does that, your neighbor does that, and suddenly a student has enough money to finish college,” Chakrabarti says. By U.S. standards, it costs next to nothing to study mechanical engineering in Mongolia or buy a dairy cow in Kenya. Vittana’s average loan size is \$775; Kiva’s is about \$400. When the borrower repays the loan, lenders get their money back. Most Vittana lenders promptly invest in another student’s future, says Chakrabarti, who wrote algorithms for Amazon.com before plunging into the world of microfinance.

Communications professional Martina Welke was so taken with the Vittana model that she urged family and friends to become lenders in support of her 2009 Seattle Marathon run, blogging about her “Marathon for Microfinance.” This year for Mother’s Day, the 25-year-old made a loan on her mother’s behalf. “What stands out about Vittana is the focus on education,” says Welke, who also lends through Kiva. “That’s very appealing: to be able to facilitate a learning experience for someone else. There’s sort of a ripple effect. The teachers and health care professionals and other people I help to fund can return and serve their communities in really powerful ways.” ■ —Anna Dubrovsky