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Black Women as Co-operators: Rotating Savings and Credit Associations (ROSCAs) in the Caribbean and Canada

Caroline Shenaz Hossein

Rotating Savings and Credit Associations (ROSCAs) are co-operative banking systems embedded in social relationships, and the women who participate in these institutions organise them to be compassionate and considerate of people's social lives in relation to business needs. This study draws on multiple methods to research the attitudes of Black women who participate in ROSCAs in low-income communities in four Caribbean countries and in Canada's largest city, Toronto. Interviews and focus groups were held with 332 people in Jamaica, Guyana, Trinidad and Tobago, Haiti, and Canada from June 2007 to July 2015. This paper uses a historical account of ROSCAs to argue that the Black women organise peer-to-peer (P2P) lending alongside conventional banks not only to meet their livelihood needs but also to help their family, friends, and community.

Introduction

Ladies, please jus' fix your life and don't wait around ... do something for you, your life and your children's lives. Join our susu. What will the result be? Happy women. ("Mabinty", 2015)

Important numbers of women in the world manage and participate in co-operative banks. In India alone, more than 20 million women belong to self-help groups, such as Self-Employment Women's Association (SEWA), where women advance peer-to-peer lending (P2P) (Wilson, 2001; Datta, 2000). In Niger, West Africa, tens of thousands of women are part of the Mata Masu Dubara movement, a system of self-managed village banks (Grant and Allen, 2002). Self-help banks are informal banking co-operatives where women collectively lend and save amongst their peers (Hossein, 2013; Dunford, 2009; Chiteji, 2002; Wilson, 2001; Rutherford, 2000; Ardener and Burman, 1996; Geertz, 1962). For the purposes of this paper, the terms self-help banks, co-operative banks and ROSCAs are used to refer to informal banking systems.

Women like "Mabinty" in the quote that opens this article create self-managed banks in their communities that focus on female needs. Ardener and Burman (1996), in their classic text *Money-Go-Rounds: The Importance of Rotating Savings and Credit Associations for Women*, document the phenomenon of self-help co-operative banks, also known as rotating savings and credit associations (ROSCAs), which are grass-roots financial collectives organised by women around the world. The ROSCAs are voluntary organisations where the women see any dividends earned shared by members.

Although women of colour are active in this co-operative arena, the work they do in co-operatives remains largely unrecognised. This study shows how in the Americas, a region whose major cities abound with credit unions and commercial banks, women are organising self-help banks. Caribbean and Canadian women participate in co-operative banks not only because they are excluded from other banking systems, but to show that they can do business differently in society. Feminists, such as J K Gibson-Graham (2006a; 2006b), argue that collectives are a source of camaraderie as well as a process of building financial capabilities. Women in precarious living situations and who have a hard time accessing banks turn to financial systems they know and trust.

The 2015 Greek banking crisis has led to international frustration. In the UK, British people have turned to P2P in such great numbers that a P2P Finance Association has been created to lobby for legal recognition of ordinary people's decision to opt out of formal banking (Peer to Peer Finance Association, 2014). In developing and developed countries, people are turning to each

other to get hold of money (Jones, 2014). Healy (2009) points out that the financial crisis of 2007/08 and the sub-prime chaos caused by banks has left most people disillusioned about the ethics of bankers. The ROSCAs organised by women in the Americas also speak to this distrust of conventional banks. Self-help co-operative banks, an alternative to formal banks, have been demoted to the level of “premature credit unions”, but in fact ROSCAs are vital institutions in their own right. While some ROSCAs may formalise, most do not, and these institutions have no desire to develop into credit unions or formalised banks (Ardener and Burman, 1996).

ROSCAs are co-operative banks embedded in social relationships. The women who organise ROSCAs make sure these institutions are compassionate and considerate of people’s social lives. Yes, the women in ROSCAs are interested in economic livelihoods; but they are equally interested in family, friends, and social networks. It should be emphasised from the outset that ROSCAs are not a premature form of credit unions; rather, they are entities in their own right. This paper argues that women organise ROSCAs — referred to locally as *hagbad*, *sandoq*, *susu*, *partner*, *meeting-turn*, *box-hand*, *sol* and many other names — in order find alternative systems when commercial banks are too elitist.

Women’s Contributions to Co-operative Banking

The co-operative legacy is often told through a male and European framework by the people who embody that gender and cultural origin. The story of co-operative banks usually starts in the 1880s with the German Raiffeisen co-operative banks or Rochdale weavers (Guinnane, 2001; Fairbairn, 1994). In Canada, the French-Canadian Desjardins’ *caisses populaires* of the 1900s dominate the discourse about co-operative banking in the Americas (Mendell, 2009). Yet, if one applies a feminist and Black theorising lens it becomes apparent that “other worlds”, such as the African one, predate the European starting point (Gordon Nembhard, 2014; Du Bois, 1907). Women of colour have engaged in self-help collectives for a very long time — as far back as the 1500s — and have been carrying out P2P since long before it was named (Hossein, 2013; 2012).

ROSCAs are a deeply held African tradition. The P2P arrangement speaks to the functionality of “getting things done” by a historically oppressed group of people. These self-help groups are the real-life aspect of the social economy, which pushes against unthinkable forms of economic exclusion in business and society. In Canada and the Caribbean, women of colour reported that these banks are vital forms of support for them in terms of their livelihoods needs but also their social networks. This is because these women were raised with female elders who also participated in co-operative banking. As “Betty,” a Jamaican-Canadian single mother of five children in Toronto, explained,

Oh yeah, I used to run money for my mother back in Jamaica. I used to see how them women used to uplift one another with *partner* [a ROSCA]. It was a serious, serious time when money time and this instilled in me how to work with people I know to get what we need. I am not waiting on outdoor persons (referring to banks and others from outside the community) to do that for me (2015).

Betty thus knew from a very young age that women coming together to discuss money was “serious business”. When Betty emigrated to Canada, *partner* was the lifeline that helped her build her investments, start a business, attend college, and buy a house.

People everywhere know that “another world is possible”, and carve out practical ways to live and do business. The self-help banks examined in the Caribbean are very much part of co-operative history. Banker ladies were around as far back as the 1600s, when thousands of African slaves to the Caribbean engaged in co-operative banking groups (Hossein, 2013). Gordon Nembhard (2014) traces self-help groups of African-Americans to the 1700s, when people created co-operatives as a way to resist racism. What is certain is that collective banking is most definitely not a new concept to the Black diaspora.

While the literature on informal banks is extensive, and examines people’s ingenuity in creating local banks, it does not discuss the agency of uneducated Black women in organising money

pools. The goal of this paper is to contribute to the literature by documenting women's role in co-operatives in the Americas. First, African diaspora's co-operative banking experience in the Caribbean and Canada is discussed. Second, empirical methods as well theoretical influences in examining ROSCAs in five countries in the Caribbean and Canada are outlined. Finally, findings from the study emphasise that Black women have contributed in an important way to the co-operative past.

A Historical Account of ROSCAs in the Americas

The African diaspora in the Caribbean and in Canada has been deeply affected by enslavement, colonisation, and racism (Benjamin and Hall, 2010; Mensah, 2010; James et al, 2010; James, 1989). It is during these critical moments in history that persons of African descent have rethought how to organise their social and business lives. Africans and Caribbean people have embraced the informality of these systems. In the Canadian case and each of the Caribbean cases — Jamaica, Haiti, Trinidad and Guyana — African slaves and their descendants carried out market activities and engaged in informal money clubs (St Pierre, 1999; N'Zengou-Tayo, 1998; Harrison, 1998; Wong, 1996; Witter, 1989; Mintz, 1955). In the Americas, the ROSCAs of today are a deeply valued African tradition rooted in ancient systems of *susus* and *tontines* brought over by African slaves (Hossein, 2014a; Heintz & Heintz, 2005; St Pierre, 1999; Mintz, 1955).

African slaves in the Americas expressed their defiance of slavery when they pooled their earnings from the market and rotated lump sums of money to each other without the masters' permission (St Pierre, 1999). Faye V Harrison's work (1988) shows that since slavery, Jamaican women vendors used *partner* to meet their livelihood needs. In Toronto, Canada, the women interviewed stated that ROSCAs are part of the many financial devices on which they draw. Women also made it clear that ROSCAs help them to avoid using pay-day lenders and their exorbitant fees (Jane and Finch, 2015).

Under colonisation, banks did not lend to the local Black population, and especially not women, so women turned to the community associations handed down to them by the generations before them. In Haiti many women took risks, as it was illegal to organise in groups. The documentary *Poto Mitan: Haitian Women, Pillars of a Global Economy* (2009) shows how women in Cité Soleil rejected low-paid factory work and turn to sol (a money pool) to start their own businesses.

ROSCAs are increasing within countries and spreading to developed cities (Ardener and Burman 1996). Women often hide their money from male partners (Mayoux 1999; Nelson 1996). In a focus group in Toronto, for example, a 40-year-old Guyanese-born Canadian woman made this point to the group of women (who were all nodding in agreement):

So yes, I hide it [money from the ROSCA] from him [her spouse]. I don't know what he is doing and I am protecting myself. I don't know the thoughts in his head so I don't care that I hide it from him. One day he can take up and leave me with not a thing (Jane and Finch, 2015).

In *The Poor and Their Money*, Rutherford (2000) finds that ROSCAs are popular among women because of the efficiency of these operations, which offer low defaults and require little paper work and very small transaction costs. ROSCAs are unregulated financial groups that provide quick access to savings and credit for people, mostly women, who belong to the same socio-economic groups (Figart, 2014; Hossein, 2013; Rutherford, 2000; Ardener and Burman, 1996; Geertz, 1962). The women in charge of the ROSCAs organise savings from the community and create a revolving fund, where each participant is able to take a turn (Hossein, 2013; Handa and Kirton, 1999).

Counting on Black Women to Deliver Mutual Aid and Money

Black people, and women in particular, in the diaspora have created money groups for themselves and their communities, despite living in inhospitable environments for centuries.

Studies by Gordon Nembhard (2014), Mintz (2010), St Pierre (1999) and Du Bois (1907) show that Black women in the Americas participated in mutuals and collectives to counteract social exclusion. For centuries, Black women in the Caribbean and Canada have mobilised scarce funds in a collective manner in their low-income communities (Hossein, 2014a; Ardener and Burman, 1996; Niger-Thomas, 1996). Mintz (2010; 1955) has carried out extensive work on the madam saras in Haiti, examining how they rely on a system *pratik* and money collectives called *sol* to do their work in the markets. Du Bois (1907) recognised very early the work of Black women in group economics both in Africa and the US. And in *Collective Courage*, Gordon Nembhard (2014) shows the quiet ways Black women organise mutual aid groups to feed and help their families and communities.

Women of colour create financial co-operatives because banks do not reach everyone (Hossein, 2013; Chiteji, 2002; Stiglitz and Weiss, 1987; Hodgman, 1960). Economist Chiteji (2002) argues that ROSCAs should be counted as part of the financial landscape because they are in effective use around the world. The Indian state has come to terms with millions of its citizens using ROSCAs. Indian laws go as far back as the Travancore Chitties Act of 1918 and Madras, Cochin Kries Act in 1931 and the Chit Fund Act of 1961 and have recognised alternative financial lenders, such as the informal financial co-operatives (see Sethi, 1996: 171 for these acts). Most of India is governed by the Chit Funds Act 1982 (Act No 40 of 1982) to ensure protection for the millions that engage in chit funds (Sethi, 1996: 172).

Black Theorising to Understand Self-Help Groups in the Americas

At least 200 million persons of African descent live in the Americas. It seems very fitting, then — in the UN Decade of the Year of Persons of African Descent 2015-2024 — to examine one of the world's most famous and well used interventions, ROSCAs, and their effect on some of the world's most excluded people, the African diaspora. A Black perspective on alternative economics such as ROSCAs is absent and this paper fills that void. It is useful to think about the ways people of colour use ROSCAs and to consider that Black theorising might have a place when understanding the importance of these financial devices among the Black diaspora in the Americas.

Co-operative economics is important in the theorising of Black thinkers — such as Harriet Tubman, Booker T Washington, Marcus Garvey, and W E B Du Bois — who focus on self-reliance, group economics, and alternative economics for Black people. Harriet Tubman's work on the underground railroad is significant because she brought hundreds of slaves into Canada through intricate co-operative systems (James et al, 2010). The concept of co-operative is core to the very understanding of what it means to Black in the North American context.

Mutual aid was part of survival for enslaved and colonised Black people in the US, Canada and the Caribbean. In Washington's seminal work, *Up from Slavery* (first printed in 1901), he supported Black entrepreneurialism as a way to lead to mutual progress for an excluded group of people. Washington attracted criticism for his accommodating views on industrial trades; however, it must be remembered that Washington, born into slavery, was committed to the common cause to end violence against African-Americans and he used his money to fund anti-lynching groups. As early as 1903, African American and Harvard-educated W E B Du Bois, of Haitian heritage, advanced the theory of group economics among Black people to withstand an oppressive white and racist power. Du Bois' powerful piece *The Souls of Black Folks* (2007/1903) describes communal and collective forms of African business, and this historical grounding is inspiring for Black people who live outside the African continent. Jamaican-born Marcus Mosiah Garvey, a Pan-Africanist and well-travelled social entrepreneur, put forward a philosophy of racial self-reliance in business to protest against a racist society (Martin, 1983). A young Garvey was most likely influenced by *partner* (a money pool) growing up in St Ann's, Jamaica, as this was a mainstay activity for colonised people.

Methods

This study draws on multiple methods to research the attitudes of women who participate in ROSCAs in 16 low-income communities in five Caribbean countries and in Canada's largest city Toronto. As shown in Table 1, individual interviews and several focus groups were held with 332 people in Jamaica, Guyana, Trinidad and Tobago, Haiti, and Canada from June 2007 to July 2015. In-depth interviews were also carried out over a five-month period with three banker ladies in Kingston, Jamaica.

Table 1 Interviews with women engaged in ROSCAs in the Caribbean and Canada

Country	Jamaica	Guyana	Haiti	Trinidad	Canada	Total
Number of women in ROSCAs in focus groups	57	5	74	0	46	182
Individual interviews with women in ROSCAs	89	14	19	23	5	150
Total	146	19	93	23	51	332

Source: Author's data collection from 2007 to 2015.

Kingston, Jamaica — where the author lived for most of 2009 is a key focus of previous doctoral studies. Here, women were interviewed in the downtown communities south of Cross Roads, which included the neighbourhoods of Trench Town, Bennett's Land, Whitfield Town, Rosetown, Frog City, and the former prime minister's constituency of Denham Town and Tivoli Gardens. In Haiti, women were interviewed in Cité Soleil, Carrefour, Martissant, and La Saline, as well as Bel Air in Centre-Ville and Jalousie and Flipo in the hills of Pétiion-Ville. The focus groups in Haiti were held in the poor areas of Bon Repos, Port-au-Prince. In 2008 and 2010, women in Albouystown in Georgetown, which is ethnically diverse and has a large Afro-Guyanese population, dougla (mixed race of African and Indian background) population, as well as East Indian, Portuguese, and Amerindian people, were included in the study. This was followed in 2013, by the inclusion of women in Laventille, Beetham Gardens, and Sea Lots in east Port-of-Spain, Trinidad. Finally, in 2015, focus group sessions were undertaken with 46 women in the Jane and Finch and southwest Scarborough communities in Toronto.

In the focus group sessions in the Caribbean, women were asked open exploratory questions such as, "What kind of financial provider meets the needs of persons in poor communities?" It quickly became evident that ROSCAs were the most prominent financial device they used so questions such as, "With many banking options close by, why are informal banks so prevalent?" and "Why do persons organise and join ROSCAs (money groups)?" helped to explore their relevance in these contexts.

Findings: Women and Self-help Banks in the Americas

Black women have a profound influence on alternative economics when they organise ROSCAs to increase the financial options of excluded groups. Not only do ROSCAs give women choices over where to bank, but these groups also restore women's faith in banking after enduring discrimination and humiliation in their everyday lives. In this findings section, it is shown that Black women in five countries, in Canada and the Caribbean, are at the forefront of co-operative development.

ROSCAs in Guyana and Trinidad

African slaves brought with them West African traditions of *susu*, through which they mobilised savings (and loaned out money) on a weekly basis (Mintz 2010; Mintz, 1955; St Pierre, 1999). Even under slavery or indentured servitude, Africans carried out sideline businesses and held market days with the extra provisions they grew. After slavery was abolished, the British

colonialists imported indentured servants from India to Trinidad and Tobago and Guyana. Africans were free, but the bankers and planters made it difficult for them to conduct business. To counteract exclusion in business, Africans pooled resources in money clubs to buy plots of lands and villages.

The structure of *susús* varies from community to community, but members are usually self-selected by individuals who know each other, and they determine the fixed deposit they will contribute every week. The author's maternal great-grandmother, Maude Gittens, a Grenadian-born migrant who lived in Sangre Grande, Trinidad, was a caterer and a well-respected leader in the community. She was the *susu* banker (banker lady) for many decades, where she collected weekly deposits from the members and gave a lump sum of cash to queuing members. The banker lady often runs a business out of her home that allows members to pass by to drop off their deposits. The group usually decides how long they will do this for, but commonly it is a period of 10 to 12 months. Once all the members agree on the rules and structure of the *susu*, then the banker lady launches the bank with the first in-take of deposits. Banker ladies claim that they lend out deposits to the members the same day they take in the money, in order to avoid having large sums of cash on their person. The system of rotation can take a number of forms, which again varies based on the group dynamics. Money can be allocated based on first-come, first-serve, need (ie seasonal work, funds tied to business need; personal crisis), or lottery (ie drawing names).

The culturally distinct lenders in Jamaica, Trinidad, and Guyana have a tense interaction with borrowers who differ from them in terms of class, culture, and sometimes gender. Class-based racism and partisan politics in Trinidad and Guyana have interfered with people's access to finance (see more in Hossein 2015; Hossein, 2014a). As of April 2015, in both Trinidad and Tobago and Guyana, Indo-Caribbean political leaders dominate national politics to the exclusion of Afro-Caribbean people. A pervasive cultural narrative disparages the business acumen of African-descendants and the commercial bankers, usually educated men of East Indian descent, are hesitant to make loans to poor Black people (Hossein, 2015; Hossein, 2014a). In Guyana's microfinance sector, the main specialised microfinance agencies are managed and staffed by educated middle-class Indo-Guyanese who lend to Indo-Guyanese clients (Hossein, 2014a). At least 65% of the entrepreneurs interviewed in Allbouystown claimed that they borrowed money from box-hand bank because they could not access a bank loan. Black business people in Guyana and Trinidad cannot easily access bank loans based because of identity and party politics and they inevitably turn to money pools to meet their business needs (Hossein, 2015; Hossein, 2014c).

Haiti's Co-operative History

Haiti's co-operative development has been exceptional. In former colonies around the world, co-operatives have been the project of local or foreign political elites, thus creating top-down control and limited development (Develtere, 1993). Yet in Haiti co-operative development was inherited by a cultural tradition of pooling money by African slaves when they first arrived in the 1600s (Mintz, 2010). French-speaking Benin and Togo, West African countries that Haitians claim as their ancestral lands, have strong traditions of *tontines* (money pools). *Sols* in Haiti also reach millions of people. The first Haitian co-operative was formalised in 1937 in Port-a-Piment du Nord, near Gonaïves, soon after the US occupation ended (Montasse, 1983). More *caisses populaires* (credit unions) were formalised in La Vallée (Jacmel) in 1946 and in Cavaillon (South) and Sainte Anne in Port-au-Prince in 1951, during a time of repressive politics (Colloque, 2010).

Despite Haitians being banned from *gwoupmans* (a local term referring to associations) and co-operatives under the brutal Duvalier dictatorships (1957–1986) of Francois "Papa Doc" and Jean-Claude "Baby Doc" Duvalier (N'Zengou-Tayo, 1998), the masses participated in *sols*, co-operatives, and *caisses populaires* to meet their needs (Maguire, 1997). Haitian co-operative scholar Emmanuel Montasse (1983) discovered a growth of credit unions in the period from 1951 to 1983, and suggests that it occurred because during these years people were deprived of basic services.

Not only does Haiti have a large formalised co-operative sector, but informal collectives far outnumber formalised co-operatives. African ideas of *kombit* (collectivity) come from the Beninese (then Dahomey) ancestors who brought banking concepts to the Americas as far back as the 1600s when slavery started in Santo Domingo (then Saint Domingue, now Haiti). The country's politics has been oppressive since independence, and leaders since Jean-Jacques Dessalines (1804-1806) have adhered to politiques *du ventre* (politics of the belly) dictatorships, leaving the masses in complete suffering. The first formal financial *caisses populaires* created in 1937 in Port-a-Piment du Nord, near Gonaïve, was no doubt cultivated by the traditions of *sols*. At least 80% of the 10 million Haitians rely on *sols* to meet their everyday financial needs.

People organised *sols* to meet their livelihood needs, and this creation inspired co-operative banking. The local traditions of *kombit*, *gwoupmans*, and *sols* were ways for excluded Haitians to create civil society groups — and they are testimony to the democratic spirit of the masses (Faton, 2007; Montasse, 1983). One banker interviewed attested to the importance of *sols* in Haitian society:

Caisses populaires belong to the Haiti people. These caisses are accessible, grassroots and embedded into people's hearts, because they focus on people's community, collectivity, and helping each other out which are very important traits for us [Haitians] especially those of us who are poor. (Senior banker, 2010)

Sols are trusted by people in the community. Every month or week, members contribute a fixed amount, such as 100 gourdes (about US\$2.5), for a cycle that can range from six to ten months, depending on the number of members. Members agree to contribute regular savings, and when their turn comes, they can use the money for a specified period, as managed by the banker, the "Mama Sol," who is usually uneducated. This system creates a place for the poor to save and borrow money. *Sols* may be completely free with no fixed fees, or may apply a small flat fee for the duration of the membership (Bon Repos, 2010). *Sols* are low cost and trusted by their users because of their grass roots and collective nature. Furthermore, this capital, mobilised from the grass-roots, contributes to local organising and brings people who are normally ignored to feel a part of their community (Bon Repos, 2010). Most Haitians interviewed had the sentimental view that the *sols* are grounded in African traditions.

Jamaican women and partner banks

The Jamaican *partner* is a home-grown institution for local people of all classes, and it is a lifeline for those who have no other banking alternative (Three Banker Ladies, 2009). The cultural context helps to explain why *partner* banks are so relevant in Jamaican society. Politics in Kingston, Jamaica's main urban centre, are marred at election times by violence; and political elites, usually the ones who have power, make promises of money, lodgings, and jobs to very poor (dark-skinned) political activists. If they fail to deliver the vote for their candidate, they lose the political hand-outs. Academics have written extensively on this entrenched mechanism, in which elites use uneducated masses in the downtown slums to carry out heinous crimes to assure votes and political victory in exchange for housing or other financial benefits (Sives, 2010; Tafari-Ama, 2006). Years of politicians and gangsters using downtown residents to carry out their criminal work has led people to distrust the political and business elites (Hossein 2012; Tafari-Ama, 2006).

Much of the attraction of *partner* lies in the fact that these institutions are run by ordinary women who know the day-to-day reality of the people in their communities. Social exclusion from commercial banks has driven up the demand for informal banks (Hossein, 2015; Hossein, 2014b; Hossein, 2014c), and so too has the need for individuals to rely less on unscrupulous lenders — loans that would increase ties to political elites or informal leaders. Tucked away behind her metal cage, Rickie, a 29-year-old bar owner, was thankful to be asked about Jamaican partner banks:

Pardna. Live for dat ting. Most people here [in this low income community] don't have go to banks. Dem [the bankers] don't know what's going on here and wi na know what's going on in their banks. Downtown know Pardna ... it is the one ting here for wi (2009).

Jamaican political scientist Obika Gray (2004) similarly points to the widespread urban resistance as “social power” among the urban poor, including among small businesses. Across the Caribbean region, members of the African diaspora turn to local informal financial groups that they know and trust as a way to harness their own power and to rethink the financial institutions they want in their lives. A member of a ROSCA who wished to be anonymous stated,

Partna is fi wi, and bank is fi di big man uptown” — that is, the *partner* bank is for the poor [us] and formal banks are for the rich. “Yuh don’t have to be rich or educated to throw partna” (Anonymous, 2009).

Handa and Kirton (1999) surveyed 1,000 people in Kingston, and found that 75% of the banker ladies were women between the ages of 26 and 35 who organised partner for an average of nine years. These are people who are aware of the community’s needs. For example, “Miss Paddy” has never held a bank account at a commercial bank or credit union and used ROSCAs for her banking needs. She is one of the thousands of Jamaicans living in downtown communities who do not have the birth certificate required to open an account (2009).

Women in charge of partner banks are not trained as bankers, yet they organise alternative financing devices. They decide who gets access to the lump sum first, and they assess the person’s risks for defaulting, as a trained loans officer would do. The sustainability of these systems proves their viability. Partner banks are made up of a group of people who know each other, sometimes they are related (Three Banker Ladies, 2009). Several variants of the partner bank exist, and although all are saving plans, many are also lending plans (Ibid; Handa and Kirton, 1999; Klak and Hey, 1992). Each person’s contribution to the partner bank is called a “hand” and it is “thrown” (deposited) for a designated period of time; the pooled money is called a “draw”. Peer dynamics ensure people comply with payment rules, and social sanctions are applied in the case of default.

People want financial systems that enable them to do what they need to do without restricting their freedoms. At least 82% (191 out of 233) of the entrepreneurs interviewed “throw pardna” (participate in partner). In interviews, the Jamaica partner was the lending model that most people (57%, 133 out of 233) trust and claim meets their needs (and others preferred a variety of different lenders from family, banks, nonprofits, credit unions). Commercial banks ranked fairly low because the model does not seem to reach the women who need them. Partner banks offer people a place to save their money and to borrow money. Women members and the banker ladies interviewed said they preferred the partner banks because there was “no rigmarole” (paper work) and there are few fees and easy access (Three Banker Ladies, 2009). The women interviewed claim that repayment rates are high (usually 100%) in ROSCAs because people trust these systems.

African-Canadian women and ROSCAs

About 3% (or 842,000) of Canadians are unbanked (Buckland, 2012; Spotton Visano, 2008) with no access to financial services. This has given rise to fringe and alternative banks, such as payday lenders, microfinance organisations, and P2P groups. In *Hard Choices: Financial Exclusion, Fringe Banks, and Poverty in Urban Canada*, Buckland (2012) examines a number of alternative financial providers because banks do not cater to the demand in the inner-cities. People then turn to other sources. Similarly, in this study, money pools were seen to be prevalent among immigrant Canadians in urban centres. Focus groups and individual interviews were carried out with 52 women engaged who participate in money pools in Toronto, Canada. The African-Canadian women reported they find it hard to secure loans at the big banks. Others reported that in order to avoid payday lenders and moneylenders, they joined financial co-operatives located in their communities with people they know and trust. A Somali-Canadian resident of Jane and Finch explained:

We are bringing change through our own banking ways. It helps me to keep doing what I do when they (critics who do not know about informal co-operatives) look at us in a weird way to say it’s our culture. We show we can do it [business] ourselves and also ... is a social thing ... We drink tea and talk. (“Fardowsa”, 2015)

Banks in Canada appear to be elitist in orientation. Black-Canadian women who cannot access loans prefer to start up their own co-operative institutions as “Fardowsa” did in the quote above. In December 2014, Haitian Canadian Frantz St Fleur was arrested in daytime hours on the suspicion that he was trying to cash a fraudulent check at his Scotiabank branch of ten years (Toronto Star, 2014). This kind of overt humiliation, along with the downsizing of bank branches, has increased the appeal of P2P. Newcomers to Canada stated that money pools gave them a sense of community when starting a sideline business. This was particularly true among Sundanese-Canadian women, who were unemployed and trying to learn English. As “Natla,” a 35-year-old married Sudanese-Canadian woman, told me:

Who knows me here when I first come from Sudan [pause] No one. I can't even speak English back then. Sandooq [a ROSCA] give me friends and a chance. I buy [bought] my airplane ticket back home and bring my children for there [for vacation]. Sandooq helped me so much when I came to Canada. I swear to my God for it (2015).

Credit unions in the Toronto area are not located in easy reach of many low-income neighbourhoods. African Canadians who want reliable banks but cannot find them in their communities organise their own ROSCAs. In Toronto, ROSCAs are as diverse as the Black population residing there. For example, in each of the focus groups in Toronto's east and west end, the women came from more than 15 countries in Africa and the Caribbean. Some ROSCAs were aligned by country origins and others cut across cultural groups and religion. Jamaicans, one of the older diaspora groups, had a long experience with partner banks in Toronto, and their ROSCAs would be strictly Jamaicans or Caribbean. In other ROSCAs, Somali women joined Caribbean-dominated ROSCAs based on the personal ties to the women in charge of them. Observant Muslim women from Egypt, Kenya, Sudan and Somalia reported that they preferred ROSCAs that did not charge interest, and they refused, on religious grounds, to join groups that imposed a service fee.

Conclusion: Black Women as Co-operators

Millions of women in the African diaspora engage in co-operative banking. In Canada and the Caribbean, the social and economic exclusion of conventional banks has made Black women rethink how and where they want to do business. These 332 Black women co-operate with each other — they are “co-operators” in the ultimate sense of the term because they insert people-centred banking into what they do.

Mainstream Caribbean bankers, who are familiar with these institutions, are well aware of the affinity ordinary people have for ROSCAs (although this is not recognised among white bankers in Canada). In fact, the Bank of Nova Scotia of Jamaica, Jamaica National Building Society, and Haiti's Sogebank have all realised how popular informal banks are and have offered plans based loosely on these institutions, such as “Partner plan” and “Mama Sol”, as a way to appeal to female clients. In no way do these programmes offer the same kind of refuge for people, but bankers, aware of the the emotional connection Black people have with such institutions, try to imitate them.

Black women co-operators in the Caribbean and in Canada offer a distinct people-focused form of banking because they understand first-hand the imprint of slavery, colonisation, and racism on Black people. For them ROSCAs are an African tradition to reach their people and to create community spirit (Hossein 2014b; Hossein, 2012). African-inspired ROSCAs in the Americas may not change a woman's social status per se, but they do give women a sense of belonging, as they become part of a collective institution. These Black women — whether from the Caribbean or Canada, or from low or middle income backgrounds — are proving to be the very epitome of trustworthiness and co-operation. They are making major contributions to co-operative banking.

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