Editorial

Thank you to the Editorial Committee for the honour and opportunity to be the *EDM* Journal's Editor as we begin the third decade of its publication. I am delighted to accept this position, and to know that I will be supported by a fine Editorial Committee, Advisory Board and dynamic Assistant Editor, Nicole Pasricha.

For the first 10 years, Malcolm Harper, a founder of the journal, led as its editor, and continues to be an active contributor. Along with his many other contributions in the development domain, Malcolm gives his time on the Editorial Committee, connecting projects and authors to the journal and challenging us with his often unorthodox views. I am pleased to have Malcolm's ongoing participation.

Clare Tawney capably guided the journal as Editor for most of the second decade. Clare saw its transformation from *the Small Enterprise Development* journal to the *Enterprise Development and Microfinance* journal, reflecting its long-time coverage of microfinance, and its more recent acknowledgement that larger firms are also involved in the livelihoods of the poor. Clare will carry on as Managing Editor of this and other Practical Action journals, and as a member of the Editorial Committee, offering her valuable insights and pragmatic approach.

Over the past two decades, the journal has provided a forum for practitioners, enabling us to learn from each other's experiences, advance our fields of practice, and achieve greater impact in the communities that we serve. The journal is peer-reviewed and therefore reflects not only individual experiences but also input from a body of knowledge and expertise that goes beyond any single author. Past journal issues have ranged across many themes in microfinance such as insurance, remittances and SME finance as well as topics in enterprise development that include the business environment, fair trade and developing rural service markets. Some issues of the journal have involved cross-cutting themes: poverty outreach, programming in HIV/AIDS-impacted communities, and agricultural development.

We will continue to publish articles that spring from the fertile ground between practice and research, differentiating us from purely academic or popular journals, and augmented by parallel or overlapping disciplines. Upcoming issues promise to stimulate discussion confronting both entrenched and new pressing concerns: e.g., private sector provision of basic services, young people (children and youth), urban value chain development, and the green economy. We will also reach out to our existing and newer readers through thought-provoking opinion pieces, a greater online presence and incorporation of topical debates.

This quarter's issue presents individual papers of interest to the nexus of microfinance and poverty alleviation. The first, 'Ramanagaram

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Financial Diaries: Cash Patterns and Repayments of Microfinance Borrowers' offers information from the perspective of urban slum dwellers in two neighbourhoods of Ramanagaram, Karnataka, India. This paper does not attempt to achieve statistical rigour, but provides qualitative insights into the cash-flow patterns of low-income households that have easy access to a range of credit products. These households borrow from multiple microfinance institutions and self-help groups, and may owe money to finance companies, 'chit funds' and moneylenders. With about half of the households in the study spending more on loan repayments than on food, it is not clear if this is smart cash management or greater indebtedness. In either case, this paper acts as another reminder to us to be aware of the impact of our work and of the methodologies that we promote.

The second paper, 'Seven Extremely Simple Poverty Scorecards', documents an easy and efficient way to assess poverty. The use of poverty scorecards enables implementers to measure, report on, and effectively target for poverty, and moreover, to track changes over time. Although ultimately related to income or expenditure, the scorecards measure quality of life indicators, reflecting Millennium Development Goals: housing quality, school attendance, availability of drinking water, type of fuels used, and ownership of other assets including land. It would be interesting to apply scorecards like these to the neighbourhoods in Ramanagaram, and to correlate poverty rates to borrowing habits.

'People's Credit Funds of Vietnam: A Prudentially Regulated Credit Cooperative Movement' tells the story of the building of a credit system in Vietnam after the end of the command economy. The paper illustrates that the development of such a financial system can combine grassroots and enabling environment elements to create a structure and processes tailored to the context. Drawing on the experience of other credit cooperative movements globally, as well as knowledge of the domestic situation, an innovative model was designed. The People's Credit Funds are self-financed and self-managed, while the state provides prudential regulation and supervision to ensure compliance. The paper does well to warn that while an interesting and successful model, it may not be as effective in other contexts.

The final paper, 'Going Downmarket: Ghana's Rural Banks Adapt Informal Savings Methodology', examines how banks are adapting informal mechanisms to reach the unbanked. The paper describes a hybrid approach that brings more savings and borrowers into the formal banking system, and discusses the mechanics of reducing risk while reaching lower income rural clients. We look forward to learning more about this case as the programme matures and additional data become available.

I hope you enjoy this issue of the journal, and look forward to your engagement over the next decade!

Linda Jones, *Editor*