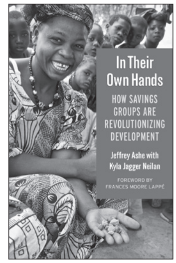
Reviews

In Their Own Hands: How Savings Groups are Revolutionizing Development
Jeffrey Ashe and Kyla Jagger Neilan
2014, Berrett-Koehler, 240 pages, ISBN 978-162656-218-9, $19.95



The spread and success of savings groups may not be news for financial inclusion and enterprise development practitioners. However, in their recent book – *In Their Own Hands: How Savings Groups are Revolutionizing Development* – microfinance and savings group pioneer Jeffrey Ashe and colleague Kyla Jagger Neilan inspire us with the vision, the history, the statistics, and the stories of savings groups, a simple mechanism that is catalysing poverty reduction for millions worldwide. Through this volume, we see inside the movement through the eyes of the proponents, as well as the step-by-step creation and evolution of savings groups that come to life through the plentiful case studies and vignettes describing phenomenal leaders, determined participants, and dedicated supporters.

Ashe worked in microfinance for 20 years beginning in the early 1980s. A leader in the field that provided financial services to the poor, he launched and reviewed microfinance programmes in 35 countries, significantly contributing to best practice in the field. However, as Ashe recounts in the introduction to *In Their Own Hands*, he realized that while microfinance was working reasonably well in urban areas, the outreach to rural communities was low, leaving the rural poor without financial services. Moreover, he kept coming back to the question of why credit first and not savings, particularly when he observed the stressful pattern of debt and repayment that got hold of many poor households.

As early as 1971, savings group methodologies were incorporated into development programming in the Niger by Moira Eknes of CARE, influenced by the indigenous rotating savings and credit associations that are common in communities all over the world. But it was Marcia Odell's work with women in Nepal that ignited Ashe's passion for savings groups in 2000, and led him to spearhead the development of savings groups in Mali, Senegal, Cambodia, El Salvador, and Guatemala, resulting in 650,000 joining groups and pooling savings to provide their own financial services. Today, we learn, there are 10 million savings group members in 100,000 villages in 65 countries around the world.

But this is not just a story about numbers; this is about the impacts that are realized through this innovative, cost-effective, and self-replicating model. The women on whom this book centres increase their capacities to manage their cash-flow, work together to solve issues that arise, become more resilient in the face of unexpected shocks, smooth consumption reducing the impact of the lean season, and most importantly, perhaps, become empowered to lead their own development and

http://dx.doi.org/10.3362/1755-1986.2014.008, ISSN: 1755-1978 (print) 1755-1986 (online)

improve their status in their households and communities. Although savings alone may not lift families out of poverty or attain gender equality, savings groups can be an important tool for those who struggle with limited resources and too few solutions.

Ashe and Neilan offer practical advice on the setting up and operation of savings groups. Ashe proposes nine principles for practitioners (p.4):

1. Start small to learn, but plan for scale – if there are thousands of communities, what will have been achieved if only a few are reached?
2. Simple is better than complex.
3. Build on what is already in place and what is already widely understood.
4. Design for change that persists long after outside agents leave and that spreads from village to village without outside staff.
5. Keep costs low: resources are scarce and the scale of poverty is vast.
6. Give nothing away: if what is introduced depends on a free handout, it will not spread.
7. Insist on local control: if local community members are in charge, new development initiatives will last.
8. Establish high performance standards and insist on meeting them.
9. Build learning and innovation into programme design: it is impossible to get it right the first time.

He suggests that the same principles can be applied to other development programmes that have ambitions to scale. Moreover, he notes that the savings groups that have resulted from the application of these principles have survived insurgency, political crisis, drought, and hyperinflation. The book follows with lively descriptions of group meetings, discussions of how to get a savings programme started and build momentum, and the results that can be expected.

Beyond the stories, the statistics, and the successes, this book is a call to action. There is a discussion of how the major savings group practitioners – Oxfam America, Freedom from Hunger, CARE, CRS, Plan International, and the Aga Khan Foundation – have joined forces to reach 50 million by 2020. Although the relative cost in development investment is low, donor funds are needed to bring this to fruition.

The message that Ashe repeats and that is well worth reiterating here is that finding ways that enable people to improve their own lives is key:

> In all these endeavours, the underlying theme has been the same – providing a simple structure to help people take charge of their future. I have been both amazed and humbled by the energy and commitment of those we serve when they are in charge and we get out of their way (p. 143).

Savings groups have been a revolution in development as the subtitle of the book suggests, and this highly readable book is a great contribution to development literature!

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