

## **Caroline Shenaz Hossein: Politicized Microfinance: Money, Power, and Violence in the Black Americas**

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It is no secret that microfinance has become commercialized. But commercialization barely skims the surface of the problems with microfinance when it comes to Black people in the Americas—where microloans are far from neutral. *Politicized Microfinance*'s key attraction is that it is informed by Black feminist thought and intersectional feminism and thus makes a much-needed intervention. Hossein centers Black knowledge, experience, and banking systems that have hitherto been peripheral to microfinance praxis. Using empirical data from 583 interviews conducted in primary (Jamaica, Guyana, Haiti) and secondary (Trinidad and Tobago, Grenada) case study sites, Hossein offers a story of how Black people “engage in the social economy” (p. xv).

Hossein convincingly argues that the failure to historically contextualize microfinance in the Black Americas veils the colonial legacies of race, ethnicity, class, and gender. These legacies have created hierarchies of privilege and oppressions and have thus contributed to the politicization of microfinance particularly in Jamaica, Guyana, and Trinidad where poor Blacks are at a disadvantage politically and economically and often mistrust the institution. This politicized microfinance is manifested through clientelist politicking and partisanship and via the biases of lending managers and staff. Despite this exclusionary form of politicized microfinance, Hossein highlights that another version of politicized microfinance is possible and crucial to the attainment of economic democracy, a politicization that is based on socially conscious activism and awareness of historical and contemporary inequalities. For example, in Haiti and

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Grenada, histories of exclusion and oppression have led to grassroots activism to ensure that microfinance redress inequality.

Overall, Hossein posits that alternative microbanking models that are rooted in indigenous African and local banking practices are the best way to transcend the shortcomings of commercialized microfinance. Alternative systems like *susus* (West African in origin), partner, and box-hand banks provide a safety net when the formal system and government fail them. These community-led group savings banks “allow excluded people to access large lump sums of cash after saving for a few weeks” (p. 131). Women, “banker ladies” are in charge of these banks but Hossein does not offer an analysis or explanation for this phenomenon. She also does not offer a gender analysis in terms of usage. Additionally, in the case of Jamaica, if these alternative systems exist, why do men who are rejected by the formal system not use these, instead of resorting to beating their partners because they feel emasculated? Or do they not prioritize these alternative systems because women run them? A gender analysis would provide a more nuanced understanding of these issues.

Hossein highlights that cooperative banking in Haiti and Grenada are becoming pervasive and contends that the microfinance industry should recognize the “contributions of cooperative lenders in microbanking.” In the case of Haiti, Haiti’s first cooperatives was formalized in 1937 (p. 118), and the people’s demand for, and trust in, cooperative banking has led to the enshrinement of “Haiti as a cooperative republic in the constitution” (p. 119). However, this enshrinement has not been a deterrent to violence; the effort to politicize microfinance positively has often led to fatal consequences because it threatens elite interests. Nevertheless, Hossein proposes that Haiti offers “a better alternative for ensuring inclusive finance and economic democracy” (p. 133). Thus, Hossein offers policy considerations that would catalyse a more “ethically engaged social economy” (p. 160). Some of these considerations include the entrenchment of anti-discrimination policies and using partisan politics as a unit of analysis in annual institutional appraisals (p. 154).

Although *Politicized Microfinance* is primarily about Black people’s access to microfinance, the story remains incomplete as there is little discussion on the effect of inclusive microfinance on poverty alleviation. Moreover, Hossein’s engaging work, which has brought intersectionality to the analysis of the social economy, would be further enriched if other markers of identity were also included. While reading, I often wondered about the experiences of people with disabilities, variant gender identities, and those who violate the heteronormative nuclear family norms. Do they exist? If so, why have they been relegated to the margins of a book about marginalization? What are their experiences of accessing microfinance, specifically as it intersects with their racialized and classed identities?

The above concerns and questions are not intended to subtract from Hossein’s impressive and empirically rich research that centers the elided experiences of the Black Americas. Hossein’s theoretical intervention is also timely in light of the new Sustainable Development Goals, as well as the need to move away from recycled critiques of neoliberalism and the preponderant gender analysis pertaining to the microfinance industry. Hossein’s call for an intersectional lens in the social economy may be one of the final ingredients which we need to attain social transformations.