

Book Review

***Vyama, Institutions of hope: Ordinary people's market coordination and society organization.* Mary Njeri Kinyanjui. Oakville, Ontario, Canada: Nsemia Inc. Publishers 2012. ISBN: 9781926909249, p. 90**

Faith Maina

State University of New York, Oswego, NY 13126, United States.

Accepted 17 April, 2013

INTRODUCTION

Growing up in rural Kenya in the 1970's and 80's, the *ngwatio* concept (loosely translated as pooling together in Gikuyu language) was well entrenched and practiced. I remember fondly how a mundane activity like cutting trees and ferrying firewood on our backs became bearable because all my age mates would come out and help for the day. We could walk long distances in a group of young girls to help a neighbor harvest corn, potatoes and beans in another ridge, carry the same on our backs and store in the granaries enough to feed the family for a whole season. And then we would in the following weeks spend time hauling jerry cans of water on our backs to help with plastering our neighbor's house.

Ngwatio had two main functions: One function was economic. Work that would have required monetary compensation ended up being done for free and would be completed efficiently. The second function, and which was probably the more significant was the social aspect. Nothing brought more joy than having a group of teenage girls working together in whichever mundane chore that the parents threw into their corner. Certainly this made work easier, and even to some extent, romanticized the mundane!

But then we went to boarding high schools, colleges and universities where ngwatio became a "dirty" word. We were taught the virtues of individualism where "pooling resources" in for example a school project would be construed as "cheating" and punished by a fail grade. It goes without saying that the concept of ngwatio was demonized as we entered the capitalist system that rewards individualism and hierarchy. It is therefore not

surprising to see Kinyanjui's (2012) documentation of the resumption of the ngwatio concept within the urbanized Kenyans in the name of *chama* (plural *vyama*) in the book titled: "Vyama, institutions of hope: Ordinary peoples market coordination and society organization" Nsemia Publishers. The question she attempts to answer is how the concept of chama has evolved and to what extent it is a sustainable strategy for poverty alleviation.

THE CHAMA MOVEMENT

Kinyanjui (2012) argues that the chama movement has evolved out of the desire of ordinary people to "creatively solve their social welfare [problems] and [satisfy] market needs" (p. 6). This is because the government, non-government organizations and experts have failed to adequately provide the services such as employment, education, health and so forth that are necessary for quality livelihoods. Kinyanjui particularly has a problem with the structural adjustment programs (SAPS) that were introduced in Kenya by the World Bank and International Monetary Fund in the 1980s. The SAPS which were aimed at introducing free trade, opening markets and freeing interest rates had an adverse effect on social programs such as health and education, brought massive unemployment and underemployment. What Kinyanjui may have wanted to point out was that the SAPs in themselves were not a bad thing to the economy given that they encouraged austerity, debt reduction and reduction of government spending. Instead, the main culprit was the corrupt government of President Daniel

Arap Moi that “sold state owned enterprises to political cronies at very low prices” (Schwab, 2001, p. 133) and rejected globalization except as it suited his own interests. In other words, the SAPs were not necessarily the culprit as Kinyanjui argues; instead, the state sanctioned corruption which played a larger role.

Another poverty alleviation strategy that Kinyanjui finds problematic is the development aid from developed countries through international and bilateral organizations. The problem with this aid is that “ordinary people were relegated to the passive recipients of development from the benevolent developmental state, and were supposed to abandon their socio-cultural institutions upon which they based their livelihoods negotiations” (Kinyanjui, 2012 p. 3). This is not surprising given the criticism western aid has received over the years. Opponents of foreign aid lament that it is the fundamental cause of Africa deepening poverty (Glennie, 2008). Indeed, “loans from foreign creditors to African governments wound up as private assets held abroad by individual Africans” (Ndikumana and Boyce, 2011, p. 11). Again, Kinyanjui glosses over the corruption by the ruling elite that uses foreign aid to enrich themselves and their cronies depriving the ordinary people of a livelihood. For instance, President Moi in 1989 had moved to borrow \$160 million to supplement \$40 million in local loans to build a new sixty-story office tower to house the KANU (ruling party) headquarters on a public park (Schwab, 2001).

Government failure to provide adequate services and the near collapse of social programs may have fueled the desire to revive the *ngwatio* concept in the form of chama movement among the urbanized Kenyans, not only to reclaim the social cohesiveness but to raise capital for market coordination.

CHAMA ORGANIZATION AND STRUCTURE

Kinyanjui describes chama as a group of individuals coming together with a common purpose. This could be a temporary committee organized for a specific event like a funeral or wedding and then disbanded, or a long term group with many functions including social protection, welfare, entrepreneurial, micro-credit, saving schemes, advocacy, development and so forth. So, what makes the chama a poverty alleviating strategy?

According to Karnani (2011 p. 4), poverty is the lack of income and assets needed to attain basic necessities, such as food, shelter, clothing, and fuel. Secondly, poverty means the lack of access to basic services that directly affect the material welfare of the poor, such as public health, education, safe drinking water, sanitation, infrastructure, and security. Third, poverty means the social, cultural and political exclusion of its victims, and includes such issues as gender, racial and ethnic discrimination, and a lack of civil rights.

Going by Kinyanjui's (2012) analysis, each of the chama described here has reached the threshold of

alleviating the condition of poverty for the members to a certain extent. Each chama started with the basic idea of improving the material and social condition of its members. This includes chama's like the Ruiru Market Women (p. 60) which started by pooling resources to buy basic foodstuff such as flour and cooking oil in bulk and then distributing equally to all members. This enabled members to save a little money from the food budget allocation and spend the money on larger items for the household. But what is even more intriguing about the evolution of these vyama is the way some began at a point of extreme poverty and how they have reached a point of not just members feeding themselves but also created enough wealth to cushion their livelihoods from adverse shocks such as illness and death. Kajiji women (Kinyanjui, 2012 p. 73) are a case in this point. A group of unemployed women decided to pool their meager resources after getting temporary jobs such as cleaning houses and washing clothes for between Kes. 100 to 200. After saving about Kes. 2000, they started a business of making soap which at the time of this research was distributed to various locations in Nairobi and neighboring counties. The soap manufacturing business had indeed removed the Kajiji women from extreme poverty to a point where they have met their basic needs to creating employment for others. The book is replete with descriptions of vyama that have uplifted members from poverty to wealth creators through social entrepreneurship.

The common element in these vyama is that there is some money involved: whether it is the little savings for buying food items such as Ruiru Market women (Kinyanjui, 2012 p. 60) to Gatuga chama worth Kes. 10 million in investments (Kinyanjui, 2012 p. 64). However, money is not the glue that holds these members together. Instead, it is the social support network and the opportunities for social mobility that brings the members together. Each chama has a date when members come together for a social activity which is enshrined in the rules and regulations and punished if not adhered to. This in a way encourages social participation and lessens the feeling of isolation for members. It is clear the vyama value the human interaction that engenders social support.

The other significant element that sustains the chama is the social protection assured. Each chama has a welfare fund in which members are cushioned against illness, death and other life shocks. This insurance provides a peace of mind to members as they go about their daily business. Indeed, the joint actions of members enable them to have shelter, educate their children, own assets or start a business for spouses or siblings. Finally, the chama has indeed become the vehicle for wealth creation. Each chama has an investment scheme where members can take out loans and pay back with interest. In fact, Kinyanjui argues that “chama is indeed an alternative banking system that is different from the capitalist form of banking where profits are transferred to

a few people” (Kinyanjui, 2012 p.64)

In a country steeped in corruption and self-aggrandizement in public sectors, one is tempted to wonder how members of these vyama are not afflicted with the same malaise. Kinyanjui documents a level of discipline among the members that is well-regulated and enforced to the letter. For instance, the Kamweretho group (Kinyanjui, 2012 p. 47) even has a dress code for its members that are punishable through monetary fines or severely by excommunication. All vyama emphasize the issue of secrecy and keeping the affairs of the chama private. They censor lateness in terms of making the weekly/monthly contributions and tardiness for meetings is punished. Kinyanjui summarizes the self-regulation of the chama as one that values “honesty, trustworthiness, obedience, faithfulness and moral uprightness” (Kinyanjui, 2012 p. 49).

Needless to say, other positive outcomes have been observed in the chama movement. For instance, members have shared the educational value of interacting with others in the chama. There are those that have increased their financial literacy especially the act of saving and investing. Others have improved their self-image and increased self-esteem. Most importantly, altruism behavior is now observed where members are jointly working on developmental projects such as school projects, farmers training and youth education. Indeed, we can safely say that through vyama, members have completed the cycle of Maslow’s hierarchy of needs (McLeod, 2007) that indicates that a human being begins with getting basic food and shelter to the self-actualization of wanting to help improve the society.

CULTURALLY RELEVANT AND SUSTAINABLE POVERTY REDUCTION/ALLEVIATION STRATEGY

Poverty erodes confidence, demoralizes the person and kills willpower and vision for future (Kinyanjui, 2012 p. 66). It is clear the people documented in this book have been provided an opportunity of social mobility through vyama. This book indeed has unleashed a new theory of culturally relevant and sustainable strategy for poverty alleviation and reduction in Kenya and maybe other African countries.

The book itself has some structural flaws that Kinyanjui may have avoided or could revise in a newer edition. The development of chama movement and how it has evolved is not well conceptualized. The analysis is even more contrived by extensive use of popular music imagery and literary analysis of some works of fiction. While these genres provide a context for the work, they do little to highlight issues pertaining to chama formation. I would have expected Kinyanjui to extensively review the literature on development in Kenya, specifically and Africa in general as a way of showing the disfranchisement of the ordinary people in terms of access to capital. It would have been significant to analyze the political

climate that brought about the collapse of social institutions such as public schools, health facilities and so forth that forced individuals to seek each other when they experienced life shocks. In terms of content, it is laborious to search for the involvement of a single chama because they are littered all over the book and not as systematic in analysis. It would have been more beneficial to the reader if Kinyanjui had identified a few vyama and presented them here as case studies. For instance, a chama that started to cater for the basic needs such as food and shelter, one that may have started for welfare and social protection, one that started as cushion against exploitation and improvement of work conditions and one that started for investment. How these vyama have evolved from the basic purpose to branch out to other functions is more interesting to people concerned in creating a new theory for poverty reduction and alleviation in Kenya and beyond. It would also be significant in terms of providing a timeline for starting the chama, issues that have changed the trajectory and the future plan. Kinyanjui may have also wanted to interrogate the survival rates of these vyama and whether those that have become corporate entities have retained the social cohesion and humanity that made them different from the typical financial institutions.

However, even with these flaws, Kinyanjui has presented us with a fresh way of analyzing poverty alleviation and reduction. It is a book that needs to be read by all people and institutions concerned with issues of poverty in developing countries such as the World Bank, International Monetary fund and other non-governmental institutions. Students of economics would well be served by the intellectual engagement and thought provoking ideas generated throughout the text and so would government economic planners, universities and think tanks. Understanding how the system of chama works is a strategy that can be replicated among people with limited resources in many areas with minimal costs. It is a solid addition to what we know about poverty alleviation and the evidence that ordinary people are perfectly capable of creating solutions to their own problems.

REFERENCES

- Glennie J (2008). *The trouble with aid: Why less could mean more for Africa*. London: Zed books.
- Karnani A (2011). *Fighting poverty together: Rethinking strategies for business, governments, and civil society to reduce poverty*. New York: Palgrave Macmillan.
- Kinyanjui MJ (2012). *Vyama, institutions of hope: Ordinary people’s market coordination and society organization*. Oakville, Ontario, Canada: Nsemia Inc. Publishers.
- McLeod S (2007). *Maslow’s hierarchy of needs*. Retrieved on April 31st, 2013 from <http://www.simplypsychology.org/maslow.html>.
- Ndikumana L, Boyce JK (2011). *Africa’s odious debts: How foreign loans and capital flight bled a continent*. London: Zed books.
- Schwab P (2001). *Africa: A continent self-destructs*. New York: Palgrave Macmillan.