

# Rotating Credit Associations of the West Indies: Friendly Societies, Lodges, Susu, Meeting Turns, Burial Societies

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## Learning Outcomes:

- To explain traditional rotating credit associations retained from African enslavement
- To explain friendly societies, lodges as rotating credit associations and their use in some West Indian territories

## Definitions

- W. Aubrey Bonnett, *Institutional adaptation of West Indian immigrants to America: An analysis of rotating credit associations*
- **Rotating credit associations** are:
  - cooperative pooling of earnings
  - reciprocal economic arrangement
  - Traditional savings and loan scheme
  - Informal
  - No interest
  - Short- term commitment

- **Voluntary**
- "a core of participants who agree to make regular contributions to a fund, which is given, in whole or in part, to each contributor in rotation." p. 9
- each member may benefit by obtaining in turn and at one time all the money paid in by the entire group on a given time
- day, week, month.
- **Rotation and regularity**



- "The Rotating Savings and Credit Association (ROSCA) is one of a group of self-help organizations, of diverse origin, which have played a major role in the socioeconomic adjustment of diaspora peoples in the Caribbean. The organizations include voluntary exchange labour (variously known as day-for-day, guyap, cumbite, lend hand, coup de main or coudmain, etc.), friendly societies, lodges, sociedad mutuo de socorro, and burial societies. " p. 146

Trevor W. Purcell, "Local Institutions in Grassroots Development: The Rotating Savings and Credit Association"

- Boxes or box hand (Guyana, Antigua, Montserrat) "throwing a box"
- Partner/Pardna (Jamaica)
- Sobs (Dominica)
- From Yoruba (esusu):
- Susu/ Sou Sou (Trinidad, Grenada)
- Esu (Bahamas)
- Syndicate (Belize)
- Meeting Turn/ Meeting/Sou Sou (Barbados)
- Sam (Dominican Republic)
- Sol (Haiti)
- David Franklyn, "Urban Bias and Livelihood Strategies in Grenada" and Claremont Kirton, "Rotating Savings and Credit Associations in Jamaica."

## Importance

- African retention and traditions; also in Asian societies
- Africa called esusu.
- nanamei akpee (mutual help) Ghana
- sanduk (putting down) Sudan.

## Role of women, visibility of women

- High percentage of women in these savings organisations
- Most older women are the Head – banker/box holder/house/meeting holder/keeper/sou sou captain
- Female headed house holds
- Working class
- Black women



# DEFINITION

- **Hand/ Turn:**
- Individual contributions of members in these associations.
- Total of weekly contribution
- Can be drawn once every week to once every month
- **Fund-** Total amount of individual hands.

## EXAMPLE OF STRUCTURE-JAMAICA

- Head – banker
- "The banker' is the principal organiser of a partner, with responsibility for proposing rules and procedures, as well as collecting and distributing the pool of funds."
- Members – throwers
- Can throw multiple hands
- Throw a fraction of the hand
- men and women
- Can request a hand when need to meet an unusually large financial obligation
- Money contributed by several persons is drawn down in turn from the person in charge (banker)
- Most operate on a weekly basis- pool or draw is collected and paid weekly

## Purpose

- "Adaptive response to a blatant and at times severe conditions of poverty among poor people." Bonnett p. 42
- Post-emancipation society economically tough
- For savings

# WHY JOIN?

- Savings
- Relatives'/Friends' Encouragement
- Emergency Funds
- Purchase of Household Items
- Convenience/Ease of Involvement (no bureaucracy, no forms, no details on economic situation, flexibility in rotation order, no transaction cost, no labour and management cost, no tax)
- Business Purposes
- School Fees
- Quick Money
- Supplement Income
- Purchase Personal Items
- Claremont Kirton, "ROTATING SAVINGS AND CREDIT ASSOCIATIONS IN JAMAICA: SOME EMPIRICAL FINDINGS ON PARTNER"



- With savings can:
- Purchase consumer goods
- Pay for festivities (weddings)
- Mutual aid or insurance : death and sickness
- Set up small businesses (cake shops)
- Educate self and children to achieve social mobility
- Unplanned expenses
- Savings in bank
- Purchase machinery/equipment, raw materials, goods for resale (business)
- Enhance status of participants (banker)- leadership and administrative ability

## Advantages

- "The pool of funds, having been received by the organiser, is almost immediately distributed to a specific member thus necessitating no financial management of any group financial assets" Claremont Kirton
- Can be modified to satisfy the needs of members, with varied procedures being adopted.
- This arises mainly because the rules and regulations governing rotating credit associations are usually established by the members and are easily understood.
- The flexibility and adaptability is rooted in the organisational autonomy and self-sufficiency.
- For e.g. The order of the rotation of the pool can change. The pool or fund may be re-allocated to a member whose financial circumstances may have become more difficult as a result of un planned occurrences.

## Disadvantages

- Perfect synchronisation between the receipt of funds by members and their expenditure plans may not always be possible.
- Any financial problems experienced by social groups which comprise membership would usually affect the entire membership
- Totally dependent on the continuing participation of members, and default by any one member could have negative effects on the entire rotating credit association.
- Reliant on close, ongoing contact between members.

# DEFINITION

- A friendly society (sometimes called a mutual society, lodge or fraternal organisation) is a **mutual association for insurance-like purposes**, and often, especially in the past, served ceremonial and friendship purposes.
- Help their members:
- **in sickness and misfortunes**
- at their **death furnish assistance** to their families.



- "Friendly Societies are voluntary organizations whose members make stipulated payments into a common fund for the mutual benefit of contributors in time of need occasioned by sickness or death in the family." p. 59
- Popular across region in nineteenth to twentieth century
- Influence of church (Anglican Church) in region
- Number on decline across region
- L.P. Fletcher, "The Decline of Friendly Societies in Trinidad and Tobago"

## Fraternal orders include

- Independent Order of Oddfellows
- Ancient Order of Foresters
- Independent Order of Good Samaritans and Daughters of Samaria
- The Loyal Order of Ancient Shepherds (Ashton Unity)

## Friendly, mutual aid, lodges

- Predominant in the 19th and 20th centuries
- Some registered under Friendly Society Act in respective colony
- Provided:
  - Poor relief
  - Funeral expenses
  - Aid for illness, old age, disability and distress
  - **Christmas bonus** ( money not paid out every week or month like susu but at end of year)



## Friendly Societies

- **Specific occupational** groups e.g. Cigarmakers Friendly and Benevolent Society (Jamaica)
- **Race-** Chinese "Chung Far Fucion" (1895) and Jewish friendly societies
- **Burial associations** Jamaica Burial Scheme Society (1903 )
- **Parish**
- **Church**

Patrick Bryan, *The Jamaican People 1880-1902: Race, Class and Social Control*



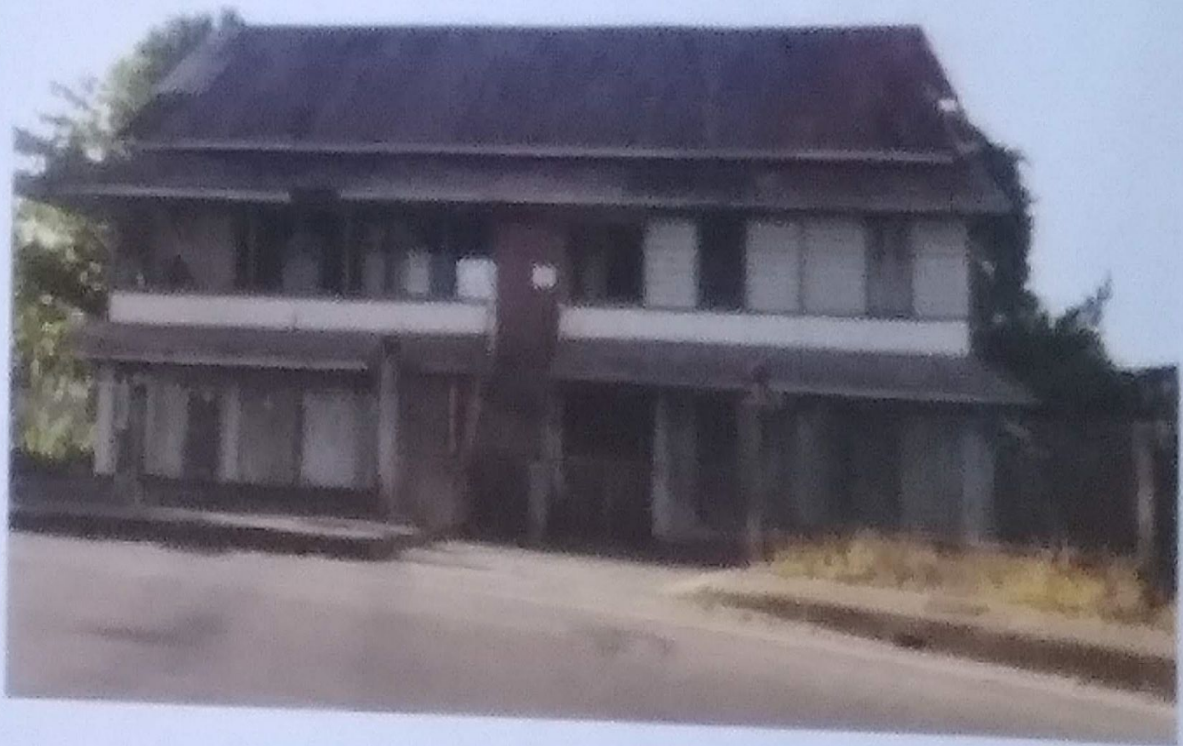
## Friendly Societies Act

- Governed by legislation
- Have to be registered
- Trinidad and Tobago: FRIENDLY SOCIETIES ACT CHAPTER 32:50 (1950)
- "Section 5 (a): societies (in this Act called friendly societies) for the purpose of providing by voluntary subscriptions of the members thereof, with or without the aid of donations, for— (i) the relief or maintenance of the members, their husbands, wives, children, fathers, mothers, brothers or sisters, nephews or nieces, or wards being orphans, during sickness or other infirmity, whether bodily or mental, in old age (which means any age after fifty) or in widowhood, or for the relief or maintenance of the orphan children of members during minority; " p10

- (ii) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, child, ward, father, mother, brother, sister, uncle, aunt, nephew or niece of a member, or of such other relation of the member's family as is wholly or in part dependent upon the earnings of the member for the ordinary necessities of life, or of the widow of a deceased member. A person shall be deemed to be the child, father, mother, brother, sister, uncle, aunt, nephew, niece or other relation of the member, notwithstanding that he or she is not a legitimate relative of the member." p. 11

- The Office of the Registrar, Friendly Societies Division, Ministry of Labour

Friendly  
Society,  
Arouca





## RISE AND DECLINE OF FRIENDLY SOCIETIES IN TRINIDAD

L.P. Fletcher	Year	No. of Societies	No. of Members
	1910	135	11 918
	1930	316	33 997
	1950	364	135 173
	1970	302	49 619
	1980	240	59 338



Examples of  
lodges under  
Registrar of  
Co-operatives  
and Friendly  
Societies  
(Barbados)

- Composite Lodge No. 10, Barbados  
affiliated with Independent United Order  
of Mechanics Trinidad and Tobago
- Founded 1910
- Lily of Bridgetown Household of Ruth  
No.6655
- Founded: 1935

Black and white  
post card featuring  
Barbadians  
migrating to  
Panama documents  
the single most  
important migration  
of Barbadians in the  
post emancipation  
era.





Caribbean  
workers  
arriving in  
Panama, on  
board the  
'Cristobal'







Jamaica

THE PANAMA CANAL  
APPLICATION FOR PHOTO-METAL CHECK - EMPLOYEE  
(Complete in duplicate with photo)

TO EXECUTIVE SECRETARY (through Head of Division)

Name James Jordan Photo-Check No. 29733

Division Building, Dock Construction Check No. 620 Permit 14100

Occupation Artisan "B" 25 per year

Employed, effective 191 1 per month

In present rating since May 1st, 1944 No wages in reduced to take the place of  
1944 not account of

Previously employed in The Panama Canal service by the Panama Railroad Company? Yes (Date)

Office of Jamaica, P. R. I. Date of Birth Feb. 1906 Place of Birth Spanish Town.

Post office address Cristobal, C. R. Attention Mr. Jordan

Arrived at Cristobal January, 1906 1906 1906

Color Brown Able to read and write? Yes Able to sign name? Yes

Age 38 Height 5 ft. 7 in. Weight 140 lbs.

Physical deformities or peculiarities, such as scars, moles, and missing members?  
Scar on right hand

Color of eyes: Dark Color of hair: Black Color of skin: Dark Color of teeth: White

Kind of hair: Straight, wavy, curly, kinky

When employed Atlantic Dock Restricted areas required to enter on  
official business

Approved and forwarded:  
J. Jordan  
(Head of Division) (Signature) (Date)

(FOR USE OF OFFICIAL PHOTOGRAPHER ONLY)

Photograph taken 1944 Plate No. 111 111

Emergency permit 111 111

Classified and forwarded to Identification Office 111 111

Recorded and forwarded to applicant 111 111

Emergency permit returned and filed 111 111

# St. Kitts

THE PANAMA CANAL  
APPLICATION FOR PHOTO-METAL CHECK - EMPLOYEES

TO EXECUTIVE SECRETARY (through Head of Division)

Name: **Benjamin Salas**

DIVISION, RECEIVING AND FORWARDING AGENCY. Check No. **1800** Rec. No. **9876**

Occupation: **Deck Rep.**

Employed, whether:

In present rating since **Nov. 1st., 1943**. His service is required

Previously employed by The Panama Canal Service or by the Panama Railroad Company? **No**

Citizen of **Great Britain** Date of birth **MAY 11, 1895** Place of birth **St. John's**

Last office address: **Oristobal, C.Z.** Reference number: **None**

Arrested on entrance: **May 1943**

Color: **Black** Able to read and write? **No** Able to sign name? **No**

Sex: **Male** Height: **5' 11"** Weight: **161** lbs.

Physical characteristics or peculiarities, such as scars, moles, and missing members?

**None**

(FOR GOLD EMPLOYEES ONLY - UNDER DISCRETIONARY APPLICATION)  
Color of eyes: **Dark brown**, Color of hair: **Black**, straight, wavy, curly, kinky.  
Kind of hair: **Straight, wavy, curly, kinky.**

When employed: **Oristobal, Decm.** Mustered upon receipt by entry on official history

Approved and forwarded:

**JAN 25 1944** (FOR USE OF OFFICIAL PHOTOGRAPHERS ONLY)

Photograph taken: **Jan 17 1944** Photo No. **1800**

Emergency permit: **None**

Completed and forwarded to Identification Office: **Jan 17 1944**

Recorded and forwarded to applicant: **Jan 17 1944**

Remotely carried returned and filed: **Jan 17 1944**



## Panama

- West Indians particularly Barbadians and Jamaicans take mutual aid practices with them in Panama.
- Generally, a member subscribed seventy-five cents to a dollar a month.
- In sickness, the society would provide some funds for the worker to live on until he was well again.
- The societies also paid death and burial benefits
- Olive Senior. *Dying to Better Themselves: West Indians and the Building of the Panama Canal.*

Mechanics  
Lodge posing for  
a group picture  
with their  
families. About  
1912 at Isla  
Colon. Part of  
the life of the  
West Indian  
Panamanian





## Friendly Societies: Barbados

- "Injection of **Panama money** into working class communities allowed them, for the first time, to develop island-wide financial institutions, designed and managed by themselves."
- 1903-1920 £545, 935 postal remittances sent from Canal Zone.
- "The Friendly Society movement revived, transformed and popularised "
- Early 20<sup>th</sup> century- Leading force within financial culture of laboring classes
- Hilary Beckles, *Great House Rules: Landless Emancipation and Workers' Protest in Barbados 1838-1938* p. 180-82

## Friendly Societies: Barbados

- Weekly payment of 10- 12 pence
- To insure for sick and death benefits.
- 1907-1910- 100 societies established
- 1921- 156 312 people covered by 260 societies
- 1943: The Civic, one of the most popular friendly societies in Barbados
- Hilary Beckles, *Great House Rules: Landless Emancipation and Workers' Protest in Barbados 1838-1938* p. 180-82