

Talking About Talking



**A Guide for Discussion Group
Leaders working with participants
in the Village Savings and Loans
Associations in the Makamba
Province of Burundi**

This guide was prepared in 2008 by Radha Iyengar and Tom Vogl, Harvard University, in consultation with the International Rescue Committee for a project in Makamba, Burundi. This is based on a training course by the FAO in Zambia and the Global Financial Education Program

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Introduction

The family is an important part of life in Burundi. It can be a source of happiness and support for many people. But sometimes, problems may arise at home, especially relating to how people earn and spend money. Money, of course, is not of any use in itself but it is used to facilitate exchange of goods and services and can be stored for future use. Money that is saved can play a vital role in the security of a household, being available for use in times of shortage and to cope with emergencies or unusual payments. Of course, exchange can take place without money and other things can be stored or accumulated for future use. However, one thing is certain - everybody is engaged in juggling times of plenty with times of deficit – day by day, week by week, month by month.

In Burundi, people sometimes try to solve problems as they arise. They do not plan or calculate future needs. We need to get people thinking and make them more aware of options and the implications of decisions involving money. Helping budget and save will help everyone think about how they make decisions, as well as the role their spouse plays in making those decisions.

This booklet is designed to help you raise the issue of money management with families and community groups. There are ideas for starting discussions and for teaching people to analyze and plan the use of money better. The emphasis is on visual and participatory techniques. These ideas should be used whenever it seems appropriate; there is no need for a special campaign or training program.

Introduction

Discussion Group Session 1

Goals for Session

- Introduce the discussion group participants
- Introduce course concepts such as budget and expense categories
- Discuss basic principles of budgeting

Take Away Information

- Household spending and earnings
- Importance of spousal attendance

In Class

Introduce yourself and ask the participants to state their names and briefly describe themselves.

Briefly describe the concept of the discussion groups. Address the arrangements for attendance and structure. Unanswered questions about these practical matters will distract the group and interfere with the learning process. We suggest you include information about:

- How often the group will meet
- What the content of the discussions will be
- What they can expect to learn

Participants will likely ask you questions about specific content (such as budgets, spending, and purchases) that you will answer during the discussion sessions. Acknowledge the validity of the questions but do not try to answer them at this time. Instead, write down all of these questions and explain that they will be addressed during the different discussion groups.

Discuss and emphasize the importance of spouses attending. You want to focus on the importance of the content for household financial practices and that the value of that information may increase if both members are present

Key Messages:

The Discussion Groups are an important source of information about the financial decisions your household makes

Attendance at all sessions is very important

Attendance by both spouses is critical. Many exercises and discussions will focus around decisions you and your spouse make.

Day-to-day life

Discussion Group Session 2

Goals for Session

- Talk about organization of the household
- Discuss basic principles of budgeting

Take Away Information

- Household spending and earnings—differences from last week
- Each household member is an important contributor of earnings in the household

In Class:

1. Household economies can be very complex in terms of the activities and contributions made by the various members of the household. Life is characterized by patterns, e.g., of varying labor demand of

- varying food supplies
- varying money supply
- varying prices

Now do the household economy exercise. Each couple should draw a diagram. What does each person do? How do the roles vary by gender?

2. Everybody must plan to accommodate these patterns, e.g.,

- how should they use their time each day?
- how can they store or purchase enough food?
- how can they save or make more money?
- when should they sell or buy something?
- how do different feel about these plans?

3. Life is a constant series of choices, decisions and actions. However, people often do things without much thought and there is usually scope for improving the way they analyze situations and for reflecting more effectively on their problems and opportunities.

Key Messages:

- Women contribute many important and valuable resources to the household
- Women work very hard and in a lot of different areas
- Many people are often involved in every activity for money earning—the same can be true for spending

Example of a Household Economy

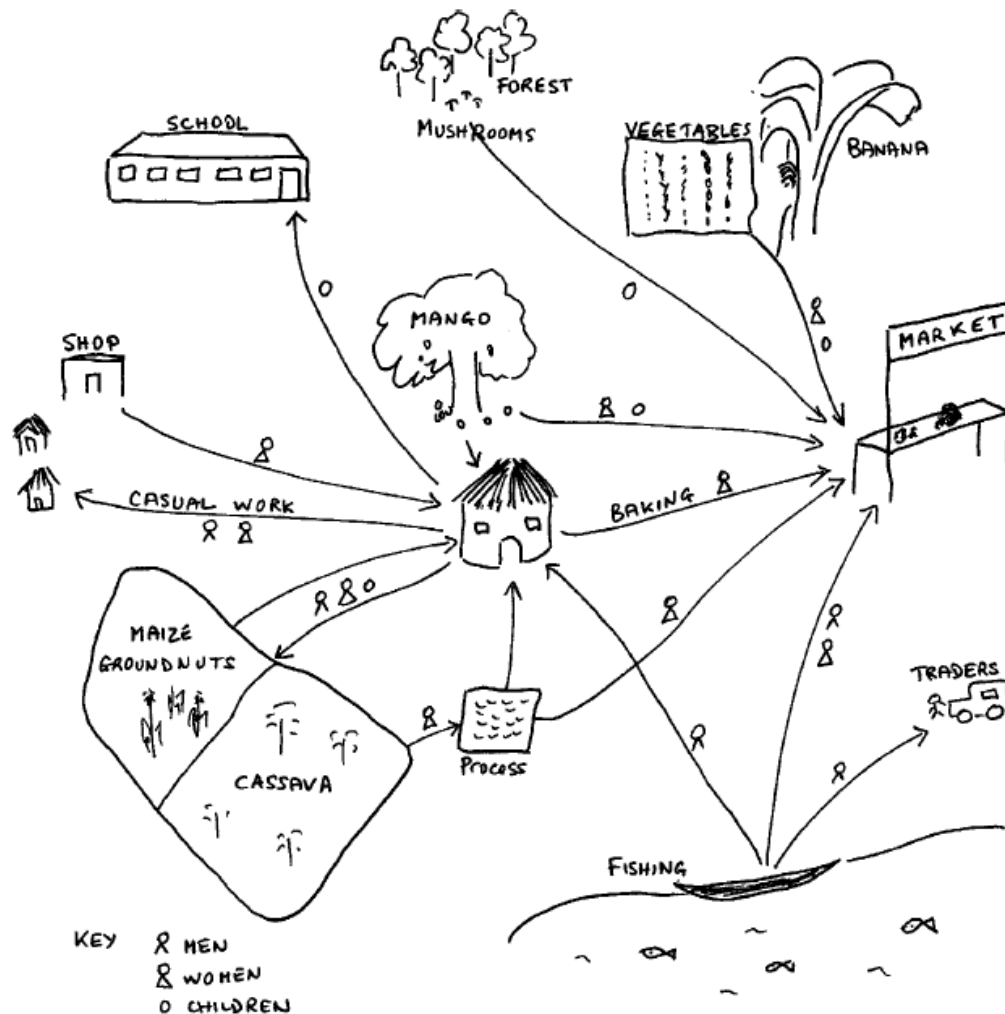
Objective: to get people talking about all the ways they generate income and satisfy their food requirements

Method: help people draw a diagram or map of their economy

Potential Discussion Topics:

- The variety of activities
- The role and interdependence of different household members
- The existence of conflicting demands which necessitates choices being made
- The relative importance of different activities
- The sources of cash income
- The degree of food security and self-sufficiency
- What they like and dislike about different activities
- What they would like to change if they could

Example:



Household Cash Flows

Discussion Group Session 3

Goals for Session

- Talk about the variability of cash income flows and cash spending requirements through the year.
- Introduce Basic Negotiation Concepts

Take Away Information

- Categories of earnings and expenses
- Basic negotiation outcome concepts

In Class

1. Thinking about cash flow over the year. Help people analyze the relative importance of different sources of income and different types of expenditure.

- What are the different sources of money? Who contributes to earning that money? Is this different at different times of year?
- Are there months with little cash? How do they cope with this? The easiest way to get this idea across to people is to make a cash balance chart like the one below.
- Are there times with a lot of cash? What happens to money that is not required at once? (This is another opportunity to discuss savings.)

2. A Cash Planning Story

In order to introduce people to cash flows and show them how they can be used to plan savings and to decide when something can be purchased, we are going to go over a story. Make up a story about a family's income and expenditure pattern fill out a cash tree together. Come up with symbols for a set of commonly consumed and used items. It is essential that a very simple example is used. Ensure the example enables discussion to take place about savings and different spending decisions.

Sample Example: Mulenga and Mary live in Kibago. Mary earns some income from selling cassava, while Mulenga is a fisherman. They have a few chickens and two goats. They have three children attending school. They would like to buy new furniture for the house this year, which will cost F60,000 and they are wondering if they can afford it and when they should make the purchase.

Now do the cash tree exercise. Each person should fill this out separately and then discuss the tree.

Key Messages:

- Women's work contributes a lot to income
- Some things we spend money on are for everyone and some only help certain members of the family
- Women's opinions are important when prioritizing expenses.

Cash Flow Tree

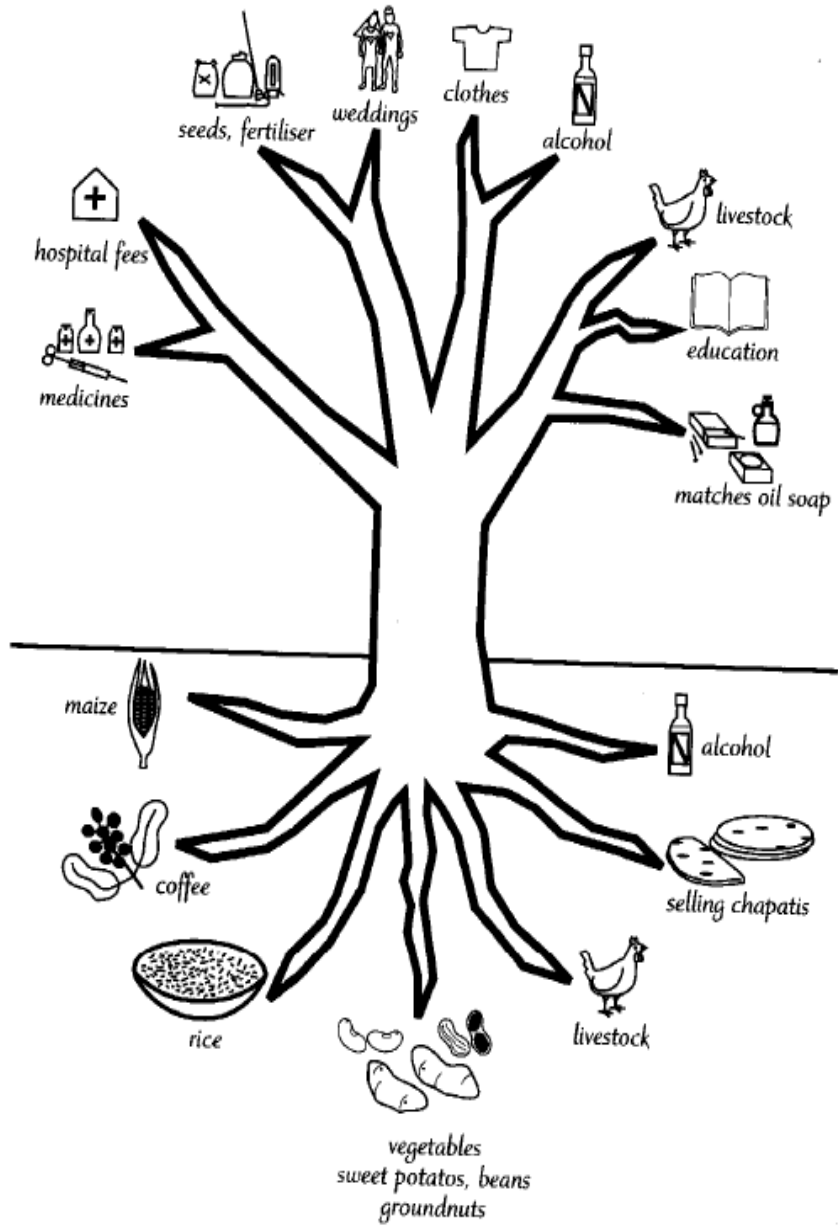
Objective: To get people to identify all their sources of cash income and think about the ways in which the need to spend money

Method: Draw a tree and explain that just as water is drawn into the roots, up the tree and along the different branches, so money comes into a household and has to be channeled towards a variety of expenditures. Ask them to label the roots with their different sources of cash income and label the branches with different types of expenditures.

Discussion topics: The competing demands on money and choices to be made.

- The problems of prioritizing expenditure. You can ask people to put the most important items on the lower branches and those of less importance on the higher branches. This generally leads to much debate and differences of opinion.
- Are cash incomes combined in the household – in which case, who decides what money should be used for? This is important when people have different opinions about what it is important to spend money on.
- Can one type of cash income be singled out for one type of cash spending? The answer should generally be no as income flows are diverted to whatever need is most pressing on any particular day. This is why it is silly to imagine that loan repayments will be made from one particular income source and this partly explains why people fail to make loan repayments.
- Where is money kept when it is not required immediately? This information is useful for initiating discussions about where and how people save money and the problems that they see in this, e.g., of safety and accessibility.

Example



Making Household Decisions on Spending

Discussion Group Session 4

Goals for the Session

- Introduce concepts of negotiation
- Review expenditures
- Discuss how decisions about spending are made

Take Away Information

- Major sources of spending
- Potential Conflicts about Spending
- How to prepare for a negotiation

In Class

1. Thinking about spending. Help people analyze what they spend their money on and where they might make different choices. For each couple, return to the cash tree and discuss:

- How important are these different things?
- Do you agree with your spouse?
- What are necessities? What are controllable expenses?

2. The importance of negotiation. Discuss how negotiation may be helpful in resolving disputes about how to spend money. Remind the participants of the four possible outcomes:

- **Win-Win:** Both participants in the negotiation get something they want or need, if not everything. They both have a positive feeling and are willing to negotiate again.
- **Lose-Lose:** Neither person involved in the negotiation gets what they want.
- **Lose-Win or Win-Lose:** One participant gets what he or she wants and the other gets nothing. The participant who loses might not negotiate again
- **No Outcome:** Neither person wins or loses. They decide not to negotiate again.

3. Preparing to negotiate: Being prepared to negotiation will increase the chances that you will get what you want. Women, more than men, tend to lack confidence in themselves which can make it more difficult for them to negotiate successfully. Emphasize that they can build confidence by preparing for the negotiation.

Discuss with the participants the following steps to prepare with the example from the market. Talk about different options in the later steps to help them understand the importance of walking away. This will be useful when we translate this to negotiation in the household.

- What do they want and why? Encourage them to think about their wants, needs, and interests, and concerns. Why do they want this? For what purpose?
Example: I want to get a good price when I purchase food in the market place. I have a limited amount of money to feed and care for my family and I must make it go a long way.

If I can pay a little less for food today, I will have some money to put into savings to manage emergencies.

- What are the interests and motivations of the other person? Knowing what the other person wants will help them find a “win-win” solution. A common mistake is to neglect to think about the position of the other person; understanding only their own interests can lead to failure. It is important to work alongside those with whom they are negotiating to find a suitable agreement for all. Questions the person with whom you are negotiating to understand his or her position and underlying interest.

Example. The seller also wants to get a good price. He has to cover his costs of supplies and running a business. He wants to make a profit so he can meet the needs of his own family.

- What are the possible agreements that will satisfy all parties in the negotiation? Recognize that you and the other person have difference. Think about all the possible options that will result in a positive outcome for everyone.

Example. The buyer wants a good price but she is also concerned with quality and availability of the product, ease of purchase, and transportation. The seller wants to do good business by having regular clients, beating the competition, getting paid in cash and reducing the time for each transaction. What are some areas of agreement?

Sample Answers:

- *If the seller lowers the price, the buyer will pay in cash instead of on credit*
- *The seller offers to lower the price if the buyer purchase more each time she buys.*

- What to do if you cannot agree? Negotiation does not always result in agreement. They should identify what alternatives they have if this happens. Knowing their options will make it easier to decide when to give up and walk away. The alternatives may not be as desirable but sometimes the only agreement possible is too unsatisfactory to accept and an alternative solution may be more appropriate.

Example The buyer thinks the price is too high and the seller does not offer any acceptable alternatives. What are some other resolutions?

Sample Answers

- *Buyer goes to a different seller (perhaps sacrificing on preferences for produce quality, variety, or appearance)*
- *Seller chooses not to sell to this customer*

4. Communication. There are two sides of communication: speaking clearly and listening carefully. They must decide what they want and clearly state their interests. They should think about how they want to say these things and use words that the other person will hear and understand. Then, they should listen closely to the other person. Sometimes it is difficult to really hear what they are saying because you are absorbed by your own ideas or think you already know what their intentions are, or are distracted by your own emotions. Keep the discussion focused on the issue. Don't let yourself get sidetracked in the negotiations by returning to the points of conflict. Try not to react to something the other person said that is not relevant. Bring the conversation back to what you want by restating the issue.

5. What are issues that family members argue about? How do these disputes get resolved?

Encourage participants to think of disagreements at home in the same negotiation context as the market.

- Similarities: Conflicting ideas and interests requiring a resolution
- Differences: A relationship involves acceptance, respect, trust, and different emotions
- Differences: Not transactional—this is about communicating what is important to you and understanding and valuing what is important to your spouse
- Issues for negotiation may include how money is spent and saving/planning.

Go over the example of negotiation in the home. Split the group up into men and women. Read the example. Discuss what the wife and husband did that was good and bad.

Key Messages

- Negotiation in the home is a useful way to resolve disputes
- Negotiations don't need to be transactional or adversarial—they can be about mutual respect and understanding
- Women often don't negotiate and men often don't listen. This leads to bad decisions and conflict.
- Respecting women's voices and understanding their viewpoint is useful for making decisions and is important because women's opinions are valuable.

Example of Negotiation in the Home

Topics for discussion

- How does this compare to how the participants and their spouses communicate?
- What happens when husbands and wives disagree?
- What are good ways to resolve a dispute?
When would it be better to “walk away”?
- What are alternatives to becoming angry and fighting/hitting/screaming?

Wife: I am worried that we do not have extra money to deal with emergencies. I would like to save more money with my savings group.

Husband: you just want to hide money away to buy new clothes

Wife: (acknowledges his feelings but sticks to what she wants). I see you are upset about my saving with the group. I want to find a way to help us avoid not having any money if our daughter gets sick, like happened to our neighbors. The group has an account at the bank. I can save small amounts and the money will be safe.

Husband: You are just changing the subject!! Pretty soon you will be buying jewelry with our money

Wife: (Not reacting to his outburst, staying on message): I love you and our family. I want to set aside some money for security. I see other families without any money when they have an emergency. I don't want this for us if the flood or sickness comes. Perhaps I can take a few pennies each week from the house money that I would normally spend for tea and keep it in the group savings account.

Husband: Oh, all right. We can try it and see what happens.

Major Purchases: Planning and Saving

Discussion Group Session 5

Goals for the Session

- Discuss major expenditures
- Review communication strategies
- Introduce savings and budget planning

Take Away Information

- How to plan to save
- How to discuss major household purchases and reach an agreement.

In Class

1. Thinking about large spending. Return to your cash tree.
 - What are big expenses that don't come around very often? How important are these expenses? How predictable are these expenses (e.g. school fees versus buying livestock vs. hospital visits)?
 - What kinds of unplanned cash requirements might arise? Medical expenses and funerals are common examples. How do they cope with these?

2. How do households decide about expenses Take an example: How would each household decide about buying a new goat? How would your household decide about spending money on hospital fees? Do you decide these things the same way?

3. Saving means putting something aside or investing in things you mean to keep as a store of wealth. This does not include buying goods for resale within a relatively short time period, which is more an income-generating activity than saving. Do the "Why Talk about Saving?" exercise as a group. Make a copy of the drawing and use it in a group discussion to encourage people to think about what they think is important about saving. What else might go on the drawing? What do their spouses say? Why might it be different?

4. Planning requires communication. Talk about how husbands and wives can decide together about the financial planning of their household. Review the negotiation tools from the previous session. Do the "Negotiation and Savings" exercise. Have each couple discuss the sample dialogues below. One example shows a good negotiation style the other a bad one. Ask the participants to identify which is good and which is not so good? Why? What could have been done or said differently?

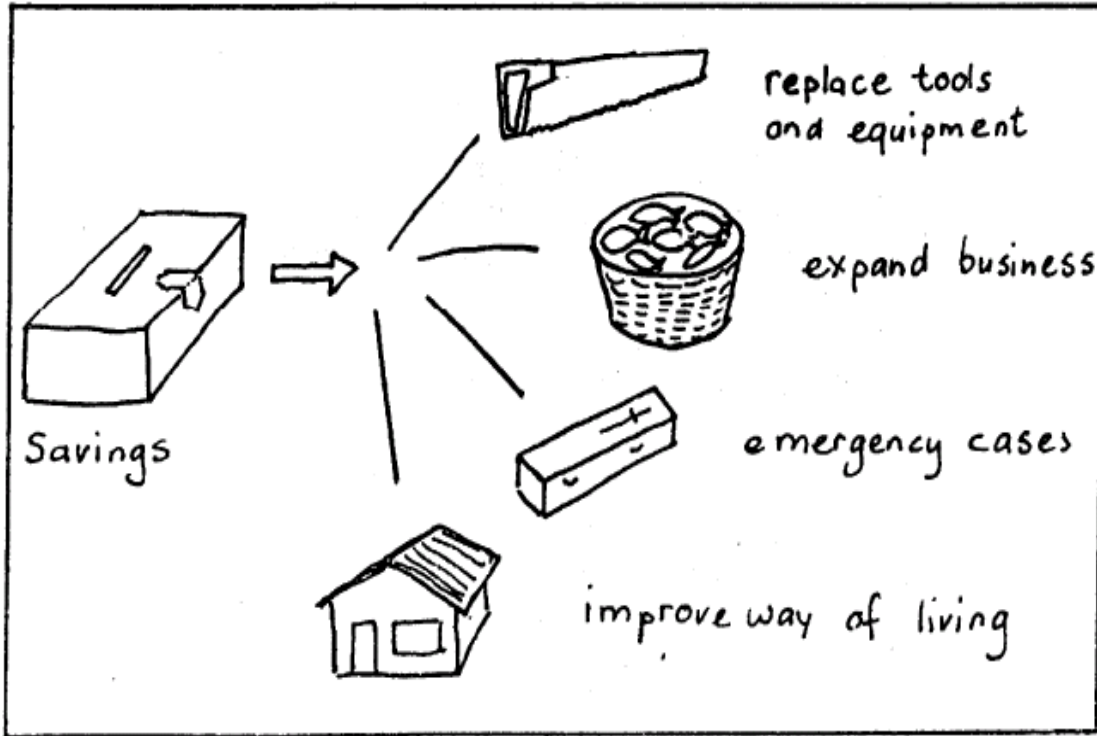
5. Take Home Assignment: Discuss your family's financial goals. Making a budget and planning to save makes it possible to not only better allocate money for day-to-day needs, but also to save money for unexpected emergencies or opportunities, and to invest money. In order to effectively plan and budget, husbands and wives need to discuss their income, expenses and preferences.
 - Discuss how to make a savings plan:
 - Set savings goals

- Figure out how much need to save over what period of time to meet your savings goals.
- Set a savings target.
- Figure out how much money is coming in and how regular it is.
- Identify which expenses you can cut back (such as alcohol and cigarettes) and reallocate this to savings
- Plan how much and how often you will save
- Keep track of your savings.
- Monitor progress and see how close to your goal you are getting.

Key Messages:

- Savings is important
- Different family members, and especially women, may value savings more and that should be listened to
- Planning how to save and what to buy is a family decision. Women's opinions need to be considered when making those decisions

Why Talk about Saving?



Good or Bad Negotiation?

Example 1.

Wife:	You spend too much money on alcohol and going into town. I don't have any money to buy food. What am I going to do?
Husband:	You drink too much yourself. You are not managing the money I give you well. We are poor, woman
Wife:	You always accuse me of these things while you are always away and we are suffering with a leaky roof.
Husband:	It is not my fault the roof leaks. I've fixed it a hundred times. The roof is old.
Wife:	You should find a way to repair the roof for good. We are so short on cash, now the children will not be able to pay their school fees.

Example 2

Wife:	I think it would be useful for our family to save more. More savings would help us put a roof on the house. You would not have to patch it so often.
Husband:	We have no money to save. We have difficulty meeting our expenses already.
Wife:	I understand we have problems meeting our needs. That's just it. We have to borrow and we end up owing even more money. I met a wise woman who said everyone should save for three months of expenses. What do you think of that?
Husband:	Three months? That is too much.
Wife:	Maybe we could try for at least one month to start. I think I can cut down on buying tea every time I go to the market.
Husband:	You are right that we always end up borrowing. I can cut down from three cups of tea a day to two.
Wife:	Yes, I think I can drink less tea and put that money in savings. I think I will use less oil in our cooking too.
Husband:	I will get a ride to the market with our neighbor once a week to spend less on transportation.
Wife:	Can we agree to put an extra 10 in savings each week?
Husband:	Yes, let's start this week.

Conclusion: Other household decisions

Discussion Group Session 6

Goals for the Session

- Review Budgeting and Savings Techniques
- Review negotiation Techniques
- Discuss applications to other decisions

Take Away Information

- Budgeting and planning
- How to discuss non-financial household issues

In Class

1. Review budgeting and planning skills: Budgeting and planning will be useful in the coming months. Discuss the take home exercise from last time:

- What might each household do with their savings?
- What alternatives do they have now when they are angry with their spouse's plans?
- Why is it important to listen to the other person? What happens if the other person is too intimidated to talk?

2. Review negotiation techniques: Emphasize the importance of communication. Open communication and negotiation is useful in a variety of settings. At home, husbands and wives might disagree about all sorts of things. The same techniques they use when deciding on financial issues can be used to decide other issues. Talk through an example about family planning. What if spouse wants more children but the other does not. Have each couple take one side and work through the negotiation answering each of the following questions

- What do they want and why?
What are the interests and motivations of the other person?
- What are the possible agreements that will satisfy all parties in the negotiation?
- What to do if you cannot agree?

3. Discuss when else negotiation techniques might be important and how the techniques facilitate better communication. Do the "Poster Story Exercise." The following series of picture tell a story about family planning. Using the pictures, tell the story to groups you are working with and encourage them to discuss all the points as you go through.

Key Messages

- Women's opinions matter in all areas of family life
- Responding to something you don't like with violence is not acceptable and isn't the best way to communicate your displeasure
- Listening and understanding what your spouse is worried about will help you reach better decisions than yelling and insulting.

Poster story



This is Aminta. She lives in a village in Burundi and is just like you and me. What do you imagine she is thinking about?

One of her big concerns is her children. She has four children and would like to make sure they have enough food and can go to school. Right now, she can't afford the notebooks and pens they need for school. She'd also like them to have better food.

Aminta works hard every day. She fetches the water, gathers the wood, does the laundry. Even though her husband earns most of the money, Aminta does a lot of work. She finds it difficult to get everything done and care for the children she has.

- How do you think Aminta spends her day? What types of jobs are her work?
- What do you think her husband does? What type of jobs are his work?
- Do you think Aminta has much spare time? What do you think she does during this time?
- How typical do you think Aminta is? Do you do other things?



Every week, Aminta goes to the market to get food for her family. Because her children are growing some much, she also needs to buy new clothes for them.

- How much time do you think she spends at the market?
- Why doesn't her husband go?
- What if she didn't have time? How could she ask her husband to help?

Aminta's husband wants to have another child but Aminta is too tired. She spends all day caring for her children and worries that she does not have enough money. Her husband loves having children at home and looks forward to taking his son to work with him once he is big enough. Aminta and her husband are arguing.

- Why is her husband angry? What is his point of view? Why might he want a child?
- Why is Aminta sad? What is her point of view? Why might she be worried about having another child?
- How might they communicate better?
- What are some potential outcomes?

