



# OPEN HANDS

Developing Community and Reducing Poverty Through Christ-Centered Savings Groups

December 2021

## WHAT ARE SAVINGS GROUPS AND WHAT DO THEY ACCOMPLISH?

*Merle Burkholder, Open Hands Administrator*

The focus of Open Hands ministry is Christ-centered savings groups in countries where Anabaptist mission organizations are working. We prefer places where Anabaptist believers can participate in the savings group programs.

Our savings group programs work best in under-developed and developing countries among people at the lower end of the economic spectrum. There are a few factors that tend to lead to successful savings group programs.

One of the conditions for the success of a savings group program is a lack of formal employment. When people are not able to find employment that provides them with a regular paycheck, they need to create their own source of income. Many people

start a small business in order to generate some income. They may be selling things along the street or producing small items that they can sell. Their income is irregular and unpredictable.

For these micro-entrepreneurs, access to capital is important. They can save enough money to cover the cost of the start-up of a micro-business, or they can get a loan from the savings group.

If a person has an income of \$500 per year and they get a loan of \$100 to start a small business, that business can potentially provide \$100 income in each following year. That results in a 20% increase in their income. If they are able to do this, it will make it possible for their children to attend school all year and have better nutrition.

*This year Open Hands began a savings group program in Thailand. This program partners with churches in Karen tribal villages. We are seeing groups being formed and people in the churches being blessed by the program. Here is a picture of Delvin Zimmerman with one of the Thailand groups.*

*As Thailand reduces COVID travel restrictions, we expect to see more savings groups formed in villages across Thailand. The existing groups are finding the program to be helpful to their families and their churches.*







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A second condition that makes savings groups successful is where people either do not have access to banking or banking services are too costly for the amount of money they have to save.

Some people live too far away from a bank to make banking feasible. In some countries, banks have fees that make saving small amounts of money impractical. A savings group provides a safe place to save money at no cost to the participant in these locations.

A third condition that makes savings groups successful is when people do not have access to credit or long-term aid programs.

Where people have access to reasonably priced credit, it is difficult to save. It is quicker and easier to borrow money and repay the loan. In the case of loan sharks who charge 100% interest per month, it can be almost financially ruinous to borrow money. Savings groups provide reasonably priced access to borrowed money.

Also, long-term aid programs, whether government-operated or mission-operated, can create an environment where people find it difficult to save. It is easier to accept the handout than to save. Yet, accepting the handout decade after decade has a detrimental effect on the well-being of a family or a community.

We have seen many people move from dependency on handouts to providing for their own families. We have seen many people get access to capital and start or grow a small business to increase their annual income.

Open Hands is committed to Christ-centered, Bible-based teaching that will guide people as they seek to provide for their families and give more funds to their church. We are not seeking to create thousands of materialistic entrepreneurs who just want to be richer. We are seeking to develop people who are better able to provide for their own families and give more to their church and those in their community who are in need.

***Open Hands hires and trains national staff to start savings groups and provide the teaching and coaching that the groups need. This is especially effective because it makes the program sustainable. These national group facilitators learn Biblical financial principles and are able to teach those principles to the savings groups.***

***The national facilitators already know the language, culture, and customs of the people in the savings groups. They are able to give appropriate teaching and guidance to the groups.***

***Pictured here are participants and trainers in a training that was held for national staff in Haiti. These men are now prepared to go out and start savings groups. It is encouraging that this training was able to be conducted without any non-Haitian trainers.***





*"If there be among you a poor man... thou shalt open thine hand wide unto him, and shalt surely lend him sufficient for his need." Deut. 15:7-8*

*In Asia, Open Hands savings groups include many children. These children are often saving for things that will be helpful to their families. Some are saving for things that will help them to be successful in school. They may be saving for a bicycle to help them get to school more easily or money for their school uniform or books.*

*Children who learn the discipline of saving for the things they need will carry that skill and habit throughout life. It will help them to be successful in other things in life. Also, when parents see what their children can do with saving, it encourages them to get into a savings group as well and save for the things they need.*



*Open Hands has a savings group program in the country of Nepal. Pictured here is a savings group whose members are part of a church youth group. Delvin Zimmerman has given leadership to the program in Nepal since it began. We have seen growth in both group numbers and savings in Nepal. It is especially encouraging to see young people begin a habit of saving early in life. This discipline will be of help to them throughout their lives.*



*Before Open Hands starts a savings group program in any country, we conduct a feasibility study to determine the viability of a program and the level of interest from the local people. In a feasibility study, we help people to discuss how they save and what they should be saving for regularly. We talk about what the Bible says about saving. We explain how the Open Hands savings group program works and see how many of them would want to participate in a program.*

*In this picture, Lyndon Swarey is making a presentation in a feasibility study in the country of Columbia. Open Hands is currently considering starting a program in Columbia. The majority of the participants would be refugees from Venezuela.*



*This savings group in Haiti, with 56 members, finished their savings cycle with a celebration. They saved the equivalent of \$6,600 USD and earned the equivalent of \$1,400 USD interest. They had the equivalent of \$8,000 USD to return to the group members at this meeting.*

*The Open Hands saving group program in Haiti has over 13,000 participants. In 2021 these participants will save the equivalent of over \$1,000,000 USD. They will also make loans to each other with a total value of over \$300,000 USD.*



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P. O. Box 180, West Milton, PA 17886

Phone: (570) 768-4580

OR

### Merle Burkholder

Open Hands Administrator

Phone: (570) 800-2123

Email: [office@openhands.org](mailto:office@openhands.org)

Web: [www.openhands.org](http://www.openhands.org)

## OUR MISSION

Open Hands supports conservative Anabaptist mission work by providing a Christ-based curriculum, financial teaching, and savings groups. While Open Hands does not provide money for loans, there are expenses for curriculum, paying the facilitators, and overseeing the program. If you endorse the work and vision of Open Hands, we invite you to partner with us. Your gift will help us expand the program and reach more people. Contributions are tax-deductible.

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