CERMi (Centre for European Research in Microfinance) was created in October 2007 at the initiative of the Centre Emile Bernheim (Solvay Brussels School of Economics and Management – ULB) and the Warocqué Research Centre (Warocqué School of Business and Economics – UMONS) in order to federate research projects in microfinance. It is based in Belgium (in Mons & Brussels) and has the objective to become a meeting point for all European researchers in microfinance. A complete description of CERMi (including an updated list of its members – permanent and associate) is available at www.cermi.eu. The present newsletter aims at informing the microfinance community of the activities led by CERMi’s members.

**News**

*A Research Agenda for Financial Inclusion and Microfinance*

Edited by Marek Hudon, Marc Labie and Ariane Szafarz, this book has been published by Edward Elgar.

Drawing on renowned experts in microfinance and financial inclusion, this Research Agenda sheds much-needed light on this multifaceted challenge and points the way ahead for future research. Providing a critical and multidisciplinary approach to research in microfinance and financial inclusion, the authors provide a state-of-the-art overview of current scholarly knowledge on the provision of financial services to disadvantaged populations worldwide. Reviewing the literature on the subject from the fields of economics, management science and development studies, they discuss the limitations and challenges of current research and chart avenues for future developments.

Visiting Professor

CERMi was delighted to welcome Professor Maitreesh GHATAK (London School of Economics, UK) from September 10 to September 17, 2019. Professor Ghatak is a leading academic expert on microfinance, poverty, nonprofits, property rights, and much more.

On September 11, Professor Ghatak gave a talk entitled "Why Do People Stay Poor? Testing for Poverty Traps using Experimental Evidence from a Randomized Capital Transfer Programme in Bangladesh". On September 13, a CERMi doctoral research day was organized in his presence.

New PostDoc researcher

Tristan Dissaux is a new postdoctoral fellow at the CERMi under the supervision of Professor Marek Hudon. Tristan holds a PhD in Development Economics from Lyon 2 University. His research focus on the critical study of ongoing transformations of money and finance. He investigates the role of monetary innovations for sustainable development, as well as how complementary currencies can help foster local development and social cohesion. Tristan carried out research in Kenya, Madagascar and Ghana.

Coming events at CERMi

► November 21-22, 2019 - International Conference on Complementary Currencies (Chairman: Prof. Marek Hudon)

The conference will take place on November 21-22, 2019, in Brussels, Belgium. It targets both academics and practitioners:

- November 21 (evening) - This social event closes the (E)change Bruxelles action-research project co-organized between the Université Libre de Bruxelles and Financité. It celebrates the emergence of the new Brussels local currency ‘La Zinne.’

- November 21 (afternoon) and 22 - Research seminar on the following themes: Complementary currencies (CC) and urban resilience, CC and civil society, technology and CC, CC and entrepreneurship, and ethics and CC.
Recent activities at CERMi

► September 25, 2019 – CERMi Seminar by Elena Reboul

"The gender of debt and the financialisation of development. Insights from rural southern India," by Elena Reboul (IRD-Cessma, French Institute of Pondicherry) at the Université Libre de Bruxelles (ULB, BE).

► September 11, 2019 – CERMi Seminar by Prof. Maitreesh Ghatak

"Why Do People Stay Poor? Testing for Poverty Traps using Experimental Evidence from a Randomized Capital Transfer Programme in Bangladesh," by Prof. Maitreesh Ghatak (London School of Economics, UK) at the Université Libre de Bruxelles (ULB, BE).


“Microfinance and Financial Inclusion: Facing Some Key Challenges”

Laure RADERMECKER (Warocqué School of Business and Economics, UMONS), under the supervision of Prof. Marc Labie (UMONS & ULB, BE).

► June 11, 2019 - CERMi Seminar by Alexander Pinz

“Organizing logics multiplicity in hybrid organizations – the role of organizational culture?” by Alexander PINZ (University of Mannheim) at the Warocqué School of Business and Economics (UMONS, BE).
Awards and Prizes

- The **2019 Warren Samuels Prize** was awarded to the article “Too Many Cooks Spoil the Broth: The Conflicting Impacts of Subsidies and Deposits on the Cost-Efficiency of Microfinance Institutions” authored by Anastasia Cozarenco (Montpellier Business School, France, and CERMi), Valentina Hartarska (Auburn University, USA) and Ariane Szafarz (ULB, SBS-EM, Centre Emile Bernheim, and CERMi, Belgium).

The Warren Samuels Prize is awarded by the Association for Social Economics (ASE) to a paper, presented at the Allied Social Science Associations (ASSA) Meetings, that best exemplifies scholarly work that is of high quality, is important to the project of social economics, and has broad appeal across disciplines.

The rewarded article (on [https://ideas.repec.org/p/sol/wpaper/2013-280911.html](https://ideas.repec.org/p/sol/wpaper/2013-280911.html)) evaluates how subsidies affect the cost-efficiency of microfinance institutions (MFIs) while accounting for endogenous self-selection into the business models of credit-only versus credit-plus-deposit MFIs. The findings suggest that unsubsidized credit-plus-deposit MFIs have achieved optimal capacity and therefore constitute the most cost-efficient group of institutions. In addition, the unsubsidized credit-only MFIs are the farthest away from their minimum cost. Between the two polar cases, there are subsidized institutions, among which the credit-only ones are closer to optimal capacity. The results reveal the redundancy between subsidization and deposit-taking in microfinance. Combining funds from donors and depositors tends to harm cost-efficiency.

- **Patrick Reichert**, former CERMi PhD student at Solvay Brussels School of Economics and Management, Université libre de Bruxelles, was recently recognized for his doctoral work on social finance by Emerald Group Publishing Ltd, publisher of the largest collection of international business and management journals, and EFMD, an international not-for-profit membership organisation with over 900 members from academia, business, public sector and consultancy. His work was one of 27 doctoral theses awarded highly commended status from more than 250 submissions. The Outstanding Doctoral Research Awards recognize the best doctoral research across ten categories, of which Patrick’s work was selected for the finance category sponsored by Managerial Finance.

Patrick’s work examines the tensions that a double bottom line approach places on social enterprises and the funding mechanisms that are used to scale up social enterprises with the ultimate aim of attracting commercial private capital. His first chapter, *A meta-analysis examining the trade-offs in microfinance*, is out now in *Oxford Development Studies* where it was recently awarded the 2017/18 Sanjaya Lall Student Prize for the best article written by a PhD student in the last two annual volumes of the journal. Another chapter, *What is a fair level of profit for social enterprise? Insights from microfinance*, is forthcoming in the *Journal of Business Ethics*. Patrick’s thesis was carried out under the joint supervision of Ariane Szafarz and Marek Hudon. Jury members include fellow CERMi members: Begoña Gutiérrez-Nieto, Marc Labie and Gregor Dorfleitner. Patrick Reichert is currently a Research Fellow in Social Innovation at the elea Chair for Social Innovation at IMD in Lausanne, Switzerland where his research focuses on impact investing, entrepreneurial finance and social innovation.
Dr. Simon Cornée (University of Rennes 1) has successfully obtained the highest French university degree named HDR (habilitation à diriger les recherches) under the title “Social Finance: value, capital, and governance [Finance sociale: valeurs, capital et gouvernance]”. The Committee included: Pierre-Yves Gomez (EM Lyon Business School), Benedetto Gui (Sophia University Institute), Marthe Nyssens (University of Louvain), Sébastien Pouget (Toulouse School of Economics), Hélène Rainelli-Weiss (University of Rennes 1), and Jean-Laurent Viviani (University of Rennes 1).
Recent publications

CERMi members are indicated by a star (*) after their name.

► Published and Forthcoming Articles

**Ashta** A., "Toward a realistic theory of social entrepreneurship (NGOs) grounded on microfinance research: Selling dreams to society", *Strategic Change* 28.4, 2019, 301-314.


Dissaux* T., "Socio-économie de la monnaie mobile et des monnaies locales au Kenya: Quelles innovations monétaires pour quel développement?". Présentation de thèse, Revue de la régulation. Capitalisme, institutions, pouvoirs 25, 2019


Ferry M., and M. Raffinot*, "Curse or Blessing? Has the impact of debt relief lived up to expectations? A review of the effects of the multilateral debt relief initiatives for low-income countries", Journal of Development Studies 55.9, 2019, 1867-1891.


Godfroid* C., "Relationship lending in microfinance: How does it impact client dropout?", Strategic Change 28.4, 2019, 289-300.


Guérin* I., "Résister à la financiarisation? Formes de mobilisation et de circulation de la richesse dans les campagnes indiennes", *Mouvements* 1, 2019, 113-120.


Servet* J.-M., "L’Économie sociale et solidaire. De ses fondements à son ‘à venir’ de Pascal Glémain (Ed.), Apogée, 2019”, *RECMA* 353.3, 2019, 140-142


**Books, Edited Books, and Chapters in Books**


McHugh N., O. Biosca*, R. Baker, F. Ibrahim, and C. Donaldson, "Innovating on methods to understand the relationship between finances and wellbeing", in Brulé G., C. Suter (Eds.), *Wealth(s) and Subjective Well-Being*, Springer, 2019, pp. 129-144.


► Working Papers


Aslanyan, G., V. Baghdasaryan, K. Khachatryan*, and A. Sadoyan, "Financial Literacy: How does it shape consumer financial behavior?"


Caballero-Montes* T., C. Godfroid*, and M. Labie*, "Cooling down an overheating microfinance market: are interest rate caps relevant?", 2019.

Chen S., N. Hermes* and R. Hooghiemstra*, "Institutional investor influence on executive-to-worker pay dispersion after the financial crisis: A replication and extension of Connelly, Haynes, Tihanyi,
Gamache, and Devers*, 2019, Best Paper Award, Corporate Governance SIG, European Academy of Management (EURAM) 2019 Annual Conference, Lisbon.


Khachatryan*, K., A. Grigoryan, and R. Mersland*, "Can savings serve as repayment incentives? Evidence from microfinance institutions”

Khachatryan*, K., A. Grigoryan, V. Hartarska*, and R. Mersland*, "Spatial impacts on MFI outreach and sustainability”

Li W., S. Homroy and N. Hermes*, "Forced to do good: Economic and social consequences of mandatory CSR regulation", 2019


Meyer M., B. de Bruin, O. Cherednychenko, N. Hermes* and M. Kramer, "consumer protection and financial advice seeking: Evidence from the Dutch commission ban", 2019


Recent and forthcoming contributions to conferences and seminars

**Caballero-Montes** T., **C. Godfroid** and **M. Labie**, VIIIèmes Journées Internationales de la Microfinance, *Cooling down an overheating microfinance market: are interest rate caps relevant?* Cotonou, Benin, December 2019.


**Copestake** J., **F. Remnant** and **G. Davies**, Qualitative Research Symposium, *Generating credible evidence of social impact using the Qualitative Impact Protocol (QuIP): the challenge of positionality in data coding and analysis*, 2019.


**Dipierri** A.A.* and **D. Zikos**, Sustainability and Development Conference, *Assessing the Role of Institutional Robustness to Guarantee Communal Farming Irrigation Systems Sustainability During Climate Change. Lessons Learnt from an Irrigation Dilemma Game in Northwest Argentina (Andes Region)*, November 2018, Michigan, US.

**Dissaux** T., 9e Colloque International de l’Association Française d’Economie Politique, *De la pensée à l’impensée monétaire dans les théories développementalistes*, Lille, France, July 2019.


Ledru* F-X., 6th European Research Conference on Microfinance, 

Ledru* F-X., Infiniti Conference on International Finance, 
_Are Impact and Socially Responsible Investing Different Investment Strategies?_, Glasgow, Scotland (United-Kingdom), June 2019.


Serres* C. and T. Dedeurwaerdere, 79th Annual Meeting of the Academy of Management, _When for-profits become commons-generating companies_, August 2019, Boston, Massachusetts, United-States.

Serres* C. and M. Hudon*, 7th EMES International Research Conference on Social Enterprise, _Towards the emergence of a for-profit social venture paradigm: the case of social companies_, July 2019, Sheffield Hallam University, Sheffield, United-Kingdom.

Serres* C. and T. Dedeurwaerdere, 7th EMES International Research Conference on Social Enterprise, _When for-profits become commons-generating companies_, July 2019, Sheffield Hallam University, Sheffield, United-Kingdom.

Serres* C. and M. Hudon*, Business & Society Research Seminar 2019, _Towards the emergence of a for-profit social venture paradigm: the case of social companies_, June 2019, Vrije Universiteit Amsterdam, Amsterdam, the Netherlands.

Serres* C. and M. Hudon*, 6th European Research Conference on Microfinance, _Toward the emergence of a for-profit social enterprise paradigm: the case of social companies_, June 2019, University of Paris-Dauphine, Paris, France


Serres* C., 1st PhD candidate-supervisor workshop between CERMi and CERSEM, *Social companies: a new “animal” within unconventional for-profit organizations*, November 2018, University of Agder, Kristiansand, Norway.


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