



The Tanda: An Informal Financial Practice at the Intersection of Culture and Financial Management for Mexican American Families

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Abstract

Tandas, the Mexican variation of lending circles, are an informal financial practice used among Mexican American communities. Tandas are an important asset in families' resource management strategies, yet the practice is largely unrecognized in the resource management literature and devalued by traditional financial institutions. A qualitative study was conducted to investigate tanda participation of twelve Mexican American individuals across the midwestern United States. This study aimed to develop a better understanding of participants' motivations to enter, the other financial management strategies employed by participants, and the tanda's significance to family resource management. Findings revealed that participants' motivations to participate in a tanda relate to financial accessibility and cultural preferences; participants utilize a range of complementary financial management strategies concurrently with the tanda; and participants perceived the tanda as conducive to their family's financial goals and well-being, despite acknowledging the risks associated with participation. Developing a better understanding of the tanda provides insights into the ways culture serves as a conduit through which family and individual goals are realized, financial capability is bolstered, and uncertainty wrought by economic and political contexts is reduced.

Keywords Family resource management · Tanda · Culture · Accessibility

Introduction

Underrecognized by traditional financial institutions, the tanda is an informal financial practice on the periphery of the mainstream but at the center of the financial lives of immigrants (Velez-Ibañez, 1983). Specific to Mexican-origin communities, the tanda was brought over to the US during immigration as an important form of resource management (Velez-Ibañez, 1983) and community cultural wealth (CCW; Yosso, 2005). CCW embodies an array of knowledge, skills, and abilities that communities of color use to survive and resist macro and micro forms of oppression.

Immigrants to the US are often confronted with oppressive economic realities based in racial capitalism, where an individual's racial identity determines their economic and social value in ways that commodify, exploit, and dispose of nonwhite racial identities while simultaneously centering and institutionalizing whiteness (Friedline et al., 2022; Leong, 2013). These racial capitalist forces create systemic barriers within financial institutions such as language barriers (Fontes & Kelly, 2013), fear of deportation (Padua & Doran, 2016), and an institutional culture based in formality that runs contrary to the collectivist cultural values of Mexican Americans (Saad-Lessler & Richman, 2014). The tanda is a fund of knowledge or pedagogy of the home brought over from its original cultural context that facilitates financial stability and well-being (Painter II & Qian, 2016; Flippen, 2020).

Providing access to capital for individuals who otherwise would not have access, the tanda demonstrates a mechanism for countering financial exclusion that uplifts and centers cultural funds of wealth (Velez-Ibañez, 1983; Caplan, 2014). In fact, the tanda may be one example of how the Mexican American values of *personalismo* (the value of warm,

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caring, trusting relationships; Davis et al., 2019), *confianza en confianza* (trust in mutual trust; Velez-Ibañez, 1983), and *familismo* (loyalty, reciprocity, and solidarity among family members; Marín & Marín, 1991) undergird CCW in ways that can be translated into financial resources. The current study focused on better understanding of the *tanda* as a financial and cultural resource.

Literature Review

Although the *tanda* is an informal financial practice specific to Mexican-origin communities, there are global variations generally known as lending circles. Lending circles typically constitute an individual with an urgent financial need, (e.g., the organizer), and trusted family or community members who fulfill the organizer's need with their collective contributions to a monetary fund. Lending circles provide the opportunity to obtain an interest-free loan and/or save money (Ardener, 1964; Velez-Ibañez, 1983).

Versions of the lending circle exist throughout the world and are known by various names to the communities that utilize them, including West Africa's *esusu*, central and east Africa's *chilemba*, South Africa's *stokfel*, Egypt's *gameya*, India's *kameti*, China's *hui*, Scotland and northern England's *menages*, and the West Indies' *susu* (Ardener, 1964; Calomiris & Rajaraman, 1998). Differences exist in terms of duration, organizational/cultural context, and fees incurred by the organizer (Ardener, 1964; Velez-Ibañez, 1983), yet the function remains the same—assisting others in times of need. Lending circles serve as sites of resilience wherein community bonds are leveraged, and solidarity established to help meet the needs of the collective, typifying the mutual aid and self-help that marginalized communities use to contend with various manifestations of social and economic disenfranchisement (Spade, 2020) through reciprocity, community-driven care, and redistribution of resources (Littman et al., 2022; Pycior, 2014).

Early scholarship investigating how the practice of lending circles bolstered social and economic development in rural communities across the globe was based in anthropology (Ardener, 1964; Fessler, 2002; Kurtz, 1973). More recently, lending circles as mechanisms of empowerment have been highlighted in the realm of social work as a practice that circumvents predatory lending (Caplan, 2014) and develops financial capability through community-based banking alternatives (Saad-Lessler & Richman, 2014; Servon, 2017). In fact, lending circles have recently garnered international acclaim as they have undergone a reformulation from their grass-roots origins into institutionalized financial products.

Arguably the most well-known are the Grameen Bank—a financial institution that lends small amounts of capital to

impoverished women in Bangladesh (Chowdhury & Somani, 2020; Light, 2021), and Mission Asset Fund, a San-Francisco-based financial nonprofit that offers interest-free loans through a digital adaptation of the *tanda* (Akana, 2021). These organizations represent a fraction of the proliferating peer-to-peer lending programs that have recently risen in popularity both in the US and abroad (Kear, 2016; Xu et al., 2021). One criticism, however, is that institutionalization changes the lending circle in ways that provide only transitory benefits, undermining its origins of community-based cooperation and empowerment (Dyal-Chand, 2011; Kear, 2016; Selinger, 2008).

The *tanda* is a strategy born out of economic necessity and sustained by the cultural values of those who participate. In the context of immigration, where immigrants' economic prospects are stymied by the confluence of racial capitalism and the threat of forced removal (Flores & Schachter, 2018; Gómez Cervantes, 2021; Melamed, 2015), Mexican Americans meet their financial needs on their own terms. Leveraging collectivist cultural values, centering experiential knowledge, and tapping into funds of cultural wealth carried over from their home country, they create access to financial capital (Danes et al., 2016; Saad-Lessler & Richman, 2014; Yosso, 2005).

Because the *tanda* is used to address a variety of distinct yet interconnected needs, it is emblematic of Yosso's (2005) conceptualization of community cultural wealth (CCW) that rejects Bordieusian interpretations of cultural capital in which White middle-class culture is the standard, and instead highlights the underrecognized strengths and resources utilized by communities of color. Thus, the traditional reading of cultural capital is expanded to include six unique expressions: aspirational, linguistic, resistant, navigational, social, and familial. *Aspirational capital* refers to the ability to maintain hopes and dreams for the future in the face of real and perceived barriers. *Linguistic capital* includes the intellectual and social skills attained through communication experiences in more than one language. *Familial capital* refers to those cultural knowledges nurtured among kin that carry a sense of community history, memory, and cultural intuition—expanding the concept of family. *Social capital* refers to the networks of people and community resources that provide both instrumental and emotional support to navigate society's institutions. *Navigational capital* refers to the social and psychological skills that allow communities to maneuver through social institutions. Finally, *resistant capital* refers to the knowledges and skills fostered through oppositional behavior that challenge inequality (Yosso, 2005).

The *tanda* exists at the intersection of culture and resource management and at the center of families' financial lives. Yet, how the *tanda* operates as a cultural fund that translates social, navigational, aspirational, linguistic, familial,

and resistant capital into financial resources is not well-understood. The current study aimed to shed light on this phenomenon using consensual qualitative research (CQR; Hill & Knox, 2021).

Method

Reflexivity Statement

I, the first author and principal researcher, am a first-generation scholar and the son of immigrant parents. Facing limited economic opportunities in their original Mexican context my parents made the difficult decision to traverse an unfamiliar world, navigating foreign social and economic systems, leveraging their vast and rich community connections to establish a modicum of stability. Throughout this process I was raised on the outskirts of a large, U.S., metropolitan city in an ethnic enclave inhabited predominantly by immigrants. Living in a demographically homogenous neighborhood exposed me to a variety of cultural values, community norms, and financial practices characteristic of the lived experiences of Mexican-origin individuals, including the *tanda*.

However, it was only when I left the confines of this community that I realized that practices, such as the *tanda*, were not standard. Only when I began to engage with the forces of academia, financial institutions and white middle-class society did I connect the *tanda* to institutionalized subjugation that keeps racialized communities from accessing forms of knowledge that are essential to achieving financial well-being.

My lived experiences have informed my strengths-based perspectives on the innovative resource management strategies of immigrant populations. My academic experiences and studies have informed my understanding of the contexts in which these practices arise and the limitations they are placed under. My scholarly interest in the collective responses of immigrant populations grew out of the dissonance between lived experience and scholarly hegemony that devalues practices that fall outside the purview of mainstream society. Situated within this intersection I hold a naïve assumption that my scholarship can bridge the gap between research and practice. However, I tread carefully in this endeavor so as to not recreate the settler colonial relationship imbued within much research on the economically disenfranchised that re-centers the privileged as the norm and continues to marginalize nondominant populations (Patel, 2015).

Participants

In accord with consensual qualitative research (CQR) which focuses on small samples of 13–15 relatively homogenous participants studied in depth (Hill & Knox, 2021), the current study included twelve Mexican American identified people, ages 23–49 who had participated in a *tanda*. Residing in three midwestern states (Minnesota, Wisconsin, and Illinois), eleven were cisgender women and one was a cisgender man. Five were born in the United States, and the rest immigrated to the country as adults; participants were not asked to disclose citizenship status, and no participant chose to do so.

Procedures

Recruitment and Selection

Participants who self-identified as Mexican American, who were over eighteen years of age, and who had participated in a *tanda* were included in this study. A research flyer was disseminated through social networks, including social media sites, Latino-specific listservs, and Latino-serving organizations over the course of two months in the summer of 2021. Fourteen prospective participants answered screening questions via email or phone call to assess their eligibility. One was ineligible due to being Ecuadorian, and another did not follow up to schedule an interview. The rest were given the option of a phone call or a Zoom interview. Twelve participants elected to be interviewed via phone call.

Interviews

To increase the potential richness of the data, semi-structured interview questions were developed. The interview protocol was adapted in Spanish to allow Spanish-speaking participants to be interviewed in their preferred language. Five interviews were conducted in English, and seven were conducted in Spanish ranging from 33 to 65 min long. The first author/principal researcher conducted all interviews and de-identified data by using the participants' self-selected pseudonyms.

Transcription and Translation

All interviews were transcribed verbatim in their original language using audio software. Interviews initially conducted in Spanish were back-translated into English using Microsoft Word's document translation tool. Seven interview transcripts were back-translated from Spanish to English. A cultural audit was conducted by a bilingual Spanish speaker and university Extension educator to ensure

linguistic equivalency (Sanchez, 2009). All participants were provided a copy of their individual transcriptions as a form of member-checking which was important to ensuring that participants' words were accurate.

Research Team

The research team consisted of three women and the principal researcher/first author. One team member identified as biracial (Mexican and White), and the rest identified as Latina. Having a racially diverse research team helped to decenter whiteness as a primary perspective for analyzing data. The feminist paradigm embedded in CQR provided guidance for sharing power and was discussed during the first research team meeting, where the team also discussed biases and expectations. The importance of team cohesion, working through disagreements, and acknowledgement of gender differences were also discussed. The research team varied in familiarity and experiences with tandas, and this variety helped develop a space where nuance and differing perspectives were encouraged.

Rigor

A senior researcher (the second author and faculty adviser) audited the research process. An African American woman with no experience in tandas, she assisted with ensuring integrity in the research design and monitoring rigor. For example, as previously mentioned transcripts were sent back to participants for member checking which according to Anfara and colleagues (2002) contributes to credibility in qualitative research. In addition, the research included purposive sampling and thick description to advance transferability (Anfara et al., 2002). The senior researcher/auditor also checked fidelity to the CQR process which includes code-recode strategies, peer examination, and triangulation along with reflexivity to advance dependability and confirmability of the research.

Data Analysis

CQR derives meaning using participants' words and text, triangulating information across interviews to identify common themes. Code-recode strategies involve categorizing data into domains, identifying core ideas, and synthesizing themes. Domains represent the first level of coding by segmenting data into broad subject areas (Hill & Knox, 2021). After an initial review of transcripts, the first author created a start list of domains which were independently reviewed by the auditor and then presented to the research team. The research team confirmed the initial domains before moving to the second level of coding—the identification of core ideas. Core ideas capture the essence of interviewees' statements

in fewer and clearer words (Hill & Knox, 2021). To identify core ideas, each research team member was randomly assigned four transcripts. Team members individually coded assigned transcripts and then met together to cross analyze each other's work, triangulating perspectives to reach consensus. During cross-analysis, the team rotated who spoke first to assist with sharing power. Afterward, the first author met with the auditor for an additional validity check of core ideas and to synthesize data into themes—the final level of coding. The audit resulted in the identification of a sixth domain focused on family, which seemed culturally-consistent.

Results

CQR resulted in the synthesis of 23 themes across six domains. Robust examples of cultural capital also emerged across domains (See Table 1). Each domain is discussed in detail below.

Domain 1 Getting Involved: Reasons, Motivations, and Influences

Participants described getting involved in a tanda to achieve a predetermined financial goal, from saving money to financing significant expenses that could also represent an urgent financial need. Aspirational and social capital were evident as tandas allowed individuals to maintain hope in the face of financial barriers by leveraging instrumental support from others in their community. For example, Jessica stated: "I know people who are urgent to join the tanda because something happened in their family or personal life, and they need money as soon as possible."

Tanda participation also connected to cultural values and preferences as highlighted by Marco who stated: "...it's a great tool... It is inside our culture. As Mexicans, the tandas since I remember have always been done." Other participants shared similar sentiments connecting the tanda to a sense of comfort and security, particularly as it occurs amongst friends and family. Representing not only social capital but familial capital, there was a reliance on cultural knowledge and mutual aid to facilitate individuals' capacity to nurture themselves and others in their immediate and extended family, where family was broadly defined to include kin. Participants were a resource to family members needing material and social support, and sometimes individuals became involved despite not having an urgent need. This dynamic is illustrated by Elizabeth who stated "For myself, [getting involved] was more to help my cousins because they're the ones that wanted it. So, it was more as a support system instead of lending money." Similarly, one participant

Table 1 Summary of Domains Identified Through Data Analysis

Domain	Themes	Cultural Capital
Getting Involved: Reasons, Motivations, and Influences	Helping family/kin, solidarity/culture Urgent financial need Financial security Desire to save and reach financial goals Lack of knowledge, access to, and/or trust in financial institutions	Aspirational Familial Social Resistant
Mechanics of the Tanda	Timing and duration Composition Trust/legitimacy Payment	Resistant Navigational Social Familial
Outcomes of Participation	Material Behavioral Psychological Social	Social Navigational
Perceived Risks	Trusting strangers Default, theft, and nonpayment Perpetual marginalization Burden of obligation Legality	
Other Financial Management Strategies	Tanda comparisons with banks Other resource management strategies	Linguistic Resistant
The Tanda and the Family	Achieving goals Spending limitations The Family Bank	Aspirational Familial Social Navigational

described how collectivist cultural values influence their decision to enter despite feeling reluctance:

“There are some times when I don’t feel like entering the tanda, but they tell me ‘Oh come on, it’s because I don’t have enough people to fill it, I haven’t filled the numbers...’ So sometimes out of solidarity too.” (Saori)

Finally, connecting to both navigational and resistant capital, tandas allowed participants to meet their financial needs without having to engage with financial institutions. With respect to navigating mainstream institutions, multiple participants discussed the inaccessibility of banks. For example, Martina stated that, “In southern Minnesota, there are no banks that speak Spanish, and it was needed to have confidence in the banks. So, I thought that the tanda was the safest.” Here, the tanda represented a source of resistant capital that created access in the face of linguistic inaccessibility.

Domain 2 Mechanics of the Tanda

Payment

Tanda payments were made either physically or electronically. The physical variation required the organizer to travel around town to collect and deliver cash payments. The electronic variation required that payments be sent directly to the

corresponding individual’s account through mobile banking apps. Jane stated that, “In the past, Mexican tandas required physical payments; now it can be electronic.” Electronic payments seemed connected to navigational and resistant capital where individuals exercised innovative agency within institutional constraints to meet their needs.

Duration

The duration of a tanda was contingent on the number of participants. If there were ten participants, there would be ten “rounds” wherein each participant received their allotment of the fund in accordance with the predetermined order. The “rotation” or order in which tanda payments were made, was determined among participants before beginning the tanda. Those with the most financial need received the first few spots, and the organizer was generally first. Individuals with less urgent needs (e.g., wanting to save, help family) were often randomized and filled up the middle spots. Sometimes individuals requested the last number(s) to end the tanda with a large lump sum. Marco summarizes the tanda’s order by saying:

If it is an emergency where you need fast money, the first numbers would be something preferential for you. To be able to buy something big, in about two or three months, the preferred thing is the last one because that

way you are giving money, and when the tanda is over, you receive all the money already together and spend it.

Requesting a specific date or spot in the rotation to align with an anticipated expense, exemplified how tandas could operate as a source of navigational capital for procuring resources for large purchases. This was illustrated by Saori who described how she leveraged two back-to-back tandas to accumulate a considerable sum:

I say ‘give me the last number, but for the next tanda you give me the first’ so it accumulates for me, and it is more money that way. It would be... five thousand. Then, it would now be ten thousand to whom they would give the last number and the first of the other. Then in less than a week I already have ten thousand dollars.

As a source of navigational and social capital and regardless of the amount or spot in the rotation, it was imperative for each participant to follow through with the payment. Lidia reiterated the importance of payment by saying:

Everybody has the chance to get what they put in, that’s why it’s so important for everybody to actually pay because you don’t want one person to have the five hundred and the third person to have only four hundred because someone didn’t put [sic].

Community and solidarity were elemental components of social capital in tandas.

Composition

Tandas were generally made up of individuals who knew or knew of one another. Leveraging the cultural assets of *familismo* and *personalismo* into familial and social capital, respectively, tandas were most often organized among family members, peers, co-workers, or a mix of the three, where a solicitation was circulated and interested individuals reached out to the organizer to secure a spot in the “rotation.” Tandas could also include strangers, but this was rare.

Participants frequently indicated that individuals must be familiar with one another as a prerequisite to enter a tanda. Highlighting familial capital, Lidia, stated that “two people from the same family have to be there or one of them has to know more people in the circle.” Family seemed to be the primary way values such as *confianza en confianza* were lived out in the tanda. Trust was essential to confer membership, where participants often entered the tanda because a trusted individual who was already involved vouched for them, but trust was also leveraged through existing social networks. For example, Cecilia entered a tanda organized among a network of co-workers and stated that: “There was

trust because we were around each other on a daily basis, we knew what the people were like.” Other participants fostered trust by participating in recurring tandas with the same individuals each time.

While most tandas were organized informally among friends and relatives, two participants mentioned participating in both the informal and formal variations of the tanda through community organizations. These were institutionalized tandas, wherein tanda payments were reported to credit bureaus.

Completion

Tandas generally disbanded once the “rotation” was complete, and everyone received their money. However, one participant described participating in a recurring tanda with her family—continually tapping into familial and social capital, where more people were recruited upon completion. Jane stated that “a tanda ends, and they’re like, ‘Who wants to do it again?’ and they grab more participants and the tanda starts all over again,” underscoring community, solidarity, and collective effort.

Domain 3 Outcomes of Participation

The building of social and navigational capital in ways that were material (e.g., money, credit), behavioral (e.g., habit of saving), and social psychological (e.g., empowerment, shared accountability, helping others) were primary outcomes of participation. For example, tandas provided access to capital to fund significant expenses that supported family and future aspirations. For Norma, the tanda allowed her to pay for her son’s braces. For Martina, the tanda allowed her “to buy [her] first books from college.” For Cecilia, the tanda helped her purchase a washing machine for her mother in Mexico.

Jane stated that, “Not only does it help you out, but you’re also helping everyone out. Everyone is technically saving, it’s a community thing, really.” Elizabeth stated that, “being in the tanda makes you more reliable because you’re like ‘okay I have to do this because other people are counting on this,’ so I can’t spend the money on stupid stuff.” Delaying gratification and helping others were ways that people built navigational capital while being a source of social capital. Interestingly, for some the pressure of having other people depend on them was a stressor.

For Cecilia, being a source of social capital fed into navigational capital: “Since I did not have the habit of saving for myself, it was easier for me to have someone asking me for the money.” Similarly, Lidia described how the obligation of payment pushed her to grow her skills in saving money:

It taught me that you're putting money towards a tanda, and you're broke, but you're still pushing through... if I had that money for myself, then I would've been like 'oh I'm broke' ... and at the end of the day, with the tanda, I was broke but I made it work, and now I have this amount of money available."

Social and psychological skills such as a habit of saving, were important ways the tanda built navigational capital. For example, Elizabeth said: "It just got me to be reliable... It made me realize that I have to budget because I wouldn't pay attention to that before." In a similar case, Yanette mentioned that participating in a tanda helped her develop a habit of saving even after the tanda concluded; she said, "Imagine that today the tanda is over, and it starts again in eight days. Then, you've still saved the money. It's like you are getting used to it, even though you do not give it. You are developing a habit." Maria described the tanda in an empowering way: "It's really the power of saving money. That's why I sometimes like to use the last spot, so I don't spend the money right away."

For some the tanda was a bridge to more traditional financial institutions. For example, Martina talked about how the tanda helped build confidence for utilizing the banking system. She stated that "the tanda was a reminder that you can save, you can do it. It was beneficial for me. If I hadn't participated in the tanda, I wouldn't have gone to the bank." Similarly, Jessica reported that tanda participation helped her develop enough financial knowledge to stop participating in tandas altogether. When asked if she would ever enter a tanda again, Jessica said: "Honestly, no. I became financially knowledgeable... I became smarter with my money, and now I feel totally confident about how I handle my own savings." Furthermore, navigational and aspirational capital could be linked as Jane illustrates below:

The money that we got at the end... we put it in a savings account... also for the baby, I do want to get a college fund, a savings fund, or if stuff hits the fan, I want to have a security net for both of us.

Along those lines Lidia described the tanda as "kind of like a safety net," where individuals drew on the tanda to maintain hope for the future, despite not having the objective means to attain those goals in the present moment.

Interestingly, there was a concern that tandas might perpetuate marginalization by decreasing use of mainstream financial products in favor of participation in this long standing culturally-sanctioned practice. Jessica stated that "I don't think [participating in tandas is] beneficial for us because we are not teaching the next generation, who are born here, and who do have a lot of benefits." Jessica went on to link tanda participation to lack of financial knowledge and marginalization:

I think it's a lack of knowledge, like when you walk into a financial institution you might not be taught... And you just go to a teller and deposit, but no one takes the time to explain something to you.

However, in general participants demonstrated an increase in navigational capital (rather than a decrease). In fact, in cases like Yanette's, the tanda built navigational capital by helping to build credit. This was an institutionalized version of the tanda by a Latino-serving financial organization where a non-profit embedded the practice into their operations allowing the tanda payments to be recorded and submitted to credit bureaus which positively influenced the participants' credit scores. With the help of the financial institution, Yanette was more able to maneuver through the formal credit system and improve prospects for future financial access.

Domain 4 Perceived Risks

Discussion of risks was the one domain where no forms of Yosso's (2005) cultural capital were identified. Risks included: placing trust in others, losing money via default or theft, the burden of obligation, concerns over the legality of tandas, and fear of perpetual marginalization. The possibility of not being paid in full, even if the tanda occurred amongst individuals who know each other, was a concern. Maria illustrated this by saying that "[The tanda] has no real security... you do not know if that person takes the money and is not seen again." Along those lines, Lidia discussed times when "there was a lot of hesitation, but at the end of the day, they didn't miss [their payment]."

Participants frequently referred to the risk of losing money through nonpayment, where nonpayment could result from someone's inability to make their contribution, someone receiving their sum and disappearing (theft), or a disbanding of the tanda altogether due to extenuating circumstances. Instances of nonpayment described by participants were most often secondhand accounts where participants personally knew of an individual who experienced nonpayment or heard about such instances from others. Responses to nonpayment varied by tanda.

Only two participants indicated that they experienced an instance of nonpayment. Yanette described a situation where someone did not make their contribution and the organizer "did not give us the money in full, she had to give it to us in parts because someone left." Often it seemed that the tanda organizer was expected to bear the financial responsibility for missed payments. This scenario was illustrated by Norma, who reflected on an instance where her sister organized a tanda and experienced theft:

It was a man's turn who was supposedly known, and he ran away with the tanda... the person in charge has

to continue paying... so [my sister] had to pay it. If someone did me wrong, what would I do?

Extenuating circumstances were also a concern. Maria reflected on the worries she experienced when the Covid-19 pandemic paused her *tanda*: “What happens if it is not reactivated? We already gave 500 dollars.” Maria described how all participants agreed to pause the *tanda* because several of them could not continue making payments due to job loss or reduced hours stemming from the quarantine restrictions.

With respect to marginalization, two participants raised concerns that participation in a *tanda* prevented participants from legal recourse. Martina illustrated this risk when she recounted an instance of theft in a *tanda* she was involved in: “a lot of times people don’t say anything out of fear... People think that, because of their immigration status, they cannot say anything.” A second participant, Jessica, described her concerns about the *tanda* preventing individuals from learning more about banking. When asked about her thoughts on why individuals choose to partake in *tandas*, she said:

It’s the lack of comfort that Latinos have with becoming knowledgeable about their finances. We don’t take the time to inform ourselves of how we can make more money... Because we’re nervous that maybe someone is going to lie to us about the process.

Along those lines, two interview participants raised concerns about the (il)legality of *tandas*.

Domain 5 Other Financial Management Strategies

In spite of the risks, *tandas* were a pedagogy of the home—including cultural and linguistic capital and aligned with cultural values such as *personalismo*, *familismo*, and *confianza en confianza*—where cultural congruence seemed to lead to more comfort and security than the impersonal and individualistic nature of banking. Participants identified *tandas* as a component of Mexican culture that felt safer and more accessible than a bank. Jane illustrated this difference when she said: “There is no big building where you come in. You do it with family and friends, it’s something more relaxed.” The informality and *personalismo* seemed to remove barriers. Saori spoke to this point by saying: “At the bank, they ask you for everything. And in the *tandas* outside, no... because the *tandas* do not ask you for absolutely anything. Just that they know you and that’s it.”

The interest-free loan was also an attractive part of *tandas*. For example, when Norma talked about the reasons that people prefer to utilize the *tanda*, she stated:

When you organize [a *tanda*] it is because you need the money quickly instead of going to a bank. It is money that one needs, and you do not have to go to the bank and ask for it to be lent to you at interest.

In this way, *tandas* seemed to serve as a site of resistance by allowing members to realize their financial needs on their own terms and based in their own cultural values, where perspectives on interest were nuanced. For instance, while people generally viewed interest on loans negatively, they recognized the benefits of interest on savings. For example, Cecilia brought up the differences between keeping money in a *tanda* or a savings account by saying, “To put the money in a bank account, it is generating interest. And having it on hand, it is wasting and has nothing in return.” Recognizing the legal protections associated with more traditional, impersonal banking, Marco stated that “[The *tanda*] doesn’t compare to the security a financial institution will give you.”

Interestingly, participants described a variety of financial management methods that they used concomitantly with the *tanda*, such as budgeting and operating bank accounts. Multiple participants described operating a checking account. Two participants described operating and contributing to retirement accounts, and two others mentioned participating in the stock market. There seemed to be a both/and (i.e., culturally-specific and engagement with mainstream products) approach to finances.

Domain 6 The *Tanda* and the Family

With familial capital at the center of this culturally-specific practice and *familismo* at the center of Mexican American culture, *tandas* were described as a “family bank” that benefited the whole family and operated as a teaching tool for children, satisfying participants’ cultural values, familial obligations, and financial needs. Elizabeth, who entered the *tanda* to help her cousins meet their financial goals, said that participating in the *tanda* “is something beneficial not only to myself but for others near me. It was helping pretty much everyone achieve their goal.” This sentiment was also shared by Norma, who said that the benefit of the *tanda* was distributed among her family: “You use the money for the family. Normally I believe that when you do a *tanda*, what you will receive is for the benefit of your family.”

This included achieving family financial goals and building aspirational capital. For example, Saori stated that, “We started to see what we wanted as a family... to have our own business and stop working for other people.” Moreover, participants with children described how the *tanda* forced them to abstain from excessive spending on toys, eating out, or going to parties so that they could meet their financial obligation. Saori illustrated this experience in the following quote:

[The *tanda* requires you] to save money for when you need it. So, you limit yourself from spending... as a mother, you say ‘oh this is a very pretty doll, I have to

buy it.' Then you enter that, and then it's 'no, because I have to give a tanda.'"

Maria described how she used the tanda to teach delayed gratification, arguably building navigational capital for her children:

Those who are impacted are the children because they are used to being like, 'Mommy are we going to go to eat?' or 'are we going to the mall? let's go here.' But when we explain what is going to be the goal, they say 'ah, ok.' Then like the prize, they know that it will be big... It's going to be worth it.

Marco discussed the tanda as creating space to talk about finances as a family: "it's familial because everything is talked about. It is money that, if we remove a peso from here, or a peso from there, it affects the family economy. It's always a familial issue."

Discussion

The tanda seemed to be an important way community cultural wealth (CCW) is translated into financial resources for Mexican Americans. In fact, nearly all aspects of Yosso's (2005) cultural capital could be theoretically triangulated in participants' responses to getting involved and participating in tandas, most notably social, aspirational, navigational, familial, and resistant capital. For example, the tanda provided a mechanism to act on aspirational capital or hopes and dreams related to financial and material goals by leveraging social and familial networks. As a pedagogy of the home and source of resistant and linguistic capital, the tanda provided access to financial resources for those who otherwise would not have it and multiplied navigational capital as people could leverage multiple tandas to access considerable sums in a short period of time. Navigational capital included developing saving habits and feelings of financial empowerment that could be a bridge to utilizing more traditional financial institutions. In institutionalized tandas that reported payments to credit bureaus and built participants' credit scores, the bridge from the tanda to traditional financial products was even more evident.

Although the tanda seemed to be a resource-rich, culturally-congruent practice in which participants could realize family financial goals, it was not without risks primarily related to theft and nonpayment. While most participants raised concerns about the possibility of theft or nonpayment, only two recounted instances of nonpayment. This is consistent with the literature where theft or nonpayment is rare and tends to end in financial restitution to participants in ways that underscore the organizer's trustworthiness (Velez-Ibañez, 1983).

Importantly, even though risk is an innate property of lending (Light, 1973), the tanda's social and cultural parameters select against dishonesty by restricting membership to trusted individuals including family and kin, demonstrating how *familial capital* helps mitigate risk and ensure the achievement of participants' goals. Additional cultural assets of the Mexican American community, such as *personalismo* and *confianza en confianza* facilitated the development of and access to the social, navigational, and resistant capital undergirding the existence and operation of tandas. In short, cultural trust and community solidarity were the glue that held this practice together and mitigated the risks of participation. In fact, community solidarity or feeling responsible for meeting the financial needs of others in the tanda was an identified stressor for some in the study, where people alluded to the social pressure of not letting others down which was not present with traditional savings accounts (i.e., putting money in the bank).

Implications

Warranting further discussion is the tanda as a source of resistant capital that draws from the cultural values of *personalismo*, *familismo*, and *confianza en confianza* to create trust and center personal relationships in ways that are contrasted with impersonal banking in which trust is based in legal contracts that are often written in English and may not be linguistically accessible. In other words, unlike racial capitalism, tandas resist dehumanization, the denigration of racial and ethnic identity, and a devaluing of human relationships in favor of the accumulation of capital. Instead, and perhaps mitigating perceived risks in ways that may be difficult for cultural outsiders to grasp, this pedagogy of the home centers social connections and kin (i.e., social and familial capital) and organizes financial resource management around Mexican American culture in ways that feel relatively familiar and safe to the insider despite the absence of legal protections. Countering the deficit-based, exploitative narratives abundant in racial capitalism, the tanda is a site of collective resistance, where relationships between selves, others, and institutions are reorganized in favor of the very communities excluded and marginalized. This culturally-specific practice creates space for diverse ways of knowing upon which Mexican American identities are assets linked to CCW and an abundance of capital (e.g., social, linguistic, navigational, aspirational, familial, and resistant).

With implications for reshaping financial goods and services in culturally-congruent ways, better understanding how practices such as the tanda translate CCW into financial and material resources is ripe for exploration. In the current

study, there was some evidence of access to culturally congruent financial products already occurring within institutionalized tandas. Continuing to uplift these culturally-specific, inclusive practices has important implications for decentering whiteness as the standard in financial systems that perpetually marginalize others.

Limitations

While generalizability is not the goal in qualitative research, these findings are limited in their applicability to tandas in other states, countries, and ethnic-minority communities. Additionally, the experiences of participants who elected to participate in this study may not align with those who may have had subjectively worse-off experiences and elected to refrain from participating in the study. Additionally, the study's overrepresentation of women may skew the composite experiences reported by participants. Providing limited insight into male participant experiences, the oversampling of women in this study may also speak to the gendered nature of financial management within the Mexican American community.

Conclusion

This study highlights a long-standing resource management strategy that exists at the confluence of social, political, and economic circumstances and is facilitated by the collective responsibility and counter-sovereignty of communities who are excluded from the financial mainstream. The tanda provides Mexican Americans an opportunity to contend with the hegemonic forces (i.e., racial capitalism) that create and maintain the disparate social and economic conditions that exclude them and stymie their economic prospects. Highlighting and uplifting this “informal” practice on the periphery of the financial and cultural mainstream, yet at the center of families' financial lives, exemplifies how Mexican American communities leverage their community cultural wealth to overcome barriers and pave their own way forward, in and around the very institutions that exclude them.

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Data Availability The data that support the findings of this study are available from the corresponding author upon request.

Declarations

Competing Interests The authors have no relevant financial or non-financial interests to disclose.

Ethical Approval This study was granted approval by the Institutional Review Board (IRB) University of Minnesota Twin Cities (IRB project number #13010) and the study was performed in accordance with the ethical standards as laid down in the 1964 Declaration of Helsinki and its later amendments.

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