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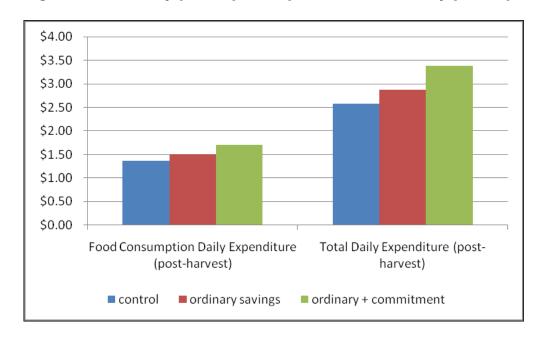
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Saving the Poor

Last week Melinda Gates announced new funding of \$500 million for micro-savings services in the developing world. In her speech she cited research being conducted by IPA on commitment savings accounts in Malawi. These accounts have had huge huge impacts, increasing bank deposits, farm investments, and ultimately consumption.

Farmers offered the commitment savings account (which allows the farmer to freeze the funds until a date of their choosing), could afford to spend 25% more on food than the control group not offered the account.

Figure: Total Daily per Capita Expenditure and Daily per Captia Food Expenditure



For more details, check out the <u>IPA project summary</u> or the <u>Gates Foundation</u> briefing note.



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