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Mobile Money and the Human Economy: Towards Sustainable Livelihoods for Zimbabwean Migrants in South Africa

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Abstract

This article explores ways in which Zimbabwean migrants in South Africa send, receive and give money through mobile technological innovations. Specifically, the article looks at how the unbanked people access and manage money in their daily lives. Most of these migrants are undocumented and find it difficult to open accounts as financial institutions require certain specifications such as proof of residence, (local) identity cards, work permits, traceable physical addresses and three current consecutive months' payslips. However, with the advent of mobile money, these migrants can easily relay money to Zimbabwe which records a high influx of remittances which are sustaining an ailing economy and improving the livelihoods of the people. The article also demonstrates ways in which the (un)banked are excluded or included in the transaction of money through social networks, kinship ties, solidarity relationships and other forms of non-monetary exchanges. In addition, it analyses the extent to which mobile money has impacted on social, economic and political relations of the unbanked. Using qualitative methodology, I also illustrate how mobile money improves the unbanked's access to money and enhances the creation of a society with the attributes of a human economy with reduced inequalities.

Résumé

Cet article explore les moyens par lesquels les migrants zimbabwéens en Afrique du Sud envoient, reçoivent et donnent de l'argent par le biais d'innovations technologiques mobiles. Plus précisément, l'article examine comment les personnes non bancarisées accèdent à l'argent et le gèrent au quotidien. La plupart de ces migrants sont sans papiers et ont des difficultés

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à ouvrir des comptes car les institutions financières exigent certain documents tels que la preuve de résidence, la carte d'identité (locale), le permis de travail, l'adresse physique effective et les bulletins de paie de trois mois consécutifs. Cependant, avec l'avènement de l'argent mobile, ces migrants peuvent facilement transférer de l'argent, le Zimbabwe enregistrant ainsi un afflux important d'envois de fonds qui soutiennent une économie en difficulté et améliorent les moyens de subsistance de la population. L'article montre également comment les personnes non bancarisées sont exclues ou intégrées dans les transactions financières par le biais de réseaux sociaux, de liens de parenté, de relations de solidarité et d'autres formes d'échanges non monétaires. En outre, il analyse l'impact de l'argent mobile sur les relations sociales, économiques et politiques des personnes non bancarisées. Je montre comment l'argent mobile améliore l'accès des personnes non-bancarisées à l'argent et renforce la création d'une société dotée des attributs d'une économie humaine avec des inégalités réduites.

Introduction

Almost three-quarters of the adult population in developing countries do not have direct or easy access to formal channels of saving, sending and receiving money (Demirguc-Kunt and Klapper 2012). India, for example, for the past decades, used to have a one bank account per household policy and this meant that only the husband had the privilege to open an account (Singh and Bhandari 2012). This situation is not only true for India but also for many countries in the Global South. Financial exclusion is prevalent in most developing countries such as Bangladesh, Lesotho, the Philippines, South Africa and Zimbabwe, just to mention a few. Although previous research has focused on improving financial inclusion for the unbanked, little has been done to explore the subjective financial lives of the unbanked and financial knowledge among them. While it is true that financial inclusion policies target marginalised and vulnerable groups in communities, such as the disabled, women and children, most studies indicate that males still dominate financial decision making in communities and individual households.

This article focuses on the (un)banked Zimbabwean migrants in South Africa. The ill-performing Zimbabwean economy, coupled with the global financial crisis of 2008 triggered a massive exodus of nearly over million Zimbabweans to South Africa (Makina 2010). However, these migrants found (and still find) it difficult to open an account with banks and other financial institutions in foreign countries, as they do not possess the required documents[1]. It is, for example, estimated of more than two million Zimbabwean nationals in South Africa at the moment (UNDP 2010), only 250,000 have legally recognised documentation. However, those who have legal documents still find it difficult to open accounts with formal financial institutions, let alone send and receive money, because of stringent requirements demanded by most financial institutions in South Africa. In addition, formal channels of sending or receiving money such as Western Union and MoneyGram are prohibitive because these institutions charge exorbitant fees and flat charges for sending even small amounts of money. Because of limited and irregular financial sources, migrants find these formal channels of sending and receiving money unreasonably exclusive for the elites or those who have formal employment and permanent residence status in South Africa. As a result of these stringent measures taken by financial institutions to monitor remittance flows, migrants resort to informal channels of accessing money.

The advent of mobile money in Zimbabwe was a great relief for the unbanked. This is because the success of mobile money such as M-PESA (*m* for mobile and *pesa* for money in Kiswahili) in other countries such as M-PESA (*m* for mobile and *pesa* for money in Kiswahili), launched in Kenya in 2007 by Safaricom, boosted migrants' confidence in adopting mobile money as an alternative channel for sending and receiving remittances. While the less privileged do not have access to bank accounts, over 60 per cent of these people had mobile phones by 2008 (GSMA data for 2008).[2] Aker and Mbiti (2010) also submit that mobile phone usage has increased in sub-Saharan Africa: for example, over 75.6 per cent of Zimbabwean adults have access to mobile phones (Gallup 2012). With the introduction of mobile money, one can easily send or receive money as long as the person has a valid phone number. For that reason, mobile money is cheap, efficient and is within the reach of the marginalised and peripheral communities.

In South Africa, for example, Eco-Cash and Mukuru.com mobile money facilities offered by Econet mobile network in partnership with selected banks and retail outlets in Zimbabwe became the most popular ways of sending and receiving money to and from Zimbabwe. Although much has been written on M-PESA, very little academic research on mobile money has been conducted (Maurer 2011) and this (to my knowledge) is also true for Zimbabwe. Even though these migrants have easy access to sending or receiving money, there is a need to explore ways in which mobile money excludes the (un)banked. There are evidently new forms of exclusion being created by innovative initiatives targeted for the inclusion of the unbanked. For example, those who do not own mobile phones, those in remote areas where there is no mobile networks, and those who do not have mobile money accounts. However, the exclusion of the unbanked does not mean that these people do not participate in a cash economy at all, as they play a role in the human economy. There is evidence to show that present-day modern economies are not strictly based on cash, but on a combination of monetary as well as non-monetary exchanges.

Who are the unbanked?

The World Bank estimates that nearly 2.5 billion adults globally – 50 per cent of the total adult population – are currently unbanked, and do not use formal financial services (Demirguc-Kunt and Klapper 2012). Of these, over 66 per cent of the unbanked are in Middle East, North Africa and sub-Saharan Africa. It is estimated that of the 9.4 million unbanked people in South Africa, 88 per cent are blacks, 9 per cent are coloured, 1 per cent are whites and 1 per cent are Asians (World Bank 2000/1). These people are unbanked because there are barriers to financial inclusion of the people at the margins, such as prohibitive costs owing to geographical distance, lack of financial infrastructure, restrictive regulations, governance failures and lack of suitable products. According to Aggarwal and Klapper (2013), 25 per cent of unbanked adults globally cited costs and 20 per cent reported that the bank was too far away.

For these and other reasons, some people are also under-banked; although they have an account with a bank, they only use it very little due to costs. In the case of Zimbabwe, of the two million migrants in South Africa, almost 70 per cent are unbanked (UNDP 2010). This is partly because a sizeable number of them are illegal and employers take advantage of their situation and pay them meagre wages and they cannot access credit facilities which only cater for the middle class and high income earners. This is not only true for Zimbabwean migrants in South Africa but also for other nationalities. According to Demirguc-Kunt, Beck and Honohan (2008), over eight million Nigerians in the diaspora do not have access to financial services. Arguably, sub-Saharan Africa has a higher percentage of unbanked people, with women, men and children being severely affected. This article focuses on the financial livelihoods of Zimbabwean migrants in their endeavor to support themselves and those within their networks.

The Zimbabwean financial situation: 2000 to 2014

The hyperinflationary environment beginning in early 2000 depleted the Zimbabwean dollar which was declared moribund by the then finance minister on 12 April 2009 (Noko 2011). This led to the dollarisation[3] of the economy which had huge impacts on the marginalised. The subsequent, inflation levels fueled high operational costs on companies forcing some to close down, leaving the previously banked people unbanked as they were abruptly forced out of (in)formal employment. Today, the Zimbabwean economy is driven by migrant remittances which absorb shocks and reduce household exposure to risks (Aker and Mbiti 2010).

Considering that a significant number of Zimbabwean migrants are undocumented, sending money home through channels like Western Union and MoneyGram is not only difficult but also impossible since a lot of paperwork is involved in opening accounts with these financial institutions. These documents are difficult to obtain for both legal and illegal migrants. In addition, for those who manage to acquire them, they tend to expire after a relatively short period of time: for example, temporary permit dispensations that were given to Zimbabweans in 2010 and other migrants in South Africa expired and they were required to submit new applications through a sophisticated online system. Although they were eventually renewed, it caused great panic and uncertainty among some migrants who feared losing legal residence status in South Africa. It is important to note that from the inception, migrants had deep seated mistrust of formal financial institutions given their previous experiences (Dupas *et al.* 2018, 2016).

The thrust of it is that these migrants, at present, are unbanked and find it difficult to open a savings account with local banks. With the exception of those Zimbabwean migrants who have permanent residence permits and four year work permits in South Africa, the unbanked and find it difficult to send and receive money, following the expiry of their temporary residence permits. In addition, sending money through informal channels such as bus drivers, friends and family is very risky and this explains why some migrants resort to sending groceries, through agents called *malaichas*.[4] The agents charge the groceries by weight and estimated import duty which is not only expensive but risky as goods sometimes get lost misplaced or stolen in transit.

The success of mobile money reinforced confidence of migrants in sending and receiving money conveniently and efficiently in South Africa. In Zimbabwe the expansion of the previously urban-based telecommunication networks to remote rural areas, coupled with the availability of affordable mobile handsets improved connectivity with those in diaspora: for example, subscriber identity modules (SIMs) which used to be very expensive – at almost thrice the cost of a simple cell phone – dropped from US$ 70 to US$ 0.5 and became more affordable.

Improvements in roaming services created easy communication, as users can still use the same cell-phone number in South Africa and Zimbabwe. To illustrate this, GSMA has a record of more than four billion mobile subscriptions globally, with 80 per cent of new connections in emerging and lower income markets. OECD (2009: 14) established that developing countries account for approximately two-thirds of the world's mobile subscriptions. In Zimbabwe where infrastructural investments are low, the use of mobile phones to access money is rapidly expanding. In sub-Saharan Africa, there are ten times as many mobile phones as landlines and 60 per cent of the population has mobile network coverage (Aker and Mbiti 2010: 207).

To this end, a mobile phone does not only connect families but is also a channel of money, thereby changing the scope of grassroots financial inclusion drastically for the previously unbanked and underbanked. The advent of mobile money, combined with social networks, kinship ties and solidarity relationships, determines financial inclusion/exclusion for the (un) banked in Zimbabwe and in the diaspora. In the next section, I highlight the problem underlying this article.

Problem statement

Zimbabwean migrants were previously banked in their home country but find themselves unbanked because of tight immigration regulations enacted to restrict labour movement. On the one hand, the migrants interviewed did not have the required documentation to open accounts, and yet access to financial services is essential in the present-day global consumer economy. This created difficulties in facilitating payments in their networks. Important to note also is that the unbanked Zimbabwean migrants developed mistrust of financial institutions particularly, due to past experiences with the dollarisation process in their home country (Noko 2011). This is because people lost their lifelong savings when the country adopted the US dollar as a legal tender. There has been increasing interest in the role of the networks of transmission of immigrant remittances (cash transfers) but, as this article has established, there are few studies focusing on this aspect. There is a need to gain some insights on how unbanked migrants save, invest, access insurance and credit without access to formal financial institutions. The main question that arises is: how do unbanked migrants conduct basic financial transactions without access to formal banking?

Rationale

The main aim was to understand unbanked Zimbabwean migrants' subjective financial wellbeing, based on their transnational livelihood experiences in South Africa. The article also aimed to explore how financial inclusion is more than just access to money or means of circulating money.

Most importantly the article adds insights to the pool of critical data sources available on Zimbabwean migrants' financial livelihoods in South Africa.

Methodology

To understand the complex nature of cash circulation and the subjective practices of Zimbabwean migrants, I relied heavily on observations and in-depth interviews which were used in conjunction with a critical review of literature on the topic. For this research I conducted 10 informal interviews, not scheduled in advance, with Zimbabwean migrants living in Pretoria. The participants were selected using snowballing sampling which proved very valuable since the migrants were hard to reach and some were afraid of law enforcement personnel due to their lack of legally recognised papers. During the conversations, I covered issues pertaining to how the migrants accessed, sent, received, saved, borrowed, invested and insured themselves against uncertainties such as untimely deportation which was the most common form of uncertainty the interviewees faced.

I also conducted significant hours of direct observation of migrants in the market place. This was done to confirm the findings from the 10 interviews, and also to try and relate to the community where I was conducting the study to gain an emic perspective of the context of exclusion and inclusion. Although the study specifically focused on Zimbabwean migrants, I also observed migrants from other nationalities, including Mozambicans, Zambians and Nigerians to get a general idea of their complex financial livelihoods.

The participants' ages ranged from 25 to 45 years and most of them live in illegal structures locally called *mukuku*.[5]

Presentation and discussion of the findings

This section looks at how mobile money Mukuru and EcoCcash-has given new hope to Zimbabwean migrants in Pretoria. The section critically discusses the information that emerged from the interviews and direct observations. I specifically discuss financial management skills among the unbanked, the role of remittances and social networks, and the social, economic and political impacts of mobile money on the unbanked Zimbabweans and their communities. The article also highlights the role of a human or moral economy in ensuring sustainable financial livelihoods for unbanked migrants in Pretoria.

Mobile money: New hope for Zimbabwean migrants in South Africa

The majority of Zimbabwean migrants did not have access to banking services due to lack of legal documents required in South Africa. These migrants saved, sent and received money via informal channels such as friends, relatives, bus drivers, agents and acquaintances. Some of these middleman charged unreasonably high fees. However, because of mobile money, Zimbabwean migrants in South Africa could now send, receive and save money conveniently, using either Mukuru.com or Eco-cash. Because of the convenience of mobile money, there was hardly any excuse related to barriers in sending/receiving money. In addition, mobile banking is compatible with any phone, network and it also proved to be cheap, secure and convenient. This meant that even the less privileged among the migrants could afford a mobile handset. It also emerged that the requirements for opening a Mukuru.com account were not cumbersome as any valid identification document such as Zimbabwean passport and valid phone number could be used. Therefore, migrants interviewed preferred Mukuru.com as they could send and receive money in the comfort of their homes while facilities such as Money Gram and Western Union services comparably have long winding queues and the money sent at times could not be collected instantly in other locations. These facilities were also urban based yet most recipients resided in the countryside. Thus it meant long travelling hours for them to be able to receive money through Money Gram or Western Union.

The respondents also reported that mobile money was the only facility that enabled high volume and low value transactions which were required by most unbanked migrants in Pretoria.

> I can send as little as R50 to my friends and family; however the only problem is that for every transaction there are charges, so it's better to send more money if I have it (Rambai, interviewee).

By sending money via Mukuru.com, previously unbanked migrants managed to ensure the survival of those left back home in an ailing economy. By so doing, migrants expressed satisfaction that they could easily maintain relationships and positions in their communities back home: for example, migrants could run their accounts, schemes, projects and other obligations at home from the diaspora (Plaza and Ratha 2011; Lindley 2009). At this point, I argue that mobile money has included and connected the previously unbanked and unconnected people as they can save money and insure themselves for future uncertainties such as death, illnesses, deportation, etc. Hence m-banking has expedited the unbanked's access to sophisticated financial services such as insurance, credit and savings account (Donovan 2012) which they could only dream of before.

The respondents also pointed out that Mukuru.com came with unlimited advantages. They cited that salaries and wages could be paid into Mukuru accounts for migrants. This reduced the burden of carrying physical cash and the risk of losing savings in transit especially during holidays like New Year and Christmas. Important to note is that mobile money complemented the informal channels which, though inconvenient, remained embedded in norms, values and long standing traditions of gift giving and mutual trust in most African communities.

The unbanked and financial management

Financial management is one critical aspect for the inclusion of the unbanked in the mainstream financial system. In order to have effective financial services for the poor and marginalised, there is a need to understand how they actively manage their little and irregular flows of money in a way that connects them to their family, kin and social networks (Collins *et al.* 2009). As a result of assumptions that the poor have too little money and no active financial lives, literature on financial management for the poor is patchy (*ibid.*). This is possibly because most financial development agents often focus on people at the top of the market and, by so doing, they remain ill-informed about the needs and possible contribution of the poor and unbanked people in society. Traditionally, financial service providers have made these unfounded assumptions about unbanked people without attempting to establish their day to day financial realities (Rutherford 2000).

To politicise the efforts taken to improve financial livelihoods of the unbanked, there is a need to identify their financial needs, usage, discipline, attitudes and issues of access and management of money among them.

On the issue of financial management, the interviewees reported that they did not send money home on a regular basis, rather they made rational and calculated decisions about the possible uses of money by the receivers and actively decided on when and how to send the money. Some respondents reported that they only send money during important gatherings like funerals and weddings. It was also common among married men to send money on a monthly basis for basic upkeep of their children and wives left back home. Hence, it became imperative to look into the financial management options for the unbanked migrants and their families, especially how they managed their inconsistent source of income. The gendered aspect of money was also evident, as women across cultures and generations spend more of their money than men on the household and children (Zelizer 2011). Thus no matter how much access women have to money, they always feel comfortable with using it for domestic purposes (Singh and Bhandari 2012). However, men controlled larger sources of money in the household than women.

In Zimbabwe, for example, in most migrant households, a different scenario emerged with the advent of mobile money. This is because women gained control over remittances from migrant husbands. However, some women revealed that they consult and negotiate with their husbands or spouses before they could use the money. Johnson (2004) also observed similar tendencies among Kikuyu men and women who controlled separate and unequal sources of money. This is also true for India where 74 per cent of women are unbanked and men control the money in patrilineal joint-families (Singh and Bhandari 2012). As a result, women could not manage the money in their mobile wallets.

Given that most countries in sub-Saharan Africa are patriarchal, men and women control different portfolios of money. In most cases, household financial management is a sole responsibility of men.This means that even if women could receive money via their mobile phones, it was most likely that they consulted their spouses on how best to use it. This is also true in other countries, outside Africa, for example, in Bangladesh where the Grameen Bank, the lead innovator of micro-credit, was providing loans to poor women it was highly evident that the money ended up in the hands of men who were not the intended beneficiaries (Yunus 2003). For this reason, the women I know ended up disclosing personal identification numbers (PINs) to their husbands. Even if some women raise their own money through *stockvels* (groups for rotating cash and credit), they still consulted their husbands on how to manage it.

Although mobile money is proving to be the best medium so far for improving migrants' financial livelihoods; women have unequal access to new forms of information and communication technologies compared to men. This was evident in the case of unbanked migrants in Pretoria. Historically banks did not see women as potential profitable customers (Singh and Bandhari 2012): for example in situations where the husband and wife possess a joint 'mobile' account, the husband is responsible for making withdrawals and deposits. This in itself widens the gap of exclusion from the grassroots in less salient ways.

Zimbabwean migrant women were not free to use their money as they wished. Yet, Sen (1999) argues that freedom is an essential aspect of development as well as a means to development. Based on his work, availability and access to finance can be a crucial influence on the economic entitlements of economic agents. There is a strong complementarity between individual agency and social arrangements (World Bank 2000/1). Sen (1999: 85) pointed to 'the capabilities of people to do things, the freedom to lead lives – that they have reason to value'. How then can we adequately explain the issue of migrant financial exclusion and inclusion? Inasmuch as new forms of technology, such as mobile money transfers are improving financial inclusion for the unbanked the world over, they are also leading to new forms of exclusion especially among women, considering how important financial decisions still rests with the men. Apart from generating new forms of exclusion, M-banking also alters the way social networks operate, for instance, it leads to less frequent rural visits and reduces physical and personal contact (Maurer 2011).

Due to micro-credit, money from remittances went towards the servicing of debts.[6] Through micro-credit, the previously marginalised and excluded could get access to small loans to cover immediate needs such as food, health and education whilst waiting for the migrants to remit. Money received via mobile money, was therefore used to settle loans, petty bills such as airtime advances, electricity and water. At this point, one can argue that although mobile money has improved the inclusion of the unbanked, these people are increasingly falling prey to the ills of money, such as perpetual indebtedness and impulsive consumerism due to liquidity. For example, hidden costs associated with e-wallets, unplanned expenditure and interest accrued from borrowed cash. This undoubtedly makes the marginalised more vulnerable because remittances as a source of income are erratic and unreliable: for example in the event that remittances came later than expected, interest rates for the small loans taken kept soaring up. This also led to more inequalities and exacerbation of poverty among the marginalised and unbanked both in host and home countries.

To this end, Singh and Bhandari (2012) posit that having mobile money or access to credit is therefore is not a mantra to financial inclusion and empowerment. For this reason, there is need for empowering both unbanked men and women on how best to manage their little amounts of cash to have an effect on their present and future lives-thereby ensuring sustainable social transformation from below. In Zimbabwean communities, mobile money facilitated easy access to money with the greater majority of the people owning a mobile phone(s) or having access to cell phone(s). The availability of mobile networks improved the livelihoods of rural men, women and children.

However, the ultimate value of banked money in most rural communities is insignificant. This is because of uncertainties and lack of trust because of previous experiences. For exemple, in Zimbabwe, rural people lost their savings following the dollarisation of the economy and fell prey to gullible 'entrepreneurs' who capitalised on high inflation to buy their animals and produce, using expired bearer cheques or fake newly introduced currency (Noko 2011). For this reason, these people would prefer to instantly convert mobile money to livestock or purchase consumer durables, agricultural implements and inputs.

The disparity between banks and shops in exchange rates in Zimbabwe was another conduit creating uncertainties with the use of money. In parallel markets, the exchange rate is not the same because of the multiplicity of currencies[7] currently in use in Zimbabwe, and rural people ended up being short-changed in most transactions (Noko 2011). Based on the above illustrations, it is imperative to understand how the previously unbanked people deal with money in environments characterised by volatility and uncertainties. The assumption that getting money into the hands of the previously unbanked changes their status, with regards to financial knowledge and confidence is therefore not correct.

Remittances, social networks and the unbanked

Financial inclusion or exclusion for the Zimbabwean (un)banked is also understood within the frameworks and contexts through which people perceive money and its uses. Before improvements in technology, such as mobile money, migrants used both formal and informal channels to send or receive money. Singh and Bhandari (2012) argue that the main challenges for these modern technologies are sustainability, issues of scale and awareness of the needs of poor women and men who have not been served by banks for the most part of their lives. New technologies still fail to integrate the poorest of the poor into local let alone global financial institutions. As a result of this, informal channels for sending, receiving and saving money are still thriving; for example, in 2014 alone, 50 per cent of remittances to Zimbabwe were through informal channels (Maodza 2014).

In Zimbabwean rural communities where most of the unbanked people reside, money circulated through local associations and networks of mutuality, trust and solidarity. Using mobile money enabled people to share resources and smooth uneven incomes (Suri, Jack and Stoker 2012). This helped in creating sustainable institutional linkages on multiple scales. Hence, to improve financial inclusion, there is a need for providers to partner with local semi-formal micro-finance organisations since they know people's norms, values, opportunities and threats. Through these partnerships, suitable financial products can be made available for the unbanked that are more scalable and sustainable. Lindley (2008) also maintains that informal channels of remittances or money in general are still in existence mainly because they draw upon existing social institutions, informal insurance and solidarity networks which are inclusive and sustainable in the long run.

One example of informal channels of remittances is *hundi*/*hawala* (*hundi* is trust in Hindi and *hawala* meaning transfer in Arabic) in the Middle East and South Asian countries which is a mechanism for debt transfer to facilitate long distance and cross-border trade. The *hawala* system is also adaptive and flexible as it changes to suit current global trends in technology and innovations such as mobile money. It functions particularly where the modern banking infrastructure is weak such as in Somalia and Afghanistan (Monsuti 2004). Furthermore, the historical trade dimension of *hundi*/*hawala* has often been underestimated, making it easy to overlook its potentially complex connections to the movement of goods and capital (Martin 2009). *Hawala* creates reliable routes for monetary and trade flows. Schramm and Taube (2003) liken *hawala* to rotating savings and credit associations that similarly arise in the contexts of insufficient, exclusionary and dysfunctional formal financial institutions. This enables the unbanked to gain transactional security through reference to social and cultural safeguards, for example *stockvels* in Southern Africa.

The ability of informal channels to operate successfully in the environments of weak or expensive legal and fiscal systems cannot be ignored if the broader goal is to detail migrants' agency and to attain higher levels of financial sustainability and inclusion for the unbanked. Informal channels are deeply embedded in religious and cultural traditions of their users unlike formal channels which are commercialised, run by third parties and not context-specific.

In addition, as remittances circulate in social networks, they cement and construct new socio-economic relationships. Through exchanges, social relationships are created by debts and obligation. In traditional African culture, giving equals saving. One way or the other, people who are members of social networks are obligated to give as a consequence of what Durkheim termed the 'non contractual element of the contract' (Mauss 1967). As far as mobile money is concerned, social networks are of crucial importance as 'wealth in people' (Guyer 1993) which sufficiently explain the persistence of informal channels of circulating cash among migrants and their networks.

According to Verhoef (2001), it is difficult to ensure sustainable financial livelihoods for the unbanked through conventional formal channels only. For example, in Botswana, Lesotho, Mozambique, South Africa and Zimbabwe, to mention a few, traditional kinship relations denied African women access to property and off farm cash income. Due to this observation, women devised ways to cope with this exclusion in the form of rotating savings and credit associations (ROSCAs). These credit associations are exclusively run and controlled by women. These are well known in Southern Africa as *stockvels* which functions to ensure access to small credits, social and financial support to members in just the same way as formal financial institutions, such as banks.

Trust is a common feature for both formal and informal financial institutions but, on top of trust, informal financial institutions are based on *ubuntu* which means oneness, caring for each other and solidarity. Informal channels for remittances also persist due because they are quick and adaptive responses to crises and can respond to immediate problems in real time. Unlike formal financial institutions which assume that being banked is a rational human choice, membership of informal institutions like *hundi/hawala* and Southern African *stockvels* is not only a rational choice but has social considerations as well.

The importance of cultural values and templates is evident not only in the functioning of past *hawala* arrangements but also in present-day transnational diaspora networks. In light of this, Monsuti (2004) describes how culturally recognised mechanisms of solidarity and competition have been instrumental in forging durable transnational communities among the Hazaras, the third largest ethnic group of Afghanistan, through remittance transfers. Although mobile money is ensuring financial inclusion among unbanked Zimbabwean migrants, it is also important as a tool to cope with dispersion and insecurity among millions of Zimbabweans scattered all over the world. I can safely argue that mobile money organises communities from moment to moment regardless of geography, among a dispersed yet intimately bonded sphere of close contact in 'the floating world' (Gergen 2002). Similarly, Ballard (2012) also stresses the importance of cultural values and norms among UK-based South Asians (Pakistanis and Indians). There is a need to have a multiplicity of bases for the determining financial inclusion of the unbanked.

It is also critical to link both formal and informal channels, especially considering that nearly all transactions of *hundi/hawala* are settled through the formally organised banking system (Ballard 2012). Based on the above examples, informal channels of remittances run parallel to formal ones, especially among Zimbabweans in the diaspora. This is mainly due to the fact that money is a symbol of relationships. It strengthens existing relationships and helps in forming new bonds. Mobile money therefore pushes communities' physical boundaries outwards. According to Hart (2001) money can be viewed as a new human universal in this present era of globalisation. Though the world is shrinking, becoming one global village, it is quite difficult to make people the same. Although technology, such as mobile money, is improving financial access and inclusion for the unbanked, their situation is still the same and this is not because the problem is financial exclusion nor the solution financial inclusion. The main problem is the way in which the West or the developed nations assume how people in the Global South deal with money. There is a need to investigate the factors contributing to exclusion, for instance gender, and also explore other issues that maintain the status of the unbanked apart from lack of legal documents in host countries.

Despite the fact that m-banking meets existing needs, such as the domestic remittance market in most developing countries, some people adopt mobile banking due to lack of viable alternatives to some extent (Maurer 2011). While it is true that the percentage of women accessing money is rising through mobile money, on the ground, women still feel comfortable dealing with money only in the domestic arena (Singh 1997). Most women are marginalised in issues of investment, insurance and risk management. According to Zelizer (2011), the gender of money biases women across cultures and generations to spend most of their money on children and household needs. This therefore means that mobile money providers can only improve unbanked access to financial products; it has not done much to deconstruct the gendered nature of money in households. Although a woman can now access 'a dollar of her own' (Singh 1997) the truth is she cannot invest it in land and property since that is the domain of men, as tradition and culture forbid her to do so. Women still have less financial wealth than men. For example, single women in the United States own 36 cents for every dollar of wealth owned by single men (Chang 2010).

Inasmuch as the unbanked are being included or excluded in formal financial services provision, especially through M-PESA in Kenya, other variants of mobile money facilities in most of sub-Saharan Africa and the G–cash mobile money facility in the Philippines, most marginalised people are still comfortable with informal systems of money transfer (Sultana 2009). Successful micro-finance innovations in Bangladesh, for example, by the Grameen Bank which lend marginalised women money with repayment and loan borrowing placed in the social context of peer networks, some women preferred to borrow from their friends and relatives rather than from the bank. This is not because poor people are conservative about change but because they feel that their own way of doing things is also superior and there is a need to merge both informal and formal activities to come up with a plural economy. This possibly explains why the informal sector is booming in most African countries, and beyond not only for money transfers but also for a whole host of service provisions for the poor. For example, the anti-middlemen movement in Greece, due to the debt crisis, is one of the ways by which people exercise solidarity in times of hardships and shield the poor and marginalised through providing mutual socio-economic support for each other (Rakopolous 2010).

Socio-economic and political impacts of mobile money

Mobile money has enabled previously unbanked people to access financial services that used to be beyond their reach. It has also helped poor households to contribute to economic, social and cultural growth by being active participants, not merely consumers of products. This therefore leads to their active participation in matters pertaining to socio-economic development; they now have a voice in issues they were previously not consulted on and are no longer viewed as economic development subjects without any agency (Fukuyama 1995). This is supported by the volumes of remittances recorded. For instance, the World Bank estimated formal remittances of US$ 338 billion in 2008, with US$ 21 billion in transfers to sub-Saharan Africa (World Bank 2009). These figures however exclude informal flows. Previously unbanked people can now access credits from micro-credit institutions and are investing in building their own infrastructure, paying school fees and meeting other day-to-day expenses. In most rural households in Zimbabwe, in which subsistence farming is a source of livelihoods, households have been able to improve previously failing and declining harvests. Households can now easily access inputs and other farming implements on time. For the first time ever, some farmers managed to have surpluses to sell to the Grain Marketing Board of Zimbabwe (Maodza 2014). This is mainly because mobile telecommunication aids access to information about weather, markets for produce and prices, since it improves connectivity within social networks and offers enhanced security. Mobile technology has the potential to reshape social and economic relationships in local communities, creating new networks and enabling new modes of money and information transfer (Aker 2010). Molony (2007) found that in Tanzania informal entrepreneurs and market traders rely almost solely on mobile phones for maintaining their networks and expanding their customer base. Moreover, remittances through mobile money are somewhat regular and aid sustainable financial management among the previously unbanked.

For Zimbabwean migrants in South Africa, mobile money has strengthened the ability of friends and families to support each other even if they reside far apart. It has become easier to participate in family issues since mobile money has enabled 'absent presence' (Gergen 2002); one can easily send money and respond immediately to family needs. In addition, by cutting out unnecessary middlemen who used to add to the cost of sending and receiving money, mobile money proved to be convenient for the poor who earn meagre, precarious and irregular incomes. By using existing infrastructure such as retail shops as pay points, mobile money promotes low cost access to cash for the previously unbanked.

However, economic benefits do not accrue to all people using mobile money. In some cases, mobile banking has maintained existing inequalities especially between/among men and women since nothing much is being done to address the factors contributing to women's greater financial exclusion. A larger percentage of the previously unbanked still prefer to keep their money under their pillows and mattresses, particularly in Zimbabwe where there is mistrust of banks due to uncertain, unstable financial institutions and hyperinflation. Further, insufficient money in banks as a result of the dollarisation of the economy since 2009 to present has not improved the situation either; a lot of banks are being forced to close down, resulting in the loss of life-long savings. Therefore, with the usage of all these currencies at once, the unbanked are left out for the reason that they are not well versed in exchange rates (Noko 2011).

By enabling women to access money in their own names, mobile money has both negative and positive impacts on social relations. Naturally, in most patriarchal societies, particularly Zimbabwe, the man is the breadwinner; but this has now shifted since even migrant children can also become breadwinners in a household. Traditionally, in most sub-Saharan African countries, money in a household is owned and controlled by a man. Women could only access money through their husbands or fathers. In some cases, mobile money has led to the disruption of the social fabric through divorces, quarrels and disagreements on who sends and receives money. Some families and communities which used to be closely knit (through cooperatives and sharing) are now loosely integrated due to mobile money: for example there have been some extreme cases where people listed witchcraft and petty jealousies as effects of mobile money.

Unbanked people in marginalised communities are not homogeneous in aggregate; there is always a possibility that some are better off than others and so command a different level of inclusion than the worse off. There is no evidence on how these remittances are distributed among households; mobile money benefits are not felt uniformly. Resource poor communities where most unbanked people are concentrated do not have mobile network coverage, for the reason that most network providers also target areas which are potentially profitable and productive. Differences in financial inclusion can result from poverty, culture and gender, as well as educational levels. A general observation is that the poorest of the poor cannot afford to migrate; for them mobility is expensive. For this reason and more, poor households do not have a hope of using mobile money to receive remittances. It follows therefore that mobile money as a form of financial inclusion is also exclusive and there is need for caution when discussing how financial inclusion has been promoted by mobile money.

Some households have been able to pull themselves out of poverty, particularly by sending children for tertiary education and opening small enterprises. Mobile money records can also be used to create credit profiles for previously unbanked adults. There has also been a reduction in infant mortality rates due to access to healthcare (UNDG 2010), as it is now easy for health officials to automatically send messages alerting people about current outbreaks and dates for mass immunisations (Acker and Mbiti 2010). Therefore, the overall standards of living for people, both in economic and social terms, have improved drastically.

Mobile money and the human economy

There is a lot of evidence to suggest that mobile money can improve financial inclusion for previously unbanked people. To understand how mobile money can lead to a better economy for the poor, there is a need to explore how human economies are organised. For the purpose of this article, a human economy is understood as one with fewer socio-economic inequalities; individuals who are more or less at the same level of the social stratification pyramid and people who are self-interested and mutual at the same time (Hart, Laville and Cattani 2010). This type of economy can also be likened to ancient societies where people cared for each other and supported each other both socially and economically (Polanyi 2001 [1944]). Most of these societies used common pool resources, provided to each according to need, and from each according to ability. Individualism is not a common trait since people value being members of a united community. This led to a sense of oneness and mutuality in whatever activities people were doing. These economies were, to a larger extent, sustainable and more stable than our present-day cash economies: for instance, the act of giving each other gifts among the Trobriand Islanders of Melanesia (Mauss 1967; Polanyi 2001 [1944]). It follows from this that new forms of social interaction around mobile money recast longstanding traditions of reciprocity and are subject to cultural rules and debates. Through these networks, valuables are saved through gifts to be repaid in future in a different form of value (Mauss 1967).

It is also important to get to the roots of what exactly the unbanked Zimbabwean migrants are doing on the ground to secure livelihoods. For example, some are members of ROSCAs and micro-finance institutions. Migrant men and women have maintained contact with family back home, particularly through sending money constantly. Money is therefore used as a medium of relationships and care. Based on the above argument, mobile money has only improved, and not introduced a new form of financial inclusion for the unbanked; since they have been dealing with money all their lives, giving each other gifts in the form of money from time immemorial. There are many monetary and non-monetary exchanges that occur on a daily basis in the form of gifts (Mauss 1967). Therefore, in most areas where there are higher percentages of unbanked people, having cash in hand is not very important.

Polanyi (2001 [1944]) noted that historical societies did not allow community members to suffer from hunger unless the whole community suffered from famine. They shielded each other from crises on a mutual basis. The same observation from Polanyi's *The Great Transformation* is also true for Zimbabwean migrants in diaspora. In South Africa, Zimbabweans provide social and financial support for each other in times of crisis. It does not matter whether one is banked or unbanked, or has access to money or not; people always find ways to insert themselves in an unequal society or economy. According to Polanyi (2001 [1944]), the economic fallacy of the self-regulating market or the supremacy of the market has left the poor poorer and has favoured the elites.

The act of sending or receiving money through mobile money therefore keeps the lost sense of community alive, regardless of the distance separating families. In Zimbabwe, gifts are sent in many forms, including blankets, low cost household items and recently mobile money. It is evident from most migrant communities that gifts help in strengthening old relationships, social positions back home and in forging new ties among family and strangers in new localities. Therefore, money not only creates a multiplicity of relationships but also extends communities outside their physical boundaries (Hart 2001). Money in this case helps societies to grow especially through innovations and new forms of adaption to challenges.

The concept of the human economy recognises a multiplicity of meanings, forms and contexts. Based on this recognition, money also has a multiplicity of meanings, forms and uses in communities. There is the need to understand how people, especially the unbanked, perceive money. It is also important to look at the various ways through which the (un)banked insert themselves in a cash economy; and most importantly, to explore the various ways through which they conduct exchanges, both monetary and non-monetary. In most local communities, there are plural economies[8] existing at the same time which complement each other. Thus, it is possible to find a thriving cash economy alongside barter economy. Provided that is the case, how then can we explain the benefits of mobile money to people who were previously managing their lives and surviving without having direct access to cash?

At one end of the spectrum, one could argue that the whole issue of financial inclusion for the unbanked is just an ideological weapon to incorporate the (un)willing masses into the global patterns of market consumerism, with the unbanked as new consumers of financial products which may or may not be compatible with their context or suitable to their needs. The idea of one big global village is highly superficial. The challenge is that communities are too diverse for their activities to be sufficiently captured under one big heading without automatically depoliticising development and prescribing wrong medicine for illness (Ferguson 2004 [1990]). The issue is that there can be a global village but without similar consumption patterns and it is important to explore these diverse patterns. For example, even in the smallest village, members have diverse needs which cannot be addressed by one solution.

According to Zelizer (2011), there are other forms of money, especially in most African communities. She specifically mentioned that the Tiv in Nigeria use brass rods as a form of money. One can pay *lobola* using these brass rods and not cash. Similarly, in most Southern African countries, including Zimbabwe, cattle are used as payment for bride price. The view of cash money as a universal form of payment is put to the test because these brass rods or livestock also serve the same functions as conventional notes and coins; money as a store of value, standard for deferred payments, a method of payment and as a measure of wealth. Mobile money therefore ensures that people have access to cash but it does not guarantee whether the previously unbanked are using cash exclusively in their daily transactions, and that is where the human economy comes in as it focuses not only on providing new ways of dealing with money for the unbanked but also tries to incorporate, improve and build on what the unbanked have been doing before the advent of new technologies.

For example, instead of abolishing informal remittance channels such as *hundi/hawala*, the human economy realises the need to improve the transparency of these systems, given the fact that they have been functioning for generations ustainably. Abolishing informal channels in favour of mobile money can only lead to massive uprisings by the unbanked, or even sabotage to the telecommunications systems. Scott (1988) in *Weapons of the Weak* discussed the various ways through which the weak voice their concerns if they sense that their normal livelihood and survival options are at risk from new projects.

Mobile banking is evidently benefiting the previously unbanked but there is a need to recognise that informal channels are also important. Further financial service provision should also be context-specific and suitable for the poor and the previously (un)banked and marginalised people. There is always a need for provision of viable alternatives (Maurer 2011) and it is important to understand how people always fight to include themselves informally to ensure survival. This demonstrates that the unbanked have agency and so are not passive recipients of technological innovations, such as m-banking.

Conclusion

Mobile money has greatly improved financial inclusion for previously unbanked people. Mobile money helps Zimbabweans in South Africa to conveniently save, receive and send money back home. It has greatly altered the inequalities that existed between the rich and the poor specifically in rural communities. Mobile money is also an effective tool towards inclusion in Kenya, Mozambique, Nigeria, South Africa and Tanzania, to mention a few countries. It has also improved socio-economic conditions, not only for the unbanked but also for the previously under-banked. However, informal channels of financial inclusion still persist in the form of *stockvels*, social networks, solidarity and kinship ties. These remain important to our understanding of how the unbanked access money and of money as a symbol of care among families. Even without a bank account or a mobile banking account, one can still access money by being a member of a social network (*stockvels*) in South Africa. In other words, mobile money can also assist in the creation of a more human economy, provided it is incorporated into the informal activities of the unbanked, context-specific and suitable for the needs of the unbanked, to avoid pushing them into further marginalisation. In as much as mobile banking can improve financial inclusion for the unbanked it also introduces different kinds of threats to the unbanked. Therefore, it is important to explore the factors contributing to wider exclusion and perpetrating inequalities. Lastly, and equally importantly, financial education for the unbanked is a prerequisite for ensuring sustainable social change from below. It is also necessary to understand the various contexts and forms in which people deal with money in their daily lives, in order to promote a just and inclusive society.

Notes

1. For example, valid residence permit, (local) identity document, and proof of residence such as service bills in the applicant's name.
2. GSMA – an association that represents the interests of the worldwide telecommunication industry.
3. Adoption and use of the US dollar as legal tender in Zimbabwe.
4. Individuals or groups of people who acted as middlemen in the transportation of goods directly to intended destinations/beneficiaries.
5. Unfit shelters mostly made of plastic, corrugated iron sheets and scrap materials.
6. Personal interaction with people in my community.
7. The South African rand in the southern parts, the US dollar in the central parts and the Botswana pula in areas close to the Zimbabwe–Botswana border in the western parts of the country particularly Matabeleland Province.
8. Cash economy in parallel with barter trading, labour exchange, etc.

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