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Understanding Social Relations and Payments among Rural Ethiopians

WOLDMARIAM F. MESFIN

Due to the high cost and risks of running formal financial institutions in rural areas of the developing world, a large fraction of the population in these countries has been de facto excluded from the official financial sector (Duncombe and Boateng 2009; Kristof 2010; Rutherford 1999). In this context and given the rapid growth and penetration of mobile phone technologies across the developing world, the potential for mobile banking has attracted the attention of telecommunication companies, development and aid NGOs, research centers, and governmental bodies. For this conglomeration of actors, mobile money has the potential to provide the poor with alternative means of accessing financial services.

In a growing number of developing countries, policymakers, philanthropists, and industry professionals have claimed that mobile communication is enabling individuals to link their monetary needs and practices to various forms of financial services in unexpected and innovative ways (Kristof 2010; Maurer 2010). For these actors, the remarkable accomplishments of the pioneers of mobile-money systems, such as GCASH in the Philippines and M-PESA in Kenya, may be a sign of the future promise of mobile money (Kristof 2010). This digital revolution is creating tremendous possibilities within the space of money and finance (Mainwaring 2010). On a conceptual level, this shift toward mobile money also raises questions about the implications of this material transformation of money – from cash to digital – on everyday behaviors. But researchers and designers have yet to develop concrete frameworks and strategies for addressing these questions and for shaping this space of money and finance (Maurer 2010; Sterling and Zimmerman 2007). As noted in the introduction to this volume, to address some of these questions, it is crucial

to pay attention to the ways in which the long-studied social, cultural, and religious meanings and functions of money come to bear upon the new designs of monetary forms.

In this chapter, I therefore explore existing monetary practices of individuals who live in mostly a cash economy in Ethiopia. I hope this study can provide a blueprint for future designs of mobile money or other forms of financial technologies aimed at financial inclusion.

Despite their lack of access to official financial services such as bank accounts and loans, people operating entirely in a cash economy also have developed elaborate ways of managing money and value (for example, see Guyer 1995; Maurer 2013). For instance, in the rural areas of Ethiopia where this study takes place, individuals differentiate their money based on color, physical size, and material. If electronic payment systems are to replace currency objects, it would then be crucial to gain a better understanding of existing practices of stashing, retrieving, sharing, spending, and saving as a means of designing more inclusive mobile-money systems that build upon (rather than substitute) existing financial practices and institutions.

Despite the abundance of studies in social science on the multiple social and cultural meanings of money and market exchange (Akin and Robbins 1999; Appadurai 1988; Carrier 1995; Guyer 1995; Hart 2001; Maurer 2006; Mauss 1922; Parry and Bloch 1989; Zelizer 1997), so far few studies and initiatives in the sphere of mobile-money services pay heed to the relationship between money and sociocultural institutions (Duncombe and Boateng 2009; Singh 1997). Motivated by this knowledge gap, I investigate in this chapter practices among the rural Ethiopians that illustrate the various forms, functions, and meanings of money in everyday life; specifically the systematic differentiation of payments for funerals and other social rituals into visible (documented) and invisible (undocumented) money-mediated transactions; the mediation of such payments (and non-payments) by the community savings clubs, the *edir*; the personalization of money gifts; the segregated cash-controlling practices; and the practices of refusal to accept some money “gifts.” Better understanding of these practices enables providers to design new financial services and technologies (e.g., mobile-money systems) that fulfill a wider range of purposes.

Theoretical Framework

In order to meet life’s challenges, individuals establish and constantly need to negotiate social relationships with the intention of generating

both tangible and intangible social, psychological, emotional, and economic benefits in the short and long term (Foster 1963). Depending on the nature of the relationships and the kinds of things exchanged, Foster (1963) identified three different types of dyadic contracts/relationships. The first is one among individuals of a comparable socioeconomic status who exchange relatively similar kinds of goods and services. Such relationships are created during important life-cycle events, as when people are expected to share the costs of a funeral or a wedding or are bracing for the unexpected costs of a natural or man-made catastrophe. The second type of relationship can be created between individuals of unequal rank and/or wealth; this is also known as a patron-client relationship.¹ The third type of relationship is one between individual clients and supernatural beings and/or their manifestations. These also resemble the form of client-patron relationship, but here the deities play the role of the patron. Continuing patron-client contracts² with supernatural beings are best seen in daily prayers and the lighting of candles. In this chapter, I use these three types of relationships as a guideline for organizing the exchanges of monetary gifts and payments that I experienced on the ground during my field research in rural Ethiopia.

Traditionally, social exchange theory drew a stark distinction between commodity and gift exchange (for instance, see Gregory 1982; Malinowski 1922; Mauss 1922). One key contribution of Mauss's theory of the gift has been to broaden our understanding of gift exchange as involving much more than the simple equivalence of the goods transfer, seeing it also as mediating, negotiating, even creating relations. Mauss's analysis further claimed that gift exchange was not simply uninterested giving but an activity organized around the obligations to give, to accept, and to reciprocate a gift. Foster (1963) and Mauss (1922) theorize the different types of relationships discussed above as dyadic contracts that bind pairs of individuals through reciprocal obligations expressed in the exchange of goods and services. Each gift imposes an obligation over the receiver to give back to the giver.

Over the last two decades, however, the distinction between "gift" and "commodity" has been challenged at its core. Researchers across regions and disciplines have come to argue that commodity and gift forms of exchange are deeply intertwined. Noncommodity valuables are often used as a form of currency, while money itself serves multiple social, moral, and religious purposes (for instance, see Appadurai 1988; Maurer 2006; Parry and Bloch 1989; Zelizer 1997). Anthropologists of Africa, in particular, have underscored the point that (a) throughout history, various other valuables have been used as a form of currency and that (b) money itself

is not just used for market exchange but also mediates social relations, rank, and hierarchies (Guyer 1995; Piot 1999; Shipton 2007).

The research conducted in rural Ethiopia echoes some of these findings and theoretical observations. To address these phenomena on the ground, this chapter draws on Bill Maurer's discussion of special monies, which broadly refers to "quasi-currencies, alternative currencies, and objects of wealth like land, livestock, vehicles, capital equipment, jewelry and special ritual items that can serve some or all of money's classic functions" (2010b:7). This chapter works with this notion of "special monies" (in commodity and noncommodity form) and the various functions and meanings of different types of monetary payments to explore the complex financial institutions and practices already existing on the ground. Thus, a number of items exchanged in the practices I observed fulfill the function of money, including cereals, labor and wood, food, spices, local alcohol, cash, coffee, tea, oil, sugar, cattle (sheep), honey, bread, cattle, umbrellas, candles, and church clothing. In the following I therefore explore how these are exchanged and how they organize the various types of relations in the communities discussed.

Study Site: Rural Ethiopia

This study focuses on rural Ethiopians. Research was conducted among the population living in an area 230 kilometers (around 140 miles) southeast of the capital, Addis Ababa. The research site has a population of more than 1,000 households. These households are largely dependent on traditional farming for subsistence. Their income comes primarily from the sale of cereals and cattle. Their farming is entirely dependent on rainfall, which varies from season to season. Whenever rainfall varies in its timing and quantity, farmers' productivity can decline significantly. The local population is composed of both Christians (Orthodox) and Muslims, but this study gathered data solely from key Christian informants, from the Amhara and Oromo ethnic groups. The respondents of the study also indicated that Muslims also have a similar practice.

The study site suffers from poor infrastructure. The informants in the study face a great difficulty in gaining access to financial institutions and services given that there are no banks or insurance companies within a 55-kilometer (34-mile) range. Thus, to deposit money in a bank account, one would have to travel a minimum of 110 kilometers (68 miles) (round trip), spend at least one night in another town, and often encounter difficulties arranging their return trip. In other words,

in order to make a bank deposit, this individual would have to also pay for transportation to the nearest town and hotel accommodation. As a result of these costs, most farmers do not save money in banks. As a consequence, they noted during my conversations, they often spend money on trivial and unplanned things such as tobacco and alcoholic drinks.

Another infrastructural problem is lack of access to education, especially secondary and tertiary education. Students have to travel more than seventeen kilometers round trip on a daily basis. As a result, both students and their families prefer that they not go to school at all. This leads to an overall lack of reading, writing, or textual literacy. But, as the time goes, this is changing. Government is opening primary education schools proximate to farmers.

At the same time, individuals do have access to mobile telecommunication services even when lacking a fixed telephone line. The informants of the study indicated a high demand for mobile phones. Still, they also note that they frequently encounter problems with recharging their mobile battery and buying airtime, as there is no electrical service or airtime service providers nearby. Even the researcher could not recharge his mobile phone during the data collection.³

This study identified the following practices with regard to money exchange: (a) some money transactions are documented while others are undocumented; the former are often mediated by local savings associations, and the latter are usually remembered by the exchanging parties; (b) money gifts and other forms of “special monies” (Maurer 2010b) are frequently used to make payments for funerals, weddings, and other rituals; the distribution of these gifts follows the principles of obligations to accept and reciprocate as discussed in the classic form of gift-giving (Mauss 1922); yet, gifts may be also be refused; (c) individuals assign different labels and meanings to their monies in order to fulfill their social, cultural, and religious obligations. The following section discusses the major social relationship types and their money-exchange practices.

Social Payments among Individuals of Comparable Economic Status

Individuals with comparable economic status and rank create relationships to assist one another in times of emergency (such as death and crisis) and to share particular life experiences, such as weddings, birthdays, and other ritual ceremonies.

The Dynamics of Edir: Saving for Funerals through Community Savings Associations

Social support is most often associated with “strong” ties between kin, neighbors, and intimate friends. These ties generally provide individuals with emotional and expressive support as well as other forms of instrumental help such as loans, cattle, and rides (Dominguez and Watkins 2003). To assist one another during the event of a death within the family, individuals of the research site create formal association called *edir*, which can be established by male and female members of the households separately (male’s *edir* and female’s *edir*). In both types of *edir*, members make monthly contributions in cash or other valuable items such as wood, alcoholic drinks, spices, or cereals. In order to administer the association and monthly contributions and other assets, members nominate respected and relatively educated persons as their chairpersons and secretaries to serve the association for one or two years.

Edir helps members pay for the cost of funerals. The amount of *edir* contribution depends upon the nature of the death, i.e., whether the funeral is held in the home or when a person dies outside the local village and requires an out-of-household funeral. When the funeral is in the household, the male *edir* provides the family of the deceased with cash (the amount varies from *edir* to *edir*), cereals, labor, and wood, while the female *edir* will provide food, spices, local alcohol, cash, or labor. Cash collected from both the male and female *edir* is used to purchase items such as coffee, tea, oil, and sugar. These latter items are usually consumed by the visiting guests.

When a member of an *edir* experiences a death within his or her family, the chairperson and secretary of the *edir* will announce the event to other members so that they can bring in the noted items to the affected family. In addition, some individuals will be assigned to shoulder the dead body, and some others (usually women) assist with the cooking. Attendance will be taken in order to identify the presence or absence of members and discern who has contributed the necessary cash and other materials in the name of the *edir*. The money and materials that come from each member are also recorded or documented. In the event of an out-of-household funeral, families will receive only half of the amount allotted to an in-house funeral.

To become a member of an *edir*, one can simply apply at the members’ monthly meeting where all the members have an equal say on accepting or rejecting the application. Before one is admitted, members verify whether the applicant has previously participated in another *edir*. Mem-

bership in an *edir* is nonexclusive, and one may be a member of many *edir* concurrently. The committee also verifies that the incoming person has no conflicts with any of its members. If a dispute is found between the incoming person and a member of an *edir*, the case is handled before the

Figure 10.1. Sample *mezgeb* recording monthly contributions to an *edir*.

ገጽ	ፀሐገሰ/ፀሐፍት ሀይረ	
1. ሕይወት ገጠብ	20	10
2. ለፀረ ሕይወት	20	10
3. ወገን ሕይወት	20	10
4. ማርካስ ሕይወት	20	X
5. ወልቀደን ታሪክ	20	X
6. መስቀል ጽሑፍ	20	10
7. ሕይወት ጽሑፍ	20	10
8. ማርካስ ሕይወት	20	10
9. ገጠብ ሕይወት ገ/ጽሑፍ	20	10
10. ሕይወት ጽሑፍ	20	10
11. ሕይወት ጽሑፍ	X	10
12. ሕይወት ጽሑፍ	20	10

Photo by author.

admission of the applicant is finalized. Finally, the incoming person is required to pay the proportion of assets that members have contributed previously and that is currently available as inventory. The payment can be made in the form of installments. After completing this payment, the incoming person is entitled to get every benefit provided to the existing members.

Each month, members gather at one of their homes (on a rotating basis), hold a discussion, and make their monthly contributions. The host of this gathering will prepare food items and local alcoholic drinks. Meeting discussions focus on issues like deaths, new members, departing members, and monthly contributions. The monthly contribution is recorded in a book called *mezgeb* (see figure 10.1), which contains lists of members and monthly contributions. In the process, two individuals are involved: the chairperson and the secretary of the *edir*. These two individuals cross-check the contributed cash against the record, calculate total contributions made, announce the amount to the gathered members, and sign the *mezgeb* (which closes the contribution for the month, preventing latecomers from contributing after the meeting has ended). At the end, the chairperson retains the cash while the secretary retains the record, *mezgeb*. The names of absent members are marked with an X, and they are required to pay additional money in their contribution of the following month. Later the secretary announces where the *edir* will meet the following month.

At the end of the meeting, intimate friends or relatives leave the host's residence and invite one another out (often for the whole day). After accepting such invitations, individuals report that they feel they have invested too much emotionally in these social outings. Hence, being aware of the possibility of such extended invitations, some individuals send delegates (usually their children) to pay their monthly contribution. This technique enables them to avoid extended invitations.

Membership from an *edir* may be revoked due to work relocation, physical inability, repetitive abuse of rules and regulations (such as the inability to pay monthly contributions in cash or in kind), and conflicts with other members. In the event of membership revocation, the *edir* provides a written letter explaining the person's problematic behavior, effectively blacklisting an individual and preventing other *edir* from accepting his or her application should he or she apply for membership.

Based on these data, it is safe to say that *edir* function as a sort of insurance mechanism, organized along similar lines to other forms of informal savings associations in other parts of Africa and other regions of the world.⁴

Money Gifts and Social Relations in Funeral Payments

In the event of a funeral, individuals extend their support by giving cash to families of the deceased. The amount of these gifts of cash varies depending on the recipient's financial need and the intimacy of their relationship. Cash amounts usually vary from two birr (one U.S. cent) to ten birr (fifty U.S. cents).⁵ The recipient uses this cash as a means to measure his reputation and community standing. This money is called *yazentega*.

Unlike payments to the *edir*, the amount of these money gifts and names of the givers are not documented formally on paper by the receiver. Even the act of paying the money gift is performed in secret manner. Further, the givers and the receivers do not count this money in front of others. The receiver memorizes this transaction instead of recording it formally on paper.

According to the respondents, there are many reasons for the secret giving and receiving process of *yazentega*. These include (1) not wanting to boast in public; (2) the fact that, as the gifts are made at different times and places, the recipient may not be able to easily record them; (3) concern that if the amount is somewhat small, individuals giving the cash will feel shame seeing it recorded; (4) the way that individuals visit the affected person because of moral obligation and, hence, if the money given is going to be recorded, individuals having no money will feel shame; and (5) because, in principle, this gift is not necessarily reciprocal.

Informants report that, in places such as Wolaita, such transactions are indeed recorded.⁶ A pen or pencil and paper are provided to the giver to write his name and amount he would like to give. This document will be used as a reference to repay sometime in the future.

These explanations suggest that, although presented in a commodity form (cash), these money gifts take on some of the key characteristics of the classic forms of the gift exchange as outlined early on by anthropologists Marcel Mauss (1922) and Marshall Sahlins (1974). In particular, as I will discuss further, these accounts underscore the application of the three obligations intrinsic to the gift (to give, to accept, and to reciprocate the gift) (Mauss 1922) and of the generalized and balanced reciprocity (Sahlins 1974). At the same time, as I also suggest below, some of these rules are often broken, and when this happens, one gains insight into other aspects of organizing relations in the community.

When individuals give *yazentega*, they say *egziabher yatsngh*, which means, "Let God give you the strength to forget the death." In turn, the receiving person responds by *bealem yemeles*, meaning, "I wish your gift repaid on joyful events." This dialogue indicates that such a money gift is

also a promise and obligation for a future repayment during other events such as weddings, birth dates, and college graduations (Homans 1958). In other words, the act of gift-giving here implies an obligation to reciprocate in an undetermined future and amount.

These gifts are not exchanged among pairs of individuals, but they are instead exchanged in a form of generalized reciprocity – individuals give with the expectation of some form of future return. Thus, not all individuals in the family receive *yazentega*. For example, when a wife or husband dies, their children (above the age of eighteen, married or unmarried) and the surviving spouse receive *yazentega* from their relatives. At the same time, the original families (mother, father, brothers, and sisters above eighteen) of the dead living outside the village can receive *yazentega* from their own local community. *Yazentega* is given anywhere (at the individual's home or at church during burial time) and any time after the burial, sometimes even more than a year after the death of a person, as individuals may come from a distant location when it is feasible for them.

When a family member dies, the surviving members do not eat anything before the dead is buried. After the burial, all individuals are expected to accompany the family of the deceased back home. When reaching the home of the deceased, accompanying individuals are offered food (*enjera*, *nifro*, *arkie*),⁷ bread, tea, and coffee. These individuals express a feeling of shame if they are not able to give some money to compensate for what they have eaten and drunk, and so they give *yazentega*. Once again, this suggests that money gifts are obligatory and that they are seen as part of a system of reciprocal exchanges within the community.

Keeping with the principle of the obligation to accept a gift, one does not refuse *yazentega*. But if one does (and, as I found out, this happens frequently), the refusal can be understood in different ways. One common reason is that a serious dispute exists between the dead and the family member who survives them. The locals call this *ergiman*, which means these individuals had poor relations and both of them promised not to accept resources from each other or to their names. Thus, when one of them dies, they want to respect the oath and refuse to accept *yazentega* gifts. In this case, the person still living refuses gifts from all individuals. Another reason for a refusal of *yazentega* is that some sort of quarrel may have occurred between the deceased and the family member. And finally, a less common reason is that relatively richer individuals sometimes refuse *yazentega* gifts from poor. This is considered an insult to the giver (Kochuyt 2009). In this case, members of the community assume they have been undermined and automatically alienate individuals who refuse gifts from other social affairs. In other words, irrespective of wealth, everyone

has both a moral and practical obligation to accept *yazentega* and to reciprocate. "It is the attitude of the individuals, not the money, that matters," said one respondent. In addition, since the givers accompany the money gift with the wish *egziabher yatsngh*, refusing could be interpreted as an inappropriate expression of happiness about the death.

Although this cash gift is not recorded and repayment is optional in principle, Thomas and Worrall (2002) call it "uncertain counter reciprocity." In practice, individuals of this research site claim their repayments. If a person is financially capable of repayment but fails to do so, he risks losing his reputation and community standing and confronts possibly being sued in court or at *edir*, being badmouthed, and jeopardizing friendships. But if failure is due to real financial incapability and a good relationship persists, then the person may be given tasks so that he can repay through labor or with a more intangible asset like gratitude, love, esteem, and loyalty (Lebra 1975). In this scenario, the richer individual recognizes his power over the poorer, in which case such gifts reinforce the hierarchical relations between the two parties (Mauss 1922).

According to the rule of reciprocity, the nature and volume of the counter gift determines the balance of power between the two individuals. If the return takes the form of cash but in a smaller amount, or if it takes a nonmonetary or even a noncommodity form (such as showing gratitude or loyalty), one implicitly resigns him- or herself to a relationship of dependency toward the other person (Kochuyt 2009). Reciprocity can have positive and negative effects: those who give more will receive more in return, and those who do not give much are also the poorest receivers (Homans 1958; Komter 1996).

Limited financial resources for some individuals can leave expectations for reciprocity unmet, generating increased tension and potentially leading to dissolution of relationships. This means that maintaining a balanced reciprocity of payments plays a crucial role in managing and sustaining relationships (Dominguez and Watkins 2003). To overcome the problem of financial incapability, givers assess the recipients' financial worthiness and capacity for repayment. A social relationship between individuals living in extreme poverty is frequently marked by ambivalence and distrust (Lee 1970). But sometimes situations arise in which individuals give more than the financial capacity of receivers. In this case, unless the receivers give something back, the relationship between the two will be affected; social gift-giving is a prerequisite for establishing good relationships (Mauss 1922; Kochuyt 2009).

There are two different attitudes toward attendance of individuals at funeral ceremonies in the course of this study. Within the Amhara ethnic

group, physically able individuals should visit families of the deceased immediately upon hearing of the death and participate accordingly. But if one is working or living at distance, she or he can visit within a reasonable time period, usually within two months. This ethnic group does not accept any money sent through delegates. The researcher was informed that these ethnic groups value the physical presence of a person more than the money he gives. Hence, irrespective of distance, individuals must be physically present and express their concern to the family of the deceased. But for someone living outside the village, physical presence may be costly due to transportation and related expenses. Although these individuals value the physical presence of someone on such occasion, they will still expect the usual money gift of *yazentega*.

In contrast, informants of the Oromo ethnic group report that as long as individuals get *yazentega*, even if it comes through a delegate, families of the dead person might not care about the physical presence of distant people.

Money received in the form of *yazentega* is kept separately from the rest. This is to calculate how much the family received from the community. Once they have determined the total amount, a family pools this money and can use it without restrictions.

Social Relationships and Payments for Weddings

During wedding celebrations, individuals make social payments or gifts. Common forms of payment include (1) gifts to the mother and father of the groom and bride by their local community; (2) gifts to the groom and bride by their respective families (mother, father, sisters, cousins, grandparents, aunts, and brothers); and (3) gifts to the groom and bride by their respective colleagues. The following section discusses the types of money gifts given during weddings.

First, when planning a wedding, the respective families of the groom and bride inform their extended families well in advance to bring those gifts. Such gifts can be cash, cattle, or goods such as CD players, beds, blankets, chairs, and furniture. Unlike payments and gifts given during funerals (which happen suddenly), those given for weddings are prepared in advance, they are somewhat bigger, and it is obligatory for the receivers to repay at the time of other social events. Wedding gifts are consequently recorded on paper, something similar to figure 10.1. To make such collections, two individuals are assigned to record the amount of gifts and givers' names: one records the transaction, the other collects the cash. At

the end of the ceremony (which can run for up to three days), these two persons cross-check the actual cash against the record and hand over the document and the cash to the families hosting the wedding. The document provides the event name (e.g., wedding), date, list of gift givers, and amounts given. After reviewing this document, a newly married couple or their parents are expected to return back the same amount or more than what they received. According to Lebra (1975), such a relationship is characterized as complimentary – mutual dependence exists between the gift givers and the newlyweds in whom both groups require the supply and demand in the two directions to match.

People planning a wedding leverage the practice of “balanced reciprocity” (Sahlins 1974) in calculating what items and amounts were previously given and what should be collected in return. Essentially, when people receive payments for a wedding, they assume the payment as debt and start thinking about repayment. If the recipients fail to repay, they will be taken to an *edir* and sometimes to court. As a result, their *edir* memberships may be revoked, and the wronged party may pursue the claim in court.

The other type of gift is given by relatives of the groom and bride. Contributions of this type include perfume, clothes, kitchen materials, and money to cover part of the wedding expenses. These gifts are covered with wrapping paper, and the giver personalizes the item by labeling it with their name. The giving and receiving of these of gifts usually involves some ceremony.

The informants of this study indicated some recent changes regarding social payments for weddings and funerals. As the cost of living has become higher, the community leaders have begun to advise individuals against spending too much (compared to the family’s income level) for these important events. Some of the informants, however, disagree with such rules and insist on spending large sums of money anyway. For example, older individuals recall how their relatives celebrated funerals and weddings in the past and lament, “How can I spend less than those individuals?” According to one informant, some also assert that the very purpose of wealth is to use it during such events. Families compete for social prestige (Van der Geest 2000) by using large amounts of money for funeral and marriage ceremonies.

The attitude of the local community is that rich individuals should spend more for events like funerals and weddings. If rich individuals decline to spend much on these events, the community may undermine them, consider them to be greedy, isolate them from social affairs, and fail to assist them in difficult situations.

Social Payments among Individuals of Different Rank

The informants of this study stated that individuals of a lower class within the community want to establish relationships with higher-class individuals such as priests, cantors, and other people of power. These higher-class individuals are important and can play the role of a go-between for the individuals and deities. The following section discusses these relationships and payments therein.

Social Payments between Individuals and People of Power

Individuals who lack power and influence are continually alert to the possibilities of obligating a person of superior wealth, position, or influence. Relationships between these variously ranked individuals are organized similar to patron-client relationships (Foster 1963). Such higher-ranked individuals can help increase less well-off individuals' security during a variety of life crises such as illness, sudden need for cash, and legal disputes. Individuals approach higher-ranked people for different reasons, including solving their health problems, obtaining wealth, seeking aid to become successful in their activities (for instance, education or business), and other requests, including helping to search for a good mate or solving in-house disputes.

When individuals have their property stolen, victims report it to these higher-ranked individuals. These powerful and respected people will subsequently take some measures on account of the thefts. According to the informants of this study, such patrons take serious actions on defaulting persons (persons who do not act accordingly), even without any witnesses, to demonstrate how strong they are and to attract more individuals who believe in their power.

In exchange for services and support, beneficiaries (the clients) promise to give gifts to those in power. Common gifts of this sort include cattle (sheep), cash, local alcohol, honey, and bread. Individuals who do not have the above materials to give are expected to pay a cash equivalent of 1,500 birr, according to local respondents. If individuals promise to give cash, they keep it separately and promise not to use it for anything else. The cash and gifts also constitute a form of "special monies," in this case used as a type of payment for a particular service (protection, security, insurance). On the other hand, when these powerful individuals default and are unable to keep their promise or "contract," in whatever form it is, they cannot be sued in a court or an *edir*. If someone does bring such

a case against a person of power, the community rejects the individual as a community member.

Money Donation to Church

The relationship between individuals and supernatural beings is important within the research community of this study. This relationship is usually facilitated when individuals face challenging situations such as health or family crises or when their animals are sick. They pray to deities or religious icons and make offerings to the spirits and gods in exchange for hope of receiving aid.

When individuals request assistance from deities, they promise to give gifts in return. Promised gifts can take different forms. A common form, for instance, is an offering of cattle as part of the transaction. Whatever the individual promises as part of the transaction, from this time onward, whether cash or cattle, the promised item becomes special money and is kept separately (Zelizer 1989, 1997). These items are called *yeselet genzeb*, which means “promised money,” and individuals cannot use it for personal consumption. *Yeselet genzeb* must be kept separately and cannot be replaced with other items of similar type, as not all dollars are equal (cf. Singh 1997). The explanations given for this practice include statements such as, “As God has fulfilled my request, there is no need to change my promise, I have to respect my words too.” But if the promise is made simply without specifying the form of payment, individuals can fulfill their promises by paying in whatever types of gifts they have in their possession. In this scenario, an individual has no need of keeping “promised money” separate.

Saints and the Virgin Mary, in some sense, are patrons (Foster 1963) in that contracts are made with them, but, ultimately, they are intermediaries within a religious hierarchy. They are seen as advocates who are easier to access than God. They handle cases when presented with them, but the fee must be paid and the petitioners must comply with the terms of the contract only if the cases are resolved. The payment is expected to be completed upon the fulfillment of the request. If the person assumes that his promise is not fulfilled, he is not supposed to deliver any gifts, and the relationship concerning the particular issue under consideration will terminate, but the relationship with the deity will remain.

In either case, the promise can involve different items for exchange such as cattle, children, umbrellas, or cash. As an example, individuals who are unable to bear children pray to saints for children and promise

to give the child to the church or offer other materials in return. A child is given to a church in a sense that the child will serve the church of that saint. But this only happens after the child has grown and reached an age that he is able to understand the principles and procedures of the church.

In addition to promised gifts, other obligatory religious payments are required. One such payment is called *asrat bekurat*, which is required from every Christian Orthodox individual. “Ten percent of our earnings do not belong to us, and we should give it to the church,” stated one informant. “When we give this to God, what we do on earth will be blessed, and we will get value from God or the church,” added another.

Moreover, when individuals attend church over the weekend or on holidays, they place money into a designated vault called *mudye mitswat* (figure 10.2). In principle, individuals are not to count how much they give, but in reality they know the amount to give. The reason is that, as one informant explained, “God says, when your right hand gives, do not let your left hand see it.” Such gifts are also not recorded or memorized. In addition to cash gifts, individuals can buy and give gifts such as candles and clothing to the churches.

During public holidays, churches also call on individuals to make donations or officially provide gifts. These donations are not recorded on paper. However, church officials announce to the public the total amount of donations and name of individuals who give significantly more compared to other participants. To make collection function smoothly, church individuals lay church clothes on the ground so that individuals can donate paper money or coins of any amount on the clothes. During fieldwork, the researcher also observed church representatives using an upside-down umbrella to facilitate donation collection. Once money is collected, a group of individuals counts the total donation and officially announces it to the crowd. Unlike individual donations, the group contributions are documented.

Design Implications

Following the lead of M-PESA’s success in Kenya and of other mobile-money initiatives across Africa, a number of mobile companies in Ethiopia have partnered with local banks and credit and savings institutions to launch mobile-money products. These include, among others, public- and donor-funded initiatives such as mFarmer (funded in 2011–2012 by USAID and the Bill & Melinda Gates Foundation) and private partnerships such as M-Birr (a branch of the Irish company M-Birr Limited, itself an offshoot

Figure 10.2. *A mudye mitswat.*



Photo by author.

of the mobile software development firm NCL Technologies). While there has been an explosion in similar mobile-banking initiatives, their launch on the market is currently awaiting legislation that would allow for the types of transactions that these services plan to offer. An additional challenge for these new forms of money, savings, and transfers is reaching out to local people and enlisting them as clients.

As mobile companies and banks shape their new products, their success will depend upon their ability to incorporate existing local practices and institutions that enable savings and payments. This study therefore invites further investigation into design concepts that might provoke new inquiry, practice, experimentation, or development of new mobile-money systems for financial transactions.⁸ For example, if money is digital, say in the form of mobile money, what will the effect be on money gift personalization, disclosure and secrecy, segregated controls, and refusal of money gift practices? How do we design a system that supports such practices? In the next sections I list some possible design concepts and features for mobile money services that incorporate current social practices.

Monthly Contributions

As discussed earlier, many of the informants make monthly contributions to community organizations such as the *edir*. Mobile-money services could therefore design services that would enable the following functions:

- Recording of monthly cash contributions (name of member, month, date, and amount contributed) in tabular format in a digital book.
- The possibility of flexible amounts for monthly contributions; charging of noncontributors.
- Summarizing the monthly contribution so that chairs can announce the total to members.
- Remote contribution by individuals so that they might not physically show up and engage in unnecessary drinks and parting.
- Closing of digital books at the end of every contribution period and scheduling the place to meet in the following month.

Payments for Funerals and Weddings

Given that payments for funerals and weddings seem to be at highest importance among the informants in this study, mobile-money services should attend to some of the existing practices around these payments, including:

- Enabling recorded cash gifts by individuals (secrecy or disclosure practices like *yazentega*). The record includes capturing information like date, name of giver, amount, etc.
- Enabling individuals to refuse to accept *yazentega* (as there could be some reason).
- Enabling monies to be labeled and differentiated; allowing remote and timed payments.
- Allowing people attach explanations and or reasons for remotely sent or contributed money.

Finally, the different illustrations like *mudye-mitswat* (figure 10.2), church clothes, and upside-down umbrellas filled with cash indicate some avenues to think about the design of hardware and graphic interfaces of mobile money.

Conclusion

This chapter documented monetary practices of rural communities in Ethiopia and then identified design insights that could sustain the practices of the community. The objective is to inform for designing culturally appropriate digital financial products and mobile-money services. This requires exploring how everyday money practices can be embedded into technical solutions and how the social relations and cultural values of a community can be embedded into technology solutions. For example, how can money practices in religious contexts or cultural contexts be affected by new forms of money? The ways money is earned, spent, exchanged, saved, stored and recorded are in fact symbolically charged and constantly contested. One of the main findings of the chapter is that for the Ethiopians studied, differentiating the uses (as well as sources) of money was extremely important. Based on the different practices in different contexts or environments, the chapter suggested possible design concepts. These concepts are interesting to investigate for digital financial systems.

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NOTES

1. Foster (1963) defined a “patron” as someone who combines status, power, influence, and authority attributes useful to anyone in “defending” himself or in helping someone with lesser position.
2. In this chapter, the term “contract” is to be understood as always implying a “relationship.”
3. Data were collected over a period of three months and consist of discussions with fifty key informants who were leaders of their local community in terms of their knowledge about their culture, tradition, and religion. For the most part, data were collected predominantly on Sundays. Discussions lasted between one and a half to two and a half hours. Questions were developed first in English but translated into Amharic or Oromifa during discussion, depending on the native language of the informants. All discussions were recorded.

The purpose of this study is to investigate the financial practices in relation to various levels of social relationships. Discussions with informants are compared against one another in order to allow patterns regarding these practices to emerge. From this analysis, lists were generated of possible design concepts for potential mobile-money services.

4. See, for instance, Collins et al. 2009 for a review and discussion of various forms of informal, semiformal, or formal institutions of credit and savings for the poor, including funeral insurance associations (burial societies) in South Africa, and of the rotating savings and credit associations (ROSCAS) and accumulating savings and credit associations (ASCAs) in India and Bangladesh.
5. Birr is Ethiopian currency. The exchange rate as of January 2017 is 1 USD = 23 birr.
6. Wolaita is a small town in the southern part of Ethiopia.
7. Local food and drink items.
8. The design concepts are related to money transaction type and do not include physical wealth.

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