Contesting new ‘development frontiers’: The uneven financial incorporation of remittance flows and households in Senegal and Ghana

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October 2019
Statement of Originality

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Abstract

This research engages with a global migration-development agenda that aims to leverage remittances for development by incorporating remittance flows and households into global financial circuits. Previous analyses of what I call the ‘remittances-financial inclusion nexus’ have proved vital in deconstructing the assumptions behind, and shedding light on, the negative impacts of initiatives that aim to construct and expand financial markets on the back of remittances. However, what is striking in most of this critical literature is the ways in which financialisation is treated as an explanation in and of itself, which fails to account for the efforts and controversies that lie behind such market-led development projects. Moreover, surprisingly little is said about the extent to which attempts to incorporate remittance flows into global finance may actually be possible, and how and why these may be accepted and/or resisted by members of remittance households in home countries. In response, this research develops a geographies of remittance marketisation analytical framework, which allows for an exploration of the grounded ways in which remittance markets are constructed, the extent to which remittance flows and households can be (re)configured and incorporated into global finance, and why such processes are always fragile, contested and in need of constant renegotiations. This thesis is based on 10 months of fieldwork undertaken in Dakar and Thiès (Senegal) and Accra and Tamale (Ghana), which generated 188 semi-structured and ethnographic interviews with institutional and private sector actors and remittance recipients, as well as in-field observations and document analysis.

The research finds that the construction, stabilisation and expansion of remittance markets are not natural nor uncontested processes. Remittances do not have an inherent financial worth that can be easily unlocked and transformed into new development finance. Building markets that enable remittance money transfers to be tapped into by state and private sector actors requires extensive financial, material, technological, legal, and discursive constructions and, importantly, behavioural engineering. Furthermore, the thesis demonstrates that remittance and other related financial practices and behaviours cannot simply be ‘nudged’, even providing the right behavioral stimuli, information and incentives, but rather rest upon relational and collective, albeit sometimes unequal, decision-making processes between migrant(s), receiver(s), and main recipient(s), as well as other people situated down the ‘remittance distribution chain’. The extent to which remittances can be integrated into financial circuits and put to use in the manner advocated by proponents of the remittances-financial inclusion agenda is mediated by a wide range of factors, including the dynamics of everyday economic realities, gendered power dynamics and norms, inter-women hierarchies, kinship relations and household context. The research also shows that processes of financial subject formation constitute practical
accomplishments that are always contested, uncertain and in the making. It advances the understanding of members of remittance households as 'reluctant' and 'dissenting' subjects of remittance marketisation as well as subjects that 'deny' marketisation through discourses and acts of refusal. Overall, this thesis contributes a nuanced theoretical and empirical understanding of uneven geographies of financial incorporation in the Global South. This is significant for policymakers who propose and advance a remittances-financial inclusion agenda as it identifies the risks, contradictions and limits of such marketising projects.
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<th>Description</th>
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<tbody>
<tr>
<td>AML</td>
<td>Anti Money Laundering</td>
</tr>
<tr>
<td>APR</td>
<td>Annual Percentage Rate</td>
</tr>
<tr>
<td>ASCRAs</td>
<td>Accumulating Savings and Credit Associations</td>
</tr>
<tr>
<td>BCs</td>
<td>Banking Correspondents</td>
</tr>
<tr>
<td>CFA franc</td>
<td>Communauté Financière Africaine, Financial Community of Africa</td>
</tr>
<tr>
<td>CGAP</td>
<td>Consultative Group to Assist the Poor</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GhC</td>
<td>Ghanaian Cedi</td>
</tr>
<tr>
<td>MFIs</td>
<td>Microfinance Institutions</td>
</tr>
<tr>
<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
</tr>
<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
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<tr>
<td>IFIs</td>
<td>International Financial Institutions</td>
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<tr>
<td>KYC</td>
<td>Know Your Customer</td>
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<tr>
<td>MIV</td>
<td>Microfinance Investment Vehicle</td>
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<tr>
<td>MM</td>
<td>Mobile Money</td>
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<tr>
<td>MMOs</td>
<td>Mobile Money Operators</td>
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<tr>
<td>MNOs</td>
<td>Mobile Network Operators</td>
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<tr>
<td>MTOs</td>
<td>Money Transfer Organisations</td>
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<tr>
<td>ROSCAAs</td>
<td>Rotating Savings and Credit Associations</td>
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<tr>
<td>RA</td>
<td>Research Assistant</td>
</tr>
<tr>
<td>RCT</td>
<td>Randomised Controlled Trial</td>
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<tr>
<td>RR</td>
<td>Remittance Recipient</td>
</tr>
<tr>
<td>USD</td>
<td>United States Dollar</td>
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<tr>
<td>WB</td>
<td>World Bank</td>
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CHAPTER 1
Introduction

1.1. Remittance flows and households: New frontiers of financial incorporation?

(...) it is hoped that the financial incorporation of migrant labourers and their households might be analysed in future from a range of critical perspectives, on different scales, and through close examination of different cases. (Cross, 2015:316)

In August 2019, the Financial Times (FT) dedicated a 7-part series to global remittances¹, noting that remittances have caught up with, and even surpassed, foreign direct investment as the largest flow of capital into developing and emerging economies². In 2018, USD 529 billion-worth of remittances were sent by migrant workers to underdeveloped countries, representing three and a half times the size of the total of development aid money (USD 144 billion) (KNOMAD, 2019). In 2019, remittance flows are likely to reach USD 550 billion (ibid). Dilip Ratha, lead economist in Macro Economics and Fiscal Management at the World Bank and the head of KNOMAD³, advances that “in five years, remittances will likely become larger than development assistance and FDI combined” (Barne and Pirlea, 2019). While remittances are depicted as an essential source of funds for many of the planet’s poorest, international financial and development organisations argue that their economic impacts could be harnessed if some of that money was channeled into more “productive investment” (Johnson, 2019). One key approach to bringing this about is to integrate Remittance Recipients (RR) in home countries into the formal financial system via banks and Microfinance Institutions (MFIs), allowing them to not only build up savings but also access credit and insurance. “The rationale [is] simple: how can we make these remittances count more?”, says Pedro de Vasconcelos, senior technical specialist for the

¹ See https://www.ft.com/cash-trails.
² Since foreign direct investment (FDI) has declined in recent years, remittances reached close to the level of FDI flows in 2018. Excluding China, remittance flows to developing and emerging economies have been significantly larger than FDI flows since at least 2015 (KNOMAD, 2019).
³ The Global Knowledge Partnership on Migration and Development (KNOMAD) is an initiative of the World Bank that describes itself as “a global hub of knowledge and policy expertise on migration and development issues” (see KNOMAD website: https://www.knomad.org/about-us).
International Fund for Agricultural Development's Financing Facility for Remittances in one of the pieces of the FT series (ibid).

The International Fund for Agricultural Development is not the only organisation that is "trying to empower [remittance recipients]" (ibid). Since the 1980s, a broad coalition of actors has aimed to turn remittances into a resource that can and should be leveraged for development gains (Datta, 2017; Page and Mercer, 2019). Through concerted political and discursive efforts, remittances have shifted from being almost 'invisible' to constituting one of the most effective tools to bring about positive development outcomes at different scales, ranging from the household to the national (Bakker, 2015a; Kunz, 2011). Migrants, in turn, have become key transnational agents, or even heroes, of development (Faist, 2008).

However, while the initial focus was on maximising the productive use of remittances for development up until the early 2000s (towards investment and savings rather than consumption), it is the “payment system aspects” of remittances that have attracted most policy attention in recent years (Bank of International Settlements and World Bank, 2007:iii, in Cross, 2015). More specifically, priority has been given to the promotion of greater competition amongst money transfer intermediaries and greater formalisation of remittance transfers on the one hand, and the establishment of stronger links between remittances and the financial inclusion agenda on the other. ‘Productive’ uses of remittances have become synonymous with the circulation and uses of remittances within global financial circuits. Importantly, these links between remittances, financial inclusion and development have attracted heightened levels of interest from not only the international development community but also the commercial and financial sectors (Cross, 2015). In June 2019 for instance, Facebook announced its plan to launch a new crypto-currency, Libra, alongside a payment app, Calibra, with the aim of providing fast, secure and global money transfer to the one billion people that are still ‘unbanked’ but have mobile phones and access to the internet (O’Dwyer, 2019a; Greeley, 2019). While Facebook advances that Libra's business model will be based on charging fees to users rather than monetising data, the proclaimed willingness to "help advance financial inclusion", combined with the heterogenous range of global investors behind Facebook's new initiative, seem to suggest that bigger plans are in the pipeline (Libra, 2019:2). In fact, the company's partners include a dozen tech firms, telecommunication companies (including Vodafone), microlenders (Kiva) as well as payments companies (Mastercard, PayPal and Visa).4

4 Critical observers have speculated that what is at stake here is the creation of an integrated "superapp", where users can not only send and receive money, but also have access to credit (through credit scoring based on transactional and social media data) and other financial products, message friends, pay utilities and shop online (O’Dwyer, 2019b).
In response, the research developed in this thesis critically investigates efforts to integrate remittances into global finance, and responses by RR to such market-led development projects in Senegal and Ghana, for several key reasons. First, about one in five of the African population (21%) – approximately 260 million people – say they depend at least “a little bit” on remittances sent from abroad (Appiah-Nyamekye Sanny et al, 2019). This does not even account for the significance of domestic remittances in these countries’ economies. Remittances, therefore, constitute a major geographical political economy issue, and remittance-related policy agendas, which have a major impact on the lives of millions of people worldwide, deserve continued critical attention. Second, remittances are not development money but derive directly from the fruits of migrants’ labour in host countries. The cross-border movements of workers and the counter-flows of a fraction of their income thus benefit capital in two ways: it provides a precarious and cheap source of labour in the Global North; and it lowers the cost of reproducing the next generation of workers in the Global South, where living costs are much lower and to which states in the Global North do not contribute a penny. Thus, despite providing collective livelihood strategies for migrant workers and their families, transnational families and the underlying social practices of money remitting/receiving nevertheless constitute a key mechanism in “perpetuating the cheap social reproduction of the current and future working class” (Ferguson and McNally, 2014:13). They are, therefore, part and parcel of the modus operandi of global capitalism. Investigating development policies and initiatives – aimed at leveraging the financial potential of remittances and constituting new power relations between mainstream global finance and populations that occupy its very fringe (Aitken, 2015) – and the ways in which they materialise in practice, is crucial to understanding the accumulation dynamics of contemporary financialised capitalism. Third, while the elusive, and even detrimental, effects of microfinance and financial inclusion have long been discussed (see for instance Mader, 2016a; 2018; Rankin; 2013; Roy, 2010; Soederberg, 2014), recent studies have also raised concerns about how successful this agenda is, even on its own terms (Bernards, 2019). Critical engagement between this scholarship and the literature on migration and remittances is necessary to understand not only whether this global remittance agenda works, but also what it “works at and how” (Mader, 2015:19). This is especially important with regard to debates around the formation of migrants and members of remittance households in home countries as transnational financial subjects (Zapata, 2013; 2018).
1.2. Rationale for research and key arguments

This thesis is motivated by a major gap in remittance research, namely that we still do not fully understand how the financial incorporation of remittance flows and households unfolds in practice, and how such market-making processes are experienced, accepted and/or contested by members of remittance households in home countries. One major reason for this, as argued in this thesis, is that much of the critical literature on remittances and financial inclusion has treated financialisation in empirically and theoretically imprecise ways (Christophers, 2015a; Ouma, 2015a). What several scholars have called the ‘financialisation of remittances’ has come to describe a multitude of phenomena, ranging from processes of securitisation (Hudson, 2008), financial mass democratisation (Kunz, 2012) and finance-led capital accumulation (Cross, 2015), to “invitation to live by finance” (Martin, 2002:9; see Datta, 2012; Zapata, 2013). However, the securitisation of remittances has not yet materialised despite a real enthusiasm in the early 2000s from institutional actors such as the World Bank. Relatedly, the advancement of financial inclusion, and the remittance-linked financial inclusion agenda in particular, has been much less rapid in most developing and emerging economies than is often perceived and noted by both proponents and critiques of the agenda (Bernards, 2019). Moreover, while the aforementioned studies have proved essential in understanding the disciplinary role of the agenda and exploring the potential and actual impacts of the creation and expansion of markets on the back of remittances, surprisingly little has been said about the grounded work, investments and controversies behind the construction of such market-led projects. The integration of remittance flows and households into global finance has been depicted almost as a frictionless project, reflecting one of the latest spatial fixes of capitalism (Harvey, 2003). While similar concerns can be raised with regard to the construction of financial(ised) remittance subjects, it is important to note that recent studies have started to show how the everyday actions and subjectivities of migrants and remittance households in home countries cannot be easily shaped by governments’ and other institutional actors’ policies and programmes (Zapata, 2013, 2018). Overall, the existing literature on financial inclusion of/remittances has left us with an understanding and usage of financialisation as “an explanation in and of itself” (Fields, 2018:119), rather than a practical accomplishment that is always in the making. I argue that this runs the risk of overestimating financial institutions’ current interest in remittances (from which new financial assets can be created) on the one hand, and the performative power of financial discourses, products and services in creating and shaping new financial subjectivities on the other. It also risks underestimating the chaotic, fragile and contested accomplishment of such development projects.
Crucially, these limits in the literature reflect recent broader concerns over the lack of constructive engagement between the scholarship on the international political economy of global finance and financialisation and the work on finance and market formation inspired by science and technology studies (STS) (Ouma, 2015a). Drawing upon the work of scholars, and geographers especially, that have recently taken up the task of bringing STS-inspired and political economy approaches to markets and global finance into a productive dialogue (Bernards, 2019; Bernards and Campbell-Verduyn, 2019; Fields, 2018; McKenzie, 201; Ouma, 2015b, 2016), I propose to analyse not only how the construction of remittance markets and the financial incorporation of remittance flows and households into global finance sustain processes of capital accumulation, but also how these are made possible and experienced in practice. In order to do so, I posit the geographies of remittance marketisation as an analytical framework that builds upon and extends the geographies of marketisation approach developed by Berndt and Boeckler (2009, 2010, 2011, 2012, 2013).

This approach allows for an exploration of the construction, stabilisation and expansion of remittance markets not as natural but contested and contingent projects that require constant renegotiations. It highlights that remittances do not have an inherent financial worth that can be easily tapped into, but rather require not only extensive financial, material, technological, legal and discursive constructions, but also, and importantly, behavioural engineering. Understanding the successes and failures of such grounded efforts and investments to shape and ‘nudge’ remittance flows requires, in turn, opening up the ‘black box’ of remittance households and locating RRs’ socio-economic and financial arrangements, practices and subjectivities within broader relations of kin, kith and gender. This line of inquiry is notably inspired by concerns over the treatment of the household as a black box within not only structural analyses of the global political economy (Montgomerie, 2016; Montgomerie and Tepe-Belfrage, 2017) but also part of the literature on migration and remittances (Erdal, 2012).

Challenging the conceptualisation of remittance households in home countries as simply passive, remittance-receiving entities in need of interventions, this research also considers the ways in which members of remittance households have responded to attempts to incorporate them into mainstream financial circuits. By doing so, it advances an understanding of everyday financialisation not as inevitable but prone to “resistance from without and contradiction from within” (Fields, 2017:588). Finally, it contributes to a growing body of work that aims to decentre research on financial subject formation beyond Anglo-American economies (Lai, 2017), and the Global North more generally (Gonzalez, 2015; Kutz, 2018; Wilks, 2015).
1.3. Research questions

In undertaking this research, I focus the inquiry on three questions.

1. **How do remittance markets come into being concretely in Senegal and Ghana?** To answer this question, I am concerned with identifying the various human and non-human elements that contribute to the financial incorporation of remittance flows and households. I also examine how remittance markets are spatially constituted.

2. **To what extent can remittance flows be incorporated into global financial circuits?** To answer this question, I seek to identify the main factors that influence the allocation and use of remittances and how decisions are negotiated between migrants and members of remittance households in home countries. I also explore the role that remittances play in broader financial and money-management arrangements and strategies.

3. **How do members of remittance households respond to processes of financial subject formation?** To answer this question, I explore the extent to which remittance marketisation programmes can ‘nudge’ the behaviours and subjectivities of members of remittance households. I also explore causes of acceptance and/or resistance, and the limitations to, and strategies of adaptation of, marketising projects that aim to link remittance flows and households to global finance.

1.4. Methodology and evidence base

This research adopts a constructionist approach that is informed by what Ouma (2015b:78) calls a “critical ethnography of marketisation”. It pays specific attention to the ways in which remittances, agencies and market encounters are formatted in practice, how remittance markets are stabilised but also how they are constantly in the making and prone to resistance and processes of destabilisation by various actors.

This study is based on fieldwork undertaken between June 2016 and December 2017 in Senegal and Ghana, drawing upon semi-structured and ethnographic interviews with institutional and private sector actors and remittance recipients, as well as in-field observations and document analysis. It responds to the need for greater empirical and theoretical knowledge on the
incorporation of remittance flows and households into global finance in West Africa, given the dramatic increase of programmes that aim to harness remittances for financial inclusion in the region, and the scarcity of critical studies on such development initiatives (with the exception of Cross, 2013, 2015). More specifically, this research provides an analysis of the ways in which the marketisation of remittance flows and households unfolds in two developing economies with contrasting degrees of financial penetration and trajectories. Importantly, fieldwork was carried out not only in the two capital cities (Dakar and Accra) but also in and outside ‘secondary’ cities (Thiès in Senegal and Tamale in Ghana). While logistically and practically challenging, it was necessary to carry out research in the outskirts of towns like Thiès and Tamale in order to understand the differentiated strategies put in place by financial and commercial institutions to reach so-called ‘unbanked’ and ‘underbanked’ populations in peri-urban and rural areas. As far as international and domestic remittances are concerned, the ‘last mile’, i.e. access to a financial ‘touch point’ at which a RR can withdraw cash sent, remains a key challenge that global financial and development organisations have sought to overcome by offering new technological and digital solutions. While the marketisation of remittance flows and households in Senegal is explored via a branchless banking strategy led by MFIs, the branchless banking model led by Mobile Network Operators (MNOs) – or Mobile Money (MM) – is the main analytical focus in Ghana (see Chapter 4).

The research focuses on two distinct sets of actors: institutional and private sector actors on the one hand, and members of remittance households in home countries on the other. First, it examines the strategies and grounded efforts by which institutional and private sectors actors aim to marketise remittance flows and households, drawing upon document analysis, semi-structured and ethnographic interviews with government officials, international financial and development organisations, banks, Fintechs, MFIs and MNOs, as well as in-field observations in Dakar and Thiès (Senegal) and Accra and Tamale (Ghana). By doing so, it allows for an exploration of how the messy work of making remittance markets plays out not only politically and discursively but also in practice (Ouma, 2015b). Second, the study explores the ways in which members of remittance households have experienced and responded to these market-making efforts in both countries, drawing upon semi-structured in-depth interviews and in-field observations with members of remittance households in Thiès (Senegal) and Accra and Tamale (Ghana). The main aim of this part of the research is to empirically examine, rather than infer as it is often the case in the literature on everyday financialisation (Pellandini-Simanyi et al, 2015), whether/how new financial products and services transform and/or draw upon existing socio-economic and cultural arrangements, practices and subjectivities. 81 and 92 semi-structured interviews were conducted with institutional and private sectors actors and members of
remittance households respectively. In addition, ethnographic interviews were carried out with 15 different private sector actors. Overall, 188 semi-structured and ethnographic interviews were conducted in the two countries. Taken together, my research employs multiple case studies, methods and sources to understand the uneven financial incorporation of remittance flows and households in Senegal and Ghana.

1.5. Thesis structure

This thesis is developed across six chapters. Chapter 2 frames the study, by reviewing major streams of literature on remittances, financial inclusion and financialisation in the context of development. It builds upon previous studies by deconstructing the assumptions behind, and calling into question, policies and initiatives that aim to construct and expand financial markets on the back of remittances. At the same time, however, it outlines their limitations in theorising the grounded efforts and controversies behind these attempts to incorporate remittance flows and households in global financial circuits. To advance these studies, it posits the geography of remittance marketisation as an analytical framework, which allows accounting for the intricate ways in which remittance markets are constructed in practice in Senegal and Ghana and the fragility and contingency of the outcomes of such market-making processes, especially with regard to the configuration of remittance market subjects.

Chapter 3 presents my methodological approach and framework detailing how I went about researching the marketisation of remittance flows and households, and building the empirical evidence base upon which my analysis is based. I explain how I developed a methodological approach to address my research questions through the use of multiple methods, case studies and sources. I then provide a detailed analysis of the data collection process, which consisted of the review and analysis of key policies, programs and activities targeting members of remittance households for financial inclusion, semi-structured interviews with institutional and private sector actors and members of remittance households, as well as ethnographic interviews and in-field observations across Dakar and Thiès in Senegal, and Accra and Tamale in Ghana. After explaining how I analysed, interpreted and presented the data, I discuss issues around positionality and power relations in relation to the research process through the concept of ‘triple subjectivity’ (the researcher/research assistants/research participant relationship).

The first of the three core analytical chapters, Chapter 4 presents my theoretical and empirical analysis of the differentiated ways in which remittance markets are realised in Senegal and Ghana. I begin by outlining the remittance landscapes in both countries, focusing on the
similarities and differences with regard to market-making strategies, actors and remittance-linked financial products and services. Then, rather than leaving finance and the concrete formation of remittance markets black-boxed, I pay attention to the extensive financial, material, technological, legal, discursive and behavioural engineering that is required for such markets to come into being concretely. To do so, I draw upon Berndt and Boeckler’s (2009, 2012) geographies of marketisation approach and focus on the practical accomplishment of three key market framings: (1) the conversion of remittances into commodities; (2) the formatting of agencies among different remittance market actors; and (3) the formatting of market encounters between remittances, financial institutions and global investors. Divergent from previous studies, this shows that the construction and expansion of remittance markets in countries such as Senegal and Ghana are not natural or uncontested projects but always fragile, contested and in the making.

The second analysis chapter, Chapter 5, examines the extent to which remittance flows can be incorporated into global financial circuits. I begin by providing a conceptualisation of the ‘remittance household’ in order to focus on the variegated remitter-receiver-recipient configurations that underpin practices of remittance sending, receiving and distributing, and to shed light on the unwaged work and reproductive and emotional labour that contributes to the ‘(re)production of life’. By investigating the ways in which decisions are made and by whom with regard to the allocation and use of remittances, I show that remittances cannot be easily ‘nudged’ towards certain financial purposes and circuits in the manner advocated by proponents of remittance marketisation. This is notably due to a wide range of factors, including debt, gendered power dynamics and norms, inter-women hierarchies, kinship relations and household context. The chapter concludes by situating remittance practices within broader financial and money-management arrangements and strategies of remittance households. It demonstrates the significance of the role played by remittances in alternative financial arrangements and practices.

The third analysis chapter, Chapter 6, discusses how members of remittance households respond to processes of financial incorporation and subject formation. More specifically, it provides new insights on the ways in which remittance-linked socio-economic and financial circuits, practices and subjectivities interact with, are subsumed by, or counter various attempts to absorb and replace them. Conceptualising processes of financial subject formation as a practical accomplishment that is constantly in the making, I advance the understanding of members of remittance households as “quasi-subjects” (Berndt and Wirth, 2019) of remittance marketisation. They constitute ‘reluctant’ and ‘dissenting’ subjects of remittance marketisation.
as well as subjects that ‘deny’ marketisation through individual and collective discourses and acts of refusal.

In conclusion, Chapter 7 revisits the core research questions which motivated this research and sets out the key findings of this research in response to each question. In summary, the new contributions to knowledge relate to the extension of the geographies of marketisation approach to remittances, the novel exploration of the ways in which remittance markets are created and contested in two countries and four cities in the Global South, and a set of foundations upon which a radical and transformative development agenda on remittances and financial inclusion should be built. The chapter concludes by suggesting several lines of enquiries to extend this research. These include the increasing prevalence of digital financial inclusion in the Global South, the relationship between digital financial inclusion and race/gender as well as international comparative analyses on the different ways in which the remittances-financial inclusion nexus manifests itself.
CHAPTER 2

Theorising the financial incorporation of remittance flows and households:
Financial inclusion, financialisation and marketisation

2.1. Introduction

Since the 1980s, remittances have been at the centre of what de Haas (2012:8) terms a “neo-optimistic” migration-development nexus, which positions migrants as key development agents, and their remittances as a significant source of development finance. Correspondingly, a wide range of policy initiatives have been proposed and implemented by a broad coalition of actors, including International Financial Institutions (IFIs), development organisations, regional development banks, private sector actors and governments in the Global North and the Global South, to ‘harness’ the developmental impact of remittances. While the focus of this remittances-for-development agenda was initially on maximising the productive use of remittances (whereby these financial flows are targeted towards investment instead of consumption), it is the promotion of greater competition amongst money transfer intermediaries, greater formalisation of remittance transfers and stronger links between remittances and other financial products and services that have attracted most policy attention in recent years (Cross, 2015). This, in turn, has led many observers to critically engage with work on remittances and the literature on financialisation, with analyses ranging from the financialisation of the remittance marketplace to the financialisation of remitting subjects (Cross, 2015; Datta, 2012, 2017; Hudson, 2008; Kunz, 2011, 2012; Zapata, 2013, 2018). These analyses of what I call the ‘remittances-financial inclusion nexus’, and of the financial inclusion agenda more generally, have proved vital in deconstructing the assumptions behind, and shedding light on, the negative impacts of initiatives that aim to transform development into a program of financial market expansion.

However, what is striking in most of the critical literature on the remittances-financial inclusion nexus is the ways in which financialisation is treated as “an explanation in and of itself” (Fields, 2018:119), which fails to account for the efforts and controversies that lie behind such market-led development projects. In other words, the above approaches fall short of demonstrating how remittance markets “come into being practically” (Ouma, 2015b:3). By neglecting the grounded operations of remittance market-making, the socio-spatial expansion of remittance markets appears to be a natural and uncontested process. Moreover, surprisingly little is said about the
extent to which attempts to incorporate remittance flows into global finance may actually be possible, and how and why these may be accepted, subverted and/or resisted by members of remittance households in home countries (although see Zapata, 2013, 2018).

In this chapter, I expand on the core arguments outlined above in greater detail and review the conceptual, analytical and empirical strengths and limitations of existing research on remittances, financial inclusion and financialisation in the context of development in order to set out the *geographies of remittance marketisation* as an analytical framework. This framework enables an account of the grounded ways in which remittance markets are constructed (RQ1), the extent to which remittance flows (RQ2) and households (RQ3) can be (re)configured and incorporated into global financial circuits, and why such processes are always fragile, contested and in need of constant renegotiations.

The remainder of this chapter is divided into three sections. First, I critically assess the efforts behind the creation of the remittances-for-development agenda, a development project that aims to leverage remittances for development. Second, I examine the transformation of the remittances-for-development agenda into what I call the ‘remittances-financial inclusion nexus’. While acknowledging the analytical value of existing critiques of this agenda, and of financial inclusion more generally, I identify several conceptual and empirical limitations. Third, I draw upon, and extend, the geographies of marketisation approach developed by Berndt and Boeckler (2009, 2010, 2011, 2012), and outline why and how such an approach is well suited to overcoming these limitations.

### 2.2. The remittances-for-development agenda

Over the past 40 years, a broad coalition of actors have made concerted efforts to leverage remittances for development gains. I argue that existing critiques of this remittances-for-development have revolved around three main dimensions: (1) the political and discursive transformation of migrants into development agents, (2) the making of remittances as a resource to be capitalised on, and (3) economistic and gendered characteristics of interventions designed to render remittances (more) productive.

#### 2.2.1. Migrants as ‘development heroes’: Neoliberalism in hiding

The debate about the impacts of migration on development has swung back and forth, from being perceived as a problem for economic development – ‘brain drain’ – to being a solution – ‘capital gain’ (Glick Schiller and Faist, 2010; de Haas, 2012). Those shifts in the migration-development
nexus reflect broader societal and ideological shifts that have occurred since World War II (de Haas, 2012). Briefly, three phases of the migration-development nexus are recognised. In the 1950s and 1960s, optimistic views saw migration as vital to filling the labour gaps in the Global North while remittances and migrants’ return were thought to be key factors that would enable economic take-off in the Global South (Faist, 2008). This view clearly drew upon developmentalist modernisation theories of a natural equilibrium between labour and capital creating ‘balanced growth’ provided that markets were left unfettered (Gamlen, 2014). In contrast, the second phase (1970s to the 1980s) emphasised the highly detrimental impact of migration on development processes in countries of origin. Dominated by the Marxist-inspired dependency and world system theories, emigration was perceived as both a direct consequence of underdevelopment and, in turn, a source of further poverty and underdevelopment between the Global North and the Global South, mostly due to the emigration of highly-skilled workers from the latter to the former (Bastia, 2013; Faist, 2008). Moreover, remittances, far from resulting in economic development, were found to be wasted on ‘conspicuous consumption’ (Chami et al, 2005; Sofranko and Idris), and exacerbate inequalities (Croll and Ping, 1997; Gamlen, 2014).

The claim that migration is both caused by, and results in, development failure in the country of origin has given way to a new “mantra” (Kapur, 2004), addressed notably by the ‘New Economics of Labour Migration’ (NELM) approach, whereby (1) remittances are deemed to bring about positive outcomes at different levels, ranging from the household to the national and (2) migrants are considered as key transnational agents, or even heroes, of development (Faist, 2008). Before I explore what is new about this reversal, it is important to understand the reasons behind the emergence of this neo-optimism (de Haas, 2012). As Geiger and Pécout (2013:373) argue:

The question is not so much whether migration will foster development, or whether political initiatives in this field will last or not. Instead, the question lies in the implicit assumptions behind the interest in the ‘migration-development nexus’, and in what they tell us of the determinants of both development and migration policy.

Many critical observers have pointed out that the optimistic view of the migration-development nexus has been driven by the interests of migrant-receiving states in the Global North (Glick Schiller, 2010; Glick Schiller and Faist, 2010; Kabbanji, 2013; Piper, 2009). The product of a political and scientific construction, the recent framing that underpins the links between development and migration reflects the ways in which powerful states in the Global North have exerted their influence upon countries in the Global South in order to manage migration (i.e. control it) whilst trying to maximise its benefits (Geiger and Pécout, 2013:369; see also Delgado
Wise et al, 2013; Gamlen, 2014; de Haas, 2012; Pina-Delgado, 2013). In fact, Geiger and Pécoud (2013:373) argue that the aim to “make migration work for development” has been subordinated to security objectives, more often than not conflated with strong and restrictive immigration policies. For instance, while Skeldon (2012) and Datta (2009) note that the emphasis put on circular migration can be compared to guest worker programmes during the post-war period, others argue the recent optimism around remittances, the diaspora and the image of migrants as agents for development reflects the hope of countries in the Global North that development may slow migration flows (Newland, 2007).

Another important element of this “hidden agenda” is the close ties it develops with neoliberal development policymaking (Gamlen, 2014:590, see also Castles and Delgado Wise, 2008; Datta, 2009; de Haas, 2012; Delgado Wise and Marquez Covarrubias, 2009; Glick Schiller, 2010). Here, the neo-optimism about migration, and migrants in particular, is explained by the withdrawal of the state in different parts of the world (de Haas, 2012; Bastia, 2013). In the context of the privatisation of social services following structural adjustment programs in the 1980s, a significant transfer of responsibility for development has occurred from state to society and specifically migrants (Bastia, 2013; Datta et al., 2007; Datta and Guermond, forthcoming; Glick Schiller, 2010; Raghuram, 2009). This third articulation of the migration-development nexus, therefore, has coincided with neoliberal ideologies that shift attention away from structural development constraints and the responsibility of migrant-sending states to pursue political and socio-economic reforms (Datta et al, 2007; Kapur, 2004; Mercer et al, 2008). In other words, this renewed celebration of migration-led development has constituted “an attempt to deliver neoliberalism with a human face” (Delgado Wise and Covarrubias Marquez, 2009:87).

At the core of the ‘neo-optimism’ is, therefore, a positive thinking about the impact of emigration on the countries of origin and an overwhelming focus on remittances which have increasingly come to be seen as one of the most important tools to finance development (Datta, 2009). In the following, I delve more deeply into various contested attempts to make remittances a resource to be capitalised on; and ensure that they are channelled into (more) productive investments.

2.2.2. The transformation of remittances into a financial resource

Remittances were transformed in the 1980s and 1990s into both a national product resulting from the export of labour and a foreign entity that arrives as gifts (Hernandez and Coutin, 2006). Taken together, these two characteristics have transformed remittances into a significant financial resource to be tapped for migrant-sending countries’ national development. What Hernandez and Coutin (2006:189) refer to as the “nationalization of migrant labour” is
underpinned by three distinct but interrelated discursive and political moves undertaken by both states and international financial institutions: (1) the management of migrant labour by states as export; (2) the claim that the labour of migrants is ‘owned’ by migrant-sending nations, and (3) the emphasis on the original investment efforts of states in migrant workers (in the form of education, shelter and so on). This has legitimised the claim of migrant-sending states to get a return on investment in the form of remittances. In parallel, remittances have been discursively constructed as foreign in origin, entering the nation as gifts that do not require prior exchange and negotiations (ibid). Accounts of the volume of remittances being put in comparison with levels of Official Development Aid (ODA) and Foreign Direct Investment (FDI) have become very common in mainstream and even critical literatures (Bakker, 2015b) (see Figure 2.1). These comparisons have not only served to increase the development legitimacy of remittances but also assumed that remittances simply arrive and, “much as a river irrigates land”, represent currencies that naturally “flow” into communities (Hernandez and Coutin, 2006:190, see also Massey and Parrado, 1994:18).

Figure 2.1 - Remittance flows to low- and middle-income countries compared to FDI, ODA and private debt and portfolio equity, 1990-2019

(Source : https://www.knomad.org/sites/default/files/2018-12/Figure1.1.PNG)
Importantly, particular accounting practices have been deployed in order for remittances to be considered as national incomes and foreign currencies that can be capitalised for development. In fact, Bakker (2015b:32) demonstrates that the supposed dramatic increase in remittances flows over the past two decades is mostly due to better reporting, i.e. better data-collecting procedures and improved measurement practices. Multiple institutions, including the WB and the Multilateral Investment Fund (MIF), have played a pivotal role in producing measurement tools and calculative practices to construct remittances as a financial flow. Bakker (2015b) argues that this was purposively done to support the central political claims of the remittances-for-development agenda, namely that remittances constitute the world’s most effective tool to alleviate poverty and maybe the biggest source of development finance. In other words, now that this significant amount of money had been ‘discovered’5 and had grabbed the attention of states, development organisations and financial institutions, remittances are deemed to play a crucial role in the development of countries of origin. These concrete practices and procedures of accounting have allowed particular representations and constructions of remittances which, in turn, made them highly visible and attractive to neoliberal development policy makers. International efforts were made to improve statistics measuring the flow of remittances and to create particular graphic representations of these flows (Bakker, 2015b; Raghuram, 2009). Priority has been given to the transformation of remittance data into tables, graphs and charts that could systematically show the continued growth and the significance of the amount of money that remittances represent (Carling, 2014). The use of particular indicators such as annual growth rates or aggregate volumes has been particularly striking (Hernandez and Coutin, 2006; Bakker, 2015b). These accounts often go alongside the allegedly better stability, and even countercyclicality, of remittances in period of crisis as opposed to other resource flows (Ratha, 2012). As a result, the representation of remittances as stable, homogeneous remittance flows, with major emphasis on their aggregate volume, has been widely reproduced (Bakker, 2015b).

Yet, remittance scholars have demonstrated that these ‘dominant’ characteristics and representations are either false or based on inaccurate and unreliable data (for a detailed critical investigation of these claims, see Bakker (2015a, 2015b) and Kunz (2012)). Moreover, by making remittances commensurate and presenting them graphically as aggregate volumes, those accounting procedures and visual representations have contributed to “shap[ing], simply by measuring it, the reality they measure” (Callon, 1998 in Hernandez and Coutin, 2006:193). In fact, Hernandez and Coutin (2006:192) refer to “discounting procedures” to highlight that such

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5 Kunz (2011:52) argues that, from the perspective of international organisations such as the Multilateral Investment Fund, because “remittances were sent in small amounts and through informal channels – i.e. not accounted for and controlled by the formal financial system and financial statistics – they were ‘missing’, i.e. they did not exist”.

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remittance calculations and portrayals are made possible “by pre-defining the regime of value within which remittances circulate and by not counting certain other transactions associated with remitting”. To become the basis upon which new development policies and markets can be built, remittances have had to be disentangled from their association with the political and socio-economic realities of their production and embedded within a different and more positive set of connections. While migrant workers, especially undocumented workers, generally constitute the “most cost-free workers” in capitalist economies in the Global North (Ferguson and McNally, 2014:13), remittances are deemed cost-free incomes in home countries in the Global South, disentangled from any cumbersome realities. The WB, for instance, reports remittances as “unrequited transfers”, or transfers that are neither repayment or need to be repaid (Hernandez and Coutin, 2006). Through such discounting procedures, states, central banks and IFIs have embedded remittances within a particular ‘regime of value’ that they privilege (Appadurai, 1986); a regime of value within which remittances are aggregate, commensurate, stable and, most importantly, cost-free funds that can be capitalised on. By disembedding them from other ‘regimes of value’ within which they circulate and within which acts of remitting bear costs (such as for instance interests on loans that allow migrant workers to move in the first place), remittances come to constitute the “ideal neoliberal currency” (Hernandez and Coutin, 2006:201).

2.2.3. Remittances and productive investments: Economistic and gendered constructions

A significant focus of the academic and policy literature on remittances and migration has been on the economic impacts of remittances on the countries of origin at local and national levels, mostly including analyses of whether remittances are spent on consumption or investment. Early research has tended to focus on the ways in which remittances negatively impact communities of origin. In fact, remittance recipients have regularly been criticised for carelessly consuming, or even wasting, remittances on unnecessary and luxurious consumables (Abbots, 2014; Chami et al, 2005; Sofranko and Idris, 1999). One of the first to examine how remittances were used, Lipton (1980:11) was critical of the fact that “everyday needs often absorb 90% or more of a village’s remittances” (see also in Sikder and Ballis, 2013). Others blamed remittances for discouraging work effort/ethic among recipient communities (Brown et al, 2014). In fact, Durand and colleagues (1996) remarked that words such as ‘addiction’, ‘syndrome’ and ‘dependence’ were often used in reference to remittances. Remittances, it was argued, were fostering dependency rather than autonomy (ibid). In turn, global policies and initiatives disseminated by international

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6 It is important to recognise that these views still exist (see for instance Acosta, 2007; Justino and Shemyakina, 2012).
organisations and relayed by states both in the Global North and the Global South consistently sought to encourage a more ‘productive’ use of remittances away from consumption by (1) providing investment opportunities to migrants (Levitt, 2001; Kunz, 2011; Robinson, 2004); (2) establishing fund-matched programs for hometown associations’ development initiatives (Kunz, 2011; see also Hernandez and Coutin, 2006); (3) taxing remittance transfers (Mohapatra, 2010); (4) developing small and medium enterprises schemes by, for instance, offering tax breaks on imports of capital goods (Gamlen, 2005); and (5) promoting the establishment of micro-businesses for those who ‘stay behind’ through the provision of numerous kinds of financial products and services, including microloans and financial literacy programs (Kunz, 2011). Many critical observers have responded to these accounts by unpacking various sets of economistic, gendered assumptions about the role of remittances, migrants and remittance recipients in development. A brief overview of these debates is important to understand the extent to which remittance flows can be nudged and incorporated into mainstream financial circuits (see Chapter 5 for a grounded exploration of how these processes play out in Senegal and Ghana).

2.2.3.1. Remittances and economistic assumptions

In her extensive analysis of the Global Remittance Trend (GRT), Kunz (2011:42) argues that the aforementioned initiatives and discourses have constituted the mainstreaming of a “money-based discourse” within the international community since the 2000s, which depict remittances purely in their economic form as a sum of money. The problem with this narrow financial understanding of remittances are manifold. First, it constructs a narrative around remittances that abstracts them from the social, emotional, political, financial, and cultural practices and realities in which remittances, migrants and their families are embedded (Åkesson, 2011; Carling, 2014; Horst et al, 2014; Levitt, 2001). Remittances are not solely a sum of money sent home by migrant workers; they are inherently based on social relations, processes and transactions that carry different meanings, expectations and functions, ranging from obligations and sacrifice to gifts and help (Carling, 2014; Erdal, 2012; Goldring, 2004; Levitt, 2012). Considering remittances in purely economistic terms creates a very partial understanding of what they are and invisibilises the social relations on which they are based (Cross, 2015; Datta, 2009; Datta et al, 2007). Second, this view assumes an almost necessarily positive representation of remittances. As Kunz (2008:1396) remarks, remittances are often portrayed as “powerful” and “beautiful” in official documents of international organisations such as the WB. This depiction of remittances leads to a romanticised idea of the social bonds that remittances supposedly enhance between migrants and remittance recipients. It also neglects the variegated effects remittances have on the country of origin, the community and/or the household, siblings, distant relatives and people who are not related, despite rich grounded literature emphasising the contingency of the
remittance-development frame and the disparate impact of remittances depending on lived realities of gender, class, ethnicity and geography (Bracking, 2003; McKay, 2007; Parrenas, 2005).\(^7\)

To this money-based approach on remittances, many remittance scholars propose a strand of sociological, ethnographic and anthropological research which provides an alternative approach to understanding and conceptualising remittances (Åkesson, 2014; Carling, 2014; Datta, 2008; Erdal, 2012; Goldring, 2004; Kunz, 2008, 2011; Levitt, 2011, 2012). This alternative literature has focused not only on remittances per se but also on the relevant phenomenon and processes that are taking place alongside them, hence providing a more holistic contextualisation of money transfers. These accounts have tended to emphasise the social, cultural, emotional as well as political nature of practices of remittance sending and receiving. Following Carling’s (2014) analysis, acts of transferring remittances are compound transactions of financial flows, ideas, meanings, gifts, values, norms and knowledge. Early work on the social nature of remittances can be attributed to Levitt’s (2001, 2012) research on “social remittances” (see also Levitt and Lamba-Nieves, 2011). Levitt (2001) argues that migrants carry (and continue to receive) ideas, norms, practices and behaviours with them when they migrate, which in turn shape (1) what they do and who they do it with in the countries they move to, as well as (2) what they send back to non-migrants and their sending communities in general. For instance, Goldring (2004) highlights the importance of considering the political and social elements to remittances as different types of remittances contribute to various aspects of development. As a result, she offers a typology of remittances by distinguishing three types of remittance, i.e. family, collective and entrepreneurial remittances. Importantly, Goldring (2004) shows that each type of remittance has specific characteristics and requires specific interventions; remittances are not and do not mean the same thing in different places and over time (see also Erdal, 2012).\(^8\) There is, therefore, a need to disaggregate them in order to fully understand how they can be used, what for, when and by whom

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\(^7\) While this research does not directly focus on the impacts of remittances on development, it is important to note that the effects of remittances on poverty, inequality and economic growth at the household, national and global levels have been highly variable and context-specific (Bracking, 2003; Datta, 2009, 2017; Gamlen, 2014; Goldring, 2004; de Haas, 2005; Horst et al, 2014). For instance, Goldring (2004) argues that the Mexican government became interested in collective remittances after debates concerning the relationships between family remittances and development had reached an impasse in the mid- to late-1990s (see also Mercer et al, 2008). Furthermore, research also found that remittances can increase or create inequalities in countries of origin (Sikder and Ballis, 2013).

\(^8\) The confinement of remittances to the economic domain finds a striking parallel with Zelizer’s (1994) work on the social meanings of money. Zelizer (1994) argues that social characteristics of money have been neglected by the vast majority of scholars, including sociologists. The direct consequence of this was that very little was known about the social life of money. What Zelizer (1994) shows is that despite the increasing monetisation and commercialisation of daily life, social relations have not become “flat”; people manage to counteract the increased standardisation of everyday life by, amongst other things, earmarking different currencies for different types of social interactions and incorporating money into personalised webs of friendship and family relations (Zelizer, 1994:2). Her comprehensive arguments in turn influenced a great deal of ethnographic work looking at how remittances may be seen differently to any other type of money (Carling, 2014).
(see Chapter 5 for a detailed analysis of processes of remittance earmarking). Whilst the importance of taking into account the context in which remittances are sent and spent has been recognised, the most recent development policies around remittances still seem to assume that remittances, considered as a homogenous bulk of money in general, need to be used more productively and more efficiently (see for instance Mashayekhi, 2015; de Vasconcelos, 2014)

Further emphasising the inherently socio-cultural nature of remitting, more anthropological-oriented accounts have looked at remittances through the lens of gift exchange, drawing on work of gift theoreticians like Marcel Mauss (Åkesson, 2010, 2011; Cliggett, 2003, 2005; Monsutti, 2004; McKenzie and Menjívar, 2011). What this literature shows is that, in some cases, the act of remitting can be considered as, if not more, important as remittances themselves.9 Remitting practices come to represent acts of gift giving and investment in people, i.e. they allow both the mutual recognition between migrants and recipients and the strengthening or reproduction of social ties between migrants and their relatives, friends and communities (Cliggett, 2003, 2005). Remittances, or “gift remittances” in Cliggett’s (2005) terms, take multiple forms and their values are to be found in the economic as much as, if not more than, in the social and symbolic. Importantly, and in contrast to economic approaches that assume a one-way economic support from migrants to relatives and friends back home, the above literature allows us to account for the multiplicity and multi-directionality of these social, cultural and economic relations as well as the agential capacity of non-migrants (Åkesson, 2011; Datta, 2017; Marchand, 2015). My empirical analysis in Chapter 5 builds upon this understanding of the social and relational nature of remittance practices to investigate the ways in which international and national policies and programs that aim to incorporate remittance flows into mainstream finance do not only target a ‘sum of money’ but also shape and are shaped by people’s norms, expectations, practices and ideas as well as how members of remittance households and migrants relate to each other (RQ2).

2.2.3.2. Remittances and gendered assumptions

The remittances-for-development agenda is also embedded within a set of gendered assumptions that have direct implications with regard to the kind of policies that have been put forward over the years (van Naerssen et al, 2015). In contrast to earlier research that negatively depicted the consumption of remittances, researchers have argued more recently that the use of remittances on consumption “may not be necessarily bad” (Hassan et al, 2012:12). Sikder and Ballis (2013) have observed that remittances now come to be positively depicted either as insurance premiums (Lucas and Stark, 1985; Stark and Lucas, 1988), a safety-net (Afsar, 2005) and a form of social

security (Davis 2001) on the one hand, and in terms of providing welfare support on the other (Taylor, 1999). What is, however, striking amongst these studies, regardless of whether consumption is seen as good or bad, is the assumption that households in remittance-receiving countries are helpless, passive and waiting for remittance to arrive and address their social and economic predicaments (Sikder and Ballis, 2013). Crucially, Kunz (2015) argues that these assumptions are constitutive of a discourse around remittances that has been constructed over the gendered representations of two main populations: those of migrant men as remittance providers and those of women who stay behind as remittance receivers (see also Marchand, 2015). While these representations are not reflected in formal statistics in many countries and have been extensively challenged by gender and migration scholars, they nonetheless continue producing within policy circles “a certain connotation, namely that of migrants as productive, while women in sending communities are conceived as largely ‘non-productive’” (Marchand, 2015:194). I argue that these arguments result in two major processes of invisibilisation. First, it is assumed that consumption is antithetical to investment (Abbotts, 2014). Because women ‘left-behind’ are spending remittances rather than labouring and investing, they are not considered to be engaged in any ‘productive’ economic activity. However, it has been argued that spending money can also constitute a form of labour (Miller, 1998). In fact, Abbots (2014:144) argues in the context of remittance consumption dynamics among the peasantry in the Ecuadorian Andes that remittances are invested in the long-term future of the family “albeit not in the economically ‘rational’ or self-maximising manner advocated (…) by development agencies”. Transforming remittances into household appliances, clothing for children, domestic and care labour or education constitutes processes that “both produces the house and reproduces family relationships” (ibid:145, see also Carsten, 1989, 1997). Drawing upon Lévi-Strauss’s (1987) work on the impact of material objects such as houses on social relationships, studies on migration have emphasised the role that objects bought through remittances can play as “place-holders” for migrants, symbolically replacing the physical void they have left (Colloredo-Mansfield, 1994; Cliggett, 2005; Gell, 1998). Crucially, as Abbots (2014:145) argues, “without female labour, remittance would not be transformed into a material presence”. This scholarship is crucial to not only critically assessing recent attempts to leverage remittances for financial inclusion and development but also appreciating how a partial understanding of what remittances are and do constitutes important limits to such projects (see Chapter 5 for an empirical investigation of the limitations of projects that aim to incorporate remittance flows into formal financial circuits) (RQ2).

The second gendered process of invisibilisation that underpin the remittances-for-development agenda refers to the fact that people who stay behind, and women in particular, do not only spend,
or even transform/invest in Abbots’ (2014) terms, remittances; they “take on the totality of biological and social reproduction tasks while also engaging in income-generating activities” (Kunz, 2008:1405). These multiple tasks and activities are for the most part ignored by the remittances-for-development agenda. Instead, women at the receiving end “need to be made productive” (Marchand, 2015:194). While feminist scholars have critically analysed the processes through which the work conducted by women and others as non-wage workers are deemed ‘non-productive’ and become erased (Federici, 2004; Mies, 1986), Bhattacharyya (2018) argues that the assumptions that underpin these processes of invisibilisation are not only economistic and gendered but also racialised. The ways in which various efforts to make “non-migrants” engage in productive activities and use their remittances more productively come to be attached to racialised understandings of the economy deserves, therefore, particular scrutiny, and will be analysed in Chapter 5.

Over the past ten years, many commentators have noted a subtle but nonetheless critical change with regard to more recent policy-oriented interventions determined to find a way around harnessing remittances for development without being accused of infringing on the private nature of remittances (Horst et al, 2014). This shift has also been interpreted as a way to counteract the lack of empirical evidence about the systematic positive effects of remittances on poverty and inequality (Datta, 2017). As a result, the initial euphoria around remittances – and the policies seeking to directly change the ways remittances are used or sent – gave way to new strategies and policy interventions to expand the choices migrants and recipients have. In other words, and as Kunz (2011:57, emphasis mine) remarks, it is now accepted that “the potential for remittances and migration for development can only be achieved under certain conditions”, these conditions being related to the consolidation and expansion of a more efficient market for remittance services that is attached to the broader financial inclusion agenda. This echoes Bhattacharyya’s (2018:63) argument, which points out to the possibility that we may be “entering a time when an increasing proportion of the world’s population is unable to enter waged work”. In other words, those previously excluded from the discipline of ‘productive’ work may (re)enter spaces of capitalist accumulation not as ‘productive’ workers but as ‘productive’ (indebted) consumers. Building upon Bhattacharyya’s (2018) argument, I argue that this is through consumption practices, especially consumption of financial products and services, that the integration of remittance senders and recipients into the global economy has recently been conceived and promoted. This shift from the ‘remittances-for-development agenda’ to what I call the ‘remittances-financial inclusion nexus’ is what I turn to now.
2.3. The remittances-financial inclusion nexus: Financialisation in the making?

Policy interventions and programmes on remittances have shifted from efforts to directly influence the ways in which these flows should be sent, received and used to more subtle attempts at broadening the choices migrants and members of remittance households have. Amongst key initiatives that have attracted a broad consensus within policy circles are calls for (1) greater competition amongst money transfer intermediaries, or Remittance Service Providers (RSPs), as well as greater formalisation of remittance transfers, and (2) stronger links between remittances and other financial products and services. Ultimately, the aim is to facilitate the construction of a “more efficient market for remittance services” (Horst et al., 2014:527). In this section, I examine the drivers behind the emergence and consolidation of the ‘remittances-financial inclusion nexus’. I then review a limited but growing body of literature on the ‘financialisation of remittances’. I argue that locating these macro- and micro-level analyses within the broader literature on the financialisation of development allows us to account for the ways in which they not only draw upon the many analytical and conceptual strengths of this scholarship but also reproduce some of its theoretical and empirical limitations.

2.3.1. Making remittances competitive, formal and ‘bankable’: The emergence of the remittances-financial inclusion nexus

Rather than promoting the beneficial impacts of ‘productive’ remittances on either growth, development, poverty alleviation or inequalities, international institutions and policy makers have started to look at the ways in which remittances travel, hence putting the building of a remittance marketplace, or a “global remittance architecture”, at the top of the policy agenda (Sharma, 2009:1). The justifications and assumptions that drive this new consensus calling for greater competition and formalisation amongst RSPs are manifold. First, the justifications behind the regulation of informal money transfers are to be found within the context

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10 Broadly speaking, there are four kinds of RSPs: nonbank financial intermediaries (NBFI), banks and credit unions providing remittance sending services, post offices, and informal intermediaries such as non-formal couriers or friends and relatives who enable the sending of money from sender to recipient. The main players amongst NBFI are Money Transfer Operators (MTOs) like Western Union and MoneyGram (Orozco et al., 2010).

11 Many terms are used to depict so-called ‘informal’ remittance channels, including alternative remittance systems, underground banking or informal value transfer system (Maimbo and Passas, 2004). Hawala and Hundi represent the common means of money transfer outside the mainstream in the Horn of Africa, India and the Middle East, and in South and West Asia, respectively (Pieke et al., 2007). These mechanisms, based on trust, work as value transfer and do not require money to physically move. They rely instead on the transfer of information whereby a remitter hands money to an agent in the host country, who instructs a corresponding agent in the country of origin to pay out the equivalent amount to a designated individual (Passas, 2003). Money transfer through dedicated money transmitters are often labelled in the literature as informal, alternative or even semi-formal remittance channels and considered direct competitors to the big mainstream companies, such as Western Union and MoneyGram (ibid). These Money Transfer Organisations (MTOs) are not informal per se, but the sector is divided into large operators and smaller niche
of post 9/11 terrorism concerns (de Goede, 2003; Farrant et al, 2006). However, clear evidence contradicts the claims of informal systems of money transfer being a privileged route for terrorist financing (Horst et al, 2014; Lindley, 2011). Moreover, the logic with regards to security concerns seems for many observers clearly counter-intuitive as “changes in legislation, registration practices, or requirements of records keeping” may render some money transfer systems illegal, push them further “in the realm of the informal”, and subsequently lead to a black hole of accountability (Pieke et al, 2007:16). Second, formalisation of remittances, through increased competition amongst RSPs, is expected to decrease the cost of remittances transfer, contributing to an increased capital flow into developing countries (Holt, 2011). The reduction of the costs of remittance transfers constitutes a key priority for a broad coalition of actors¹², as it is commonly accepted that a small decrease in money transfer prices can result in significant increases in remittance receipts (Datta, 2017). During the G8 L’Aquila Summit in 2009, the member countries committed to reducing the cost of remittances from 10 percent to 5 percent in five years, which became known as the “5x5 Objective” (World Bank, 2014:4). In 2011, the G20 further defined their aim to reduce the cost of remittances by enshrining the “5x5 Objective” in the Cannes Summit Final Declaration “Building Our Common Future: Renewed Collective Action for the Benefit of All” (ibid:5). The creation of numerous remittance price comparison websites by organisations such as the WB (https://remittanceprices.worldbank.org/en) and Developing Market Associate (www.moneymove.org) represents one of the most visible components of this set of policies. However, despite a slight decrease, transaction costs have remained high – much higher than the 5% target – in many parts of the world, especially in the African continent. The average cost of sending $200 to Sub-Saharan Africa is 9.4%, compared to a global average of around 7% (KNOMAD, 2019).

As part of a wider agenda that aims to increase the coverage of the financial sector, remittances now represent a key entry point to integrate the ‘unbanked’ and ‘underbanked’ into the formal banking system. In recent years, the aforementioned aims for greater competition and formalisation have increasingly been attached to the financial inclusion agenda, as the number of reports on the link between remittances and financial inclusion attests (Aga and Soledad Martinez Peria, 2014; Anzoategui et al, 2014; Global Migration Group, 2017; IFAD and World Bank, 2015; Isaacs, 2017; Mashayekhi, 2015; Toxopeus and Lensink, 2007; UNCTAD, 2015; World Bank and operators, the latter working along a formal-informal continuum. They are specialised in supporting migrants’ remittance needs of specific groups and can take the form of highly institutionalised operators. Other informal remittance channels include hand delivery and transfer in the context of other businesses (Datta, 2009).

¹² The coalition includes International Development and Financial Institutions (including the WB, UK DfID, the International Fund for Agricultural Development (IFAD), the Multi-Lateral Fund of the Inter-American Development Bank (MIF-IDB), the International Labour Organisation (ILO) and the International Organisation for Migration (IOM) via the International Migration Policy Program) as well as national governments, civil society organisations and financial and commercial companies.
IFAD, 2015; World Bank, 2013). Since collecting remittances may be one of the only forms of access a remittance recipient has to formal financial services (Isaacs, 2017), remittances are used as a tool to ‘help’ migrants and members of remittance households to not only gain, but also demand, access to formal financial products and services, including financial accounts, insurance, consumer loans, mortgages and credit cards (Agunias and Newland, 2012; Ardic et al, 2012; Yujuico, 2009). More specifically, by putting in place incentives to encourage remittance recipients to keep part of the remittance they receive in savings accounts, it is argued that their savings behaviours will be fostered and lead to increased investment and higher expenditures (World Bank, 2014). This, in turn, would lead to economic growth and poverty reduction (Terrazas, 2010). In fact, higher savings (loanable funds) in banks, as a direct consequence of an increase in ‘formal’ remittances, would allow banks to increase credit to previously unfunded projects and households (Addy et al, 2003; Farrant et al, 2006; Holt, 2011). In a report commissioned by the IOM, Isaacs (2017:116, emphasis mine) argues that one way to encourage remittance recipients to do this would be to “use the remittance payout locations as ‘education centres’ for financial services”. In a similar vein, initiatives to include remittances in the assessment of creditworthiness of remittance recipients and migrants have recently come to the fore (Agunias and Newland, 2012; World Bank, 2014). The idea is that through regular remittance receipts, banks would be positioned to gain a better understanding of who their remittance customers are, enabling them to cross- and up-sell supplementary financial products and services. The development of such “remittance-linked” and “remittance-backed” financial products are considered to be crucial to leverage remittances for financial inclusion (Agunias and Newland, 2012:126).

Finally, and building upon the previous points, it is argued that formalisation and financial inclusion will contribute to help financial intermediaries and states raise development financing through future-flow securitisation and the issuance of diaspora bonds (Ketkar and Ratha, 2009). The securitisation of future remittances as a way to raise external financing has been advanced by a wide range of actors, including Dilip Ratha, Lead Economist of the Migration and Remittances Unit at the WB and head of KNOMAD (Ketkar and Ratha, 2001; World Bank, 2003). Remittance securitisation is presented as an alternative to ODA and FDI to increase funds for development; public investment can be financed via workers’ remittances as they represent a future-flow receivable that financial institutions can collateralise to access additional, stable and cheap capital (Agunias and Newland, 2012). In a future-flow securitisation, banks seeking to raise funds

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13 Remittance-linked products are products such as savings account, insurances and loans that become available for remittance recipients whereas remittance-backed products such as remittance-backed mortgages and loans are products, which use remittance receipts to assess and provide credit loans.
sell the first right to receive a particular future income stream, e.g. funds that migrant workers remit, to a Special Purpose Vehicle (SPV) that is based outside the borrowing country (ibid). Once money is pledged, collection of remittance flows and payments to investors are organised by the SPV. Because remittances do not enter the issuer’s country, it is argued that banks mitigate the risk of a unilateral default loan decided by a government, namely sovereign risk (Hudson, 2008). Thus, by securitising remittance flows, developing countries could access finance at lower interest rates than through unsecured bonds (Hughes, 2011). As Datta (2017:544) remarks, “what start[ed] off as intra-household transfers can potentially emerge as a new development finance”.

It is only very recently that critical analyses of these aforementioned policies have emerged and located attempts to incorporate remittance flows, migrants and their households into global finance within broader processes of financialisation (Bakker, 2010, 2015; Cross, 2013, 2015; Datta, 2012; 2017; Hudson, 2008; Kunz, 2012; Zapata, 2013, 2018), which I consider further below.

2.3.2. Remittances: The latest frontier of the financialisation of development?
The growing policy interest in formalising and linking remittances to the financial inclusion agenda as well as securitising future remittance flows may be attributed to the expansion and the deepening of the financialisation of development (Mawdsley, 2018a). Critical development and geography scholars have engaged with the concept of financialisation through numerous scalar and analytical entry points, ranging from international political economy (Bracking, 2016; Carroll and Jarvis, 2014, 2015; Soederberg, 2013a, 2015) to households and everyday financialisation (Rankin, 2013; Roy, 2010).

Part of this expansion and deepening of financial logics, markets and discipline, Mawdsley (2018b) argues, is the shift in development finance, from ODA to private finance. While initially focused on raising donor contributions through ODA, mainstream development models are now increasingly seeking to use ODA to leverage private investments from sovereign wealth funds, investment banks, hedge and equity funds, venture capital and other non-state sources in order to not only fund the Sustainable Development Goals (SDGs) but also increase the significance and legitimacy of the private (financial) sector as a development actor. Through programmes such as the World Bank’s Maximising Finance for Development that aim to bring shadow banking14 into

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14 Shadow banking consists of financial intermediaries that are not regulated like banks but conduct activities similar to traditional. Gabor (2018) argues that this includes credit creation and intermediation by pension funds or insurance companies and their asset managers, as well as deposit taking by money market funds.
development and promote practices such as loan securitisation, Gabor (2018: ii) argues that “financialisation is colonising international development” (see also Jafri, 2019).

While neoliberal reforms forced upon countries across the world in the 1980s and 1990s (privatisation, liberalisation of exchange controls, land titling, removal of capital-account regulations, opening and privatisation of domestic financial systems, and so on) have constituted a capitalist response to the overaccumulation crisis that build up since the mid 1960s, they have also led to the deepening of the financial integration of countries in the Global South and their further subordination to the “money-power of capital” (Alami, 2019:12; see also Kaltenbrunner and Painceira, 2015, 2018). What the shift in development finance has allowed, Mawdsley (2018b:193) argues, is the creation of “investment opportunities in ‘frontier’ economies”. In fact, a key role for development institutions such as the International Financial Incorporation (IFC) is now to mitigate risks for international investors and forge:

new opportunities of accumulation in high-risk/high-return areas in extractive industries, financial services, and in water and energy, where political, social, economic and environmental factors cause concern but where significant opportunities for profit exist and where the profit motive can be pitched as an opportunity for improving governance and social conditions (Carroll (2012a:385).

A key terrain that has enabled the financialisation of development is microfinance (Aitken, 2010, 2013, 2015; Mader, 2014, 2015; Roy, 2010; Soederberg, 2013a; 2014; Weber, 2004, 2014; Young, 2010). Whereas much of the debate around microfinance has revolved around whether or not it works (for development, poverty alleviation, incomes)15, critical political economy analyses have recently emerged to offer a more systemic understanding of the role of microfinance in the transformation of development as a program of financial market expansion. In other words, what is at stake in these foregoing analyses is not to explore whether microfinance works but what it “works at, and how” (Mader, 2015:19). Weber (2004, 2006) situates microfinance in the context

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15 After more than three decades of expansion and universalisation, the capacity of microfinance to ‘make poverty history’ has been called into question. There is a growing consensus that microfinance has not been effective at increasing household incomes or alleviating poverty (Armendáriz de Aghion and Morduch 2007; Bateman, 2010; Guérin et al, 2015; Mader, 2013; Roodman, 2011; Sinha; 2012). At best, microfinance’s impact on well-being is scarce and inconclusive. In 2011 already, based on Duvendack and colleagues’ (2011:4) systematic reviews of prior studies, it was found that “almost all impact evaluations of microfinance suffer[ed] from weak methodologies and inadequate data”. More recently, Duvendack and Mader (2019:7), in their systematic review of reviews, found that “the effects of financial services on core economic poverty indicators such as incomes, assets or spending, and on health status and other social outcomes, are small and inconsistent”. Even more problematic, far from the promised beneficial outcomes, microfinance has more often than not been called into question for doing more harm than good by increasing indebtedness (Schicks, 2010; Taylor, 2012), reproducing unequal gender relations (Roberts, 2014), increasing violence against women in the household and in public (Goetz and Sen Gupta, 1996; Isserles, 2003; Rahman, 1999), as well as causing extreme stress to its users (Rankin, 2001, 2013).
of the re-organisation of global capitalism in the early 1970s. Understood as “a neoliberal approach to poverty” (Weber, 2006:51), microfinance has had two main functions: first, it has facilitated the advancement of financial sector liberalisation and commercialisation; second, it has provided a political safety net in the context of the debt crisis in the 1980s, hence limiting dissent and resistance by providing microloans to the poor in the informal sector. In turn, Roy (2010) traces the shift from the notion of development understood as the provision of social services and the improvement of human well-being to development as the integration of the poor into the financial markets. Roy (2010) suggests understanding microfinance through the concept of poverty capital, which she defines as “a subprime frontier where development capital and finance capital merge and collaborate such that new subjects of development are identified and new territories of investment are opened up and consolidated” (ibid:30). This “financialisation of development”, Roy (2010:31) argues, is fundamentally based on the view of a win-win partnership between those with high capital and those without; financial inclusion comes to represent both “a development problem and a business opportunity at the global scale” (ibid:211). Importantly, Soederberg (2014) advances that this increased reliance of marginalised and low-income workers, as well as unemployed or underemployed people, on credit for social reproduction is neither a natural market process nor a voluntary inclusion but a socially constructed act by neoliberal states and capitalists to ensure the (re)-imposition of monetised relations and its disciplinary and exploitative features on the working poor. By dismantling their welfare components and adapting the legal and regulatory apparatus to the needs of the lenders – e.g. weak soft laws on consumer protection, coercive hard laws on debt repayment, no legal limits on interest rates regarding consumer loans – “debtfare states” have actively contributed to the construction and expansion of the disciplining and the reliance of surplus population on debt for survival (ibid). Soederberg (2014) coins the concept of the poverty industry to signal the growth of a market where profits are made through the secondary exploitation of the unemployed and underemployed. While Soederberg (2014) pays a great deal of attention to the role of the law in reconfiguring capital-labour relations in order to enable further financial accumulation, the specific, intricate and inherently fragile socio-technical ways in which such processes are carried out are however largely overlooked. Moreover, nothing is said about the necessary but always contested work that is required to transform debtors into “subjects governable by financial means” (Kear, 2015:3).

Recent work from Mader (2014, 2015), Aitken (2013, 2015) and others have started providing some answers to these aforementioned limitations. For Mader (2015:80) microfinance works at “financialising poverty”. In other words, microfinance contributes to rendering poverty favourable to logic of finance-led capital accumulation. It does so in three co-constitutive ways.
First, microfinance builds financialised material relations between wealthy lenders (owners of capital) primarily in the Global North and poor borrowers (sellers of labour power) primarily in the Global South, which enables the extraction of surplus from borrowers into financial markets (Mader, 2014, 2015). In other words, the day-to-day informal subsistence activities to manage poverty have become financial assets that can be added to the portfolios of institutional investors (Mader, 2014). According to Aitken (2013:475), the “poorest of the poor” are converted into asset streams through three distinct processes: valuation, intermediation and securitisation (see a more detailed analysis of these processes in the context of the remittances-financial inclusion nexus in Chapter 4). The second dimension through which microfinance deepens and expands markets is by constructing layers of financialised governmentality (Mader, 2015). Pervasive across all levels of action, it is argued that financialised governmentality has a disciplining effect, shaping and instrumentalising human conduct from investors to Microfinance Institutions (MFIs), and all the way down to loan officers and borrowers (see also Aitken, 2010; Young, 2010). This ‘behavioural (re)orientation’ of every single actor involved in microfinance, Mader (2014) remarks, is facilitated by a wide range of technical means that go from monitoring and ratings devices at the level of institutional investors and capital providers, financial metrics at the level of MFIs, intense reporting and constant visits at the level of loan officers, to public shaming and social capital devices at the level of borrowers (ibid). Third, microfinance builds upon mobilising narratives that portray finance as empowering and liberating (Mader, 2015; see also Schwittay, 2014). Causes and issues of poverty have been simplified and turned into technical and apolitical problems of (lack of) finance in order for the Western world, and in particular its middle and upper classes, to appropriate the problem and act upon it. Microfinance, as a tool that promotes self-help development, aligned itself with the notion of the “deserving poor”, which is still very much entrenched in advanced capitalist societies. Credit, or debt, as anti-poverty remedy becomes legitimate money for the poor (Mader, 2015; Schwittay, 2014). In recent years, new strategies of digital financial inclusion that aim to monetise the digital footprints of the poor and turn the latter into “generators of financial assets” that can be securitised are deemed to have contributed to the further financialisation of development (Gabor, 2018:16; Gabor and Brooks, 2017).

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16 It has been calculated that the amount extracted from microloans in 2010, i.e. the amount of money microfinance borrowers paid to MFIs, accounted for over US $20 billion. Since 2003, a very conservative estimate of the amount extracted reached USD 89 billion (Mader, 2013, 2014).

17 At the level of borrowers, the type of power that is at stake is to be found in the conception of citizens as “entrepreneurs of the self” (Rankin, 2001; Rose, 1996) and technologies as “technologies of the self” (Mader, 2015:93). In other words, relationships of power do not stem from a top-down authoritarian ruling but derive from threats and risks of punishment should individuals fail to discipline themselves enough, e.g. repaying on time by any means to avoid MFIs’ officers to harass you or seize your belongings (see Chapter 6).

18 For a more detailed analysis of the behavioural turn in microfinance, see Section 2.4.2.
Over the past ten years, a small but growing critical literature on remittances has engaged in these aforementioned debates around financialisation and/of development (Bakker, 2010, 2015; Cross, 2013, 2015; Datta, 2012, 2017; Hudson, 2008; Kunz, 2012, 2018; Zapata, 2013, 2018). Drawing upon the work of Weber (2004) on the role of microfinance as a crisis management instrument in the context of the crisis in the 1970s, Hudson (2008) understands the establishment of a discourse linking migration, remittances and development as a way to tap into one of the main sources of finance for developing countries, i.e. migrants’ remittances, in order to respond to the crisis in development financing and reach the targets of the SDGs, formerly called the Millennium Development Goals. These recent attempts to harness the potential of remittances serve, Hudson (2008:315) argues, to “both extend and embed the finance-led accumulation regime into the periphery of the world economy”. Importantly, he identifies two different but co-constitutive types of remittance-linked financialisation; financialisation as “banking the unbanked” on the one hand, and financialisation as remittance flows securitisation on the other. Hudson (2008) provides a range of critiques to this agenda, noting that securitisation generates new financial risks and facilitates speculation and that making the poor ‘bankable’ may exacerbate indebtedness, side-line more structural causes of poverty and inequality and closedown more progressive alternatives. In a similar vein, Bakker (2015, 2016) argues that these policies and programmes constitute one of the latest prominent cases of “neoliberal populism” (Roy, 2010:32). In fact, attempts to use remittance to democratise finance and turn the resources of migrants into financial flows contribute, Bakker (2016:53) signals, to the increasing efforts to “extend and expand the reach of the market” in the name of development. Cross (2015:306, emphasis mine), in turn, draws upon the work of Carroll (2012b) and Mader (2014) on microfinance as a vehicle for market building to argue that this most recent development agenda on remittances constitutes a neoliberal project of financialisation that is designed to “construct markets and integrate economies into global capitalist markets”. She notably focuses on the ways in which remittance corridors are being reassembled through regulatory changes and financial literacy and inclusion schemes in order to provide advantages to new business models with higher margins, despite the fact that these corridors are “competitively priced and reliable” (ibid:309). In fact, Sharma and Knio (2011:11) demonstrate that the creation of a “gigantic paraphernalia” around remittances with limited evidence of its beneficial outcomes lends greater credence to the thesis of a supply-side push for special interests of the financial sector. From these perspectives, the alleged primary aim of reducing transfer costs of remittances for migrants and members of remittance households is, therefore, deemed of less importance than and, sometimes, in conflict with, expansive processes of financialisation (Bakker, 2015a; Cross, 2015).
On a more micro-level, several studies have looked at the everyday and more 'mundane' aspects of the financialisation of remittances (Datta, 2012; Zapata, 2013, 2018). Zapata’s (2013, 2018) research on failed attempts of the Colombian state to promote remittances-for-housing programs has shown that the everyday construction of migrants as financialised subjects is neither a linear nor uncontested process that can be generalised across place and space. In fact, Zapata (2013) shows how the Colombian government has mostly failed to shape the everyday identities and practices of migrants, the latter still opting for alternative strategies to access housing. This echoes Page and Mercer’s (2012:3) argument, which suggests understanding diasporas as "communities of practice". In effect, remitting – far from simply reflecting individuals’ behaviours that derive from economic models of rational individuals, incentives and stimuli and are driven by a set of motivations that are arranged in a linear fashion, ranging from altruism to self-interest – is in fact a "social practice" (see also Datta, 2017). This social practice is to be understood as the combination of the personal realm of decision-making and the unconscious experience of socialisation that shape those decisions. Rather than just being autonomous individuals who make rational choices in reaction to various opportunities (e.g. change in information or prices), migrants here are defined as moral persons, whose actions shape and are shaped by their everyday life, a multitude of economic and social values and norms as well as their relational identities, be they of kinship or gender (Page and Mercer, 2012; see also Åkesson, 2011; Cross, 2015; Datta, 2017).

With the emergence of the remittance-financial inclusion nexus, the idea that the best way to render remittances and remittance recipients more productive is to link them to financial circuits, products and services has become more prominent. At the core of the remittance-financial inclusion nexus, therefore, are attempts to change the financial infrastructure and instruments with which remittances are sent, received, saved and invested. However, empirical analyses on the extent to which financial inclusion and related programmes can shape remittance recipients’ decision-making process, ‘nudge’ their remittance and broader socio-economic practices and behaviours and, ultimately, successfully incorporate them into global finance are mostly lacking. While the importance of remittance recipients in resisting processes of neoliberal financialisation is acknowledged in a limited number of studies (see for instance Zapata, 2013), the focus of analysis in most of the literature on remittances and financialisation has remained on migrants’ financial practices, and the numerous political and discursive attempts to shape these (Bakker, 2015b; Datta, 2012; Zapata, 2013, 2018). A key point of departure of this research is to explore not only remitting but also remittance receiving as a social practice. The voices, practices and arrangements of those at the receiving end of remittances-financial inclusion policies and initiatives are put at the forefront of the analysis. Importantly, I argue that this lack of grounded
analyses of the ways in which members of remittance households respond to programmes under the remittances-financial inclusion nexus reflects the current limited engagement from economic and development geographers on the rise of a new behaviourism and experimentalism in development and anti-poverty policies and programs in the Global South, and how this trend plays out empirically (Berndt, 2015; Berndt and Boeckler, 2016, 2017; Boeckler and Berndt, 2013; Mitchell and Sparke, 2016; Webber and Prouse, 2018) (see Section 2.4.2).

Relatedly, while aforementioned studies that situate microfinance as part of wider processes of financialisation have provided invaluable critical insights (Mader, 2015; Roy, 2010; Soederberg, 2014), it has recently been argued that too much emphasis has been put on the extent to which financial inclusion has managed to permeate people’s everyday lives (Bernards, 2019). I argue that a similar logic is at play in much of the literature on financialisation and/of remittances (although see Zapata, 2013, 2018). For instance, Mader (2015:90) advances that:

(...) the continuing expansion of microfinance suggests the everyday “weapons of the weak” not to be strong enough to pose a serious challenge to the system, such that what most needs accounting for right now is the remarkable force and resilience of the microfinance system.

However, the advancement of financial inclusion, and notably access to formal credit, in emerging and developing economies has been much more timid and uneven in practice than what is generally admitted or assumed from both critiques and proponents of the agenda. Bernards (2019:818) even argues that the growth of formal credit “has been prone to reversals in particular cases”. In fact, as Table 2.1 demonstrates, the advancement of financial inclusion in general, and of the remittances-financial inclusion nexus in particular, in countries such as Senegal and Ghana over the past decade is far from clear-cut. The percentage of the poorest 40% who saved at a financial institution increased from 5.4 to 13.5% in Ghana between 2011 and 2017 whereas the percentage of the poorest 40% in Senegal only increased from 1.4 to 3.3%. In Senegal, it even decreased between 2011 and 2014. In addition, access to formal credit remains very low for the poorest 40%, with only 7.9% reporting having borrowed from a financial institution in Ghana and 3.3% in Senegal in 2017. The growth of formal credit has also been slow in the two countries, with only a 3.1-point increase in Ghana and a 0.8-point increase in Senegal between 2011 and 2017. Saving and borrowing from family, friends and credit and saving associations is still a much more common practice in both countries. As for remittance recipients, only data about the ways in which domestic remittances are received are available. Among domestic remittance recipients, the percentage who reported receiving any money using a financial institution account or Mobile Money (MM) account increased dramatically, from 29.6% to 59% and from 5% to 49.6% in Ghana.
and Senegal respectively between 2014 and 2017. However, this does not say anything about the uses of other financial products and services. It, therefore, may be premature to link the numerous policies and initiatives of the remittances-financial inclusion nexus to broader processes of financialisation, understood as financial mass democratisation. Moreover, I question the extent to which remittances can currently be qualified as financialised in the sense of being turned into financial assets (through securitisation), rather than simply being tapped into as a source of value. While the securitisation of remittances was promoted extensively in the early 2000s (see Section 2.3.1), the enthusiasm underpinning this agenda seems to have somehow died down over the last few years (Bakker, 2016).

Table 2.1 - Indicators of the remittances-financial inclusion nexus in Senegal and Ghana (adapted from Bernards, 2019)

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Ghana</td>
<td>18.4</td>
<td>28.1</td>
<td>33.3</td>
<td>5.4</td>
<td>12.6</td>
<td>13.5</td>
<td>4.8</td>
<td>5.5</td>
<td>7.9</td>
<td>/</td>
<td>29.6</td>
<td>59.0</td>
</tr>
<tr>
<td>Senegal</td>
<td>2.8</td>
<td>1.9</td>
<td>14.8</td>
<td>1.4</td>
<td>0.9</td>
<td>3.3</td>
<td>2.5</td>
<td>1.4</td>
<td>3.3</td>
<td>/</td>
<td>5.0</td>
<td>49.6</td>
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One explanation for this overestimation of finance’s reach on remittances is that, despite Cross’ (2015) conceptualisation of the financialisation of remittances as the building and expansion of remittance markets, little is said about the intricate and grounded operations that are required for such financialising projects to materialise, leaving finance and the concrete formation of (remittance) markets black-boxed (Ouma, 2015a; Fields, 2018). While it is fair to acknowledge that remittances are usually considered to be much more than a sum of money in this literature (see for instance Hudson, 2008), it is however surprising to see how intra-household transfers, when located against processes of financialisation, are assumed to have an almost inherent financial worth that can be easily unlocked and transformed into new development finance. The incorporation of remittance flows but also migrants and remittance recipients into financial circuits is understood from a somehow narrow structuralist perspective, portrayed as the expression of the latest spatial fix of a crisis-prone system. By black-boxing and abstracting
finance and markets, these approaches fall short of explaining how remittance markets “come into being practically” (Ouma, 2015b:3).

Overall, my critique is situated within broader concerns over the use of the concept of financialisation in “analytically imprecise and theoretically superficial ways” (Fields, 2018:121; Christophers, 2015a; Ouma, 2015a). The financialisation of remittances has come to represent a multitude of phenomena: it can refer to securitisation (Hudson, 2008), democratisation of finance and financial inclusion (Kunz, 2012), broader processes of financial accumulation and market construction (Cross, 2015) as well as ‘invitation to live by finance’ (Datta, 2012; Hudson, 2008; Zapata, 2013). While there is nothing wrong per se for a concept to mutate, expand and be used in different ways to explain the complex unfolding of various socio-economic dynamics, there are some limits to how far it can be stretched (Christophers, 2015a). Linking remittances to wider processes of financialisation may, therefore, run the risk of overestimating financial institutions’ current interest in, and effective capitalisation of, remittances on the one hand, and the power of financial inclusion in constituting new financial practices on the other. It also risks underestimating the chaotic, contingent and fragile accomplishment of a market-led development project such as the remittances-financial inclusion nexus. As Christophers (2015a:194) puts it, “narratives of financialization tend implicitly to become one-sided, even teleological scripts of linear, uninterrupted, ineluctable development”. In order to overcome these aforementioned limitations, I suggest drawing upon, and extending, the geographies of marketisation approach developed by Berndt and Boeckler (2009, 2010, 2011, 2012) to the concerted efforts to make remittances work for development in general, and financial inclusion in particular.

2.4. Geographies of remittance marketisation

A geographies of remittance marketisation approach can provide a more empirically grounded and unitary account of the discursive, financial, political, legal, social, statistical, technological and behavioural developments around remittances in recent years. In the following sections, I explore how this approach is better suited to exploring not only the ways in which remittance markets are constructed, stabilised, expanded but also contested, concretely (Section 2.4.1) as well as how processes of ‘nudges’ and financial subjectivation unfold in practice (Section 2.4.2).
2.4.1. Opening the black box of remittance markets: Discursive borderlands, framing and overflows

While the above accounts on the financialisation of remittances are rightly concerned about the consequences of the expansion of finance-led accumulation on the back of remittances, analyses of how such remittance markets are established concretely are largely lacking. Similarly, while international political economy approaches to financial inclusion emphasise the disciplinary role of the agenda in reconfiguring labour-capital relations that enable financial accumulation (Soederberg, 2014), little is said about the intricate socio-technical ways in which such processes are rendered possible (Bernards, 2019). Crucially, these limits in the literature reflect recent broader concerns over the lack of constructive engagement between the scholarship on the critical political economy of global finance and financialisation and the work on finance and market formation inspired by science and technology studies (STS) (Ouma, 2015a). On the one hand, the scholarship on financialisation tends to neglect the complex ways in which finance and finance-driven markets and practices are assembled. On the other hand, STS-inspired work on markets and finance is generally perceived to be uncritical with regard to the socio-economic effects of markets and broader contemporary dynamics of finance-led capital accumulation (Fields, 2018; Ouma, 2015a). It is only recently that several scholars, and geographers especially, have taken up the task to bring STS-inspired and political economy approaches to markets and global finance into a productive dialogue (Bernards, 2019; Fields, 2018; McKenzie, 2017; Ouma, 2015b, 2016a). This research adds to this emerging literature and aims to further understand not only how remittance markets sustain processes of finance-led capital accumulation but also how the financial incorporation of remittance flows and households is rendered possible practically in countries such as Senegal and Ghana (RQ1).

The bringing of markets into being, or marketisation, constitutes one particular form of Çalışkan and Callon's (2010:2) concept of economisation, that is the “processes through which behaviours, organizations, institutions and, more generally, objects are constituted as being ‘economic’”. To be rendered economic, these ‘objects’ must be entangled with a heterogenous assemblage of human and non-human elements, including discourses, material and technical devices, norms and rules (Kear, 2018; Berndt and Boeckler, 2009). Importantly, Callon (2007a) calls these assemblages agencements. These are not only socio-technical assemblages; they also are “endowed with the capacity of acting in different ways depending on their configurations” (Callon, 2007a:320; see also Berndt and Boeckler, 2009:543). Agency from this perspective is not to be reduced to the bodily capacity of the human subject but is rather distributed (i.e. diffuse and entangled) across an assemblage of apparatuses, prostheses, rules, etc., that render possible the performance of specific subjectivities (Kear, 2018). In other words, subjectivities are “enacted in
a device", or *agencement* (Callon and Muniesa, 2005 in Kear, 2018:309). Markets understood as socio-technical *agencements* come, therefore, to constitute a "combination of material and technical devices, texts, algorithms, rules and human beings that shape agency and give meaning to action" (Berndt and Boeckler, 2009:543). The role of human beings here is not to be underestimated; they usually represent "caged economists" (academics) and economists "in the wild", i.e. business gurus, accountants, practitioners and consultants (Callon et al, 2002). In fact, it is important to note that economic knowledges and theories are significant in the constitution of markets. In the words of Callon (1998:2), "economics, in the broad sense of the term, performs, shapes and formats the economy, rather than observing how it functions". In other words, economics is performative and "is embodied in procedures and physical artefacts, not just in ideas" (MacKenzie, 2009:13, see also Ouma, 2015b:28). The labour and efforts that underpin the processes of creating, maintaining and reinforcing the conditions and requirements that realise markets in their idealised forms is termed *marketisation*.

Empirically, marketisation processes can be divided into two interwoven dimensions. The first, labelled *markets as discursive borderlands*, refers to the political and discursive extension of the market domain at a macro-level (Berndt and Boeckler, 2012). At the core of this dimension is the construction by powerful actors such as governments and international organisations of an imaginary boundary between the "market" and "its constitutive other", the non-market, in order for the latter to be incorporated into the former. This idea of a boundary constitutes a core aspect of modernist thinking about the capitalist economy that is still prevalent nowadays, namely that a capitalist, progressive core is confronted to non-capitalist, deviant and traditional activities and places that either resist or are in the waiting of being "conquered" (Mitchell, 2007; see also Berndt, 2013). Crucially, while it may seem that what has been labelled the "non-market other" is located outside of a "bounded terrain", Mitchell (2007:247 in Berndt 2013:2650) instead refers to these places as frontier regions, or "zones of 'inclusive exclusion', since what is declared to be outside the market already plays a role within it, through the declaration of exclusion and the continuous battles over its inclusion". Berndt and Boeckler (2011) advance the concept of b/ordering (i.e. bordering and debordering processes) to account for the geographical nature of these boundary struggles. What marketisation does then is to proceed "through selective spatial ordering wherein certain spaces are demarcated as *backward* or outside the market" (Kear, 2018:307). This is the context in which the political and discursive construction of so-called 'informal' remittance-sending practices and corridors as 'traditional' as well as the narrative around the necessity to formalise and link remittance to financial products and services to make them 'more productive' can be situated (Sections 2.2.3 and 2.3.1). I argue that the remittances-financial inclusion nexus as a project of remittance marketisation needs these "backward", non-
productive activities and places as a mirror, against which a modern productive remittance market can be designed and developed as a sign of progress (see Chapter 5 and 6 for a discussion of how ‘alternative’ remittance circuits and remittance recipients’ financial practices are discursively and politically constructed by proponents of the remittances-financial inclusion nexus).

The second dimension of marketisation, the *framing of markets*, relates to the work and investments required to make markets work at a more micro-geographical scale. For Callon (2007b:140), processes of framing are inherently exclusionary as to frame is “to select, to sever links and finally to make trajectories (at least temporarily) ‘irreversible’”. According to Berndt and Boeckler (2009), three key framings are decisive to realise markets: the conversion of goods into commodities, the formatting of calculative agencies and the formatting of market encounters. Taking these in turn, a thing, or an entity, must first be valued according to a set of criteria in order to become a commodity that can be bought and sold on the market (Çalışkan and Callon, 2010; Ouma, 2015b). The category of ‘commodity’ cannot be assumed to be a starting point; commodities are just not out there, waiting to circulate. Amongst many processes that contribute to the formatting of commodities, three are particularly important to emphasise. First, it is argued that for something to become a commodity, it must be “qualified and rendered a tradable object in the first place” (Ouma, 2015b:32). Second, for goods to be exchanged, they need to be disentangled from certain network relations – those of the sellers – and attached to others – those of the buyers. In other words, goods need to detached from their original context of production and become unambiguous in order to enable quantitative and qualitativevaluations to attach property rights and a price to them. Finally, they must be singularised, i.e. reattached to the buyers' world and be accepted as legitimate (ibid).

Here, it is important to acknowledge that the existing critical literature on remittances has already been very effective at identifying political, discursive and technical mechanisms of remittance ‘commodification’ (Section 2.2.2). To my knowledge however, only Hernandez and Coutin (2006) explicitly use Callon's work to come to terms with these processes. When central banks and international financial institutions define remittances as “both national resource and foreign currency” (Hernandez and Coutin, 2006:185), they qualify remittances as a legitimate source of development finance that can be capitalised on. As a result, ‘quasi’ property rights are attached to remittances as governments claim a return on investment in the form of remittances for having originally invested in migrant workers, e.g. education and health (ibid). The durability of the qualities of a good is, however, far from fixed and indefinite as the evolution of the discourse and policies of the remittances-for-development agenda attests, from attempts to directly
influence the ways in which remittances are used to initiatives that aim to provide greater ‘choices’ for migrants and remittance households. What this means is that the “status of a good must instead be conceived as an effect of socio-technical *agencements* that are often destabilised during the ’market as a process’” (Ouma, 2015b:34, see also Callon 1998). Moreover, when remittances are *qualified* as “cost free incomes” through discounting procedures, they are simultaneously being *detached* from any other regimes of value. In other words, to render legitimate states’ development strategies that aim to construct, maintain and deepen markets on the back of remittances, the latter must be detached, and even purified, from the realities of an international migration regime that creates and perpetuates indebtedness, sacrifice, separation, racism, xenophobia, exploitation and inequality, hyper-precariousness, imprisonment and even loss of life (Hernandez and Coutin, 2006). In Çalıkşan and Callon’s (2010) words, remittances must be pacified. Finally, attempts to depict and, ultimately, ‘make’ remittances stable, counter-cyclical and productive constitute efforts to *singularise* them. As a result, these debates on remittances that produce and legitimise their development and productive potential contribute to transform remitters and remittees into “enterprising subjects of neoliberalism” that should invest and save rather than just spend remittances on daily needs (Hernandez and Coutin, 2006:201). While reframing remittances as national resources, foreign donations, cost-free incomes and productive is an essential part of marketisation processes, the leveraging of remittances as a new source of value that can be tapped also depends on two other market framings: the formatting of agencies and market encounters. I argue that these two decisive market framings have largely been neglected by the existing critical literature on remittances and remittance markets.

For a good to be “qualified, calculated and detached according to a specific modality of valuation” (Ouma, 2015b:37), the formatting of agencies of market agents is necessary. Yet, as highlighted previously, markets constitute an “arrangement of heterogeneous elements (conventions, rules, technical devices, infrastructures, logistical procedures, calculating systems, texts, discourses, scientific knowledge, embodied skills, human beings, etc)”, equipped with the ability to “bring about agency, to act and to give meaning to action” (Berndt and Boeckler, 2012:204, see also Callon, 2007a:319). In other words, it is the configuration of all these elements – including human ability – that participate to the formatting of agencies, i.e. to the coming into being of the *Homo economicus*. In the remittance industry, the accomplishment of remittance markets depends on the capacity by states, development institutions, financial and commercial organisations to incite migrants and remittance recipients to channel, use, save and invest remittances through formal financial circuits. As I will show in more detail in Chapter 4, this normalisation of (financial) agencies amongst remittance recipients is supported by a wide range of elements, including
microfinance and MM agent networks, field experiments, text messages and technological devices amongst many others. Importantly, the production of asymmetries and unequal power relations are inherent to processes of market formation (Fields, 2018; Ouma, 2015b; Christophers, 2014). For instance, which agencies come to impose onto others the ways in which remittances or non-market financial practices are valued relate to differentiated positions market agents occupy within specific market arrangements. Because market agencies are not equally equipped, some agents are therefore more powerful than others at imposing “the rules of the game”, that is the ways in which certain calculating agencies come to impose the ways in which goods are qualified, detached, calculated and singularised according to a certain regime of value and, ultimately, come to "decide on the location and distribution of surpluses" (Callon, 1998:46, see also Ouma, 2015b:40). From this perspective, the power of certain agents involved in the remittances-financial inclusion nexus, such as international financial and development organisations and transnational financial and commercial institutions, should not be understood as all-encroaching but rather dependent on a wide range of human relations and non-human elements. Power is diffused and becomes part and parcel of these elements that make up markets through grounded everyday mechanisms. Understanding how these asymmetries and unequal power relations come into being, what kind of socio-technical arrangements preserve them and how these can be undone is at the heart of the geographies of marketisation approach. In other words, this approach allows us not only to investigate the ways in which markets are formed but also the infelicities that these markets may bring about. Practice-oriented analytics are in this case by no means a way to deflect questions of power relations and structural dynamics.

Finally, the third decisive market framing that is necessary for the practical accomplishment of markets relates to the organisation of encounters between goods and agencies. These market encounters also have to be formatted to “achieve the qualification of objectified commodities (first framing) by calculating agencies (second framing)” (Berndt and Boeckler, 2012:208). In other words, the ways through which market encounters between goods and agents are framed relies, again, on socio-technical arrangements that comprises of a wide range technical and organisational devices and procedures. Key amongst these mechanisms is the negotiating and setting of a price. As the chain connecting remittance senders and recipients becomes longer and more complex with newly-arrived actors such global investors, financial institutions and individual financial intermediaries among others, numerous market encounters take place between different agents and different prices must be agreed upon. Prices work at times as a strategic market device to integrate certain agents. However, as I show in Chapter 4, pricing remittance transfers and the financial products attached to them as well as enabling global investors to compare, plan and undertake investments requires significant financial engineering.
Importantly, and in contrast to many studies that apply the concept of financialisation, at the core of the geography of marketisation approach is the acknowledgement that these processes of framing are by no means frictionless; they are contested and require constant renegotiations. Callon (2007b) uses the concept of “overflows” to account for such fragility and messiness as one set of practices, identities, desires, norms, rules, customs and logics attempts to impose itself upon others. As long as overflows are contained, market rules appear as pre-given by those subject to them and the porosity of the boundary between the market and the non-market is rendered invisible, markets can be realised. However, stabilisation is always temporary (see Chapter 4 and 6).

Overall, I have shown that drawing upon and extending the geographies of marketisation to remittances overcomes some of the existing theoretical and empirical limitations that exist within the literature on financialisation and/of remittances. It allows for the empirical examination of the concrete ways in which remittance markets are realised, without overestimating the power of the remittance-financial inclusion agenda or neglecting its inherently fragile and contingent characteristics (RQ1). In the next section, I show that this approach also allows for the exploration of the ways in which remittance flows (RQ2) and households (RQ3) can be (re)configured and integrated into global financial circuits, and the technical and more fundamental limits to such processes.

2.4.2. The behavioural turn in development: From remittance markets to remittance market subjects

A nascent literature within economic geography has started to explore the rise of behavioural economics in development, noting that it constitutes a shift of focus from the market to the market subject or, in other words, from market regulation to behavioural engineering (Berndt, 2015; Berndt and Boeckler, 2016, 2017; Berndt and Wirth, 2019; Boeckler and Berndt, 2013; Fine et al, 2016; Mitchell and Sparke, 2016; Webber and Prouse, 2018). Behind this new behaviourism is the idea that the market, although still considered the “ideal institutional arena” for development, can no longer “be trusted to realise itself all on its own in light of the behavioural anomalies besetting the poor” (Berndt and Boeckler, 2017:289). What is therefore recommended is for interventions to enable the poor to change their defective behaviours that are responsible for poverty. I argue that such a shift in development thinking and practice is also apparent in relation to the remittances-financial inclusion nexus.
From a marketisation perspective, behaviourism and experimentalism have provided a “new twist” to framing processes (Section 2.4.1), with two complementary sets of devices “intervening in strategic moments to frame possible actions” (Berndt and Boeckler, 2017:295; Berndt and Wirth, 2019). The first array of devices aims to “increase the commitment of targeted individuals to behaviour that is deemed more rational and in their real interest” (Berndt, 2015:581). They act as nudges and prompts that encourage/push people to change their behaviours and can include things such as simplification of procedures, disclosure labels, text messages as well as physical proximity and visits (of a loan officer to a borrower, for instance) (ibid). The second type of market devices refers to experimental methods, i.e. “the procedural settings provided by behavioural games and experiments that are also often used as socially and spatially enclosed stages on which nudges can be applied (...) and learning can be monitored” (Berndt, 2015:582). These include for instance methodological instruments such as Randomised Controlled Trials (RCTs), which have been used in the context of clinical investigation for a long time but have more recently allowed the spread of behaviourism into development policy realms (Berndt, 2015; Webber and Prouse, 2018). As Kear (2018:315) argues, RCTs have now come to constitute a “gatekeeper device” that not only decides on the kind of “treatment” required but also provides legitimacy to development policies inspired by behavioural economics.

Now, several scholars have begun to examine this behavioural turn in relation to microfinance policies and programmes (Gabor and Brooks, 2017; Mader, 2016b, 2018), signalling a shift in the mission of microfinance to alleviate poverty, from microloans for entrepreneurship to a broader agenda of financial inclusion (Mader and Sabrow, 2019). Similar to microfinance, financial inclusion rests upon the fundamental premise that development and poverty alleviation can only be achieved by expanding financial markets. However, while the shift from microfinance to financial inclusion – and even digital-based financial inclusion (Gabor and Brooks, 2017:423) – has been regarded as nothing but rhetorical for some (Bateman, 2012), others have noticed major ways in which the agenda has further consolidated, transformed and expanded the power of financial markets in the name of development (Mader, 2016b; Gabor and Brooks, 2017). Three of these changes are important to account for as they have influenced how the remittances-financial inclusion nexus has manifested itself in recent years. With financial inclusion, the type of actors and services that are now included and deemed legitimate for helping the poor financially has broadened. MFIs are not the sole players anymore as a new coalition of actors has emerged, including large banks, philanthropic foundations, financial and technology companies – or Fintechs – credit card companies, mobile network operators and even social media companies (Chapter 1). Now portrayed by organisations such as the WB as the only legitimate source of ‘pro-poor’ financial products and innovations, these private players provide not only lending but also
savings, insurance and, importantly, all kinds of payment products and services (Gabor and Brooks, 2017; Mader, 2016b). Maurer (2015) refers to “poverty payment” to characterise this shift partly away from credit and towards a widening array of financial and (digital) payment services. Furthermore, the financial inclusion mantra has changed what people expect and benefit from engaging with finance. While microfinance initially promised poverty alleviation and higher incomes through entrepreneurship, advocates of financial inclusion now attach little importance to entrepreneurial skills and activities and rather highlight the significance of financial intermediation, or what Mader (2018:466) calls “intertemporal intermediation\(^{19}\), and interspatial-interclass intermediation\(^{20}\). Crucially, what matters is not so much anymore what borrowers do with their microloans but rather that all different financial needs are met at the right time and with the right formal products and services and market prices (ibid). In other words, financial inclusion now expects much more from clients than ‘just’ being entrepreneurs as the emphasis is increasingly put on the individual consumer and their ability to assess and manage risks, uncertainties and crisis on the one hand, and make the rights choices and take advantage of opportunities on the other. What results from this is the development of a whole apparatus of training and initiatives that aim to transform and/or enhance poor people’s calculative behaviours and practices. Alongside the renewed importance of financial education programs have emerged new devices and techniques that aim to channel behaviours in particular directions (Gabor and Brooks, 2017; Mader, 2016b, 2018). In fact, over the past few years, and especially since the publication of the 2015 WB report ‘Mind, Society and Behaviour’, poverty has come to represent:

not only a deficit in material resources but also a context in which decisions are made. It can impose a cognitive burden on individuals that makes it especially difficult for them to think deliberatively (WB, 2015:13 in Gabor and Brooks, 2017:431).

Drawing upon assumptions in cognitive psychology, proponents of this agenda have argued that financial instability and exclusion comes to constitute a behavioural problem as poor people are constrained by a cognitive tax that only allows them to make judgments and decisions that are rapid, automatic, intuitive or even unconscious (Cognitive System 1) rather than rule-based, rational and explicit (Cognitive System 2) (Berndt, 2015). As a result, what poor people are

\[^{19}\text{With regard to intertemporal intermediation, the key economic problem of poor people with irregular incomes, it is argued, is not that they do not have enough money but rather that there is a “disconnect between times when they have money and times when they need money” (Mader, 2018:465). What savings and credit products and services allow is to alleviate poverty by shifting money across time, i.e. allowing people who do not have the capacity to pay for things now out of their current income to do it out of past income (savings) or future income (credit) or a mix of both.}\]

\[^{20}\text{With interspatial-interclass intermediation, the macro-theory of change goes as follows: finance shifts money from places and people with excess capital to places and people that need capital. The smoother these economic interactions are, the higher economic growth is, from which poor people will ultimately benefit (Mader, 2018).}\]
assumed to need is a set of devices which will equip them with the ‘financial capabilities’ to make the right choices. While these processes of financial subject formation have extended their reach and influence dramatically in recent years, what is missing from the above accounts is empirical research on how these nudges are put together in practice (RQ1), how effective they can actually be (RQ2), and whether and how populations accept, domesticate and/or resist such efforts of financial governance (RQ3). By centring the analysis on populations located in the Global South, I argue that a geographies of marketisation approach that is sensitive to this behavioural turn – or what Kear (2018:317) calls a “behavioural geography of marketisation” – is well placed to emphasise the fragility and contingency of the formation of remittance recipients as market subjects. It allows for an exploration of processes of financial incorporation and subjectivation as not inevitable but prone to “resistance from without and contradiction from within” (Fields, 2017:588, emphasis mine).

In fact, what is at stake here is not only accounting for moments of overflows (Section 2.4.1) but also more fundamental limits to financialisation (of remittance flows and households) as a project (Bernards, 2019; Christophers, 2015a; Horton, 2018; Montgomerie and Tepe-Belfrage, 2017). While overflows are connected to limits of market devices themselves (e.g. a credit-scoring algorithm that struggles to contain the capacity of human actors to ‘game’ it), it has been argued that this narrow focus on devices and other elements of the agencements can miss more fundamental limits that have to do with “the dynamics of ‘real economies’ themselves” (Bernards, 2019:821). In fact, Marxian perspectives highlight that finance-led capital accumulation is dependent upon processes of realisation (Harvey, 2007). What this means with regard to the remittances-financial inclusion nexus for instance is that in a context of precarious, irregular and low-incomes economic activities, the accumulation of assets (e.g. savings) and the stable production of income streams (e.g. loan repayments) upon which financial accumulation is dependent may just not be possible, despite all the financial, material, legal and behavioural engineering that contribute to the formation of the ideal-type neoliberal subject. Both overflows and more fundamental limits of marketisation will be explored throughout Chapters 4, 5 and 6 by paying particular attention to the everyday lived socio-economic realities of members of remittance households at the receiving end of marketisation processes. Importantly, centring the analysis on the socio-economic and financial activities, strategies, arrangements, practices and subjectivities of members of remittance households also allows for an exploration of other potential limits to financialisation that have been identified previously by various scholars. These include the prevalence and significance of alternative financial institutions and circuits (Langley, 2010) (see Chapter 5 and 6) as well as, and importantly, individual and collective acts of
domestication (Pellandini-Simanyi et al, 2015) and resistance (Fields, 2018; Horton, 2017) (see Chapter 6).

By exploring empirically how remittance marketisation programmes unfold on the ground, this research also contributes to an emerging literature that remains cautious about the performative power of neoliberal financial discourses, and the financial devices and services attached to them, to shape everyday financial practices and subjectivities (Coppock, 2013; Deville, 2012, 2014; Gonzalez, 2015; Kutz, 2018; Lai, 2017; Pellandini-Simanyi et al, 2015; Pellandini-Simanyi and Banai, forthcoming; Samec, 2018). Briefly, the financialisation of households has been approached through two different but complementary frameworks (Gonzalez, 2015). On the one hand, political economy studies focus on explaining the rising household debt over the last 30 years. The emphasis is put on the neoliberal transformation of structural forces, i.e. stagnation of real wages, rising precariousness of employment, cuts in welfare provision, privatisation of social services and increasing costs of living, that force households to adopt ‘defensive consumption strategies’ by relying on debt not only to maintain their lifestyle but to ‘avoid falling behind’ (Montgomerie, 2009, 2013; Trumbull, 2012; Soederberg, 2013b).21 On the other hand, neo-Foucauldian, cultural-oriented analyses of governmentality have looked at the consequences of the development of financial markets and the penetration of finance into daily life onto people’s subjectivities and practices (Langley, 2006, 2007; Marron 2013; Martin, 2002; Pryke and du Gay, 2007). The financialisation of everyday life approach is interested in understanding how the disciplinary mechanisms of institutional reforms, financial regulations, instruments, innovations and discourses shape individuals’ and households’ attitudes towards risks and financial responsibilities. Households are called forth by the financial system and are demanded to behave as ‘risk takers’, ‘self-disciplined investors’, ‘entrepreneurs’ or even ‘traders’ to ensure their social reproduction and economic security (French and Kneale, 2009; Finlayson, 2009; Langley, 2006; Thrift, 2008). These processes constitute the construction – or the making – of financialised subjects, that are encouraged to behave in a way that is compatible with neoliberal policies and their underlying assumptions about the utility-maximising, rational agent, or Homo Economicus (Pellandini-Simanyi et al, 2015).

While the ambiguities and fragilities of such processes of financial subject formation have long been recognized (Finlayson, 2009; Langley, 2006), the dominant use of the neo-Foucauldian framework of governmentality in the literature on everyday financialisation has led to a focus on the ways in which technologies and institutional programmes such as financial literacy initiatives

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21 This institutional approach draws on Crouch’s (2009a, 2009b) notion of ‘privatised Keynesianism’ where individuals and not governments take on debt to stimulate the economy.
and credit-scoring algorithms serve to discipline individual subjects. Focusing on the causes of everyday financialisation (Pellandini-Simanyi et al, 2015), this approach has tended to generate the perception of an all-pervasive, almost inescapable (Hall, 2012), spread of neoliberal financialised logic in people’s everyday lives (Kutz, 2018). Very few studies, however, have committed to empirically researching the ways in which the proliferation of financial reasoning, products and services transform people’s ordinary economic practices, routines and norms (although see Coppock, 2013; Deville, 2012, 2014; Lai, 2017; Pellandini-Simanyi et al, 2015; Smith et al, 2006). Fewer even have done so in countries of the Global South (Gonzalez, 2015; Kutz, 2018). In other words, the ways in which new financial products and services may change existing socio-economic and cultural arrangements, practices and subjectivities have tended to be inferred rather than observed (Pellandini-Simanyi et al, 2015). In contrast, Pellandini-Simanyi and Banai (forthcoming) advance the notion of ‘financialisation without financialised subjects’ to account for the fact that "people buy financial products described by FoEL [Financialisation of Everyday Life] studies without buying into the subject positions that these products are assumed to represent according to the FoEL literature" (e.g. investorial mindset, morally permissive attitudes to indebtedness, etc). In other words, financial products, such as mortgages and other credit products, and the discourses around these cannot easily shape subjectivities to their own image. Instead, any shift in subjectivities stems from the financial products’ interaction with existing everyday subjectivities and practices, and whether people are dealing with these products “in settled or unsettled times” (Pellandini-Simanyi et al, 2015:753; see also Deville, 2012, 2014). Contrary to the set of assumptions underlying neoliberal policies but also accounts from the other side of the political spectrum about the construction of the neoliberal self-disciplined subject, the formation of everyday financial subjects does not constitute a straightforward process that can be generalised across place and space. In fact, Berndt and Wirth (2019) argue that, with the aforementioned behavioural turn, one of the key ways in which marketisation unfolds is through processes of subjectivation. They refer to the formation of ‘quasi-subjects’ of marketisation to emphasise the unstable characteristics of such processes and the attempts by recipients of behavioural interventions to reaffirm their autonomy through acts and discourses that range from immediate adoption to outright resistance, and everything that lies in-between, i.e. “calculated conformity” (Scott, 1985 in Berndt and Boeckler, 2017:297). The reasons why processes of subjectivation may fail (Kutz, 2018) and the ways in which variegated financial practices and subjectivities – that differ from the neoliberal self-disciplined subject – emerge and/or endure (Lai, 2017) deserve, therefore, more empirical scrutiny and will be explored in detail in Chapter 6.
Finally, a behavioural geography of marketisation approach enables a more nuanced analysis of the variegated spatialities of market making processes (Kear, 2018). Here, particular attention is paid to the extent to which location influences the capacities of a market understood as an agencement to enact particular subjectivities and format, frame and equip Homo economicus with prostheses. In contrast to previous categories that assume an areal/scalar/hierarchical spatial representation of the market (e.g. borderlands in Section 2.4.1), Kear (2018) advances the notion of ‘marketsites’ as a spatial translation of the concept of agencement in order to account for the scattered encounters between economic subjects and the heterogenous elements that configure a market. The marketsite becomes the particular place and juncture where all these elements come together to create “a market condition in which economic subjects behave as if they are rational” (Kear, 2018:317). In other words, the marketsite becomes the locus where market devices such as nudges enable the Homo economicus to come into being and survive. Kear (2018) uses the case of prepaid card disclosures that nudge customers at the Point of Sale (POS) to illustrate how particular locations are more significant than others in making subjects behave more rationally. Importantly, marketsites are actual geographical points but are not reduced to any specific and fixed location; they are rather formed by the agencement that configures it. Drawing upon Kear’s (2018) insights, my analysis of the extent to which branchless banking in Senegal and Ghana construct specific subjectivities among various market actors, including banking agents (Chapter 4) and members of remittance households (Chapter 6), contributes to this preliminary behavioural geography of marketisation.

2.5. Conclusion

This chapter has identified the vital contributions of previous studies that have challenged policies and initiatives that aim to construct and expand markets on the back of remittances. I have shown, however, that previous work on the ‘financialisation of remittances’ runs the risk of overestimating finance’s reach on remittance flows and households on the one hand, and underestimating the fragile and chaotic accomplishment of such market-led development projects on the other. This is due to two key reasons. First, the concept of financialisation is treated in this literature as explanans (the explanation) rather than explanandum (what is to be explained), leaving finance and the concrete formation of remittance markets black-boxed. Second, empirical analyses on the extent to which remittances-financial inclusion policies and programmes can ‘nudge’ remittance flows and remittance recipients’ practices and behaviours are mostly lacking. In contrast, I suggest that a geographies of remittance marketisation approach allows for a grounded exploration of how remittance markets are realised in countries such as Senegal and Ghana (RQ1), how remittance flows (RQ2) and households (RQ3) are integrated into
global finance, and the controversies and limits to such accomplishments. Such an approach provides a more unitary account of all the discursive, financial, political, legal, social, statistical, technological, material and behavioural engineering that has taken place around remittances in recent years. It is also better suited to understanding attempts to format members of remittance households in home countries as market subjects as neither straightforward nor unopposed processes. In fact, a geographies of remittance marketisation approach that is attuned to the behavioural turn in development and financial inclusion allows for the empirical research of whether/how processes of financial subjectivation unfold on the ground. The following methodological chapter sets out how these areas of inquiry were pursued.
CHAPTER 3  
Researching the marketisation of remittance flows and households

3.1. Introduction

This chapter details the methodological approach that underpinned my investigation into the marketisation of remittance flows and households in Senegal and Ghana. Recent studies have critically examined the 'financialisation of remittances', calling into question the market-based approach to the project and its prioritising of the political and financial concerns of a broad coalition of global and national actors over the needs of migrant men and women and the people they send remittances to (Datta, 2017; Cross, 2015; Hudson, 2008; Kunz, 2013; Zapata, 2013, 2017). While being sympathetic to these political economy takes on the financialisation of remittances, I question the extent to which remittance flows and households can be theoretically conceptualised as financialised (Chapter 2). Importantly, these theorisations partly derive from several methodological shortcomings, particularly a neglect of the intricate ways in which the financial incorporation of remittance flows and households unfolds in practice.

In order to overcome these limitations, I draw upon Ouma’s (2015b) work on export food markets to advance a 'critical ethnography of remittance marketisation', which is concerned with opening up the black box of both remittance markets and households. After discussing some of the methodological strengths and limitations of previous studies on financialisation, financial inclusion and remittances, I outline how I sought to develop a methodological approach to address my research questions, through my use of multiple methods, case studies, sources and sites. I then provide a detailed account of the research process, which consisted of (1) a pilot study in Senegal; (2) document analysis of key programs and activities targeting remittance recipients for financial inclusion; (3) semi-structured interviews with institutional and private sector actors; (4) semi-structured interviews with remittance households; (5) ethnographic interviews with front desk employees and agents of financial and commercial institutions; (6) in-field observations; and (7) data interpretation, analysis and presentation. Finally, I reflect on power relations and my own positionality in relation to the research process through the concept of 'triple subjectivity' (that is, the researcher/research assistants/research participants relationship). This includes consideration of some of the practical and ethical challenges I encountered during my fieldwork.
3.2. Researching remittance markets in the making: Methodological underpinnings

My research is methodologically informed by what Ouma (2015b:78) calls a “critical ethnography of marketisation”. This methodological approach derives ontologically, epistemologically and theoretically from a constructionist research programme on marketisation that is concerned with the ways in which goods, agencies and encounters are formatted in practice, how markets are rendered stable but also how they are constantly prone to contestation and resistance. Here, the term “ethnography” is neither used in the classic anthropological sense nor should it be understood as mere in-field or participant observation. Rather, it constitutes a way to deconstruct and reconstruct taken-for-granted categories such as remittances and markets through a reflexive approach that entails the exploration of various questions through a wide range of methods of data collection and analysis in different sites of interest (Davies, 2008:77 in Ouma, 2015b). As Ouma (2015b:79) puts it:

What lies at the core of the ethnography of marketisation (…) is a situated, embodied approach that conceives of “knowledge”, “subjects”, and “objects” as constituted by relationally, materially, and temporally embedded practices.

What follows from this key epistemological point of departure is that the knowledge that informs practices can only be unpacked – however partially – by participants not only during interviews but also through the ethnographic gaze of the researcher. As a result, “the submundane practices” of market agents need to be put at the center of the analysis (Ybema et al, 2009:3, in Ouma, 2015b:79). By “following the actors” – understood as a methodological concept – one allows participants to “unfold their own frames of reference, vocabularies and theories by temporarily suspending (or at least trying to) one’s own frames of references as a researcher” (Latour, 2005:30; Ouma, 2015b:85).

My critical ethnography of remittance marketisation draws upon the strengths of the multimethod approach (semi-structured and ethnographic interviews, document analysis and in-field observations) of previous studies on the Global Remittance Agenda, which contributes to overcoming “the macro-micro/global-local divides that plague much social science enquiry today” (e.g. Kunz, 2011:11; see also Zapata, 2011). It also responds to some methodological limitations identified in the literature on financialisation and/of remittances and financial inclusion. As demonstrated in Chapter 2, such an approach allows one to build upon and extend analyses of discourses that contribute to the construction of remittance markets. While the
existing literature tends to give significant weight to the power of policymakers and other market actors (NGOs, governments) (see for instance Bakker, 2015a; Cross, 2015), much less attention is paid to the inner workings of financial and commercial companies and how these relate to market-making actors on the one hand, and their (remittance) customers on the other. In other words, as Ouma (2015b:18) puts it, a key methodological concern of such an approach is to investigate not only “what things are done and why they are done but also to how they are done – how the messy work of making markets plays out in practice”. To understand the ways in which these remittance markets are put to work in practice, everyday discussions, observations and ethnographic interviews with private sector actors at different levels, from directors to managers and tellers, become as important as ‘expert’ interviews with policymakers and state officials (Chapter 4).

Furthermore, a critical ethnography of remittance marketisation allows for an exploration of whether and how the financial incorporation of remittance flows (RQ2) and households (RQ3) unfolds concretely in two countries of the Global South. In that sense, this approach aims to go beyond the methodological limitations of some of the existing literature on financial inclusion and everyday financialisation, which tends to infer rather than observe the processes through which the incorporation of new financial products and services into people’s everyday life may transform or draw upon existing socio-economic and cultural arrangements, practices and subjectivities (Pellandini-Simanyi et al, 2015). In fact, it has been argued that very few studies on everyday financialisation have committed to empirically research the ways in which the proliferation of financial reasoning, products and services transform people’s ordinary economic practices, routines and norms (although see Coppock, 2013; Deville, 2012, 2014; Gonzalez, 2015; Pellandini-Simanyi et al, 2015; Smith et al, 2006). Households are instead understood as “bookkeeping units that consume, save, hold assets, acquire debts and take risks”, or what Gonzalez (2015:785) calls a “portfolio view of households”. Rather than grounded observations, the methodological tools and resources that are usually used are quantitative data, including households’ surveys as well media and expert analysis and defining global trends in the financial industry, which makes it difficult to fully understand the underlying dynamics of socio-economic and financial practices and the social content of debt relations (Gonzalez, 2015). For instance, Gonzalez (2015) argues that credit in most of these studies is seen as being imposed onto households and consumption by financial means and is reduced to the dominant logic of defensive consumption. While there is truth to this narrative, Gonzalez (2015) argues that households in Chile for instance do not only engage in consumer credit from a defensive consumption perspective but also in contexts of stability and improvement. This limited understanding of consumer credit in the literature on the financialisation of households and
everyday life is linked to its narrow geographical scope, mostly focusing on “Anglo-American economies where wage stagnation and a general deterioration of the middle classes play a major role” (ibid:786). The point here, Gonzalez (2015) argues, is not to deny that credit now acts as an unnamed social policy but that, in many contexts, it does through more complex ways. For instance, the institutional fabric, localised attitudes, and social and economic habits of both individuals and households within a particular community are amongst the many place-based elements that Gonzalez (2015) identified as essential to the construction of financial subjectivities.

Similar methodological concerns have been raised with regard to the ways in which remittance households have been conceptualised as simply remittance-receiving sites in part of the remittance literature (Erdal, 2012). This is especially true within the New Economics of Labour Migration (NELM) framework, where, again, the household survey approach tends to be the norm (Mazzucato et al, 2006). As Erdal (2012) argues, by using individual members of remittance households – rather the household – as a unit of analysis, remittance practices can be located within broader relations of kin, kith, gender and so on (see Chapter 5). Moreover, by paying particular attention to socio-economic and financial practices and experiences of members of remittance households, this approach enables the exploration of the ways in which remittance market-making processes are intertwined, and even clash, with “other geographically and socio-technical situated ways of performing the economy” (Ouma, 2016b:2). This, in turn, renders visible moments and practices not only of domestication but also refusal and resistance (see Chapter 6).

Overall, my critical ethnography of remittance marketisation examines the grounded, fragile and frictional attempts to incorporate remittance flows and households into global finance, and how members of remittance households in home countries experience and respond to these. This approach aims not to render ‘local’ remittance households located in the ‘periphery’ as passive objects “subjugated by global forces” (Ouma, 2015b:79). The influence of political economic structures is not denied, but rather combined with grounded empirical investigation in order to render visible “the messiness of economic practice” within broader political economic transformations (Ouma, 2015b:80).

3.3. Methodological framework

My methodological framework for researching the uneven financial incorporation of remittance flows and households in Senegal and Ghana consisted of multiple: (1) methods including semi-
structured interviews, ethnographic interviews, in-field observations and document analysis; (2) case studies of remittance markets in Senegal and Ghana; and (3) sources of institutional and private sector actors and remittance households in Dakar and Thiès (Senegal) and Accra and Tamale (Ghana). This approach allowed me to overcome some of the aforementioned methodological limitations of previous studies.

3.3.1. Multiple methods

In order to research processes of incorporating remittance flows and households into global financial circuits, I have used a multiple-methods approach (see Table 3.1). One of the strengths of this approach is its capacity to provide and improve credibility through methodological and data triangulation (Baxter and Eyles, 1997; Yin, 2003). Each of the four research methods outlined above have generated different types of data from different sources of knowledge, enabling me to address my key research questions. Interviews with institutional and private sector actors, in combination with ethnographic interviews, in-field observations as well as document analysis of key programs and activities targeting remittance recipients for financial inclusion, allowed for an exploration of key elements that shape remittance market making (RQ1). Building on these findings, in-depth semi-structured interviews with remittance households allowed me to investigate the extent to which remittances can be incorporated into global finance (RQ2). Finally, in-depth semi-structured interviews with remittance households and institutional actors, combined with ethnographic interviews and in-field observations, enabled an analysis of the ways in which members of remittance households have responded to processes of market subject formation (RQ3).
Table 3.1 - Summarising the research methods and evidence base used to address my research questions

<table>
<thead>
<tr>
<th>RESEARCH QUESTION (RQ)</th>
<th>METHODS USED</th>
<th>EVIDENCE GENERATED</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RQ1</strong> – How do remittance markets come into being concretely in Senegal and Ghana?</td>
<td>Document analysis</td>
<td>Database of annotated key documents (including institutional literature, official and commercial documents, websites) of the main actors involved in the financial inclusion-remittances agenda (e.g. state agencies, international development institutions, commercial and financial institutions, and local associations)</td>
</tr>
<tr>
<td></td>
<td>Pilot Interviews with institutional actors</td>
<td>Institutional and private sector actors in Dakar and Thiès, Senegal <em>(25 interviews in total)</em></td>
</tr>
<tr>
<td></td>
<td>Semi-structured, in-depth interviews with institutional actors</td>
<td>Institutional and private sector actors in Senegal and Ghana <em>(56 interviews in total)</em></td>
</tr>
<tr>
<td></td>
<td>Ethnographic interviews</td>
<td>Private sector actors in Senegal and Ghana <em>(15 actors in total)</em></td>
</tr>
<tr>
<td></td>
<td>In-field observations</td>
<td>6-month fieldwork in Senegal and 4-month fieldwork in Ghana</td>
</tr>
<tr>
<td><strong>RQ2</strong> – To what extent can remittance flows be incorporated into global financial circuits?</td>
<td>Semi-structured, in depth interviews with remittance households</td>
<td>Remittance households <em>(92 interviews in total with 32 participants in Senegal and 28 in Ghana)</em></td>
</tr>
<tr>
<td><strong>RQ3</strong> - How do members of remittance households respond to processes of financial subject formation?</td>
<td>Semi-structured, in depth interviews with remittance households</td>
<td>Remittance households <em>(92 interviews in total with 32 participants in Senegal and 28 in Ghana)</em></td>
</tr>
<tr>
<td></td>
<td>Ethnographic interviews</td>
<td>Private sector actors in Senegal and Ghana <em>(15 actors in total)</em></td>
</tr>
<tr>
<td></td>
<td>In-field observations</td>
<td>6-month fieldwork in Senegal and 4-month fieldwork in Ghana</td>
</tr>
</tbody>
</table>
3.3.2. Multiple case studies: Remittance market-making in Senegal and Ghana

This research used a multiple case study design in order to research the uneven geographies of financial incorporation of remittance flows and households across different socio-economic contexts in the Global South. Studies that critically analyse the links between remittance, finance and development have mostly focused on the (cultural) political economy dimensions of the phenomenon (Cross, 2014, 2015; Hudson, 2008), the global remittance architecture (Bakker, 2015b; Gibson, 2012; Pellerin and Mullings, 2013; Sharma, 2011) and the experiences of migrants residing in the economies of the Global North (Bakker, 2015a; Datta, 2012; Mullings, 2012).

Relatedly, while research on everyday financialisation through critical analysis of the rise of microfinance and its transformation into financial inclusion and, more recently, digital financial inclusion, has increased over the last few years (Gabor and Brooks, 2017; Kar, 2018; Mader, 2015; Rankin, 2013), the mechanisms and processes through which markets are constructed and market-based relations are enacted in practice remain largely unexplored in countries of the Global South, especially in the Sub-Saharan Africa region. As Ouma (2016b:2) argues, the financialisation of households in ‘Africa’, whether through Mobile Money (MM) and/or microfinance, is a phenomenon that is “yet to be subjected to such a generative analysis”. More broadly, it has recently been argued that the ways in which the marketisation of development is unfolding concretely in countries of the Global South deserve more empirical scrutiny (Berndt, 2015). As a result, and in order to provide original empirical and theoretical contributions, I took institutional and private sector actors, remittance households and other remittance market-makers residing in the Global South as the main focus of this research.

The reasons this research focused on Senegal and Ghana were manifold (see Figure 3.1). First, the need for greater empirical and theoretical knowledge on the financial incorporation of remittances flows and households in Sub-Saharan Africa, and West Africa in particular, has particular academic and policy relevance, given (1) the growing number of initiatives targeting remittance flows and households in the region,²³ and (2) the very limited number of critical studies of these attempts at ‘harnessing’ remittances for development in the region (with the exception of Cross, 2013, 2015). In fact, Eastern and Southern Africa are usually considered to be more advanced sites of financial inclusion, especially digital financial inclusion, and hence have attracted most of the research so far. For instance, with the rapid uptake of M-Pesa, Kenya is a

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²² Notwithstanding the work of Kunz (2011) and, to some extent, Zapata (2013).
frequent case study for researchers working on the uses and outcomes of mobile financial services (see for instance Jack and Suri, 2011; 2014).

Figure 3.1 - Senegal and Ghana in West Africa

Second, remittances arguably play a key role in the economies of both Senegal and Ghana, contributing to the sustenance of millions of households. Senegal, with an estimated 800,000 emigrants (5% of the population) remitting over USD 2.2 billion in 2018, ranks 4th among remittance-receiving countries in Sub-Saharan Africa, 3rd among West African countries, and 7th in remittances as a percentage of GDP (9.1%) (KNOMAD, 2019). As for Ghana, remittance inflows amounted to USD 3.8 billion in 2018, representing 7.4% of GDP. Ghana ranks 2nd among remittance-receiving countries in Sub-Saharan Africa and 9th in terms of percentage of GDP (see Figure 3.2).
In both countries, remittances are deemed to play a key role in financing development and enhancing financial inclusion. In effect, a wide range of national, regional and international, public and private actors have been involved in the design, piloting, and implementation of various policies and initiatives that aim to financially incorporate remittance flows and households into global financial circuits. For instance, a report commissioned by the IOM in 2017 and examining the remittance-related services and practices of financial institutions in Ghana indicated that:

(... it has been acknowledged that the transfer of remittances through formal financial channels can enhance the development impacts of financial transfers by encouraging more saving and enabling better matching of saving with investment opportunities (...) (Teye et al, 2017a).

During my initial document analysis, the two countries appeared the most frequently. Table 3.2 includes a sample of the main remittance-for-development events and conferences, on-going or soon-to-be-launched programmes, pilot projects and policy recommendations I successfully identified during this initial period of online searches.

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24 It is important to bear in mind that the World Bank’s Migration and Development Brief uses officially recorded remittances data. If they were to include remittances through informal channels, its true size and social impact is much larger (Ratha, 2018)
### Table 3.2 - Identification of remittance-for-development events, projects and policy recommendations in Senegal and Ghana from online searches

<table>
<thead>
<tr>
<th>Organisation(s) involved</th>
<th>Description</th>
<th>Organisation(s) involved</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Fund for Agricultural Development (IFAD); World Bank (WB); Universal Postal Union (UPU); UN Capital Development Fund (UNCDF)</td>
<td>African Postal Financial Services Initiative: Financing Remittance Facility (FFR)'s project on remittances and postal networks that aim to expand services using existing infrastructure, i.e. post offices. Ghana and Senegal as pilot countries.</td>
<td>IFAD, WB, UPU and UNCDF</td>
<td>African Postal Financial Services Initiative: Financing Remittance Facility (FFR)'s project on remittances and postal networks that aim to expand services using existing infrastructure, i.e. post offices. Ghana and Senegal as pilot countries.</td>
</tr>
<tr>
<td>ADA-microfinance</td>
<td>Migrant remittance boosting project, which aims to offer transfers at a moderate price, as well as associated savings and credit products in which the transferred money can be invested.</td>
<td>IOM</td>
<td>Assessment of remittances-related services and practices of financial institutions in Ghana.</td>
</tr>
<tr>
<td>International Organisation for Migration</td>
<td>Project “Jappando” that aims to maximise the developmental capacity of migrants’ business projects.</td>
<td>IOM and Developing Markets Associates</td>
<td>Capacity building and policy development workshop to identify and develop appropriate initiatives that can leverage the flow of international remittances for broader economic development.</td>
</tr>
<tr>
<td>IFAD; International Network of Alternative Financial Services; Auxfin</td>
<td>Project of a user-owned remittance service that provides an alternative to the current cash-to-cash dominated remittance services; increases financial literacy among remittance senders and recipients; and links remittances to microfinance services.</td>
<td>African Export-Import Bank (Ghana) and Western Union</td>
<td>First future-flow securitization by an African country.</td>
</tr>
<tr>
<td>International Labour Organisation</td>
<td>Remittance transfers in Senegal: Preliminary findings, lessons, and recommendations on its marketplace and financial access opportunities.</td>
<td>Government of Ghana and Switzerland</td>
<td>Remittance Grant Facility (RGF) to support companies to develop affordable and accessible products and services that extend the scope of remittances to the rural areas.</td>
</tr>
<tr>
<td>Centro Studi di Political Internazionale (CeSPI) and Acra</td>
<td>Roundtable at the World Social Forum: Remittances, Diaspora and Microfinance-experiences, prospects and opportunities.</td>
<td>European Union, African, Caribbean and Pacific Secretariat and IOM</td>
<td>DEVCO project to leverage remittances to promote migrant entrepreneurship programme.</td>
</tr>
</tbody>
</table>
Finally, rather than providing a strict comparative analysis of two case studies, Senegal and Ghana were chosen to explore the ways in which the geographies of remittance marketisation unfold in countries with relatively different degrees of financial penetration and trajectories. In fact, while similar market-makers could be found in the two countries (ranging from IFIs and international development organisations to governments and NGOs), leading private sector actors in Senegal and Ghana differed and so did some of the main market-making strategies, products and services that had been put in place in recent years to incorporate remittance flows, senders and recipients into financial circuits. For instance, levels of financial inclusion amongst remittance recipients in the two countries differed greatly, with 12% of the population holding a financial institution account in Senegal compared to 35% in Ghana in 2014. Moreover, the ways in which people received remittances varied significantly. For instance, domestic remittances received via a financial institution and a mobile phone represented only 4% and 10% respectively of all received domestic remittances in Senegal compared to 16% and 35% in Ghana (Demirgüç-Kunt et al, 2018). Importantly, since 2015, Ghana’s MM market had been one of the fastest growing MM markets in Sub-Saharan Africa, “giving the oft-heralded East African markets a run for their money” (Mattern, 2018:1). While only 13% of Ghanaian adults owned a mobile account in 2014, 39% were MM account owners three years later (Demirgüç-Kunt et al, 2018). In contrast, at the time of fieldwork, MM in Senegal had not taken off yet. As such, while the marketisation of remittances in Senegal was mostly carried out via an MFI-led branchless banking strategy through retail agents, the MNO-led branchless banking model – or MM – was more prevalent in Ghana (see Chapter 4). Focusing on Senegal and Ghana, therefore, allowed me to explore the differentiated efforts and investments as well as controversies involved in the attempts to create and expand remittance markets in two different regulatory, socio-economic, technological and cultural contexts.

3.3.3. Multiple sources: Institutional and private sector actors and remittance households in Senegal and Ghana

My analysis of remittance marketisation and remittance recipients’ economic and financial practices started in both countries with a period of fieldwork of about three months in Dakar and two and a half months in Accra, the two capital cities. The main reason for this was that head offices of most financial, commercial and development organisations I wanted to interview were located in these two cities. During these periods, I used multiple methods of semi-structured interviews, in-field observations and document analysis, to investigate the various human and non-human elements that contributed to the construction of remittance markets (RQ1). Following the completion of these first parts of my fieldwork in both capitals, I moved my
research to two additional analytical and geographical entry points for a period of three months in Thiès, Senegal, and one and a half months in Tamale, Ghana (see Figures 3.3 and 3.4). Research in these two towns enabled me to generate data on remittance households’ socio-economic and financial practices and their lived experiences of, and responses to, processes of market integration, thereby addressing RQ2 and RQ3. It also allowed me to generate more data and provide confirmative but also contradictory insights from institutional and private sector actors (to be discussed in Chapter 4). To this end, I used semi-structured interviews (with multiple revisits) as well as ethnographic interviews and in-field observations.

*Figure 3.3* - Locating Dakar and Thiès in Senegal

(Source: Map adapted from d-maps.com)
Figure 3.4 - Locating Accra and Tamale in Ghana

(Source: Map adapted from d-maps.com)
Thiès and Tamale were chosen as key analytical entry points for multiple reasons. First, both towns have constituted key internal, regional and international emigration hubs in both countries. International migrants originating from Thiès represented 9% of the international Senegalese migrant population in 2013 while 14.7% of internal migrants in Senegal originated from the Thiès region (Agence Nationale de la Statistique et de la Démographie, 2014). In Ghana, the northern region, of which Tamale is the capital, has had one of the highest outward migration rates in the country since 1960s (Ghana Statistical Service, 2014). Second, one of my aims was to account for the significance of internal migration and remittances in both countries (Awumbila, 2015). For instance, Castaldo and colleagues (2012) show that internal migrants outnumber international migrants in Ghana and that internal migration may be more important for poverty reduction compared to international migration as it involves poorer populations. More specifically, this allowed me to contrast the different strategies put in place by different actors to integrate both internal and international remittances into financial circuits. Third, both towns had numerous active MFI and bank branches as well as MM point of services. This was not necessarily the case in other well-known areas of emigration. This was confirmed during interviews with employees of financial institutions in Dakar and Accra. Finally, all the above points were discussed with numerous migration scholars in both countries to ensure the relevance of my analytical and geographical entry points to address my research questions. In the next section, I describe how I operationalised my research methods to generate my evidence base on the marketisation of remittance flows and households.

3.4. Research process

The research methods and evidence base that I generated to address my key research questions are summarised in Table 3.1 (see Section 3.3.1). The ways in which my research methodology was operationalised can be divided into six main parts: (1) pilot interviews with institutional and private sector actors and migration scholars in Dakar and Thiès; (2) document analysis of key programs and activities targeting remittance recipients for financial inclusion; (3) semi-structured interviews with institutional and private sector actors; (4) semi-structured in-depth interviews with Senegalese and Ghanaian remittance households; (5) ethnographic interviews with private sector actors; and (6) in-field observations in Dakar, Thiès, Accra and Tamale. The empirical research was carried out over 10 months (June 2016; October 2016-February 2017; September 2017-December 2017), divided between Senegal (1+5 months) and Ghana (4 months). The following section examines the ways in which I deployed each of these research methods.
3.4.1. Pilot Study

In June 2016, I carried out a one-month pilot study in Senegal in order to establish initial contacts with institutional and private sector actors and test my methodological design, especially my interview schedule with financial and commercial institutions. This pilot also allowed me to explore and determine field sites for the second part of my fieldwork (RQ2 and RQ3).

Originally, my research plan was to focus on the IFAD-run ‘African Postal Financial Services Initiative’, which is a regional program that aims to expand the role of postal networks in rural Africa in 11 countries.25 The objectives of the initiative included deepening the range of financial services provided in rural areas, including saving, loans and insurance products. My aim was to draw a comparative analysis of the ways in which Senegalese and Ghanaian remittance recipients were responding to this program. The pilot interviews I undertook with representatives of key institutions involved in the IFAD-run program were supposed to confirm that these projects were up and running and that the number of remittance recipients that were beneficiaries of these initiatives was significant enough, visible and accessible for my research. After ten days of interviews and discussions, I realised this was not the case and that I needed to recalibrate the focus of my research. Instead of focusing on one specific program, I decided to take a broader approach to understand how commercial and financial institutions considered remittance services within their broader portfolio of financial services and how/whether remittance recipients were increasingly being targeted as potential customers. During the remaining three weeks of my stay, I conducted interviews with employees of two of the main MFIs in the country as well as several banks. I also made initial contacts and conducted interviews with a state official of the Direction de la Réglementation et de la Supervision des Systèmes Financiers Décentralisés (DRS-SFD) – the microfinance governmental unit – as well a representative of the Senegalese Ministry of the Economy, and two international organisations including the IOM and a customer protection association (Table 3.3). This allowed me to identify a number of private-led, remittance-based initiatives, products and services that confirmed the increasing importance of the remittance-linked financial inclusion agenda in Senegal.

In parallel, I met with migration scholars from the University of Cheikh Anta Diop to discuss potential field sites (where RQ2 and RQ3 could be addressed) and to ask them about research assistants I could work with. While I already had several locations in mind based on the analysis of secondary qualitative and quantitative sources, these discussions proved to be helpful in identifying additional factors to be taken into account, such as the availability and density of

25 This programme is part of IFAD’s Financing Facility for Remittances and its 50+ pilot projects that aim to maximise the impact of remittances on development (IFAD, 2016).
financial institutions, the existence of over-researched areas as well as practicalities such as travelling times between field sites and Dakar, as I was planning to make several trips back to Dakar to continue interviewing institutional actors. The town of Thiès was ultimately identified as an ideal location and I spent ten days there at the end of my trip to familiarise myself with the town and make initial contacts with institutional actors as well as the family I would be living with. I was put in touch with this family by my Wolof teacher in Dakar, who happened to be from Thiès. I subsequently met with Aminata, who said her family would be happy for me to stay at their house in the outskirts of Thiès during my longer visit. During these ten days, I also conducted semi-structured and ethnographic interviews with institutional actors, including several employees of MFI and bank branches (Table 3.3). This was partly done in order to establish initial contacts, as one of my strategies to access remittance recipients was to use these institutions as gatekeepers. I did not manage to carry out interviews with remittance recipients at that stage as I was still looking for a research assistant to work with. It is only when I got back to London that I was put in touch with Fatou Diop, a Dakar-based researcher from Thiès. I arranged a few phone calls with Fatou while in London in order to give her as much time as possible to familiarise herself with the study and the interview schedule.

Table 3.3 - Research undertaken in pilot study (June 2016, Dakar and Thiès, Senegal)

<table>
<thead>
<tr>
<th>TYPE OF ACTORS</th>
<th>NUMBER OF INTERVIEWS</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academics</td>
<td>7</td>
<td>Dakar</td>
</tr>
<tr>
<td>Actors involved in the IFAD-run program</td>
<td>4</td>
<td>Skype and Dakar</td>
</tr>
<tr>
<td>MFIs and banks</td>
<td>6</td>
<td>Dakar and Thiès</td>
</tr>
<tr>
<td>State actors</td>
<td>3</td>
<td>Dakar</td>
</tr>
<tr>
<td>Development organisations</td>
<td>4</td>
<td>Dakar</td>
</tr>
<tr>
<td>Customer protection association</td>
<td>1</td>
<td>Dakar</td>
</tr>
</tbody>
</table>

**TOTAL NUMBER OF INTERVIEWS = 25**

**TOTAL NUMBER OF HOURS = 22**
3.4.2. Semi-structured interviews with institutional actors in Dakar, Thiès, Accra and via skype

I came back to Senegal in October 2016 and stayed in Dakar for seven weeks before heading to Thiès. I constructed a database of annotated documents produced by 42 institutions, with the purpose of gaining insight into remittance market-making efforts and processes in Senegal from a varied range of institutional perspectives (RQ1). I managed to subsequently interview 19 out of these 42 institutions (see Table 3.4). These institutions were identified from my research in London and Dakar, using online and in-field sources. In effect, I reviewed the content of key documents produced by the main actors involved in the remittance-linked financial inclusion agenda in Senegal, including institutional literature, websites, annual reports, and official and commercial documents. Information about the policies, programs and activities of these institutions was organised into categories related to RQ1 and served, in turn, as prompts during interviews. In addition to this, I used interviews and in-field observations conducted during the pilot study to identify several other institutions. In fact, as Figure 3.5 illustrates, financial institutions generally advertised their remittance services on billboards (e.g. Money Express, RIA, Wari, Western Union). Overall, my database included documents by financial institutions (MFIs and banks) providing remittance services as well as Money Transfer Operators and Mobile Network Operators providing remittance and other financial and commercial services. It also included reports by civil society organisations as well as international organisations and state agencies involved in the remittances-financial inclusion agenda.
Figure 3.5 - Billboard at the entrance of the main agency of the MFI ACEP in central Thiès

(Source: fieldwork photograph in Thiès)

In Thiès, I conducted interviews with local and regional branch directors of six of the same institutions (mostly MFIs) I had interviewed in Dakar to understand how national strategies of enrolment were implemented and how remittance-linked products were promoted and commercialised at a branch level. The number and type of participants I interviewed was shaped in part by the extent to which these actors were willing to be interviewed. While MFIs, Money
Transfer Operators (MTOs) and state actors were in general quite open to the idea of being part of the research project – although several participants required perseverance and numerous follow-up emails and calls – banks, on the other hand, and especially French-owned institutions, proved to be very difficult to access even when recommendation letters from the university were provided. This did not turn to be a problem as I quickly realised that most of the new remittance-linked initiatives and products originated from MFIs, MTOs and Mobile Money Operators (MMOs).

In Accra, Ghana, where I spent two and a half months overall, I constructed a database of documents produced by 39 institutions, and managed to interview 22 (see Table 3.4). These actors were identified using both online sources and in-field-sources. I spent my first few days walking around the city to get a sense of which banks and MFIs were providing remittance services. As in Senegal, this could in fact be identified by using in-field observations of billboards (Figure 3.6).

Figure 3.6 - Billboards on Oxford Street in Accra, Ghana

Banks were much more easily accessible than in Senegal. They were also much more active in their attempts to leverage remittances and enrol remittance recipients. MMOs play a more significant role in the remittance marketplace in Ghana than in Senegal (although the remittance sector in Senegal is quickly evolving), which explains why some of the organisations I interviewed
are Fintechs and so-called MM aggregators.\textsuperscript{26} I did not conduct interviews with institutional and private sector actors in Tamale for several reasons. First, the day before heading to Tamale for what was supposed to be a period of two months, I got ill and found out 48 hours later that I had caught malaria. As a result, I had to stay in hospital for eight days and subsequently spent another week in Accra to fully recover. This significantly delayed my research and left me with only six weeks in Tamale to conduct interviews with remittance recipients. Second, in contrast to Thiès where I used several financial institutions as my gatekeepers, I managed to work with two local researchers in Tamale (see below) who were able to access research participants based on the criteria they were given. Finally, reflecting on my period of fieldwork in Senegal and considering how the domestic remittance market operates in a slightly different manner in Ghana – notably due to the prominence of MM – I decided that my time would be better used conducting several interviews with MM street agents, rather than conducting interviews at branch level with some of the same financial and commercial institutions I had interviewed in Accra. On this basis, Table 3.4 summarises institutional and private sector actors I interviewed across Dakar, Thiès, Accra, and Tamale.

\textsuperscript{26} Aggregators serve as intermediaries which allow payment instrument providers (like Mobile Network Operators offering mobile money services or banks offering mobile banking) to easily integrate with entities (like utility companies, businesses or donors) that want to send money to or receive money from their customers or recipients (McKay and Pillai, 2016).
<table>
<thead>
<tr>
<th>INSTITUTIONS</th>
<th>ROLE</th>
<th>TYPE OF INSTITUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dakar-based institutions (N=19)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACEP</td>
<td>Director of Strategic Development</td>
<td>Microfinance Institution (MFI)</td>
</tr>
<tr>
<td>Baobab Senegal (2)</td>
<td>Regional Director; Operations Manager</td>
<td>MFI</td>
</tr>
<tr>
<td>UM-PAMÈCAS</td>
<td>Sales and Communication Manager</td>
<td>MFI</td>
</tr>
<tr>
<td>U-IMCEC</td>
<td>Manager of the Money Transfer Department</td>
<td>MFI</td>
</tr>
<tr>
<td>MECAP</td>
<td>Director</td>
<td>MFI</td>
</tr>
<tr>
<td>COFINA</td>
<td>Chief Financial Officer</td>
<td>MFI</td>
</tr>
<tr>
<td>Banque Atlantique (2)</td>
<td>Director of the Money Transfer Department; Senior Accounting Officer</td>
<td>Bank</td>
</tr>
<tr>
<td>CBAO (2)</td>
<td>Senior Employee in the Money Transfer Department; Management Control</td>
<td>Bank</td>
</tr>
<tr>
<td>Ecobank</td>
<td>n/a</td>
<td>Bank</td>
</tr>
<tr>
<td>Central Bank of West African States (2)</td>
<td>Director of the Microfinance Department</td>
<td>Central Bank</td>
</tr>
<tr>
<td>La Poste Senegal (2)</td>
<td>Operations Manager; Director of the Money Transfer Department</td>
<td>State-owned company</td>
</tr>
<tr>
<td>PosteFinances</td>
<td>Operations Manager</td>
<td>Financial institution</td>
</tr>
<tr>
<td>Joni-Joni</td>
<td>Sales Manager</td>
<td>Money Transfer Operator (MTO)</td>
</tr>
<tr>
<td>Wari</td>
<td>Senior Product Management Officer</td>
<td>MTO</td>
</tr>
<tr>
<td>Wizall</td>
<td>Co-founder</td>
<td>MTO</td>
</tr>
<tr>
<td>Orange Money (2)</td>
<td>Orange Money Director for Orange Africa &amp; Middle East; Sales manager</td>
<td>Mobile Money Operator</td>
</tr>
<tr>
<td>Association Pour le Développement de Keurykao (ADK)</td>
<td>President</td>
<td>Association</td>
</tr>
<tr>
<td>Organization</td>
<td>Position</td>
<td>Type</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Fonds d’Appui à l’Investissement des Sénégalais de l’Extérieur (FAISE)</td>
<td>Senior Accountant</td>
<td>State agency</td>
</tr>
<tr>
<td>Direction de la Réglementation et de la Supervision des Systèmes Financiers Décentralisés (Microfinance Unit)</td>
<td>Head of Strategy</td>
<td>State agency</td>
</tr>
<tr>
<td>Thiès-based institutions (N=6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACEP</td>
<td>Branch Director</td>
<td>MFI</td>
</tr>
<tr>
<td>CMS</td>
<td>Regional Director</td>
<td>MFI</td>
</tr>
<tr>
<td>Baobab Senegal</td>
<td>Branch Director</td>
<td>MFI</td>
</tr>
<tr>
<td>PAMECAS</td>
<td>Regional Director</td>
<td>MFI</td>
</tr>
<tr>
<td>La Poste (2)</td>
<td>Regional Director</td>
<td>State-owned company</td>
</tr>
<tr>
<td>PosteFinances</td>
<td>Branch Director</td>
<td>Financial institution</td>
</tr>
<tr>
<td>Accra-based institutions (N=22)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access Bank</td>
<td>Head of inclusive banking</td>
<td>Bank</td>
</tr>
<tr>
<td>AfB</td>
<td>Managing Director</td>
<td>Non-banking financial institution</td>
</tr>
<tr>
<td>Beige Capital</td>
<td>Head of E-banking</td>
<td>Bank</td>
</tr>
<tr>
<td>Fidelity Bank</td>
<td>Director of Mobile Money department</td>
<td>Bank</td>
</tr>
<tr>
<td>GCB Bank</td>
<td>Manager of Alternative Channels</td>
<td>Bank</td>
</tr>
<tr>
<td>HFC Bank</td>
<td>n/a</td>
<td>Bank</td>
</tr>
<tr>
<td>Omnibank</td>
<td>Manager of Alternative Channels</td>
<td>Bank</td>
</tr>
<tr>
<td>ARP Apex Bank Limited</td>
<td>Manager for Project and Credit</td>
<td>Umbrella organisation for the Rural &amp; Community Banks</td>
</tr>
<tr>
<td>Advans Ghana</td>
<td>Deputy Chief Executive Officer</td>
<td>MFI</td>
</tr>
<tr>
<td>Midlands</td>
<td>n/a</td>
<td>MFI</td>
</tr>
<tr>
<td>Organization</td>
<td>Position</td>
<td>Type</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Pan-African Savings and Loans</td>
<td>Head of E-business and Remittances</td>
<td>MFI</td>
</tr>
<tr>
<td>Unicredit</td>
<td>General Manager</td>
<td>MFI</td>
</tr>
<tr>
<td>Airtel Money</td>
<td>Head</td>
<td>MFI</td>
</tr>
<tr>
<td>MTN</td>
<td>General Manager of Mobile Money Limited</td>
<td>MMO</td>
</tr>
<tr>
<td>Vodafone Cash</td>
<td>Product Specialist</td>
<td>MMO</td>
</tr>
<tr>
<td>Zeepay</td>
<td>Co-founder and Managing Director</td>
<td>Aggregator</td>
</tr>
<tr>
<td>Jumo</td>
<td>Country Director</td>
<td>Fintech</td>
</tr>
<tr>
<td>Bank of Ghana (2)</td>
<td>Head of oversight and risk assessment in the payments system department; Economist</td>
<td>Central Bank</td>
</tr>
<tr>
<td>Ministry of Finance</td>
<td>Senior Economic Officer</td>
<td>State agency</td>
</tr>
<tr>
<td>IOM</td>
<td>Project Assistant</td>
<td>International Organisation</td>
</tr>
<tr>
<td>CGAP (2)</td>
<td>Digital Financial Services Consultant</td>
<td>International Organisation</td>
</tr>
<tr>
<td>State Secretariat for Economic Affairs (SECO)</td>
<td>Deputy Head of Cooperation</td>
<td>Swiss Embassy in Ghana</td>
</tr>
</tbody>
</table>

**Total number of institutions = 41**  
**Total number of interviews = 56**  
**Total number of hours = 53**
In interviews with institutional and private sector actors, I asked about the rationale for providing and promoting remittance services, including general questions about the significance of remittance services in terms of revenues, commissions, required investments and partnerships to set up such services, and main obstacles encountered. Further questions explored the general remittance marketplace and regulatory context, especially around Know-Your-Customer regulations and MM. A further set of questions examined the links between remittances and financial inclusion. I asked how remittance customers were perceived, whether strategies were put in place to enrol them, and, if so, what type of financial innovations, products and literacy programmes linked to remittances were designed and commercialised. I generally concluded by requesting participants’ opinions on the barriers and outcomes of expanding financial services to remittance customers and where the market would be in five/ten years (see the interview schedule in Appendix 1).

Interviews with institutional and private sector actors in Dakar and Thiès were all conducted in French and mainly took place in these commentators’ office spaces. In Ghana, all interviews with institutional actors were conducted in English. These interviews, although semi-structured, turned more often than not into conversations, which allowed for the main themes to be explored as well as for new questions and topics to arise. Generally, this interview process enabled me to gain insights into what and how organisations were trying to design and implement initiatives and products linked directly or indirectly to remittances, which organisations were the most active, and why. I adapted my interview schedule for non-financial institutional actors such as state agencies and civil society organisations. Discussions usually lasted between 45 and 90 minutes and were recorded (except for a few exceptions) and transcribed word-for-word, which subsequently allowed in-depth analysis.

3.4.3. Semi-structured interviews with remittance recipients in Thiès, Accra and Tamale

As Appendix 2 shows, I interviewed 31 and 28 members of remittance households in Senegal and Ghana respectively. In Senegal, all interviews were conducted in Thiès whereas, in Ghana, interviews took place in both Accra and Tamale. In Senegal, 12 participants were interviewed once only while 19 participants were interviewed twice, through revisits usually taking place two or three weeks after the initial interview. One participant was interviewed three times. In Ghana, I conducted revisits with 13 remittance recipients while 15 were interviewed once only. In total, 92 in-depth interviews were carried out across Thiès in Senegal and Accra and Tamale in Ghana.
In order to maintain the anonymity of my participants, I have used pseudonyms in place of remittance recipients’ first names.

3.4.3.1. Identifying and accessing remittance recipients

Thiès, Senegal

The main fieldwork in the Thiès region was carried out between November 2016 and February 2017. As mentioned earlier, the selection of this research site was informed by discussions with migration scholars as well as existing studies and census reports that identified Thiès as an important – although under-researched – hub of internal and international emigration.

I stayed with one family throughout my stay in Thiès. The household was comprised of Aminata and Omar and their three children, Omar’s mother and one of his aunts as well as two domestic workers, Astou and Galo. The house was situated in Mbour 3, a relatively new residential area in the southern part of the town. I spent the first three weeks familiarising myself with the town and interviewing representatives of the four main MFIs in Thiès. After the initial interviews at the main agencies, I was directed to smaller branches where I was able to conduct shorter interviews with front desk officers directly in touch with customers collecting their remittances over-the-counter.

To be able to interview remittance households, I worked with Fatou Diop, a Dakar-based researcher with great depth of experience of carrying out fieldwork research with academics as well as NGOs across the country. Fatou was introduced to me by a France-based Senegalese migration scholar I had been in touch with prior to fieldwork. Fatou and I spent a few days in a couple of branches in order to initiate contact with potential research participants. This proved to be effective although very time-consuming; it took us two days to identify the first five research participants. As a result, we decided to slightly change our strategy by asking several front officers from three of the four main MFIs to provide a list of remittance customers that regularly came to collect either domestic, regional or international remittances. We made it clear that we were seeking a mix of remittance recipients with and without accounts, with and without a loan to pay back. As for the fourth MFI – Baobab Senegal – I met with a manager of Banking Correspondents (BCs27) who agreed to take me with him regularly on his visits to BCs. This allowed me to be introduced to six BCs, who in turn facilitated my access to 7 research participants that used BCs

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27 As I will explain in more details in Chapter 4, Banking Correspondents (BCs) are agents that are part of Baobab’s banking network. Usually shopkeepers, BCs are provided with the necessary equipment and technology to allow Baobab’s customers to conduct various types of transactions at their shops, including originally cash-in (savings deposit), cash-out (savings withdrawal) transactions, loan repayments as well as money transfers from one account to another.
as a remittance-receiving location point. Overall, these combined strategies enabled us to have access to fifteen research participants located across the town as well as the surrounding villages, including Tienaba, Khombole and Toubatoul (see Figure 3.7).

*Figure 3.7 - Map of the Thiès region, including Tienaba, Khombole and Toubatoul*

I was, however, fully aware of the potential bias that the use of financial institutions’ front officers as gatekeepers could cause. As such, I also contacted several civil society organisations whose work focused on issues of indebtedness and promoted the financial autonomy of their members (urban and rural women in the Thiès region). Two organisations in particular supported me in identifying research participants: *Groupe d’Initiatives pour le Progrès Social / West African Region* (GIPS/WAR) and *Association pour le Développement de Keurykao* (ADK). I was introduced to these two organisations by one of the migration scholars I had interviewed in Dakar. I met with the President of each association as well as other committee members on multiple occasions to explain the aims of my research and who I was seeking to interview. Through both associations, I got access to a dozen research participants, mostly located in Keurykao, in the northern part of the town (see Figure 3.8).
Finally, Fatou, who grew up in Thiès, also identified several potential participants. It is important to note that front desk officers or committee members were not present during any of the interviews we carried out. Although we tried to make it clear to research participants that we were not linked to any financial institutions or associations, our motivations were still perceived as ambiguous by some, which caused several misunderstandings as well as several last-minute interview cancellations.

Accra and Tamale, Ghana

I stayed in Accra for two and a half months and in Tamale for one and a half months. I decided to conduct interviews with remittance recipients in both cities due to time-related constraints. While I was in Senegal for 6 months – including the one-month pilot trip – I spent 4 months in Ghana. In Accra, I worked with Sonya Adu-Gyamfi, a senior research assistant at the Centre for Migration Studies at the University of Accra. Interviews were conducted with residents of two neighbourhoods, namely Nima and Kokomlemle, for several reasons. First, whereas Nima is described as a non-indigenous, low-income, urban slum settlement (Awumbila et al, 2014; Owusu
et al, 2008), Kokomlemle represents one of the middle-income areas in the centre of Accra, established to accommodate the Ghanaian middle-class (Tetteh, 2016). By interviewing remittance recipients in both neighbourhoods, insights into how processes of remittance integration into the formal financial system are experienced in different ways depending on income levels were provided. Second, while Nima is mostly known as one the historical migrant neighbourhoods in Accra, recent studies showed that a significant number of households have members abroad remitting (Owusu et al, 2008). This was illustrated by the recent opening of bank branches, Western Union point-of-services and Forex Bureau Operators in the area. New Town Road, which runs through both neighbourhoods, was the site of a significant number of banks and MFIs, with numerous billboards showing the wide array of companies through which remittances could be sent and received (Figure 3.9). Finally, and from a more practical perspective, narrowing down the field site in Accra allowed me to significantly decrease the amount of time I would otherwise have had to spend travelling across the city and sitting in traffic.

The strategy used to access remittance recipients was similar to that in Senegal. Several banks’ and MFIs’ front officers acted as my gatekeepers while Sonia Adu-Gyamfi, the research assistant I worked with in Accra, also helped identifying several potential research participants. In addition, David, a youth leader from Nima introduced to me by a Professor from the University of Ghana, and Hamza, a tour guide whom I met on multiple occasions and who gave me a one-day tour of the neighbourhood, acted as gatekeepers and supported me in identifying more than half of the research participants.
In Tamale, I worked with two local researchers, Issahaku Musah Sugri and Braimah Abdul Latif, who had been recommended to me by Dr. Joseph Kofi Teye, the Director at the Centre for Migration Studies, University of Ghana and Dr. Francis Xavier Jarawura of the University of
Development Studies in Tamale. Prior to my arrival in Tamale, I arranged several phone calls with Francis as well as both Sugri and Latif to explain my research aims and to ask Sugri and Latif to start identifying potential research participants based on criteria I specified in oral and written forms (Section 3.4.3.2). Interviews were conducted in Tamale as well as in several surrounding rural and peri-urban settings, including Savelugu, Mbanayili and Kumbungu to mirror the research done in Thiès, Senegal (Figure 3.10).

Figure 3.10 - Tamale, Savelugu, Kumbungu and Mbanayili in Ghana

(Source: Map adapted from Googlemaps)

3.4.3.2. A profile of remittance recipients
The aim of my field research was not to select a representative sample of remittance recipients in both countries, but to explore the different ways in which financial inclusion processes were experienced by a heterogeneous set of remittance households. The data obtained and presented in this research aimed to illustrate the diversity of remittance households’ configurations and the range of their remittance-linked socio-economic activities and practices (Chapter 5) and the
different responses to attempts of financial incorporation (Chapter 6). As such, several considerations were taken into account when identifying and selecting research participants.

First, particular efforts were made to include participants that received not only international and/or regional but also domestic remittances. This was notably informed by the fact that not enough attention had been paid to domestic migration and remittances despite their significance in the national economies of both countries (Awumbila, 2015; Chort et al, 2017). Even when this is the case, domestic and international remittances are often looked at separately. In Senegal, 25% of remitters were domestic migrants (13/51) whereas in Ghana, domestic migrants represented 41% of remitters (21/51). The fact that financial institutions acted as several of my gatekeepers explains why the majority of participants in both countries received remittances from international migrants since at the time of writing international remittances could be collected mostly from financial institutions whereas domestic remittances could be collected from both financial and non-financial points of services, such as retail shops and multi-service boutiques.

Second, I interviewed both female and male participants receiving remittances not only from male but also female remitters. This was informed by the result of recent studies and census on domestic migration, which highlighted the significance of female mobility in both countries (Ackah and Medvedev, 2012; Ghana Statistical Services, 2014). In Ghana, half of internal migrants are women whereas in Senegal, women are found to be more likely to migrate than men (Ackah and Medvedev, 2012; Chort et al, 2017). More specifically, several Ghanaian migration scholars have argued that gendered dimensions of remittances have changed over time; many young women and girls are now moving independently from their families from urban and rural communities in the north to urban centers in the south, taking over roles and responsibilities that were formerly considered to be exclusively male (Abdul-Korah, 2011; Awumbila, 2015). In contrast, Chort and colleagues (2017) have demonstrated that female mobility in Senegal appears to be mostly linked to family motives (especially marriage) while labor mobility is frequently observed for men. In Senegal, 23 out 32 participants were female remittance recipients (72%). These 32 participants received cash and in-kind remittances from 51 remitters, 84% of whom were male (43/51) and 16% female (8/51). In Ghana, 14 out of 28 participants were female remittance recipients (50%). These 28 participants received remittances from 51 different remitters, 71% of whom were male (35/51) and 29% female (16/51).

Third, I tried in most cases to interview, if not the head of the household, the person partly or fully in charge of the household budget, including the management of remittances. This proved to be difficult at times because financial institutions’ front officers often dealt with remittance customers that collected remittances but handed the money over immediately to the household’s head. This in itself is quite telling regarding the limitations financial institutions faced when trying to enrol remittance

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recipients or encourage remittance customers to keep remittances in bank accounts. Finally, I made sure that I included participants living not only in urban but also peri-urban and rural settings. The main reason for this was to document whether/how financial and remittance-related practices differed spatially, especially when bank and MFI branches were not easily reachable. In both countries, 71% of the households interviewed lived in urban settings while the rest lived in rural and peri-urban areas with more limited access to financial institutions and remittance-related services.

Interviews with members of remittance households explored remittance practices, including how remittances were received, sent, spent and/or distributed as well as processes of decision-making that underpin these practices. I asked participants about the main sources of income of their households, their different paid and unpaid activities and requested their opinions on the significance of remittances for their households. A further set of questions explored their financial practices, the type of financial institutions they dealt with, their views on so-called ‘formal’ and ‘informal’ financial products and arrangements. I also asked about what kind of changes, if any, these brought in their everyday lives (see interview schedule in Appendix 3).

In Senegal, interviews were conducted in Wolof while interviews in Ghana were conducted in Twi in Accra, and in Dagbani in Tamale. All interviews were recorded and then transcribed and translated in verbatim form. After carefully reading the transcriptions, I sat down with each researcher to clarify parts of the translated transcriptions that were unclear (issues of translation and transcription will be discussed in further detail in Section 3.5.1.). It was on that basis that I identified research participants we would re-visit and interview for a second time.

3.4.3.3. Revisits
Overall, I conducted 32 revisits; 19 in Senegal and 13 in Ghana. Asking questions about money, household budgeting and other financial practices can raise suspicions and is not generally a topic people easily engage in, especially with strangers. These revisits proved to be essential in understanding household dynamics and relationships, notably between recipients and remitters and in mapping out the diversity of financial practices, arrangements and circuits of research participants. On many occasions, it was during the second or third visit that key insights were gained. For instance, several recipients told us about bank accounts they were using (or not using) or the loans they had taken out only during our revisits. Another recipient informed us about the fact that her husband recently got married a second time only at the very end of our second revisit, on the way back to the bus station. This helped us to put in context her worries about an uncertain future. Overall, I got the sense that several participants were feeling slightly more at ease during
revisits. They sometimes allowed me to gain a deeper – although still very partial – comprehension of the role and significance of remittances in their everyday lives and how these were intertwined with broader financial arrangements and practices.

3.4.4. Ethnographic interviews and in-field observations

My evidence base also included multi-sited ethnographic interviews and in-field observations, conducted during fieldwork in Senegal and Ghana. Ethnographic interviews with remittance market actors such as MFI tellers, BCs and MM agents enabled me to collect more situated perspectives in contrast to semi-structured interviews with senior employees in office spaces. In Thiès, I visited five *guichets* – sub-branches – and conducted multiple short interviews with tellers from the country’s three historical MFIs: *Crédit Mutuel du Sénégal* (CMS), *Alliance de Crédit et d’Épargne pour la Production* (ACEP), *Union des Mutuelles du Partenariat pour la Mobilisation de l’Épargne et du Crédit Au Sénégal* (UM-PAMECAS). I also visited and interviewed five Banking Correspondents (BCs) from Baobab Senegal (Table 3.5). In Tamale, I regularly visited four MM agents that were located close to where I lived in Kokomlemle. All these points were visited by remittance customers to collect their money over-the-counter (MFI) and to make cash-in and cash-out transactions (MM). I asked MFI tellers and MM agents about their day-to-day activities and whether/how they tried to enroll remittance customers and/or advertise remittance-linked financial products, such as mobile-based insurance and credit products (see Chapter 4).

*Table 3.5 - Tellers and agents interviewed across Thiès and Tamale*

<table>
<thead>
<tr>
<th>INSTITUTIONS</th>
<th>ROLE</th>
<th>TYPE OF INSTITUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Thiès-based banking agents</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACEP (2 participants)</td>
<td>Tellers</td>
<td>Microfinance Institution (MFI)</td>
</tr>
<tr>
<td>CMS (2)</td>
<td>Tellers</td>
<td>MFI</td>
</tr>
<tr>
<td>PAMECAS (1)</td>
<td>Tellers</td>
<td>MFI</td>
</tr>
<tr>
<td>Baobab Senegal (6)</td>
<td>Banking Correspondents (BCs); Manager of BCs</td>
<td>MFI</td>
</tr>
<tr>
<td><strong>Tamale-based Mobile Money agents</strong></td>
<td>(N=1)</td>
<td>Mobile Money Operators</td>
</tr>
<tr>
<td>MTN (4)</td>
<td>Mobile Money agents</td>
<td></td>
</tr>
<tr>
<td><strong>Total number of institutions = 5</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total number of actors = 15</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
I also followed one manager of BCs for a week, while they were visiting customers and BCs across the town and the surrounding villages. On a typical day, we were able to see between three and eight BCs, depending on how scattered the BCs were. The BCs’ manager would use public transport, which considerably limited the number of BCs they could visit when going to rural areas but also left plenty of time for discussion that revolved around their work, the work of BCs and the rationale, expectations and problems behind the deployment of such agent network.

These ethnographic interviews were complemented by in-field observations, which consisted of my own personal notes and photographs. Three main themes arose out of these in-field observations: (1) geographical distribution of bank and microfinance branches as well as money transfer and MM points of services; (2) visibility of marketing and communications strategies (billboards, stickers, direct marketing actions, etc); and (3) interactions between tellers/agents and their customers (including attempts to enrol new customers) on the one hand, and interactions between BCs and their managers on the other. Ethnographic interviews and observations were recorded in a field diary and used for subsequent thematic analysis (see Section 3.4.5).

3.4.5. Interpreting, analysing and presenting the data

All interviews were fully transcribed in either French or English. While I transcribed all the interviews with institutional and private sector actors, the vast majority of interviews with remittance households were translated and transcribed by the research assistants I worked with. Long debrief sessions were organised (until my very last day in Ghana!) with research assistants to go through transcribed interviews and clarify unclear points. These sessions also allowed me to ask what they thought and how they interpreted what they had been told. This took a much longer time than anticipated but constituted a first key step of the data analysis process (see also Section 3.5.1).

The transcripts were then organised into separate files, according to the location of the interviews and the type of participants, i.e. institutional actors and remittance households. I started to analyse my interviews and in-field observations with institutional and private sector actors from Senegal and Ghana and subsequently went about analysing interviews and observations with remittance households. This analysis process involved four main stages. First, as I read and re-read the interviews to (re)familiarise myself, I started coding the transcripts by hand through a process of open coding (Corbin and Strauss, 2008). This entailed highlighting key words and sentences, writing comments on the margins and making detailed notes in a word document. I formulated initial ‘emic’ codes that emerged from the data itself. Second, I used the NVivo
software in order to combine and supplement the initial open codes with 'etic' codes, which related to broad themes underpinning my initial research and interview questions. Third, in order to refine the key themes and sub-themes identified through the first two stages and establish connections between them, I printed all the 'nodes', i.e. the combination of my comments and extended quotations relating to each specific theme that I had identified. This crucial process of axial coding (Corbin and Strauss, 2008) allowed me to further scrutinise emerging patterns, ideas and concepts. Constantly moving back-and-forth between my research questions and my evidence, I developed three main documents in which I included and connected these multiple themes and sub-themes. These three documents broadly corresponded to my three research questions. Fourth, through an iterative exercise of comparing, contrasting and integrating my empirical data, I reworked each document, which eventually formed the basis for my three empirical chapters and the overall structure of my thesis.

During my write-up, I sought to retain the context-rich 'thick' data generated during the data collection and analysis processes, and I tried to preserve the integrity of participants' views and experiences as much as I could. Different strategies were adopted to present narratives, ranging from 'author-saturated' to 'author-evacuated' texts (Geertz, 1988 in Lake and Zitcer, 2012). I used 'empathetic evocation' to depict situated experiences and 'selective deployment' of participants' views to illustrate my claims, alongside 'dialogic collaboration' to assert polyvocality and recognise the ways in which knowledge is co-produced through interviews (Lake and Zitcer, 2012, see also McDowell, 1998). To make participants’ positionality visible, I indicated remittance recipients’ name and activity, where they lived, who the main remitter was in relation to the participant, and where the main remitter lived. Similarly, for institutional actors, I specified these participants’ institution, and job title.

However, presenting others' views and stories necessarily constitutes a partial and selective endeavor (McDowell, 1998). Just as the construction of markets should not be taken for granted, knowledge production is not, and should, not appear as a straightforward and linear process devoid of any power relations. I turn to some of these issues in the final section.

3.5. Power relations and positionality: researcher, research assistants and participants

Geographers, and feminist geographers especially, have long conceived knowledge production as a situated, relational and asymmetrical accomplishment that is mediated through relations of
power developing along lines of class, gender, race, age, nationality, and so on. However, the focus has most often been on the subjectivity and positionality of the researcher/interviewer (England, 1994). An important issue then arises when one wants to actively include the role and influence that research assistants had not only during the research process but also on the research outcomes. In fact, despite Temple and Edwards’ (2002) acknowledgment of this influence through their concept of the ‘triple subjectivity’ (the research/research assistants/research participants relationship), it has recently been argued that the issue still remains largely unexplored (Deane and Stevano, 2016). Similarly, Leck (2014:59) remarks that research assistants’ perspectives and voices are “largely absent from oral and written accounts, including in dissertations and theses”. As highlighted previously, interviews with remittance households in both countries were carried out in Wolof, Twi and Dagbani with four different research assistants.

In the following, I insert research assistants in the research process to account for one particular aspect of this ‘triple subjectivity’, that is the evolving nature and configuration of power relations among researcher, research assistants and participants and how these interact with each other. This allows me to contextualise some of the practical and ethical challenges I encountered during fieldwork, including issues of wage payments, language and translation, consent as well ‘giving back’.

3.5.1. Relations between researcher and research assistants

As mentioned earlier, I worked with Fatou Diop in Thiès, Sonia Adu-Gyamfi in Accra and Issahaku Musah Sugri and Braimah Abdul Latif in Tamale. In both countries, I was almost always present during the research activities, including the interviews. As a result, I ended up spending quite a significant amount of time with each of them. While the nature of the relation with research assistants is primarily one of employment that is characterised by unavoidable wealth and power asymmetries (Molony and Hammet, 2007), it is also multifaceted (Deane and Stevano, 2016). The research assistants I worked with were also my ‘cultural’ guides, my everyday companions and some became friends I am still regularly in touch with. One of the main hurdles I encountered at the beginning of the fieldwork in Senegal was to ensure I addressed the payment of wages with fairness and transparency; my priority was for them to receive wages that corresponded to the standard in the field. However, I was also very conscious of my limited fieldwork-related funding. Balancing these two contradictory priorities proved to be a real challenge. After enquiring about good payment practices to several Senegalese researchers as well as several international researchers who undertook research in Senegal, I quickly realised that I was going to have to spend most of my available funding just in Senegal. I then asked Fatou to send me a budget

28 In Tamale, I had to miss several interviews due to Malaria.
covering transport costs, her time spent in the field, her per diem as well as transcription work. After a few emails back and forth and several phone conversations, we agreed on an amount and on how and when payments would be made. I conducted a similar process in Ghana. I found this to be quite challenging as well as awkward at times, having to justify why I could not agree on Research Assistants’ (RAs) first budget proposals. This was literally the first time I was put in the role of an ‘employer’. While I am relatively confident that the issue of wage payment was conducted to the required ethical standard, the whole process made the employer-employee relation fairly evident from the very beginning in both countries.

While the asymmetries in wealth and power were undeniable, it is also important to note how the RAs took ownership of the research process. In several instances, especially at the beginning, I was told that some of my questions “did not quite work” and that I should rather re-order or rephrase them. For instance, my questions regarding remittance households’ monthly incomes in Tamale were received with polite skepticism by Sugri. He suggested it was probably best to ask about daily or weekly payments but warned me that the variations from one month to another were significant anyway. Similarly, when I asked Sugri in an email about gifts and compensation to participants, his position was one of an ‘educator’:

So, when it comes to research, we often buy soap or any kind of soft drink to visitors who are illiterates and are low income earners as well. This is to just show some kind of appreciation for their time with us but not payment for the information given. You and I know that paying a respondent for information given deviates from research ethics. The idea of money comes if you forget to buy the respondent a gift but still wish to give him/her something as a token of appreciation for his/her time with you. Basically, this is what I can say on this. *Maybe as time goes on, I will be educating you on our traditions and practices in Africa, Northern Ghana specifically* (Email communication, December 2017).

This excerpt also demonstrates that research assistants were crucial not only as linguistic but also cultural ‘brokers’ before, during and after interviews. In Tamale, the two RAs I worked with not only helped me overcome the language barrier but also provided insight into the financial practices of local communities and guidance on cultural issues. They also played a pivotal role in negotiating access to participants. In addition, it is undeniable that RAs contributed to shaping my own thoughts, and ultimately the direction of the research. On many occasions, the RAs I worked with had the most direct interaction with research participants and, therefore, had critical insights into research findings. I organised regular ‘debrief’ sessions with them to discuss interviews that had recently taken place. During these sessions, I asked them about what they had been told, what they made of the interviews and what they thought of some specific answers. I
was keen to hear their opinions and have them reflect on what they had been told and compare
their thoughts with mine. I found this to be very useful in grasping the broader context within
which these interviews happened and understanding why certain questions had been answered
in certain ways. As mentioned already, I also arranged ‘debrief’ sessions on reception of
transcripts. This allowed me to clarify some participants’ answers and work with RAs on follow-
up questions for our revisits. This confirmed the importance of asking RAs’ own opinions and the
influence these have on the general research activities (Deane and Stevano, 2016; Gent, 2014;
Molyneux et al, 2009).

3.5.2. Relations between researcher and participants
During the period of fieldwork, research assistants mediated my relations with participants with
regard to three key issues; that of research legitimacy, consent and ‘giving back’. I take these three
issues in turn first, before exploring the broader question of representation.

3.5.2.1. Legitimacy
Despite the wealth of literature on researchers’ positionality and the power relations between
researchers and participants, the ways in which research assistants mediate these relationships
have been relatively neglected. Here, I want to acknowledge the crucial role that RAs played in
the production of legitimacy of my research. In Senegal for instance, Fatou took the initiative to
always introduce ourselves as members of the same research team and referred to ‘our’ research
when speaking with participants for the first time. This helped participants to
feel at ease, knowing that a Senegalese researcher was also part of the project. However, I felt it was important
to emphasise that the research output – the PhD thesis – would ultimately be written by myself.
Fatou, now a PhD candidate herself, also told me that based on her experience it was useful to
point out that the research was part of my/our desire to build a career in academia. While I was
surprised by this strategy at first, this proved to be reasonably effective. Most importantly, one
way in which RAs rendered my work legitimate to participants was by clarifying – sometimes at
multiple times and at length – that I was not working for either a bank or a MFI. I do not think I
would have been able to convince several participants without the help of the RAs. It is fair to say
that this had significant impacts on the quality and depths of our conversation with participants.
On several occasions however, some potential participants were still unsure about my role and
refused to be interviewed. Similarly, two participants in Thiès asked us to stop the interviews
after a few minutes when they realised the type of questions they would have to answer.
3.5.2.2. ‘Giving back’

Issues of ‘giving back’ are usually connected to those of positionality and reflexivity in the field. Here, I want to focus specifically on the ‘who’, ‘when’ and the ‘what’ aspects of ‘giving back’. First, on a grounded level, an important component that constituted the relation between researcher and participants related to the rather controversial issue of compensation. While it often seems the ‘right’ thing to do on the ground, some authors emphasise issues of postcolonial dependency, the creation of expectations among participants, and standard set by researchers introducing payments, which others are then required to follow (Deane and Stevano, 2016; Devereux, 1992; Staddon, 2014; Sultana, 2007). More broadly, this ambiguity reflects the gap between the ethic of the academy and the ethic of the field site (Monteith, 2017; Sultan, 2007). Prior to my period of fieldwork, I adopted the principle of non-compensation in order to comply with the institutional ethical requirements of my university. This required me to fill a form and tick a few boxes, among all the other preparatory tasks to check off. While this procedural approach treats the consideration of ethics as a one-time event, I realised fairly quickly that ethical challenges crop up throughout the research process and constantly need negotiation, flexibility, and sensitivity to local contexts. When such issues arise, our research is obviously not paused. While important efforts were made to handle these contradictions ethically and with fairness, it is also important to acknowledge the partiality of some of my decisions. In Senegal, I did not offer financial compensation to my participants but occasionally provided small gifts like soap or soft drinks as a way to show my appreciation. Decisions to offer gifts were made with Fatou based on our own perception of how disruptive the interviews had been for the participant. On several occasions, participants asked for un petit quelque chose (a small something) at the end of the interview. Fatou often responded by saying the we were both students and did not have much money. In Tamale, however, especially when we interviewed participants for a second or third time, the two RAs suggested providing a small financial contribution, instead of a second soap or another soft drink. This was particularly true for those living in rural areas. I felt it was not necessarily unethical. After all, I was asking for their time and some of our participants postponed their time of arrival at the market because of us. I made it clear this was not payment for the information given, but some kind of appreciation for the time spent with us. We agreed on the amount to give and that we would give the money only at the end of the interview without necessarily telling participants in advance. I believe this did not affect their willingness to participate nor the responses given.

Another important element that relates to ‘giving back’ and that goes hand in hand with disseminating findings and producing research outputs and/or policy recommendations is the necessity, or ‘obligation’ (Van Blerk and Ansell, 2007), to ‘feedback’ to those involved in the research process (Staddon, 2014). Feedback in my research so far has taken various forms, both
verbal and written, and is still on-going. In effect, I started discussing the content and structure of a written report with two organisations I have been in contact with, i.e. ACSIF, a nation-wide customer protection organisation that supports people that have been victims of bank/MFI dishonest practices and ADK, a local association in Thiès that works against women’s over-indebtedness. A number of participants were members of either/both organisations. However, given issues of access as well as literacy among a large number of my participants, providing written reports remains a questionable, if not problematic, way of feeding back and raises question as to who in the community in which I worked do I ‘give back’ to.

3.5.2.3. Consent

Another gap between formal ethic guidelines and the ethic of the field related to the issue of consent, and the consent form more particularly. The ethics guidance I received as a postgraduate researcher emphasised the importance of transparency, which involved giving a full and honest account of my intended research to everyone involved and making sure that people participated on a basis of informed consent. In my case, I was required to seek written consent from my participants by the ethical committee. I felt that this did not allow enough flexibility with regard to the methodological approach and research context of my study. Printed consent forms, while being without a doubt absolutely vital for a clinical trial, may be slightly inappropriate for some, if not most, of remittance recipients in my research. On several occasions, I sensed participants’ wariness about signing forms and the “power differentials embedded in the act of eliciting a signature” (Bryant, 2014:135). Despite a number of slightly awkward situations, I continued using the consent form as I felt a certain sense of duty to hand it out. However, and as Rutazibwa (2017) pointed out in her lecture given at the Institute of Development Studies in Brighton, the seemingly mundane practice of shoving a consent form to every participant being interviewed raises fundamental questions about practices of doing Development Geography and the urgency to decolonise these (Rutazibwa, 2017).

3.5.2.4. A politics of engagement

The research that I conducted was ethically fraught in other ways too. There were multiple occasions in which I was explicitly aware of the power imbalance with research participants. For instance, some asked me for advice on how they might be able to get a visa to travel to France or the UK. Others wondered if I could offer some help with applying for a scholarship in European universities. As the following excerpt from my field notes demonstrates, asymmetries of power along the lines of race and nationality were sometimes explicitly pointed out:
Second week in Thiès, Saturday morning. Fatou and I met Momar, in Hersant. I got his contact from the cashier at PAMECAS (a microfinance institution). We greeted and after doing small talk for a few minutes, I started explaining to him the reason of my visit, my research objectives, etc. We started the interview. One hour in, we stopped the interview because it was prayer time. When Momar came back, we started talking about his master’s dissertation and why I chose this particular research topic. I tried to give him a few reasons, but he cut me off and said: 'I went to university, I have a master, and I've been thinking of doing a thesis on religion practices. But do you think I can go to Europe and research, say the religious practices of white people?' (Field Notes, November 2016).

During this conversation, Momar also asked me how I thought my research was going to impact the everyday lives of the research participants. This is a question I raised to myself so many times before: was what I was doing justifiable on ethical grounds or was I just perpetuating unequal power relations? Like most PhD researchers and academics, I have an underlying hope that my research, if good enough and effectively disseminated, may benefit in some shape or form the research participants involved in this research. However, the relevance of a PhD thesis and academic papers to research participants remains rather dubious. More fundamentally, the capacity of academics, and western academic especially, to speak of/on behalf of (marginalised) populations in the Global South has been thoroughly critiqued (Staddon, 2014) and the detrimental implications of such representations have long been examined (Kapoor, 2004; Katz, 1994; Kobayashi, 1994).

The stark power differentials between the participants and myself could not be eradicated by my attempts to be self-reflexive, respectful and supportive during the data collection process and thereafter. I have found it productive to engage with these issues from the perspective of what Cindi Katz (1992:501) calls a “politics of engagement”, when scholarship is merged with a clear politics that works against the forces of oppression. Following Katz (1992) and Sultana’s (2007) arguments, I took the position that if capital accumulation was a global process with various regional and local forms, giving up on international field research would rule out the possibility of establishing connections that engage capitalism at different geographical sites, and to work against global inequalities. While political intentions clearly do not resolve issues around data extraction and power differentials, they may contribute to shaping a story that is not of marginalisation alone where ‘those poor people’ might be the key narrative theme, but of the systemic predations of a global economic system and the domesticising and oppositional practices attached to it. In other words, the primary object of this research was not the people ‘to be developed’ but the apparatus that was doing the ‘developing’ (Ferguson, 1990:xiv; Schoeneberg, 2018). I also tried to cultivate relationships with some activists and researchers,
especially in Senegal, that worked and organised against the CFA franc. I interviewed some of them and published an interview for a French left-wing magazine, and wrote a piece with Ndongo Samba Sylla, for Discover Society about the CFA franc and its links with coloniality, a topic that remains poorly understood in countries like France.

3.5.3. Relations between research assistants and participants

The last relation that is essential to critically investigate is that between research assistants and participants. The following excerpt from my field notes demonstrates how the ways in which Fatou interacted with and positioned herself in relation to research participants impacted on my understanding of specific situations:

After the interview with Mamina, on our way back to the bus station, Mamina and Fatou had what seemed to be quite an intense conversation – in Wolof. Once in the taxi, Fatou told me that Mamina had just found out her husband got married with a second woman without telling her: shock! It’s a woman from the area that Mamina knows, apparently. She was devastated, Fatou told me. Mamina said that her husband decided to marry another woman, to prioritise himself over the needs of the children. This now means that her husband sends less remittance. Fatou said that Mamina was really angry; that instead of investing into the well-being of the households, the husband had decided to be selfish (Field Notes, January 2017).

In this particular instance, it was only at the very end of our third and last visit that Mamina revealed this information. This turned out to be essential for my own understanding of Mamina’s socio-economic situation, why it had not improved and why she was receiving less remittances than before. On the long journey home, the conversation – or improvised ‘debrief’ session – that followed with Fatou about the internal politics of households in Senegal, and polygamous households in particular, contributed to shaping my understanding of the politics of remittances, a social practice of receiving, spending, and redistributing money within the remittance household (see Chapter 5). Importantly, if it was not for Fatou and her ways of always trying to engage in respectful, polite and kind interactions with participants, I would have never found this out. Moreover, and as Fatou suggested, I am not entirely certain that Mamina would have shared this piece of information to a male research assistant. It is my understanding that participants viewed Fatou as playing an active role in the research. The extent to which I was active during an interview depended on a range of factors, including how busy the participant was. In fact, the

29 The interview can be found on the website of the Revue Ballast: https://www.revue-ballast.fr/ndongo-samba-sylla-le-franc-cfa/.
need for Fatou to constantly translate what participants meant that the duration of the interviews was considerably lengthened. Often, when Fatou and/or I felt this started to become tiring for the participant, the time taken for translation was shortened. This made the revisits even more crucial in order to follow up on themes which had not been talked about in depth and clarify certain points that remained unclear.

While I emphasised the beneficial impact that similarities in positionality between research assistant and participants had on the research activities, it is important not to romanticise the ‘purity’ of RAs, and not to essentialise one’s ethnic or national identity. As Deane and Stevano (2016:223) argue with respect to their own research, “education, employment status and wealth differentials between the research assistant and (many of) the participants do impact the interaction and the quality of communication”. In other words, “RAs bring their own concerns, values, beliefs, and assumptions to the research process which are shaped by their own social worlds and require consideration” (Leck, 2014:61). The four RAs I worked with throughout my research were far more educated than most participants. By regularly working with international researchers, the incomes of at least two RAs, although irregular at times, were far higher than most participants’ revenues. Added to this, one particularly striking example of how power differentials manifested themselves was during a conversation I had with one of the RAs in Ghana during a debrief session. I asked about a question in the transcript that was left blank and that pertained to the socio-economic activities, including income-generating activities, of the participant. Because I was ill, I had not been able to attend this initial interview. The RA told me that "she was not doing anything", hence he left the space blank. During our revisit, I asked the same question in English, which the RA translated. The participant responded that she was looking after her children while her husband was away as well as her stepmother who was ill. While I cannot be certain that the same answer was given to the RA in the first place, the RA’s reaction pointed to the ways in which the gendered assumption of the ‘passive’ female receiver also permeated some of his own perceptions and beliefs. The effects of these power differentials remained more often than not very difficult to disentangle. Because I did not think about it enough while building my research design, I can only acknowledge the potential source of bias they may have had on the research process and outcomes of this study.

3.6. Conclusion

This chapter has set out my constructionist approach to research, inspired by Ouma’s (2015b) critical ethnography of marketisation. Taken together, my discussion in this chapter demonstrates how I have sought to draw upon the strengths and overcome some of the
methodological limitations in previous studies, and to address my specific research questions on the marketisation of remittance flows and households in Senegal and Ghana. My methodological framework for researching the uneven financial incorporation of remittance flows and households has consisted of: (1) multiple methods of document analysis, semi-structured interviews, ethnographic interviews and in-field observation; (2) multiple case studies of processes of remittance market-making in Senegal and Ghana; (3) multiple sources of institutional and private sector actors and members of remittance households; and (4) multiple sites across Dakar and Thiès (Senegal) and Accra and Tamala (Ghana). I have also outlined some of the practical and ethical tensions that arise from the evolving nature and configuration of power relations among researcher, research assistants and participants. The next chapter presents my theoretical and empirical analysis of the differentiated ways in which remittance markets are realised in Senegal and Ghana.
CHAPTER 4
The formation of remittance markets in Senegal and Ghana

Thus, at a time when development, society, and nature seem to be all about markets – when markets have become the ‘new religion’ (Chakrabortty 2010) – and when the developmental prospects of large parts of the Global South are rethought through the prism of ‘market-oriented development,’ it seems to be important to take markets, their making, and their governmental effects seriously. (Ouma, 2015b:213)

4.1. Introduction

International and domestic remittances have long been considered an “untapped market” (Gupta et al, 2007). A wide-ranging set of private sector actors, from small blockchain technology firms to international banks and giant incumbent companies such as Western Union, is now getting ready for “the battle for the remittances market”, deemed ripe for “digital disruption” (The Economist, 2018). This chapter critically examines the differentiated constructions of remittance markets in Senegal and Ghana across different scales and sites (RQ1). It highlights the ways in which the creation, stabilisation and expansion of such markets is contingent, fragile, contested and always in the making. It also situates these market-making processes within broader processes of finance-led capital accumulation. Previous analyses of the ‘financialisation of remittances’ have called into question the market-based approach to the project and its prioritising of the political and financial concerns of a broad coalition of global and national actors over the needs of migrant men and women and the people they send remittances to (Cross, 2013, 2015; Datta, 2012; Hudson, 2008; Kunz, 2011, 2012; Zapata, 2013, 2018). The seemingly ideologically neutral policies put forward to create and sustain remittance marketplaces and eventually make the latter more amenable to financial investments need to be understood, it is argued, as part of “a neoliberal project of financialisation (...) that aims to construct markets and integrate economies into global capitalist markets” (Cross, 2015:306). Taken together, these policies and the programmes and initiatives that result from these come to represent a contemporary form of market-building as development, whereby markets are constituted through the proliferation of new forms of knowledge and institutions, and the advancement of new spheres of private sector activity (Carroll, 2012b).
However, the incorporation of remittances, migrants and Remittance Recipients (RR) into financial circuits tends to be treated in this emerging critical literature on remittances as *explanandum* rather than *explanans*, leaving finance and the concrete formation of remittance markets black-boxed (Ouma, 2016a). Rather than a practical accomplishment, the ‘financialisation of remittances’ is understood from a somehow narrow structuralist perspective, portrayed as the expression of the latest spatial fix of a crisis-prone system (see for instance Hudson, 2008; Cross, 2015). By black-boxing and abstracting finance and markets, these approaches fall short of explaining how remittance markets come into being *practically*. In contrast, my empirical analysis suggests that the construction, stabilisation and expansion of remittance markets are not natural nor uncontested processes. It shows that it is essential to bear in mind that intra-household transfers do not have an inherent financial worth that can be easily unlocked and transformed into new development finance. Building markets that enable remittance money transfers to be tapped into by state and private sector actors requires extensive financial, material, technological, legal and discursive constructions and, importantly, behavioural engineering. This comprises, among many other elements, the investment in, and building of, physical, communicational, informational and social remittance-linked ecosystems, the strategic implementation of management techniques, the design and commercialisation of new financial products based on the acquisition and deployment of new market devices as well as the disciplining of a wide range of financial and economic practices and actors through contracts, rules and regulations.

The chapter begins by outlining the remittance landscapes in both Senegal and Ghana, focusing on the similarities and differences with regard to market-making strategies, the various actors involved, as well as the design and commercialisation of remittance-linked products and services. It then examines how remittance markets come into existence and some of the controversies that come with such processes. To do so, I sought to build upon and extend Berndt and Boeckler’s (2009, 2012) geography of marketisation approach by paying particular attention to the practical accomplishment of three key market framings: (1) the conversion of remittances into commodities; (2) the formatting of agencies among different remittance market actors; and (3) the formatting of market encounters between remittances, financial and commercial institutions, and global investors.

### 4.2. Remittance landscapes in Senegal and Ghana

As indicated in Chapter 3, Senegal ranks 4th among remittance-receiving countries in Sub-Saharan Africa, with an estimate of 800 000 emigrants remitting over USD 2.69 billion in 2018. Data on
domestic remittances is, however, much harder to find. Interestingly, the WB-led Migration and Remittances Households Surveys carried out in 2009-2010 provide differentiated data on channels used by ‘internal’, ‘within-Africa’ and ‘OECD’ migrants (Plaza et al, 2011). In 2009, it was estimated that 82% of international remittances to Senegal were sent through Money Transfer Operators (MTOs) – mostly via Western Union, MoneyGram and RIA – while only 13% were either sent through relatives, friends and informal agents or brought back by ‘OECD’ migrants themselves (ibid). With regard to regional remittances, 60% were sent through informal channels by migrants within Africa whereas only 31% were channelled through MTOs and 9% through postal money order and other means. Direct transfer to bank account did not even account for 1% up until 2009. As far as domestic remittances were concerned, the vast majority – 91% – were either sent through a friend/relative, transported via courier, bus and other transport, or brought back by migrants themselves on visits home in 2009 (ibid). This has, however, changed dramatically over the past ten years (see Table 4.1). In effect, in 2017 only 10% of recipients received domestic remittances in person and in cash (Demirgüç-Kunt et al, 2018). In contrast, 67% of recipients received remittances through a mobile phone compared to 10% in 2014 (ibid). Relatedly, while only 5% of recipients received their remittances using a financial institution account or a Mobile Money (MM) account in 2014, almost 50% of recipients now use an account to received remittances (ibid). While usage seems to have slightly decreased recently from 46% in 2014 to 36% in 2017, over-the-counter services – that is, in a branch, through a mobile banking agent, or through a money transfer service – are still widely popular to send and receive domestic transfers. The most surprising insight from the Global Findex Database – which, I would argue, is to be taken with caution – is the fact that only 7% of recipients received domestic remittances through a money transfer service compared to 44% in 2014 (Demirgüç-Kunt et al, 2018). This is in fact surprising given that the two main over-the-counter providers in Senegal are Money Transfer Organisations (Wari and Joni-Joni), which continue to grow their agent networks domestically, provide international and regional remittance services and have even started offering services via digital channels, notably mobile app and wallet. It is nonetheless clear that while banks are still almost inaccessible to the vast majority of the Senegalese population, Mobile Network Operators (MNOs) such as Tigo and Orange and their MM services Tigo Cash and Orange Money (OM), regional Money Transfer Organisations (MTOs) such as Wari and Joni-Joni as well as newly-arrived Microfinance Institutions (MFIs) such as Baobab Senegal, have contributed to these developments within the domestic – and, to a lesser extent as yet, the regional and international – remittance landscape.
Table 4.1 - Methods of receiving domestic remittances in Senegal in 2014 and 2017

<table>
<thead>
<tr>
<th>Method</th>
<th>2014</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received domestic remittances in person and cash only (% recipients 15+)</td>
<td>47%</td>
<td>10%</td>
</tr>
<tr>
<td>Received domestic remittances using a financial institution account or a mobile money account (% recipients 15+)</td>
<td>5%</td>
<td>49.6%</td>
</tr>
<tr>
<td>Received domestic remittances through an over-the-counter service (% recipients 15+)</td>
<td>46%</td>
<td>36%</td>
</tr>
<tr>
<td>Received domestic remittances through a money transfer service (% recipients 15+)</td>
<td>44%</td>
<td>7%</td>
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</tbody>
</table>


With its 1.3+ million active users, OM’s services include basic wallet services such as person-to-person transfers and bill and merchant payments. OM announced its ambition in the near future to become a ‘digital’ bank and offer a wide range of digital financial services, alongside international and domestic mobile-based remittances (JeuneAfrique, 2017). Domestically, Wari – the largest local MTO launched in 2008 – and Joni-Joni – launched in 2013 – dominate the money transfer market and represent OM’s main competitors. To gauge service popularity, the IFC uses agent uptake as transaction data is not available: Wari is offered by 82% of agents and Joni Joni by 54% whereas OM service is offered in 40% of agents (IFC, 2018). The two MTOs also have the intention to expand their financial services and turn into digital providers. As a Wari employee I interviewed declared:

Our idea is to turn Wari into a bank of proximity. That means offering services of proximity deemed inaccessible to a large segment of the population given the low percentage of the population holding a bank account. All the opportunities that are still dormant, we are going to capitalise on them. (emphasis mine)

At the time of fieldwork and writing, while these conversations are taking place and negotiations are on-going between MNOs and MTOs on the one hand and financial institutions on the other,

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31 Most agents are non-exclusive and can therefore work with more than one principal.
neither OM nor Wari and Joni-Joni are at a stage of being able to provide interest-accrued savings accounts, credit or insurance products.

The story is however rather different with regard to the newly-established for-profit MFI Baobab Senegal. Most banks and several historical MFIs are still cautious\textsuperscript{32} about focusing on digital financial services and do not necessarily target RR directly for financial inclusion (Orozco et al, 2010). While senior employees of banks and MFIs in Dakar told me that the enrolment of RR was part of their wider strategy of increasing their customer base, realities on the ground were much messier. The materialisation of these enrolment strategies was far from obvious when speaking to branch employees in Thiès. This was particularly true so far as MFIs were concerned. The microfinance industry was and is still dominated by a cooperative type of governance (Baumann et al, 2015). The main means of financing is through savings mobilisation. However, the majority of new major microfinance players, including Baobab Senegal, which have entered the market in the last ten years are limited liability corporations and are financially backed by capital market actors, including their holding and a wide range of institutional investors. Baobab Senegal was set up as a “greenfield” MFI. Greenfield MFIs are institutions that are created without pre-existing infrastructure, staff, clients, or portfolios and use standard operating procedures disseminated by a central group, often a holding company. The holding company usually plays a strong role in providing investment and expertise for the microfinance entities. After the Paris-based Baobab Holding was created in 2006, the first institution was set up in Madagascar in 2006. Baobab Senegal followed in 2007, then Baobab Ivory Coast and Nigeria in 2010. The group is now present in more than ten countries across the globe. Baobab’s portfolio is funded at 40-45% through deposit mobilisation while equity and debt funding is raised at the domestic, regional and international level for the remaining 55-60%. This shift towards for-profit microfinance in Senegal is partly explained by the introduction of a new law in 2008 that encouraged the development of commercial MFIs (Touré, 2014; Baumann al, 2015). An official of the Direction de la Réglementation et de la Supervision des Systèmes Financiers Décentralisés (DRS-SFD) – the Microfinance Department – stated that “Baobab, with the support of all its backers, is deemed to dominate the market in the near future”. While the significance of the aforementioned actors in constituting the remittance marketplace in Senegal is obviously not to be undermined (and will require further research to understand how the digitisation of remittances and financial inclusion plays out in the future), particular attention is paid here to Baobab Senegal, which is at the forefront – perhaps coincidentally – of the remittances-financial inclusion nexus. In effect, Baobab

\textsuperscript{32} Société Générale de Banques in Senegal is one of the few commercial banks to have entered this market via its subsidiary, Manko, which can compete directly with microfinance institutions. In 2017 the bank launched its own mobile wallet “YUP”, to which savings and microloans services recently added (Laurin, 2018).
recently started to roll out a network of agents called Banking Correspondents (BCs), and to offer Digital Financial Services (DFS) by harnessing the already-existing network of MTOs’ agents (see Section 4.3.2.1). Focusing in detail on how the financial institution entered the microfinance market, capitalised on the human and material remittance architecture, and how it is now upscaling its operations, i.e. incorporating more and more clients (including RR) into formal financial circuits, is of strategic importance. It allows us to understand how the remittance landscape in Senegal is being (re)structured to facilitate the marketisation of remittances.

Figures on international remittance flows to Ghana have been a source of debate for a long time (Teye et al, 2017a). However, data provided by the World Bank shows that remittance inflows to Ghana in 2018 amounted to USD 3.8 billion, compared to USD 3.5 billion in 2017 (KNOMAD, 2019). The most important countries of origin of remittances to Ghana are the USA, Nigeria, UK, Italy, Germany, Togo, Canada and Burkina Faso. Interestingly, roughly 32% of remittances to Ghana come from other African countries. Recent studies indicate that a large fraction of international remittances is still transferred through informal channels, that is via the post or via friends, relatives and migrants themselves coming back home (Ahinful et al, 2013; Teye, 2016). Whereas the proportion of international remittances transferred through informal channels represent about 30% in Ahinful and colleagues’ study (2013), Teye (2016) estimates that only 53% of the remittances received within 12 months prior to the research were received through formal financial institutions and MTOs. In a recent baseline assessment of household remittances implemented by the Ghana Statistical Service with financial support from the IOM, it was estimated that 39.4% of households received international remittances through friends and relatives while more than 52.6% of all recipients indicated that they received their cash remittances through MTOs (Ghana Statistical Service, 2017). According to a WB-led Migration and Remittances Households survey carried out in 2009, while 22% of international remittances were either sent through relatives and friends or brought back by ‘OECD’ migrants themselves, 74% were sent through MTOs (Plaza et al, 2011). With regard to regional remittances, 73% were sent through informal channels by migrants within Africa whereas only 23% of regional remittances were sent through MTOs. According to Teye (2016), formal financial institutions are deemed too expensive by both migrants and recipients (high transfer charges and uncompetitive exchange rates). However, the use of financial accounts is likely to have increased given the increasing possibilities for migrants to send international remittances directly to bank accounts in partnership with MTOs. Furthermore, several MNOs have recently started to provide cross-border mobile remittances services; while no data is available, mobile-based international remittances are yet to reach a satisfactory threshold based on the conversations I had with different MNOs, banks and remittance experts in Ghana. As far as domestic remittances are
concerned, it was estimated in 2011 that the vast majority – 94% – of transfers were either sent through a friend/relative or brought back by migrants themselves on visits home (Plaza et al, 2011). The situation is, however, very different today in Ghana where the use of MM to transfer money within the country has dramatically increased over the past few years (Table 4.2). In effect, while almost 30% of domestic RR received their money using a financial institution account or a MM account in 2014, 59% of recipients received their money using an account in 2017. Relatedly, only 13% of recipients received their remittance in person and in cash in 2017, as opposed to 50% in 2014 (Demirgüç-Kunt et al, 2018).

Table 4.2 - Methods of receiving domestic remittances in Ghana in 2014 and 2017

<table>
<thead>
<tr>
<th>Method of receiving domestic remittances</th>
<th>2014</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received domestic remittances in person and cash only (% recipients 15+)</td>
<td>50%</td>
<td>13%</td>
</tr>
<tr>
<td>Received domestic remittances using a financial institution account or a mobile money account (% recipients 15+)</td>
<td>29.6%</td>
<td>59%</td>
</tr>
<tr>
<td>Received domestic remittances through an over-the-counter service (% recipients 15+)</td>
<td>18%</td>
<td>23%</td>
</tr>
<tr>
<td>Received domestic remittances through a money transfer service (% recipients 15+)</td>
<td>13%</td>
<td>6%</td>
</tr>
</tbody>
</table>


A number of initiatives to formalise and leverage domestic and international remittances have emerged over the last few years. The IOM in Ghana is particularly active in promoting and developing remittance-linked financial inclusion. As part of an ongoing initiative to improve capacities to leverage migrant remittances for financial inclusion and development in Ghana, in 2016 it launched two reports on remittances – a baseline assessment of household remittances and an assessment of remittance-related services and practices of financial institutions. Furthermore, the development consultancy Developing Markets Associates Global was commissioned by the IOM Ghana team to facilitate a workshop in June 2017 with key stakeholders, with the stated aim of building capacities in identifying and developing appropriate initiatives that could leverage the flow of international remittances for economic development. Similarly, the Remittance Grant Facility (RGF), a project funded by the government of Ghana as well as the government of Switzerland through its State Secretariat for Economic Affairs, was
launched in 2016 with the aim to encourage the formalisation of remittances. By providing financial support to private sector actors involved in the remittance industry to develop new remittance products and services, the project is:

to provide better incomes for poor household with a more efficient use of remittances (…) and to encourage savings and investment as opposed to consumption. (RGF website, 2016, emphasis mine)

Several financial institutions have also started considering mobile-based remittances as an important entry point for further financial inclusion. One set of initiatives is the development of kiosk-based banking platforms. For instance, as part of their financial inclusion strategy, Omnibank, a Ghanaian-owned bank, has deployed service points – or pay-houses – that offer utility payments and mobile remittance services (Figure 4.1). By offering these basic services closer to communities, the aim is to then up-sell and cross-sell other financial services. Kiosk operators are given targets in terms of accounts opening:

The idea was to bring the banking services closer to customers (…) A customer who is doing mobile money, chances are that he or she is not a registered customer in the bank, it’s just an ordinary person. So, the person comes and says: ‘I want to do mobile money’. Now, the operator of the kiosk is able to talk to you: ‘In addition to this, you can have an account with us, etc’. That would increase our bank customer base. (Omnibank, Alternative Channels Manager)
Relatedly, and as a way to get ‘closer’ to their actual and potential customers, GN Bank has opted for a slightly different strategy that is more directed towards deposit mobilisation. In fact, GN Bank use officers that go to ‘the field’ and collect money on a weekly basis from clients’ own business locations, often the marketplace, to then credit the amount into their accounts. This model, based on the savings system of *susu*\(^3\), has recently been taken up by many financial institutions, especially Savings and Loans companies. Comparing these two strategies, an employee from Omnibank told me that their strategy of operating kiosks to provide MM services rather than doing susu-based collection was a way for them to “do centralised financial inclusion through MM” (Omnibank, alternative channels manager).

\(^3\) In its mutual form, the word *susu* is used in reference to Rotating Savings and Credit Associations. *Susu* collectors, however, act as a form of financial intermediaries, or mobile bankers. For a small fee they provide an alternative means for Ghanaians to securely save and access their own money. Chapter 6 will examine the formalisation of *susu* in more detail.
Another way in which financial institutions attempt to include RR financially is through enrolment in the banking hall. Recipients that come to branches to collect their over-the-counter remittances are perceived by most institutions I interviewed as potential banking customers. Several banks and MFIs indicated that their tellers and customer service officers have been trained to convince remittance clients to keep the money they receive in bank accounts. Sales executives of one particular bank have to report the number of new accounts opened on a monthly basis; in nine months in 2016, 8000 new accounts were opened through this strategy. These enrolment strategies – whether they take place in kiosks or in banking halls – are often the outcomes of strategies designed within often newly-constituted remittance departments of financial institutions, especially banks. Several banks I interviewed mentioned their increasing interest in fee-based incomes, hence echoing the broader, albeit still very partial, shift away from credit towards payments, an agenda Maurer (2015) calls “poverty payment”. At the heart of this poverty payment agenda is the development of digital platforms, and MM ecosystems in particular. Before delving into how this MM ecosystem is being constructed concretely, it is worth briefly presenting who the main players are and the kind of products and services that they provide.

There are four main MNOs in Ghana. Due to regulations, every MNO that wants to enter the MM market is required to set up a new financial services company. In 2017, the four MNOs were: Vodafone Ghana Mobile Financial Services and its product Vodafone Cash, Mobile Financial Service Ghana Limited and its product Tigo Cash; Airtel Money and the market leader MTN Mobile Money Limited. MTN dominates mobile wallet usage with more than 90% of market share (IFC, 2018). Airtel and Tigo recently merged and are now called AirtelTigo. At the time of the interviews in mid-2017, MTN had approximately eight million active clients while Airtel had 400 000. By the end of 2017, there were 11,1 million active MM customers across the country. In contrast, Ghana only had 345 000 active MM customers in 2012 and 4,9 million in 2015 (Bank of Ghana, 2017). There are 140 000 active registered MM agents across the country, out of which 85 000 are registered with MTN and 23 000 with Airtel.34 In 2012, there were only 5 900 active agents. Person-to-person money transfers were the basis upon which MTN Mobile Money launched their services in 2009, a service which has now met a significant demand. Importantly, MM and its often-promoted P2P remittance service are deemed to open up the door to (digital) financial inclusion. In effect, mobile remittances are only one of the many Digital Financial Services (DFS) that MNOs can offer. Over the last two years, new mobile financial products such as mobile-based savings account, loans and insurance and even the purchase of government

34 It is important to note that agents can work with multiple Mobile Money entities.
treasury bills using MM have been launched by MNOs in Ghana, with MTN leading the way in collaboration with banking and non-banking financial institutions as well as Financial Technology companies (Fintechs). While it is clear, as several MNOs I interviewed indicated, that the primary reasons behind the development of these new mobile financial services are commercial, these very same actors are increasingly considered by a range of international financial and development organisations, philanthropist foundations as well as private sector representatives to play a major role in reducing poverty through DFS (IFC, 2018).

Interestingly, several financial institutions have opted for a MNO-led style of agency banking by developing Mobile Banking, designing ‘push and pull services’ (i.e. allowing customers to transfer money from their mobile wallets to their bank accounts and vice versa) and relying upon the already-existing infrastructure of MM agents. Access Bank for instance, at the time of the interview, was about to launch a new product that would allow customers to open an Access bank account on the institution’s mobile banking platform\(^{35}\) without having to visit a branch. These accounts are then automatically linked to mobile wallets. To access any mobile banking platforms, customers have to dial a USSD\(^{36}\) code. Making the latter popular and remembered by the population has become a key marketing battle, as indicated by Figure 4.2.

\(^{35}\) Mobile Banking is not to be conflated with Mobile Financial Services (MFS). Mobile banking does not require the use of a mobile wallet. Mobile phones are simply used as an access channel to a bank account and no retail agents are involved.

\(^{36}\) USSD is a GSM communication technology that is used to send text between a mobile phone and an application program in the network.
This section provided the necessary background information into the remittance landscapes in Senegal and Ghana and explained the reason why particular attention will be paid to MFIs in Senegal (with a particular focus on Baobab), and Mobile Money Operators (MMOs) in Ghana (with a particular focus on MTN).

4.3. Constructing remittance markets in Senegal and Ghana

This section investigates in detail the ways in which the construction of remittance markets is accomplished practically and some of the controversies attached to these. Drawing upon Berndt and Boeckler’s (2009, 2012) geography of marketisation approach, it focuses on three key framings, namely the conversion of remittances into commodities, the formatting of agencies and the formatting of market encounters between goods and agencies.

4.3.1. Pacifying remittances

Remittance is truly important (...). It is a free foreign exchange earner. (Bank of Ghana, Senior Economist, emphasis mine)

My brother first went to Libya and we were those who gave him fare. He stayed there for some time but was later taken into police custody for about one year and three months. They were interrogated to know why they were in Libya. After
the interrogation, they considered them, trained them for one year on how to live their lives in Libya, and were later given identification cards, which gave them the opportunity to gain jobs. After Libya, he went to Italy and then came back to Ghana again. (Ali, timber trader and farmer, Savelugu, Tamale, wife and brother, Accra and Spain)  

As shown in Chapter 2 (Section 2.2.2), remittances are ‘commodified’ through a combination of political and discursive processes that in turn require particular practices of ‘discounting’ (Hernandez and Coutin, 2006). Since April 2016, the Senegalese diaspora is officially the fifteenth administrative region of the country. A change in the constitution has allowed Senegalese living abroad to elect deputies at the National Assembly. This political move is representative of one such discursive framing that qualifies remittances as national incomes and contributes to the nationalisation of migrant labour (Hernandez and Coutin, 2006). At the same time, in its 2016 National Policy on Migration, the Ministry of Interior of the Government of Ghana declared:

Migration is now widely seen as key to development and for poverty reduction. For example, the flow of remittances into Ghana is estimated to outweigh that of foreign direct investment (FDI) and official development assistance (ODA) to Ghana. (Ministry of Interior, 2016:1)

Remittances are also discursively constructed as foreign in origin, hence comparable to other financial flows such as ODA and FDI. Qualifying remittances as a national resource and a foreign currency contributes, in turn, to the treatment of the money that migrants send home as a “free foreign exchange earner” (see above quote from senior economist of the Bank of Ghana). What the two above quotes demonstrate is the extent to which remittances can have very distinct meanings to different actors. More specifically, remittances are embedded in two competing regimes of value; one in which remittances are cost-free incomes that can be capitalised on; the second in which acts of migrating and remitting bear financial but also physical and security costs. The same Bank of Ghana economist said to me that remittances constitute “a transfer without quid pro quo that helps to reduce the gap of the current account balance” (emphasis mine). While the cost of exports is usually taken into account to calculate the profits in national balance of payment statements, in the case of remittances, the costs of migrating and the risks taken up by migrants, are not accounted for. Remittances are not contingent upon anything; they are a transfer “without quid pro quo”. Therefore, and as I have shown in Chapter 2, remittances are detached from the cumbersome realities of their production that is underpinned by a coercive international migration regime. Here, I want to go further and suggest that this process of

37 Ali is a timber trader and a farmer from Savelugu near Tamale (Ghana) who receives remittances from his wife and his brother, located in Accra and Spain respectively.
'pacifying' remittances also prevents us from locating remittances and the global agenda built upon them within the broader relationship between migrant labour and capital accumulation.

An increasing number of observers have called for a more systemic understanding of remittances as the fruits of migrants' labour in host countries, that is as cross-border wage remittances (Cross, 2015, Delgado Wise and Marquez Covarrubias, 2009; Ferguson and McNally, 2014; Glick Schiller, 2010; Pröbsting, 2015). They emphasise the ways in which historical patterns of migrant labour are linked to processes of primitive accumulation, dispossession and racialisation. The neoliberal era of capitalism, they argue, constitutes the "globalisation of primitive accumulation" in the forms of a wide range of extensive and accelerated processes of dispossession that lead to "coerced mass movements of peoples" (Ferguson and McNally, 2014). The commodification of land, the privatisation of national companies and the destruction of entire industries through the implementation SAPs in the 1980s and 1990s in both Senegal and Ghana as well as the devaluation of the CFA franc in 1994 in Senegal constitute few of the many elements that explain displacement and processes of mass emigration (Cross, 2013; Dembele, 2003; Nubukpo et al, 2016). Of course, the appropriation of racialised labour-power is not a new phenomenon. What is striking about the neoliberal period, however, is the ways in which the differentiation and hierarchisation of the global labour market, supported by coercive immigration regimes and discriminatory welfare policies, are being designed to cheapen migrant labour, especially low-skilled labour, from the Global South by limiting its political and socio-economic rights (Castles, 2011). Much migrant labour, and in particular low-skilled, undocumented or temporary workers, forms a "vulnerable and hyper-precarious section of the working class" (Ferguson and McNally, 2014:5, emphasis mine). This perspective does not aim to deny the agency of migrant workers who decide in the current era to internally relocate or to cross borders for the search of a better livelihood but rather to make visible the structural conditions leading to decisions to migrate.

Importantly, the pacification of remittances should not be understood in isolation from other processes of marketisation. My analysis suggests instead that it constitutes just one of the three framings that contribute to the (re)structuring of the remittance marketplace. I turn now to the second market framing: the formatting of agencies.

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38 The neoliberal period does in fact represent only one of the modes of appropriation of dispossessed people from the peripheries, following slavery and indentured servitude in the 17th and 18th century and the so-called 'coolie labour' system in India and other parts of Asia (Ferguson and McNally, 2014).
4.3.2. Valuing Remittances: the acquisition and formatting of agencies

Turning remittances into financial resources that can be leveraged for further financial inclusion, – through for instance the provision of ‘second-generation’ products such as loans and insurance – depends on the capacity to get migrants and RR to channel remittances through the formal financial sector. In other words, it is reliant on the acquisition and retention of migrants and RR as active customers of banks, MFIs and/or MNOs, and the ‘management’ of their remittances in ever-increasing volumes. How is this being achieved in practice? Drawing upon Callon’s and Çalışkan’s (2010) second process of framing, the incorporation and circulation of remittances within financial circuits is guaranteed by the formatting of specific market agencies among RR and migrants, as well as the agents that mediate remittance flows (Banks/MFIs/MNOs and their agents). These agencies are formatted – i.e. made aligned to notions of market rationality and entrepreneurialism – by a particular socio-technical agencement of human beings and market devices, in material, technical, discursive and/or textual terms. Understanding how the diverse human and non-human elements of this agencement are put to play in the context of the marketisation of remittances in Senegal and Ghana is what I focus on now.

Financial inclusion market makers as well as banks, MFIs and other commercial financial service providers such as MNOs have recently turned to branchless banking through retail agents to deliver formal financial services to so-called ‘unbanked’ and ‘underbanked’ populations. In fact, branchless banking constitutes a new way of distributing financial services outside bank premises allowing customers to make not only financial transactions such as deposits, withdrawals and loan repayments but also domestic and international remittance transfers at a whole range of retail agents. Two main models of branchless banking have emerged over the past ten years: one led by financial institutions, i.e. banks and MFIs, and the other by non-bank financial actors, most often MNOs. In Ghana, I mostly focus on the MNO-led model of branchless banking while in the Senegalese case, the MFI-led model of branchless banking constitutes my main analytical entry point. This is not to deny that both models, as well as other models of branchless banking such as mobile banking and ATMs have emerged in the two countries but rather to offer a more encompassing picture of the various ways in which different actors and devices contribute to the differentiated formation of remittance markets in different places. Importantly, domestic and, at a later stage, international remittances, through the sheer scale of their flows, are considered to play a major role in the success of branchless banking through retail agents in particular, and financial inclusion more generally (Noor and Thomas, 2013).
4.3.2.1. MFI-led branchless banking through retail agents in Senegal

Figure 4.3 depicts two typical small shops located in the centre of Thiès, the third biggest city in Senegal. The picture on the left is a multi-service boutique people visit to do all sorts of things such as topping up credit or browsing the internet for between 250 and 500 CFA franc an hour (£0.35-0.70). On the right is a shop that sells tableware and rugs. These two shops also provide money transfer services, notably Wari, Joni-Joni – the two main MTOs for domestic money transfers in the country – but also mobile-based money transfer service, OM. The pink board attached on top of both shops on which the word ‘Baobab’ is written indicates that the shops also are two of the 550+ BCs of the MFI Baobab Senegal.

Figure 4.3 - Banking Correspondents’ boutiques

(Source: photographs from in-field observations in Thiès)

Like the vast majority of MFIs and banks in the country, Baobab Senegal provides money transfer services in its forty agencies across the country. What differentiates Baobab from its competitors, however, is the organisation’s aggressive and novel strategy of enrolment of clients, including RR, and its attempts to provide them with supplementary financial products. Whereas Baobab's earlier strategy of enrolment was to tap into existing MFI customers in predominantly urban areas where its competitors were already located (Touré, 2014), the MFI is now actively seeking to expand its customer base by reaching out to populations that have supposedly not had access to formal finance previously. In order to develop its delivery channel, attract new clients and gain market shares, Baobab has decided to get closer to a spatially dispersed population, especially in peri-urban and rural areas. In 2014, the MFI launched its agent-banking network that allows its customers to conduct various types of transactions at a BCs' location, including cash-in (savings deposit), cash-out (savings withdrawal) transactions, loan repayments as well as money transfers...
from one account to another. By the end of 2016, amongst Baobab's 200 000+ clients, 70% were making regular transactions, and of those, between 20 and 30% were using Baobab services through the network of BCs.

In Thiès, BCs are scattered all across the town (Figure 4.4). When describing the role they play in the organisation’s strategy of increasing its customer base in the country, Baobab’s Country Director points out that:

There are people that do not have access to mainstream financial products but, more importantly, that need infrastructure in their geographical zones. Products are not the only things we need to provide. We need to provide accessibility and proximity and this can only be done if we are based where they live.

Financial exclusion is here depicted as a problem of accessibility and/or a lack of proximity, as the director of the main branch in Thiès states:

The main problem, it's the distance. We are not where they are. With BCs, we're getting closer to them so that they can do their operations.
In contrast, most banks and MFIs in Thiès only have between one and four brick-and-mortar agencies. In peri-urban and rural areas such as Tienaba, Khombole and Toubatoul, twenty kilometres outside Thiès, several shops have taken up the task of acting as BCs, whereas only a couple of Baobab's competitors are present (Figure 4.5).
While offering proximity is of significant importance, BCs have also been set up to guarantee a certain level of profitability. In the opinion of Baobab's Country Director, almost half of the branches of its three main competitors, i.e. CMS, ACEP and PAMECAS, are in deficit:

It is not in every area that you can make Bank or MFI branches financially profitable. We want to be everywhere, but we don’t want to destroy value. BCs allow us to meet these two criteria: guaranteeing proximity without destroying value.

While proximity is mostly understood in its physical sense, the notion underpins at least two other different but complementary meanings: proximity can be social and digital. Taken together, my evidence shows that these three forms of proximity act as nudges, or ‘commitment devices’, that encourage RR as well as BCs to behave in certain ways rather than others. More specifically, the physical/social/digital proximity between RR and BCs is dependent on and enhanced by the physical/social/digital proximity between BCs and Baobab. In turn, these proximities are supported by the acquisition of calculative agency, i.e. the distributed agency of a wide range of human (economists in the ‘wild’, consultants) and non-human elements (management sciences and techniques, informational infrastructure, measuring devices as well as rules and regulations). All these elements are involved in the valuing of remittances for financial inclusion purposes (Çalışkan and Callon, 2010). I now turn to the concrete ways in which the physical/social/digital
proximity between RR and BCs on the one hand, and between BCs and Baobab on the other, has been made possible, with the purpose of formatting RR and BCs agencies.

The rolling-out of BCs network is not of Baobab’s own making but has been financially and practically facilitated by the IFC and the MasterCard Foundation. Baobab is in fact one of the eight MFI’s to be part of the ‘Partnership for Financial Inclusion’, a seven-year, USD 37.4-million joint program of IFC and The MasterCard Foundation to “expand microfinance and advance digital financial services in Sub-Saharan Africa” (Koblanck et al, 2017:15). Based on a multi-year longitudinal study and numerous rounds of field visits between 2014 and 2017, the initiative aims to “develop and test innovative business models for financial inclusion” (ibid). Before going further, it is important to mention that this initiative, while fitting nicely with the remittances-financial inclusion-development nexus and partly involving the same type of organisations, does not necessarily target migrants or remittances recipients and their remittances directly. The scope of the initiative is broader with the ambition of reaching an entire population. This was notably stated at the launch of the ‘Mass-market financial inclusion’ programme, the result of a new partnership between Baobab and the MasterCard Foundation in 2016 that aims to reach over one million customers across Senegal, Madagascar and the Ivory Coast by 2019 (Baobab, 2017).

As such, the formation of remittance markets needs to be understood as provisional and partly the result of political, historical and material contingencies. For instance, a global ‘expert’ on remittances and financial inclusion I interviewed mentioned he was interested in the work of Baobab as it was quite complementary to the work they were doing in the country. They, however, had not been in contact with the MFI yet. Nonetheless, another report commissioned by the IFC and the MasterCard Foundation for the very same programme highlighted that:

> The long-established prevalence of migration and remittances in the Senegalese market (...), well-established practices of transfers within social networks, and an appreciation for how DFS may be a stepping stone to access more traditional forms of banking services, are factors that may work in favour of Digital Financial Services (DFS) in Senegal and can be leveraged by providers. (Koblanck et al, 2017:34)

As mentioned above, this idea of a new way of delivering financial services is part of a programme of fast-paced, high-volume acquisition of new clients. Based on a research survey led by Baobab in partnership with IFC in 2014 of two thousand households that focuses on money management practices and financial services usage, new products and delivery channels were developed to respond to the gaps that were identified. For instance, Baobab developed an application on a tablet that allows Baobab’s field staff to offer savings accounts. These accounts are deemed to
reduce the need to go to a branch and require minimum documentation and no account-opening fees or minimum balances.\textsuperscript{39}

The approach of Baobab and IFC to improve products and delivery is based on an iterative process that requires numerous pilot tests. Some of these pilot tests take the form of Randomised Controlled Trials (RCTs). For instance, a research project in 2016 supported by the MasterCard Foundation and the IFC led by four economists from the IFC and the WB used a RCT to learn about the impact of access to agent banking on account opening and account usage in Senegal (Buri et al, 2018). A randomly selected group of people were given different nudges (financial incentives) and requirements as a way to assess whether or not branchless banking better promotes take-up and usage of accounts than offering the same services through the branch (ibid). The approach taken up by Baobab is quite representative of the increasing use of field experiments as testing grounds for further development interventions in the Global South (Berndt, 2015; Karlan and Appel, 2011). These field experiments based on RCT methodologies act as a key market device that aims to push, sometimes iteratively, RR and BCs’ behaviours towards particular directions aligned with the neoclassical model of the rational and adaptable subject conscious of the necessity of continuous market learning and market skills acquisition.\textsuperscript{40}

What is particularly interesting to note is that most BCs also happen to be domestic or regional money transfer Points-Of-Services (POS). With the emergence of Wari and Joni-Joni over the past 10 years, multiservice boutiques and other small shops have diversified their activities and sources of income by becoming money transfer agents. These points have sprung up by the thousands all across the country; Wari currently has over 27 000 POS across the country. The fact that most Baobab BCs are also in the money transfer business, while not necessarily being a pre-planned strategy, is not coincidental. These shops are street-front boutiques that have the required physical and technological infrastructure and skills as well as enough cash flow to operate with. Most importantly, they are embedded in the community they live in. In the words of a senior employee of Baobab Senegal:

\begin{quote}
It is easier to train a guy that already does money transfers. He’s got a place already and you need to understand that these guys, they already have a customer base and we, as Baobab, we’re coming to try to attract them, to tap into it. (translation mine)
\end{quote}

\textsuperscript{39} This is not the case for other MFIs.  
\textsuperscript{40} Chapters 5 and 6 will examine the ways in which RR and agents react to these market devices in more detail.
Agent’s network density and the availability of cash constitute the two most important aspects of the money transfer business. MTOs and MNOs such as Wari, Joni-Joni and OM have had to champion the sciences of agent network and liquidity management to become serious money transfer players in Senegal. Baobab was then able to tap into the pool of experienced and skilled agents to deploy its new approach of delivery.

BCs are trained and supported by *Gestionnaires de Correspondants* (managers); they are on-field employees of Baobab that regularly visit BCs, assess their cash-flow availability, their marketing approach but also support them technically when, for instance, the system is down. Each BC is followed by an on-field manager while it is my understanding that each manager is in charge of on average fifty BCs. As mentioned in Chapter 3, I followed a manager for a week during which we went from one BC to another to check on the operations, fix equipment and provide training for newly-equipped BCs. BCs are generally encouraged by their managers to push their customers to open bank accounts and promote other Baobab financial products: “We want the BCs to help us opening accounts. These are people we train, and we have agents that follow them” (Baobab branch director, Thiès). In December 2015, Baobab organised a 3-month long competition for all BCs across the country; a financial prize was awarded to whoever sent the highest number of potential customers to Baobab’s agencies. BCs scored points only if prospects were turned into credit customers. A BC I met multiple times in central Thiès told me that he managed to convince many of his long-time clients as well as his close friends and family members to open Baobab bank accounts:

> I was calling lots of people to convince them. I managed to get lots of them to open accounts by telling them that they could get a loan for the Tabaski.\(^{41}\) When I send someone to the agency, there is a good chance they will get a loan. They know me well at Baobab now. (Banking Correspondent, Thiès, translation mine)

As such, BCs’ managers play a crucial role in the formatting of BCs behaviours through their constant visits and presence as well as their operational and marketing training. Tools such as the competition mentioned above allow Baobab to assess their BCs marketing and enrolment skills and send signals to the latter on how they should understand their new role as Baobab’s new front office officers. Through this strategy of agents’ network enabled through POS, Baobab has been able to attract a significant number of new customers; between 2014 and 2016, Baobab’s

\(^{41}\) Tabaski is the term used in Senegal to designate Eid al-Adha, i.e. the second of two Islamic holidays celebrated worldwide each year (the other being Eid al-Fitr).
customer base increased by 60%, from 120 000 to 200 000. I was told by a BCs’ manager that in the town of Kayar, near Thiès, Baobab had no customers before they set up a BC. A year later, they managed to attract 200 credit customers and more than 2000 clients in total. The reason why it still seems relatively far from the 1.2-million target already mentioned is because many of the products and technological devices deemed to further increase the MFI’s customer base took longer than expected to be designed, tested and approved. Crucially, until the end of 2016-beginning of 2017, BCs could not sign up new clients themselves. Instead, potential clients were encouraged to visit a Baobab branch where they could open a savings account. This changed when a new technology was introduced that allowed BCs to open accounts themselves rather than sending potential customers to the main branch. I now turn to these elements that render the proximity between RR and BCs on the one hand, and Baobab’s branches and headquarters in Dakar on the other, possible.

These social, physical and digital proximities, and the agencies they contribute to mould, cannot be understood without paying attention to the human, material and technological infrastructure that contributes to the formation of BCs as site-specific socio-technical agencements (Kear, 2018). As indicated in Chapter 2, marketsites constitute particular places and junctures where all elements that configure a market come together to create “a market condition in which economic subjects behave as if they are rational” (Kear, 2018:317). BCs have been equipped with biometric Point-Of-Sale devices that allow them to identify customers through their fingerprints before the latter can make any transactions. The device is now also used when BCs sign up new clients, including RR. It can now take less than five minutes to open a savings account. Through a tablet running on an Android application, customers’ details are recorded (including a photo and fingerprints) and then transmitted to Baobab’s core banking application. In fact, BCs – but also field staff and loan officers – all have remote, real time access to Baobab’s core banking system. This core banking system – which is the same in every country Baobab operate in – is stored in the cloud and a range of dashboards monitors all BCs and bank transactions to identify trends, irregularities and usage patterns. Moreover, alongside BCs, additional encounters between RR as market subjects and other site-specific socio-technical agencements have been deployed through the development of a mobile application for field staff, including on-field loan officers. In contrast however to BCs, these marketsites have the particularity of being mobile; they penetrate into people’s homes, streets and even barber shops. In effect, Figure 4.6 captures the moment a Baobab on-field employee signs up a new client at his barber’s after a haircut.
The app allows loan officers to have direct, real-time access to the core banking platform, that is amongst other things a list of their clients, their geo-location, account balance, payment history, delays in repayment and the attached paid fees as well as outstanding loans. One outcome of this market device that Baobab advertise on their website is that 94% of loan officers were better able to manage their portfolio at risk by being informed about which particular clients they should prioritise and monitor and by being able to systematically check their clients’ financial behaviours before making any decisions, such as disbursing/renewing a loan for instance. In addition to this, the app provides a contact database that allows loan officers to call their clients anywhere and at any time, and especially as soon as they spot any delays in loan repayments. Again, this is something Baobab is eager to promote on their website by sharing the following account of one of their loan officers in Thiès:

I call my clients even outside of business hours thanks to the application. It allows us to do our work at any time. (Carisch, 2016)

By making it easier and faster for loan officers to check their clients’ financial behaviours on a daily basis, the technology reduces loans processing time significantly. While several remittance recipients said that it takes on average three to four weeks to get a loan from Baobab’s main competitors, the processing time for a first loan with Baobab is less than a week. For a loan renewal, this can take less than a day. Loan officers themselves are under scrutiny; the app gives
indications on how portfolio managers perform on a daily basis. This is deemed to motivate them to work more and better. Everything is done to reduce uncertainty to a minimum and make sure that irregularities and underperformance are being systematically tracked and fixed, often by agents’ themselves through self-assessment.

As new products and services are deployed over time, the transformation of money transfer points of services into concrete marketsites is reinforced and consolidated. In 2015 for instance, Baobab started testing various versions of a new loan product called Taka loans. In a blog post written by Baobab Head of financial inclusion research, it was announced that “the Taka loan offers clients anywhere from 5,000 to 250,000 CFA francs (8–380 Euro) for 1 month” (Carisch, 2017). The scoring model that is deployed is based on Baobab’s existing customer base. Clients are classified into different loan eligibility categories, depending on their loan repayment and savings history. Clients know this very well. I encountered several cases of RR moving money, including remittances, around (i.e. cashing money in and out with a fee) with the sole purpose of becoming eligible to loans. Importantly, clients are strongly encouraged to pay back early – e.g. within fifteen days – in order to get better interest rates or bigger amounts in the future (Carish, 2017). For those who pay on time, a second loan of the same amount is available immediately whereas late clients become ineligible for another loan in the near future. My evidence suggests that these financial incentives, or nudges, have to be understood as in-built features of the product and constitute what makes it profitable:

We use of inventiveness so that it exceeds 24% to be profitable by encouraging clients to pay back earlier (...) When clients pay back early, they get better scores (...) There are incentives to push the customer to pay back early and when that is the case it's much more profitable for us because it increases the annual percentage rate. (Baobab Senegal, Country Director)

While information is difficult to obtain, it is my understanding that during the pilot phases of the Taka loan product that began in 2015, a 6% upfront fee incurred. Clients then “chose” when to repay the loan amount up until one month. If repaid after 30 days, the Annual Percentage Rate (APR) (i.e. the true cost of the loan) amounts to 73%. However, if the loans get repaid after for instance 14 days, the APR increases to 156%. If repaid after 5 days, the APR rises to 438%. Importantly, these nano-loans can only be cashed-out and repaid through BCs (and not at a traditional branch) or via a soon-to-be-launched enhanced network of dedicated agents – or ‘young local entrepreneurs’ as Baobab call them – whose task will be to open bank accounts and distribute these nano-loans (Figure 4.7).
BCs and dedicated agents are trained on the ways in which the loan works and are encouraged to let clients know whether they are eligible for a nano-loan whenever they visit. If they are, BCs can send them a text – a market device that can be considered as a nudge itself as I will show in the next section – with the loan offer. Whereas the original targeted population for these nano-loans is Baobab’s existing customer base, Baobab was at the time of writing seeking to form partnerships with MNOs in order to expand its market by tapping into people’s telecommunications data. In Ghana, these partnerships exist already; understanding how MM ecosystems are constituted and sustained and how they are partly dependent on and contribute to the marketisation of remittances is the focus of the next section.

4.3.2.2. MNO-led branchless banking through retail agents in Ghana

Branchless banking also has become a centre of attention for a significant number of financial and non-financial commercial institutions in Ghana. As I indicated earlier, while bank-led branchless banking is on the rise in the country and could deserve an entire section, I choose here to focus on the nonbank-led branchless banking model, and more specifically on the relatively recent phenomenon of MNO-led branchless banking, or MM. MM has been considered by the international development community as an increasingly important tool for poverty alleviation through the incorporation of the poor into formal (digital) finance (see for instance the UNCDF- and AusAid-funded programme “Mobile Money for the Poor”). The main difference with the bank- or MFI-led
model is that customers do not necessarily have a bank account nor deal directly with a financial institution but rather exchange cash for value stored in a mobile phone-based virtual account, i.e. “e-money”. E-money can either be sent to others, used to make purchases, or stored in the e-money account for future use (see Figure 4.8). Customers can also convert it back to cash at any MM agent’s location, e.g. airtime vendors, grocery shops or petrol stations.

*Figure 4.8 - Advertisement promoting MTN’s mobile-based savings product in partnership with Fidelity Bank*
In Ghana, as in many other countries (Nelms and Rea, 2017), MM services started as a domestic person-to-person money transfer product. According to an employee from one of the major MNOs, the most common transactions in the Greater Accra region are cash-ins (money deposits) whereas, in other regions, cash-out transactions dominate. In effect, the peer-to-peer function of MM services has now almost totally replaced former remittance routes that were historically traversed by bus and taxi drivers as well as friends and family members. While the one-directionality flows should not to be exaggerated as research shows that money flows from rural to urban areas as well as around dense social networks in reciprocal ways (Kusimba et al, 2015), urban-to-rural domestic remittances have nonetheless constituted one of the main entry points for MM take-up and remain a crucial element that shapes the Ghanaian MM ecosystem.

MM adoption has been relatively slow in Ghana; up until 2012/2013, MM had not widely “permeated the social life” of Ghanaians and was mostly used to send and receive money internally (Dzokoto and Appiah, 2014:41). According to various MM market actors I interviewed, the decisive factor in take-up is the development of the MM ecosystem and the multiplication of situations in which e-money can be used. Today in Ghana, MM services include not only cash-ins, cash-outs and transfers but also airtime bill payments, merchant payments and, more recently, international remittances. Even more recently, MMOs have started to form partnerships with financial institutions to offer additional financial services such as savings accounts, insurance, credit and even equity products. Crucially, it is argued that the amount and regularities of payments MM users receive – which inevitably include domestic and, to a lesser extent, international remittances – can be leveraged for further financial inclusion:

Based on the volumes you are receiving and the frequency, that can also become a basis for enabling the customer to access small loans. When building a loan product, you are using the customers’ transactions details which gives you a fair idea of who this customer is and his risk profile. So, yes, remittance is a segment that we are seeking to leverage and drive financial inclusion. (Airtel Money Ghana, Head)

Before going further, it is important to note that adoption rates for these recently-developed financial products are still relatively low. At the time of fieldwork, the leading MMO in Ghana was still testing its mobile-based credit product whereas insurance products, such as the two remittance-linked mobile-based insurance products had just been launched by both Vodafone and MTN (Figure 4.9). The main goal of this section is then to account for what enabled such products to be thought of as valuable and profitable in the first place, designed and commercialised. These remittance-linked digital financial products and services constitute that
latest stage of the formation and consolidation of the MM ecosystem in Ghana. My evidence suggests that the marketisation of mobile remittances requires the establishment, active commitment and maintenance of particular agencies. It shows how these agencies are in turn distributed across a heterogeneous assemblage of human and nonhuman elements, ranging from narratives and regulations to algorithms, technical and material devices.

Figure 4.9 - Advertisement promoting MTN’s remittance-linked insurance product in partnership with Ayo

![Advertisement promoting MTN’s remittance-linked insurance product in partnership with Ayo](Source: MTN Ghana)

MM only started to grow in Ghana when a new e-money guideline came into effect in 2015, allowing non-bank entities (MNOs) to issue electronic money alongside regulated financial institutions. Here, I consider regulations as crucial market settings through which markets are given form; they contribute to producing new realities. At the origin of the new guideline was the view that the previous regulatory environment was hampering investment in a potential MM ecosystem as clear financial incentives for both banks and non-banks were lacking. For instance, based on what is called a bank-led ‘many-to-many’ model, the regulation was preventing exclusive partnerships, meaning that any investments in a new product would automatically benefit all the other competitors. While the Bank of Ghana was very pro-active in the domain, the changes were facilitated by a range of actors that are part of what Gabor and Brooks (2017) call the “fintech-philanthropy-development complex”, a new alliance of developing countries, international financial organisations, philanthropic investment firms and fintech companies that have embraced digital financial inclusion as a new development paradigm. By accepting the Maya Declaration in 201242, the Bank of Ghana had to commit to regulatory changes in branchless

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42 The Maya Declaration constitutes a shared commitment to financially include the 2.5 billion unbanked and set up national financial inclusion strategies in collaboration with private sector actors (Gabor and Brooks, 2017).
banking with the aim to financially include at least 70% of the Ghanaian population by 2017. Particularly active within this organisational assemblage have been the Better than Cash Alliance⁴³ and World Bank-housed CGAP (Consultative Group to Assist the Poor). When asked about how the 2015 guidelines came into being, a consultant for CGAP said that the organisation played a key role:

CGAP pretty much ran that thing. There was a bunch of banking guidelines - it says the banks are going to do this business (...) But it became clear that Mobile Money Operators were the ones driving the space and so, they raise that issue. Bank of Ghana was engaged and CGAP helped with essentially regularising the operations by creating the new e-money guideline.

An additional hurdle to take-up that was identified by many organisations of the complex and the MNOs I interviewed was the compliance to Know Your Customer (KYC) procedures and Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) regulations. The latter require MNOs to receive sufficient proof of identity from customers before registering them as MM users. When the threshold with regard to what constitutes proof of identity is too high or when customers lack IDs, financial inclusion efforts are thwarted. Supported by the momentum that the new guideline brought about, MNOs in Ghana started to figure out ways of engaging potential subscribers. One of the strategies was to knock on people’s doors to sign them up. In effect, the rationale behind this is that people generally have their ID with them at home. People were also encouraged to come along to activation locations with their ID. MTN ran small drama sketch about the benefits of the service as part of their so-called Direct Consumer Contact approach. The General Manager of MTN Mobile Money told me that these efforts of “education, incentivisation and awareness creation” were considered essential to overcoming KYC requirements. Furthermore, and as a response to a malfunctioning decentralised ID system – there were nine separate databases across various government and public entities – and the difficulty for financial institutions to pinpoint with precision the address of prospective customers, a national biometric identification programme coupled with a new national address system based on GPS coordinates was introduced by the government in 2018. It is hoped that the schemes, by facilitating the monitoring and tracking of persons and the assets and properties they own, will reduce information asymmetry, hence increasing the capacity of financial institutions to ensure the integrity of KYC and AML reporting. It is also expected that, by leveraging digital ID, people will be in a position to activate accounts remotely through electronic KYC, or “e-KYC” (Amoah et al, 2017). In fact, MNOs such as Airtel Money and MTN already offer savings accounts

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⁴³ While the governance structure of the Better than Cash Alliance is relatively opaque, the main aim of this collective is rather explicit: “to accelerate the transition from cash to digital payments globally through excellence in advocacy, knowledge and services to members” (See Mader, 2016b:71).
in partnership with banking institutions. On the electronic platforms, subscribers can now open accounts with the existing KYC that they have on their mobile account without necessarily having to go to a bank’s branch. Once an account is opened, customers can transfer money from their MM wallets to their interest-bearing bank accounts and from their bank accounts to their MM wallets by way of USSD short codes. In industry terms, these transactions are called ‘push and pull’ transactions.

Importantly, alongside the 2015 e-money guideline, a regulatory framework for MM agents – the Agent Guidelines – was established with the objective of promoting financial inclusion. The guideline emphasises the key tenets that underpin any contract between an agent and the “principal”, i.e. the e-money issuer. Through these contracts, new relationships of obligations, rights and monitoring but also of mutual reliance were established. Grocery stores, multiservice boutiques and airtime vendors were turned into MM agents, an essential element of the ecosystem. Not only do agents receive a new legal status by entering into this contractual relationship, they also are encouraged to transform their daily practices and behaviours. One of the new “permissible activities” of agents is the active “marketing of credit, savings and insurance products offered and underwritten by duly licensed financial institutions” (Bank of Ghana, 2015:8). Like BCs for Baobab in Senegal, MM agents become financial institutions’ new front officers. The situation is, however, complicated by the presence of intermediaries, or “master agents”, who manage agents on behalf of the principal. The role of the principal is therefore to align the interests of agents and master agents with theirs in the long term in order to develop and sustain the MM ecosystem. This can be done through sanctions and penalties as well as financial incentives:

We pay merchants for keeping e-money so that we can motivate them to hold e-money, waiting for the customer to buy. (MTN Mobile Money, General Manager)

A complex range of commissions have been set up in order to sign up agents and master agents and ensure they fulfil their duties, that is making sure cash is available at all time for customers. Financial incentives are, however, far from being sufficient when more structural problems are at play. While MM in the southern parts of the country is now fairly developed and tends to work quite smoothly, the same cannot be said about the North of the country. Structurally underdeveloped since the colonial period, the Northern, Upper West and Upper East regions are zones of domestic emigration (Ouma, 2015b:3). As a result, MM agents have much bigger liquidity issues in these regions because the demand for cash is disproportionally larger than any other types of transactions, e.g. cash-ins. Problems of connectivity and infrastructure are also deemed
to hamper the development of the ecosystem in the North. Beyond that, operating and sustaining
a MM ecosystem in the North proves more difficult due to a different rainfall pattern than in the
South. While southern Ghana experiences two rainy seasons a year, there is only one rainy season
in northern Ghana. In regions where a large part of the population in rural areas work in
agriculture, this means that smallholder farmers receive their main bulk of income once a year
after the harvest. For MM agents, this results in a significant amount of cash floating around and
a heavy spike in demand during one time of the year, whereas the number and volume of
transactions flatten out during the rest of the year. Unsustainable demand paired with stable and
high operational costs make it difficult for MNOs to sustain a viable agent network across the
country. This calls attention to the unruliness of nature that often defies investment plans. Here,
meteorological materialities shape the process of remittance marketisation. In fact, market
makers have to find ways to circumvent these constraining natural properties. As a response to
these two different modal rainfall patterns and the difficulties they cause in terms of agent
network management, new transactions have to be “found”:

It’s not that easy to operate a mobile money service so that’s why the mobile money guys are
partnering with prepaid electricity people and what not. So, finding transactions that people have
to do anyway, digitising it, and when it’s digitised, people can do it from the mobile money wallet,
they have a reason to go and do transactions at an agent’s point, and sustain agents. It’s about
creating traffic at the agents’ points. (CGAP, Consultant, emphasis mine)

In the words of an employee of one of the biggest MNOs in Ghana, the market in the North remains
to be “conquered” (see Mitchell, 2007 in Section 2.4.1.). Nonetheless, MM adoption in Ghana has
now reached a certain level of threshold that allows the service to keep growing:

When it comes to mobile money, once you’ve hit a certain threshold, the human factor, the
individual interactions and the numbers tend to influence the growth. Because a certain number
of people are now using it and whoever has an account is likely to convince another person to also
open a wallet. (MTN Mobile Money, General Manager)

By actively contributing to the formation of the material, regulatory, informational and human
infrastructures of the MM ecosystem, MNOs have made possible the centralisation and
incorporation of vast amounts of geographically dispersed cash into formal financial circuits. In
the words of the General Manager of MTN Mobile Money, MM has allowed to “mop up cash from
the system”: 
Through our engagement, the banks now have access to 300+ million dollars that they can use because it is the float that is available.

Originally providing the option of sending and receiving money domestically, the above elements of the socio-technical market arrangements have played a decisive role in "objectifying" person-to-person transfers, including domestic remittances. The acquisition of calculative agencies specific to the MM market has opened the door for banks and other non-banking financial institutions to imagine the electronic equivalent of cash circulating through MM’ electronic trails as a new source of value. Once it became clear that MNOs in Ghana were going to hit that threshold and that MM take up would materialise, banks started to collaborate with e-money issuers to expand their businesses and move to previously unreachable areas. An MNO employee I interviewed considers MM as “an enhancement to banking”, offering complementary services rather than being a threat to the traditional banking sector. It is in this context that new financial products, such as mobile-based micro-savings accounts, mobile-based remittance-linked insurance products as well as nano-loans sprung up.

At the time of writing, numerous mobile-based financial products were being either designed, tested and launched by all four major MNOs in the country. As in Senegal, these products and services are the fruits of the collaboration of an assemblage of actors. The provision of such services requires additional tools and technologies that contribute to the equipment of calculative agencies. By enabling the various institutional actors to have access to more precise information about the regularities, qualities and volumes of these monetary e-flows, these market tools and technologies classify and cluster senders and receivers of these flows according to credit or insurance risks attached to them. In Berndt’s (2015:582) words:

They [market devices] render economic activities calculable, standardise and normalise practices, generate trust and see to it that traditional ways of doing things are increasingly regarded as dispensable.

To illustrate how this plays out in the context of rendering remitting practices commensurate and transparent, I focus on one specific mobile-based product offered by one major MNO in partnership with a non-banking financial institution (AfB) and a Fintech company (Jumo). QwikLoan is a mobile-based nano-loan product that is available to MTN subscribers. It provides them with low-value loans from 50 up to 100 GhC (i.e. £7-14). At the end of 30 days, the loan must be repaid in addition to a 6.9% loan facilitation fee. Loans can also be repaid at any time via the Qwikloan menu. If repaid after 30 days, the APR of Qwikloan amounts to 83.95%. What is more,
if a borrower makes a late repayment, a fee of 12.5% of the remaining balance is applied. Concerns about the high costs of such loans, if used regularly, have been raised notably by CGAP which commented on a similar nano-loan product in Kenya, M-Shwari:

If a customer is using an M-Shwari loan to pay for an unexpected emergency (such as an illness), the opportunity cost of not borrowing may be very high and the overall price feels affordable, especially in nominal terms (you’re talking about small loans) However, if M-Shwari becomes a regular way households finance daily expenses, this would be relatively expensive. (Cook and McKay, 2015)

Similar to Taka loans, it was clear that the aim of the financial and commercial institutions involved in the design and selling of QwickLoan was for such a product to become part of people's everyday lives and not just an emergency loan that one may use occasionally. The advantages that have been put forward are that QwikLoan is simple, fast and does not require as much paperwork as bank loans. How does QwikLoan work? MTN subscribers who are interested in taking on, for instance, a £10 nano-loan will need to access the MTN menu on their phone, click on “Apply for a QwikLoan” and launch the request (see Figure 4.10). This is where the hidden work of the Fintech company starts. For this particular financial product, MTN and AfB have been collaborating with a Fintech called Jumo; a mobile financial services platform that facilitates digital financial services such as mobile-based credit and savings in developing countries by way of USSD short codes. Jumo is a privately held company that comprises of eight country offices, with its headquarters in Cape Town, South Africa. Amongst its 320+ employees are data and intelligence scientists that have been recruited, I was told by one ‘JUMOnaut’, from companies like Amazon or Google. Whereas the MNO provides the transactional and telecommunication data to Jumo and the financial institution provides capital, Jumo brings these two entities together through technological tools that contribute to the equipment of calculative agencies engaged in the MM ecosystem, i.e. a credit-scoring model using new technology of algorithms. In other words, MTN's data are fed into an algorithm that is used to assign a credit score for each MTN customer.

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44 For more detailed information about the average costs of digital credit across the continent, see Kaffenberger and Chege (2016)
Credit-scoring algorithms harness ‘digital footprints’ generated by the use of mobile phones in order to supposedly better understand people’s behaviours and better assess their creditworthiness. These credit scores extracted from a behavioral track record can help measure the appetite for financial products among so-called ‘emerging customers’. What Jumo does is to transform mobile behaviours into financial opportunities for institutions like MNOs and banks. The credit-scoring algorithm takes into account 7000+ metrics that comprise of customers’ MM and telecommunication data, such as phone calls, texts, MM transactions, contact lists. Concretely, these metric points include, among many other things, information about

- how long customers have been on the MM platform;
- how much money they have received/sent and how frequently;
- what kind of transactions they do (withdrawing, cashing-in, savings);
- how much money they have in their wallet, etc.

Metrics that relate to airtime activities are also accounted for:

- how often customers recharge/top-up;
- how long they have been on the network;
- how often they change sim cards, etc.

It also combines GPS data, WI-FI network use as well as mobile phone battery levels. In fact, seemingly mundane details such as how often customers ‘let’ their phone battery die and how long their phone is off for do influence whether or not customers can qualify for loans and the amount they can get.
As mentioned earlier, a significant fraction of domestic mobile-based person-to-person transfers actually represent domestic remittances; many MM users in the northern regions also happen to be RR. As a result, encouraging users to transact a certain amount of e-value on a frequent basis for a relatively long period in order to become eligible to a financial product arguably is an attempt to influence the ways in which RR receive, use and manage their remittances. When explaining the ways in which remittances can play an important role in making subscribers eligible to a QwikLoan, the Country Director of Jumo made it clear that it is preferable for remittances to stay in the e-wallet rather than being cashed-out immediately. What it also clear is that subscribers that receive remittances have much better chances to be eligible than those who load their account themselves. Receiving frequent amounts of money from other people means that one may be more able to pay back, even in times of temporary crisis:

But it's important to us that you're not constantly in a rush to go and pick up money (…) for instance, people that would use mobile money to buy airtime, that's a good behaviour for us because the person (…) develops a certain kind of life around mobile money, as opposed to somebody who's just like: "ok, send me money and boom it's gone". (…) Also, importantly, we want to see that you're not only loading your account, but people are sending money to this account and you're sending money outside the account because when this happens, then we know that by virtue of these other relationships, there is reasonable stickability on the account, so probably that's where the remittances come in. (Jumo, Country Director)

One commitment device that Jumo uses to encourage potential loan takers to 'behave well' is text messages. In effect, Jumo frequently sends text messages that not only promote the use of financial products but also give financial advice. They act as nudges that constantly remind the subscribers to do, think and plan things in particular ways. They contribute to the transformation of MM users and remittance receivers into financially responsible subjects that should make 'better choices' in order improve their lives:

Tomorrow I'm going to send a text message to seven million customers that are active MTN mobile money customers. That is bigger than any bank. Just by virtue of one SMS I have sent, I'm going to tell people to do something that enhances their financial lives. Just one SMS. That's impossible for a bank to reach, even over a year. So, the ease of doing that part of the business - customer education - the ease of achieving things like: "Ok, you need to be responsible with your life, you need to take responsibility" and then because you're responsible, you're rewarded - so, the ease of being able to communicate all of these targeted specific messaging to different segments allow those people to at least be influenced much more positively... Because the bigger part of this conversation is not that we're just giving them loans, we are (1) educating them about finance, (2) we are letting them get a clear idea about how to live their lives - I mean taking responsibility and all of that, and in addition to that, (3) we're building some credit history for them through all the
While the influence of these text messages on the shaping of financial subjectivities is of course not to be exaggerated (see Chapters 5 and 6), it is worth stating that when Jumo sends a text to every subscriber of the MNO they work with – that is between seven and eight million –, they manage to reach roughly 25% of the Ghanaian population. For subscribers willing to become eligible for such financial products, new uncertainties are created, and economic decisions have to be made: What is the proportion of the money one receives that should be saved and for how long? When and how much should one cash-out? How much of the remittances should be prioritised for savings, consumption, but also for loan repayments? Should one ask people to send money to one’s MM account – rather than, when possible, hand-to-hand cash transactions – even though a fee is incurred? By propelling these new uncertainties that push MM receivers to behave in more ‘responsible’ ways, market devices produce new realities and contribute to the coming into being of the *Homo Economicus*. In contrast to the relatively ‘fixed’ market sites that BCs represent in the Senegal case, my empirical analysis indicates that in addition to MM agents, mobile phones through which financial transactions are performed and certain nudges operate can be considered mobile marketsites that follow users everywhere and at all times: a marketsite in the pocket. The formation of remittance markets, including fixed and mobile marketsites, do not however come without controversies in the framing; this is what Callon (1998) calls moments of overflows. As I will demonstrate in the next section that constitutes the third framing of remittances, the production of the *Homo economicus* rarely is a stable accomplishment. In effect, the formatting of agencies among both members of remittance households and remittance agents – is not a frictionless process but does take place in the context of competing regimes of value (see also Chapters 5 and 6).

### 4.3.3. The formatting of remittance market encounters

In order for pacified goods – here, remittances – to meet the agencies formatted by heterogeneous elements that constitute the socio-technical *agencement*, market encounters must be framed and formatted (Çalışkan and Callon 2010). These encounters represent the third and final major framing I am focusing on, part of the remittance marketisation process. In the following sub-section, I show that the chain between migrants’ money, RR, banking and non-banking financial institutions’ products and services and, eventually, investors can be long and involve numerous ‘mediators’. The latter act as a market assemblage of human intermediaries (agents) and non-human intermediated devices (technological platforms) that facilitate market encounters (Kear, 2018). The last sub-section examines the on-going financial engineering undertaken by entities
such as Baobab and MTN to organise market encounters between their clients, including remittance customers, and global investors.

4.3.3.1. When remittances meet financial and commercial institutions

For the qualification of remittances to happen, multiple encounters between market agents have to take place and different prices have to be agreed upon: between migrants/RR and MFI's/MNO's agents; between agents and MNOs/MFIs; between MNOs/MFIs and banks; between MNOs/MFIs and MTOs; between banks and merchants and between merchants and super-merchants. As Çalışkan and Callon (2010:16) argue after Stark (2009), “fixing a price is always the outcome of a struggle between agencies trying to impose their modes for measuring a good's value and qualities”. An encounter of particular importance is the one between agents and their ‘principal’, i.e. MNOs and/or MFIs. As evidenced previously, the deployment and maintenance of a reliable, scaled-up, liquid network of agents is crucial for any entity that operate in the (mobile) money transfer business. Having agents on board – whether MM agents in the case of MTN Ghana or BCs in the case of Baobab Senegal – and making sure they behave like “agent Homo Economicus” is an ongoing challenge. Alignments are re-negotiated over time and sources of temporary or permanent ruptures are numerous. Crucially, branchless banking must be considered profitable to agents. In effect, agents are not only intermediaries – legal agents who simply work as a conductive channel on behalf of a principal – but also mediators – social agents whose own ideas of what is worthwhile and desirable can shape how the relationship between them and the MNO/MFI evolves (Maurer et al, 2013). BCs and MM agents cannot be understood as mere passive subjects that are externally managed through a variety of devices and rules. A pricing and commission structure that seems fair to agents is, therefore, of utmost importance for the ecosystem not only to grow but also to keep agents active and loyal. If mediators do not accept the commissions that have been imposed onto them, they could decide to either prioritise the activities of other providers or even leave the network altogether. In the former case, the issue that arises is the already-mentioned problem of liquidity: if agents decide not to dedicate enough cash for cash-in/cash-out transactions, customers cannot transact, and the service become unreliable.

Consider the case of this BC I mentioned earlier who used to spend a great deal of effort trying to enrol new customers on behalf of Baobab Senegal, i.e. act not as a simple intermediary but a mediator using his social embeddedness to create trust in the financial institution. Cash-in/cash-out transactions at a BC used to be free. However, since June 2016, a fee has been introduced on all transactions for users; the amount of the fee depends on the amount one wants to transfer, withdraw or deposit. One reason for this change given by Baobab when I interviewed them was
that because the launch of their new products had been delayed – including the nano-loan and their own money transfer product – they did not enrol as many new customers as expected. Only existing customers were dealing with BCs, using Baobab as a free money transfer product (account-to-account, account-to-cash or cash-to-account transfers). The network of BCs became difficult to manage as a result; many BCs in cash-out areas were lacking liquidity while others had too much cash. I was told on two occasions that Baobab had to use trucks to convey cash to areas in need. This, in addition to commissions to BCs, proved to be very costly for the MFI, costing roughly 600 000 Euro for the year 2015 only. As a result, fees were introduced to discourage the use of BCs and Baobab as a free money transfer service. Since the introduction of the transaction fees, the number of customers depositing, transferring or withdrawing money with a BC has significantly decreased; customers now prefer to go to the closest branch where transactions are still free. In one of the boutiques of a BC I visited, there used to be 20+ people a day coming to use Baobab services. Now that fees apply, there are only two or three customers per day. As a result, a BC I interviewed told me he decided to reduce the amount of cash flow he uses for Baobab services, i.e. the money he deposits in his Baobab operation account. Beyond that, he confessed that commissions for BCs are not as good as they used to be:

It is better to concentrate your cash flow on Wari or Joni-Joni services because fees are higher.

What this shows is that while BCs are ‘legal agents’ who are linked with Baobab contractually, they also act as ‘free agents’ with agency and all the complexity this brings about for the MFI (Maurer et al, 2013). *Agencements* never come along with fully stable agencies or as complete subjects; market encounters can be moments of overflows. Whereas it is likely that Baobab will find a way to get BCs back on board once new products are available, overflows can sometimes represent real threats to market-making processes.

In May 2018, OM wholesalers and boutique managers in Senegal threatened to go on strike, following a dramatic reduction of their commissions on cash-in and cash-out transactions (Figure 4.11). While OM mediators used to receive 18 CFA franc (24p) for a deposit of 1000 CFA franc (£1.3), they now get 7 CFA franc only (9p). The *Réseau National des Prestataires de Transfert d’Argent* (RENAPTA) – the National Network of Money Transfer Service Providers – called for a continuous boycott of OM services. During a press conference, the vice-president of RENAPTA, Khalilou Ndiaye, declared:

We are in danger. These entrepreneurs, these sons... one wants to bring them to naught. And whose fault is it? It is the fault of a multinational, let’s be clear. It is not only Orange, look around you, our traders are dying out, our farmers are suffering. And now, even the service sector is being targeted.
Where is this going to take us? You know, to make a transaction, we have to dial #145#, right? Well, this is going to change. Now, we are going to do #ForgetOrange#. (Kandé, 2018, translation mine)

The General Secretary of RENAPTA went even further and said:

We think it is an economic recolonisation of Africa. It is sucking the lifeblood out of our activities. It is taking away what should belong to us. (TIC Mag, 2018, translation mine)

**Figure 4.11 - Demonstration of members of RENAPTA, Senegal**

(credit: Radio France Internationale)

OM argues that due to upcoming additional services, OM distributors will experience more transactions, hence more revenues. This is denied by RENAPTA and other associations, which point out that distributors will have to work more to earn less. The latter are blaming OM for reducing their commissions now that the number of users has reached a satisfactory threshold and that OM services are successful in Senegal: “We suggested many things to OM. We encouraged customers to sign up to OM. But, with their success, they changed” (Xalismasn, 2018). Confrontations and power struggles over price fixing do not only take place within nascent MM ecosystems such as the one in Senegal. A soon-to-be-bank MFI I interviewed in Ghana complained about the fact they were not earning commissions from MTN when serving MTN-registered merchants. Despite acting as one of MTN super-agents, i.e. supporting MTN with liquidity management by accepting e-money and giving cash in return to MTN merchants, the organisation does not get commissions, as is the rule. This led them to refuse serving MTN merchants:
We are also doing business. We cannot give all our cash to a merchant when our own customers are there. We told them that: it is either you pay us a commission for serving other merchants, or we do not serve them at all. (MFI, Senior Employee)

The above examples demonstrate that market-making processes are not straightforward and can trigger moments of overflows, as shown by the often limited power of market devices, such as contracts between agents and financial entities. Chapters 5 and 6 further examine the ways in which members of remittance households themselves do not readily accept these processes of behavioural engineering.

4.3.3.2. When remittances meet global investors

The above analysis has explored the construction of remittance-linked income streams through material, technological, discursive, political and behavioural engineering, which in turn contributes to the marketisation of remittances. As I have demonstrated, remittance-linked incomes can take the form of incomes from money transfer fees, remittance-backed insurance payments, remittance-linked utilities payments and loan repayments. Particular efforts have been made to render these income streams stable and continuous. For instance, when a nano-loan payment is due, money that is in and/or sent to the wallet is deducted automatically until the loan is fully repaid (see Chapter 6 for more details on this). I now turn to the ways in which these income streams can be converted into sources of financial profit and remittance customers into investable assets for private investors. For this, I draw upon Aitken’s (2013, 2015) work on financial valuation and intermediation as two main techniques of conversion.

Aitken (2015:8) refers to the rearticulation of microfinance into a profitable asset stream as processes of ‘conversion’, i.e. “the transformation of particular kinds of social objects and relations (even particular kinds of human bodies) into objects capable of generating financialised income streams”. Aitken (2015) draws upon the work of Leyshon and Thrift (2007) who argue that financialised capitalism is dependent on the systematic and never-ending pursuit of new asset streams, usually through a process of aggregation. In other words, “the bedrock of financial capitalism is not the spectacular system of speculation but something more mundane”, i.e. the construction of forms of stable incomes (such as rental income from halls of residence or monthly payments of loans and utilities), which then allows speculation to take place (ibid:2007:98). According to Aitken (2013:475), the “poorest of the poor” are converted into asset streams through various distinct processes, including financial valuation and financial intermediation.45

45 Aitken (2013) refers to a third technique, namely securitisation, which, in contrast to Microfinance Investment Vehicles (MIVs), is used as an instrument of conversion not to attract capital but to allow for its dispersal; a technique
Techniques of valuation allow financial assets to turn into calculable and verifiable objects of investments. The significance of microcredit ratings agencies nowadays illustrates the necessity to transform microfinance investments into metrics that are globally recognised by financial institutions. Techniques of intermediation consist of facilitating and expanding the ways in which capital can reach MFIs. The rise of specialised financial vehicles, namely Microfinance Investment Vehicles (MIVs), over the last ten years is of particular importance as it has enabled the tight connection between private investors and investment opportunities in microfinance in the form of loans and equity, which have helped fund loans to millions of micro-borrowers.

One set of techniques through which the conversion of Baobab’s clients, including remittance customers, into investable assets has been made possible is financial valuation. In March 2016, Baobab was given a rating of triple B by the West African Rating Agency (WARA). To explain this rating, WARA notably mentioned the capacity of Baobab to measure its portfolio’s credit risk with great effectiveness. In the absence of reliable sources of information regarding the quality of micro-borrowers’ loans, Baobab was able to differentiate itself from its competitors by deploying a constant presence of credit and other managers on the ground in order to “monitor in vivo the behaviours of each and every single element of its portfolio” (Hassoune and Ayigan, 2016:12, translation mine). In the context of rendering bodies and things amenable to financial valuation and responding to the return-risk trade-off, “pressure is put on investments further downstream in the ‘financial value chain’” (Ouma, 2016a:85), hence creating a “cascade” of financialised governmentality (Mader, 2015:101). These types of ratings, it is argued, allow investors to assess investment risk and draw useful comparisons to other investment possibilities (Aitken, 2013). In fact, in September 2016, Baobab Senegal carried out a successful local currency bond issue of 5 million Euro on the regional stock exchange in order to tap into local institutional investors. It was the first ever MFI to do this in West Africa.

In a similar vein, MTN Ghana completed an Initial Public Offer (IPO) in 2018, becoming the first telecoms provider in Ghana to list on the Ghana Stock Exchange. Offering a particular technique of valuation, IPOs “facilitate collective judgement and immediate valuation” through a direct transfer of ownership (Aitken, 2013:483). While MTN Ghana’s IPO initially aimed to sell a 35% stake of its operations after the offer, it ended up raising 1,15 billion GhC (£170 million), only

which disaggregates and disperses risk widely. A financial innovation, securitisation consists of converting non-marketable assets into a financial package to be bought and sold to a diffused range of investors in the international capital markets. This allows the transformation of microloans into assets global investors can easily have access to. During my fieldwork, I did not come across instances of financial entities undertaking securitisation of microloan repayments. Relatedly, it is my understanding that neither the Ghanaian nor the Senegalese States are currently undertaking remittance securitisation.
representing a third of the total offer amount. This amount was nonetheless the highest to be raised in an IPO on the Ghana Stock Exchange. Interestingly, the IPO was the first in the world to use mobile financial services – MTN Mobile Money – as a medium to subscribe to share (Figure 4.12).

![Figure 4.12 - Tweet from MTN Ghana promoting MTN shares](image)

(Source: MTN twitter account)

However, while retail investors – Ghanaians in the vast majority – represented 99.6% of the number of investors, they only raised roughly 10% of the money. In contrast, institutional investors, most of which were international, raised 90% (BusinessGhana, 2018). The number of securities sold accounted for 12.5% of MTN’s Ghanaian unit, lowering MTN Group’s overall stake to 85%, with the rest held by minority stakeholders (Dwazu, 2018). Despite the fact that MTN’s share price has declined since listing on the Ghana Stock Exchange (Sabutey, 2019), what these IPOs showed is that Baobab Senegal and MTN Ghana are seen as increasingly viable entities for investment. In fact, MTN Ghana’s full year results ending 31 December 2018 showed that it generated 4.2 billion GhC revenue (£620 million), representing an 23% increase from 2017. The
improvement in revenue was notably attributable to strength growth in digital revenues, driven mainly by mobile financial services. In fact, while total revenue increased by 23% between 2017 and 2018, revenues from mobile financial services increased by 60%, now accounting for 17% of total revenue. The company made a net profit of 755 million GhC (£111 million), of which mobile financial services accounted for 36%. This represented a nearly 5% increase on 2017’s profit of 715 million GhC and a 28% increase on 2016’s profit of 542 million GhC. Dividend payout rose from 470 million GhC in 2017 to 1.3 billion GhC (£190 million). This 36% increase was notably due to the payout of a ‘special dividend’ of 1.1 billion GhC (£162 millions) paid to pre-initial public offering (IPO) shareholders. Main pre-IPO shareholders include the South African government through the largest asset management company in Africa, namely the state-owned Public Investment Corporation, as well as the Mitaki family through their Lebanon-based investment holding group and a wide range of foreign-based fund management companies.

Another key mechanism through which Baobab Group was able to allow foreign capital to reach its different MFIs, including Baobab Senegal, relates to practices of financial intermediation. Figure 4.13 provides a detailed analysis of who Baobab investors and intermediaries are and the different investment structures that have been put in place to facilitate how investors can reach Baobab’s different entities.
Figure 4.13 - Baobab's investors, intermediaries and investment structures (adapted from Ouma, 2016a:87)
Baobab group, as in most cases with Greenfield MFIs, started as a partnership between a sponsor (Planet Finance) and a core group of International Financial Institutions (e.g. IFC, European Investment Bank), private investors (e.g. AXA Group, APIS Growth 2 LD), and specialised MIVs (e.g. Nordic Microfinance Initiative Fund III K/S) as primary investors. So far as Baobab group is concerned, its main shareholders are AXA Group (34.27%), the investment fund APIS Growth (22.78%), Danish wealth management fund Maj Invest Managed Funds (17.73%), the European Investment Bank (12.11%), Nordic Microfinance Initiative Fund (11.83%) and other minority shareholders. As for Baobab Senegal, Baobab Holding has a majority stake of 51.2%, while the rest is being shared between the IFC (15.4%), the Senegalese insurance company SONAM (10.7%) and several foreign-based asset management companies, such as Triple Jump (10%) and Nordic Microfinance Initiative (10%). The group of investors has somewhat expanded over time with investment companies and other MIVs managed by investment companies such as Triodos and ResponsAbility Social Investments providing debt funding to Baobab. According to Aitken (2013), the role of MIVs is key in facilitating flows of global capital into microfinance networks, linking global investors in the Global North to microfinance customers in the Global South. They notably allow investors to access micro-borrowers as an increasingly mainstream financial asset. MIVs are conceived in portfolio management terms as an important source of diversification. They are deemed remote from global macroeconomic trends on the global markets, as clients of MFIs are part of the informal economy which is considered to be less sensitive to macroeconomic cycles. The very location of micro-borrowers at or beyond the edges of the global economy is itself converted into an investable asset, a source of value.

In 2018, the consolidated net income of Baobab Group was almost 18 million Euro (£15.5 million), constituting the highest in the Group's history (Baobab Group, 2019). In 2017, the consolidated net income of Baobab Group was 9.5 million Euro (£8.5 million), representing a 180% increase compared to its result in 2016 (Baobab Group, 2018). In turn, dividend payout rose from 658 000 Euro in 2016 to 1.1 million Euro in 2017 (£980 000), representing a 67% increase. Most crucially, in Senegal, the net income of the MFI was 5 million Euro (£4.4 million), representing a 63% increase compared to 2016. The return on equity (RoE)\(^{46}\) has constantly risen from 9% in 2013 to 16% in 2015 and to 28% in 2017 (Ghazi and Hassoune, 2018). To put this in perspective, it is crucial to note that while Waterfield (2012) suggests that, so far as MFIs are concerned, a RoE in excess of 25% should ring serious alarm bells, Sinclair (2012) argues that the alarm bells should be ringing far earlier and uses 20% as a threshold. In this context, Baobab's plan to commercialise financial products such as Taka loans with an APR that can easily exceed 100/150% (see Section

\(^{46}\) The return on equity is the standard profitability indicator in commercial banking and most relevant for commercial investors and institutions.
4.3.2.1.) despite the fact that the MFI is highly profitable will deserve particular scrutiny in the future.

4.4 Conclusion

Rather than treating the financialisation of remittances as taken for granted, this chapter has presented a theoretically-informed empirical analysis of the extensive financial, material, technological, legal, discursive and behavioural engineering that is necessary for remittance markets to realise in countries such as Senegal and Ghana (RQ1). Drawing upon Berndt and Boeckler’s (2009, 2012) geographies of marketisation approach, I have shown that the coming into being of remittance markets rely upon the practical accomplishment of three key market framings. First, remittances have to be politically and discursively pacified in order to conceal the extent to which this market-led global agenda has built upon them to further accentuate processes of capital accumulation. Second, turning remittances into financial resources that can be leveraged for further financial inclusion depend primarily on the capacity to get migrants and members of remittance households to channel and use remittances through global financial circuits. In other words, the incorporation and circulation of remittances within financial circuits is rendered possible through the formatting of specific market agencies among various actors, including remitters, recipients and a wide range of agents that mediate these flows (e.g. BCs and MM agents). In Senegal, the social, physical and digital embeddedness of Baobab’s BCs act as nudges, which encourage members of remittance households and BCs to behave in certain ways rather than others. These nudges are, in turn, supported by a particular socio-technical agencement of human beings and material, technological, discursive and textual market devices (e.g. Randomised Controlled Trials). Similarly, in Ghana, a wide range of market devices and settings (e.g. regulations and contracts) have played a decisive role in turning e-money, including remittances, circulating through MM’s electronic trails as a new source of value. Third, the construction of remittance markets is dependent upon the formatting of market encounters. My findings show that a wide range of human and non-human elements contribute to facilitate numerous encounters, between members of remittance households, agents, merchants and commercial and financial institutions. However, these encounters are prone to moments of ‘overflows’, which threaten processes of market-making. Importantly, extensive financial engineering has been undertaken by major financial and commercial actors in both countries in order to organise market encounters between their clients, including remittance customers, and national and global investors. Based on the on-going efforts to construct continuous and stable incomes – of which remittance-linked and remittance-backed incomes constitute an important part – recent techniques of financial valuation and intermediation have started to facilitate the conversion of
these income streams into sources of financial profit and remittance customers into investable assets for private investors.

Processes of remittance marketisation I have outlined in this chapter may very well provide a crucial entry point for remittance-linked financialising projects in the future. However, remittance-linked (digital) financial products and services are still in a stage of infancy in both countries. Moreover, the extent to which remittance flows (RQ2) can be incorporated into mainstream financial circuits remains rather limited (Chapter 5) and processes of market subjectivation of members of remittance households (RQ3) constitute practical accomplishments that are always uncertain, negotiated and even resisted (Chapter 6).
CHAPTER 5

Everyday lived experiences of receiving remittances

5.1. Introduction

Mamina lives in her husband’s house with her six children in Toubatoul, near Thiès, Senegal. Outside the house lies her stall where she sells foodstuff, mostly for breakfast. Mamina has always worked. When she was younger, she went to Dakar to work as a housekeeper for two families during the day and selling doughnuts in the evening to be able to send some money back to her family at the end of each month. When she got married, her husband asked her to stop working as a cleaner in Dakar and come back to Toubatoul. This is when Mamina started selling tea, sugar, and bread amongst other things on a table by the house. Mamina’s husband left to Russia when they already had three children and Mamina was pregnant with twins. At that time, Mamina was living with her stepfamily with whom she had a difficult relationship. For a while, she did not receive any support from her husband; she sometimes even struggled to put food on the table. After she gave birth to the twins, she had to start begging for food. She left her stepfamily’s house in 1987 and moved to a one-room house surrounded by a fence made out of straw that her husband bought. She upgraded her business by investing in a stall after receiving 50 000 CFA franc from one of the two tontines she was part of. She says that a migrant’s wife must work because “the money migrants send is carefully calculated in advance and only caters for the needs of the house and the children, not the wives”.

Mamina finds it very hard to be a wife of a ‘modou-modou’ (emigrant). Everyone thinks she is “living the life”, she says. This is however far from being the case. Even now, when Mamina’s husband comes back to visit once a year, and sometimes without money, it is Mamina who, with the money she has been saving, takes care of (‘se débrouille’) all the solicitations from friends and relatives by discreetly giving money to her husband. She does this to save her husband’s honour and consolidate family relationships. Mamina’s husband now lives in Spain. He sends 90 000 CFA franc (£125) every month, always the same amount. Her husband thinks it is enough but Mamina argues otherwise. She says that he knows nothing about what she has to do to cater for her children’s and her own needs. “He does not worry about this”, she says, “he only sends his 90 000 CFA franc”. Mamina manages shortfall as well as emergencies by herself. She saves in a tontine with the profit she makes from her stall. When she receives the whole amount, she invests in cattle, puts some money aside to cover the contributions to her tontine for the month and caters for her own needs. If there is money left, she

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47 Tontines constitute a type of Rotating Savings and Credit Associations (ROSCAs).
puts it into her bank account. She can then make a small profit by selling the cattle, which allows her to put more money in her bank account and plan for any emergencies. These financial tools are all intertwined with one another, but each play a distinctive role. Crucially, Mamina is adamant that the money she saves comes from her activity, her tontine as well as her investments in cattle. The remittances she receives are earmarked for foodstuff and daily expenses for the children only. When her husband is late sending remittances, Mamina has to use part of her money to cover the needs of the house. She then reimburses herself when she receives the remittances. While she finds the use of a bank account very helpful, she is however quite reluctant to take out loans. She says that she opened this account to avoid taking out loans, whether from the bank or a relative, a friend or a retailer. The only times she takes out a loan from the tontine is to help one of her friends who is not part of it. Because of all the things she went through, she says she is very cautious with the ways in which she manages and spends her money. “Life is not only about the present day. One must always plan for the future and anticipate what may happen”. At the end of our third interview, on the way back to the bus station, Mamina told Fatou (the research assistant I worked with in Senegal) and I that she had just found out that her husband had got married for a second time. Mamina was devastated by this news. Even though the financial situation of her household had just started to improve, she told us that her husband’s second marriage indicated that he was not interested in investing in the well-being of his children. She believes this will have a financial impact on the household as her husband will now have to remit to his new wife too.

This brief vignette illustrates the diverse and complex socio-economic and financial practices, arrangements and strategies of individual household members that receive remittances from domestic, regional and/or international migrants. It also sheds light on the active role that members of remittance households like Mamina play in the production and reproduction of life. Far from simply constituting a sum of money, Mamina’s story reflects that remittances are social practices that are embedded in specific economic, social and cultural contexts which, in turn, influence the ways in which remittances can be used. The above account is not atypical and echoes the lived experiences of many participants I interviewed. It seems, however, at odds with assumptions underpinning recent interventions that aim to leverage remittances for financial inclusion. In fact, according to proponents of the remittances-financial nexus, two of the main barriers to remittance recipients’ financial inclusion are their “lack of financial capabilities to manage money as disposable income increases with remittances” on the one hand, and their “poor knowledge of regulated financial options” on the other (IFAD and World Bank, 2015:27). Having focused so far on the ways in which remittance markets are being built concretely in Senegal and
Ghana, I investigate in this chapter the extent to which remittance flows can be incorporated into global financial circuits (RQ2).

This chapter focuses on the relatively neglected labour that is required to transform, or “depollute”, remittances in order to produce the ‘house’ and reproduce kin, kith and community relationships (Carsten, 1989, in Abbots, 2014:145). In order to challenge the portrayal of passive and idle recipients lacking financial skills and waiting for remittances to arrive and be ‘consumed’, I propose a new conceptualisation of the ‘remittance household’ as an active site of productive, reproductive and emotional labour that is underpinned by variegated remitter-receiver-recipient configurations and multi-directionality of support. Rather than looking at how/whether remittances can work for development finance (Julca, 2013), ‘Africa’ (Gupta et al, 2007) and financial inclusion (Todoroki et al, 2014), I focus on the laboring activities needed to care for remittances, i.e. the labour that allows remittances to work for the household.

This chapter also investigates the ways in which decisions are made and by whom with regard to remittance allocation and uses. Rather than operating within a vacuum – as it is often assumed in the economistic literature on remittances – remittance households, just like diasporas (Page and Mercer, 2012), are embedded in the social, economic, cultural and emotional structures in which they operate. Remittance and other related financial practices and behaviours cannot simply be ‘nudged’, even providing the right behavioral stimuli, information and incentives, but rather rest upon relational and collective, albeit sometimes unequal, decision-making process between migrant(s), receiver(s), main recipient(s) as well as other people situated down what I call the ‘remittance distribution chain’. I suggest that the extent to which remittances can be integrated into financial circuits and put to use in the manner advocated by proponents of the remittances-financial inclusion nexus is mediated by a wide range of factors, including gendered power dynamics and norms, inter-women hierarchies, kinship relations and household context. The final section situates remittance practices within remittance households’ broader financial and money-management arrangements and strategies. While it is increasingly acknowledged that Remittance Recipients (RR) save part of the money they receive (IFAD, 2009; IFAD and World Bank, 2015), the fact that they save through so called ‘informal’ mechanisms is seen as problematic and unproductive and in need of interventions, i.e. formalisation. Often reduced to the analogy of “under the mattress” savings (see for instance the IFAD “Sending Money Home” report, 2017), the sophistication of these practices and strategies are either disregarded or encouraged to be abandoned for supposedly more advanced, convenient and advantageous financial arrangements and services. My evidence suggests, however, that what are deemed ‘basic’, ‘traditional’ saving and borrowing mechanisms are in fact socially and financially necessary as well as often more
profitable than the financial products and services promoted by proponents of the marketisation of remittances. The chapter concludes by shedding light on the importance of differentiating types of monies (i.e. remittances and recipients' own incomes) in order to account for the full diversity and complexity of remittance households’ financial practices and arrangements.

The chapter begins by providing a conceptualisation of the ‘remittance household’ that emphasises the variegated configurations it may take and the different types of activities taking place within it. It then examines the factors that influence the allocation and uses of remittances, including debt claims, gendered power dynamics, kinship relations, inter-women hierarchies and household context. The final section critically examines members of remittance households’ diverse financial and money management practices and strategies.

### 5.2. Opening up the black box of the remittance household: Unwaged work, reproduction and emotional labour

Remittance-receiving households have long been portrayed as passive and helpless, waiting for remittances to resolve their socio-economic problems (Sikder and Ballis, 2013). While these representations have been extensively challenged by gender and migration scholarship (de Haas and van Rooij, 2010; Kunz, 2011; Menjivar and Agagianian, 2007), the figure of the dependent, feminised recipients in need of development interventions is still commonplace in policy-oriented documents promoting the remittances-financial inclusion nexus (Kunz, 2018). Drawing upon evidence from my interviews, this section examines the variegated remitter-receiver-recipient configurations that underpin practices of remittance sending and receiving. It shows that, far from being passive and simply waiting for remittances to be sent, households that receive remittances are active sites of unwaged work, reproductive and emotional labour, within which many individual members contribute to the ‘production of life’. This in turn challenges the assumed one-directionality of support from migrants to remittance households and sheds light on the different types of work, activities, acts and discourses that support both migrant and non-migrant individuals.

In this section, I advance the concept of the ‘remittance household’ (Figure 5.1) as a way to start understanding how/whether remittances can be ‘nudged’ towards specific financial purposes and circuits (RQ2). Figure 5.1, part A represents an understanding of remittances, with the household as the unit of analysis (as is generally the case in the NELM framework). Figure 5.1, part B shows Erdal’s (2012) more sophisticated understanding of remittances, with the individual (rather than the household) as the main unit of analysis. In fact, Erdal (2012) argues that remittances are not
only sent to households, but also to specific individuals. Figure 5.1, part C draws upon and extend Erdal’s (2012) conceptualisation, highlighting the variegated remitter-receiver-recipient configurations of remittance households and the difference between recipients and receivers (see Section 5.2.1) and challenging the unidirectionality of support from migrants to recipients (see Section 5.2.2).

*Figure 5.1* - The variegated remitter-receiver-recipient configurations of remittance households (adapted from Erdal, 2012)

Note: The triangles represent the remitters. The squares represent the receivers. The circles represent the recipients, with the orange and blue circles constituting the primary recipients and grey, the secondary recipients. The smaller grey circles represent recipients who are either friends, business partners or more distant individuals in terms of kinship links. Importantly, arrows go in both directions, with the arrow from recipients to senders representing ‘reverse’ remittances.
5.2.1. Variegated remitter-receiver-recipient configurations
The transnational configuration of Mamina’s household in the above vignette may be considered a typical arrangement in which one migrant, often male, sends money back home to one remittance recipient, often female. On many occasions during my interviews with institutional actors, the genders and relationships as well as the number of actors involved in the sending and receiving of remittances were taken for granted: the figure of the male migrant – the husband – on the one hand, and the female recipient – the wife – on the other. While the complexities and variations of the sender-recipient relations have started to be acknowledged in the migration literature (see for instance Erdal, 2012), the focus is however more often than not placed on the aforementioned stereotypical configuration when it comes to initiatives that aim to leverage the use of remittances. In fact, the forms that these initiatives take imply that remittances can be leveraged by providing the right incentives – or nudges – to atomised individuals who, in turn, will know better how to behave (Chapter 4; see also Page and Mercer, 2012). My evidence suggests, however, that understanding who the remittance receivers and recipients are, and highlighting the variegated configurations of remittance households that underpin processes of remittance sending and receiving, is of crucial importance to appreciating the ways in which remittances are actually managed.

My interviews show that remittance flows and practices are grounded in complex social networks that link one or multiple migrants to one or multiple receivers and recipients. Remittances are often not simply sent to the ‘household’ but may rather be earmarked to specific individuals. As a result, rather than using the ‘household’ as the unit of analysis, my work suggests that we must pay attention to individual members of the ‘remittance household’, which is comprised of all individuals (i.e. receivers and recipients) in migrant-sending countries that are connected through remittances flows sent by remitters. While receivers are individuals that collect remittances (at a bank branch or at a Banking Correspondent, for example), recipients are individuals that use, i.e. spend, save, redistribute and/or invest, remittances. Main recipients are in charge of using and redistributing remittances, while secondary recipients benefit from the use of remittances (e.g. food, shelter, clothes, etc.). Other recipients may include friends and members of the extended family and do not live or eat with the main and secondary recipients. Crucially, and drawing upon feminist studies of social relations within and beyond the household (Aggarwal, 1997; Lo, 2008), I understand the ‘remittance household’ not as a homogeneous unit but rather a

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48 The conceptualisation of the household is also contested, as “common residence and a shared cooking pot may act to conceal the tacit separation of incomes and expenditures of co-resident families” (Kandiyoti, 1999:504, in Erdal, 2012:441).
49 A remittance receiver is often a recipient but this may not always be the case (see Figure 5.1).
site within which decisions and tensions are negotiated among individuals, money transfers take place, and secrets are sometimes kept (see Section 5.4.4). For instance, it is generally understood that, in Senegal, only the husband must give a regular contribution in cash or in kind to his wife or wives in order to deal with the basic needs of the household members (Dromain, 1990). My interviews show that the other income-earning members can dispose of their incomes as they wish although they may also contribute to cater for the needs of the household. It was frequent for members of the same household to ignore one another’s levels of income. Furthermore, because the husband’s contribution is regarded as the minimum amount required for the maintenance of the household (see above vignette), it is often fully spent. As such, it is often perceived that households, taken as a unit, do not save. However, the picture becomes slightly different when one distinguishes the budget of the household to the incomes of each individual. The household budget constitutes only a fraction of the incomes of the head, and an even smaller fraction of the incomes of all household members taken together. As a result, while the savings of a household may appear to be almost non-existent, this does not necessarily mean that the husband, the wife or wives as well as other household members do not save on an individual basis. In other words, it can be argued that a household budget, to which remittances are mostly directed to, cannot by definition be saved. As far as the practice of saving is concerned, the individual, rather than the household, seems to be a more relevant unit (ibid; Erdal, 2012).

Many participants explained that the remittances they received had to be redistributed amongst other relatives living in the same house, members of the household and the extended family as well as friends and/or other people such as shopkeepers and construction workers. One participant told me he was receiving remittances from at least 7 different migrants, including his mother in the US, his cousin in Canada, his uncles in the US and Japan, his brother-in-law in Italy and two friends of his in neighbouring countries. While the money was sometimes for him, it was more often than not directed to specific projects such as construction work but also to other family members. It was also to cover school fees for another household. In this situation, his role as a receiver was that of an intermediary. Several reasons can explain why senders use intermediaries. First, the recipient may not have the capacity and/or knowledge to withdraw the money due, for instance, to a lack of tech-savviness or old age. Second, the use of an intermediary has disciplinary and controlling effects on how remittances are spent. Male shopkeepers, friends or brothers often receive remittances on behalf of migrants’ households. Third, the money is to be given to someone the sender owes money to and the intermediary acts as a witness that debts are now settled. Fourth, it is less expensive and more practical for a migrant to send remittances in bulk and let the receiver do the redistribution work. The emergence of Mobile Money (MM) has made it more convenient for recipients that need to distribute remittances to people they are geographically
distant to. What the above shows is that remittances do not only flow from one sender to a recipient but rather constitute a chain involving numerous individuals.

For many participants, this meant that the amount migrants sent needed to be carefully calculated and distributed, sometimes to the penny, as Rashida (farmer, Kumbungu near Tamale, husband, Sunyani in Ghana\(^50\)) explained:

> For the house, he sends 80 GhC on every market day. After withdrawing the money, I will give 20 GhC to his mother, 15 or 20 GhC to his two stepmothers, the second wife of his father. After, I will give 10 GhC to one of his younger siblings and keep 20 GhC as my pocket money.

One sender could often reach more than twenty people down the ‘remittance chain’ in the remittance-receiving country:

> We are many (...) the number of people that are given food and sweets during the fasting season could be more than twenty. (Idrissu, farmer and mason, Savelugu near Tamale, cousins, UK and Spain)

Furthermore, it was frequent for a migrant to send remittances to more than one person on a regular basis when money could not be easily redistributed to other recipients. For instance, male remittance senders in Senegal often sent money to their wife or wives as well as their parents to whom they are symbolically but also materially indebted (Baumann and Fall, 2015). Furthermore, many male remitters sent ‘chop money’ to their wife or wives while sending money to be invested in a construction project to their male relatives (a brother or the father, for example) (Teye et al, 2017b). In contrast, the same participant could often receive remittances from multiple senders. This was notably the case when the ‘main’ sender was late or could not send money at a particular time. Being able to rely on multiple senders constituted a strategic way for several participants to diversify their sources of income. In the next section, I draw further on my interviews to examine the remittance household as an active site of unwaged work, reproductive and emotional labour, within which individual members are not only supported by, but also support migrants.

### 5.2.2. Making remittances work for the household

Members of remittance households in migrant-sending countries are still often perceived as idle and unproductive, waiting to ‘eat’ the remittances they receive. For instance, an employee of the National Agency for Statistics and Demography of Senegal asserted that “[remittance] households

\(^{50}\) Rashida is a farmer from Kumbungu near Tamale (Ghana) who receives remittances from her husband, located in Sunyani (Ghana)
are passive" and that "we can only leverage migrants, their savings, their transfers" (emphasis mine). In Ghana, an official working for the Bank of Ghana admitted that "it would serve if receivers' consumption behaviours [were] redirected towards savings and investments". He argued however that this could only be done by encouraging migrants, not members of remittance households, to "think rationally" and invest, for example, in mortgages:

You always help them to think rationally. The idea is rationality. If you let them know, they may change.

Activities such as making sure all members of remittance households are fed and clothed, paying fees on time for the children to go to school and/or organising the (re)distribution of remittances to the elders as well as members of the extended family and other friends are understood to be dependent primarily on wage remittances, i.e. the outcome of ‘productive’ labour. It is almost as if migrants’ remittances were able to automatically transform themselves and sustain remittance households without any required forms of labour. What follows from this is that remittance households come to constitute sites of consumption only, within which individuals’ behaviours are defective and remittances are at risk of being wasted. As such, most of the development policy attention has been directed towards making sure remittances work for development and financial inclusion whereas not much has been said about the kind of labour that is necessary to allow remittances to work for remittance households.

While these processes of invisibilisation are underpinned by economistic and gendered constructions (see Chapter 2), I find it useful to draw upon the recent work of Gargi Bhattacharyya (2018) on racial capitalism to argue that racialised assumptions and constructions are also at play here. Bhattacharyya (2018) argues that one significant strand of racial capitalism refers to the creation under capitalism of spaces of non-capitalism or almost-capitalism – “wasteland” in Sanyal’s (2007) terms. This edge space, Bhattacharyya (2018:9) argues, "represents the need within capitalism to designate some spaces and populations as non-productive". The emergence of this parallel non-capitalist space is the direct product of capitalist development rather than its initial condition. More precisely, through the operations of racial capitalism – both in its formation and its more recent forms – the social reproduction of edge populations is relegated beyond or alongside the space of the wage economy. The exclusion from or the temporary access to the formal wage economy results in significant challenges faced by individuals, households and communities to “remake the means of life” (Bhattacharyya, 2018:43). Additional input is, therefore, required to cover what the occasional or non-existent wages cannot. In the language of development, this is what has been termed 'the informal economy'. The ‘informal economy’ comes
to constitute all that is not “productive” work but which, nonetheless, enters the money economy (Bhattacharyya, 2018). In contrast to spaces of capitalist production in which production is for accumulation, Sanyal (2007) argues that what characterises the informal economy – or the ‘needs economy’ – is that production is organised to guarantee a certain level of consumption and ultimately meet immediate needs. Importantly, these different modes of reproduction – from fully waged workers to ‘hybrid’ workers navigating ‘productive’ work and other forms of economic activities to those beyond the wage economy – come to be attached to racialised understandings of the economy:

The positioning of reproductive activity and of reproductive potential acts as a scale of humanness. Some modes serve as models of humanness in the ability to direct resources to making participants in the formal economy. Other modes open communities to interventions to enhance economic participation, that is to reorient reproductive processes towards the formal economy. Other modes still are admonished for their alleged economic and/or social consequences and presented as deficits in the capacities of those pursuing such ways of life (Bhattacharyya, 2018:52).

One way this racialised conception manifests itself within not only the remittances-for-development agenda but also the remittances-financial inclusion nexus, I argue, is through the numerous and varied efforts to make those who stay behind engage in productive activities and/or use remittances more productively. Those who are ‘unproductive’ – or ‘underdeveloped’ (Escobar, 1995) – are considered in need of assistance, of development. In other words, they must be enabled to enter ‘paid’ work and become integrated into the ‘real’/‘formal’ economy. The construction of this racialised imaginary boundary between the ‘productive’ and the ‘non-productive’ is essential to processes of remittance marketisation.

Behind this belief lies the assumption that reproductive labour within remittance households is limited to serving waged work(ers) rather than serving life: only waged work is regarded as productive (Bhattacharyya, 2018:52). This invisibilises and ultimately values differently the different forms of work – non-waged work – located outside or alongside ‘productive’ spaces. As a result, a fixation on the wage relation – and an understanding of the household as always in service to the waged (market) economy – overlooks a huge amount of valuable human activity often performed by women and ‘non migrants’, including subsistence work, income-generating activities of self-employed entrepreneurs as well as activities that add to the well-being of other household members. Rather than a matter of reproducing productive workers that takes place within the private spaces of the family, I understand social reproduction as the model of all economic activity. As such, economic matters come to be redefined as a wide range of ways in
which remittance households organise their efforts to stay alive. Importantly, these forms of work depend not only on individual but also collective capacity. While waged work may at times be undertaken, it should not be regarded as the central aspiration but rather as a possible strategy in the service of the bigger goal of social reproduction, i.e. all the efforts made to enable life. My aim here, drawing upon Bhattacharyya’s (2018) insights, is to shift the analytical lens slightly, in order to not only understand wage remittances as a “currency of care” that predominantly focuses on migrants (Singh et al, 2010) but also explore the work of members of remittance households in home countries that is necessary to care for remittances. In other words, rather than looking at what makes remittances work for financial inclusion and development, I am interested in the kind of labour that allows remittances to work for remittance households. My evidence shows that far from constituting spaces of supposedly “non-productive humanity” (Bhattacharya, 2018:12), remittance households were rather part of a realm where the general production of life took place. It is not only the household labour of social reproduction that is ignored and/or not valued by many accounts of members of remittance households but also the self-employed, precarious, small-scale, non-waged but income-generating activities that are conducted by so many people in the “needs economy” (Sanyal, 2007). However, as the above vignette and my other interviews show, social reproduction is dependent upon both monetised activities (i.e. wage labour) and non-monetised household, neighbourhood and community activities, including cooking, cleaning, childcare, street vending, domestic production and saving and credit neighbourhood associations amongst many others. Making the socio-economic and financial practices and arrangements of remittance households visible allows us to de-centre the analysis from the role of migrants and their wage remittances and look at the ways in which members of remittance households secure their own current and future means of life as well as that of migrants through unwaged, income-generating activities, reproductive work as well as emotional labour here, with the support of the outcomes of often precarious, hyper-exploitative waged work there. While it is undeniable that wage remittances play an essential role in the production and reproduction of life within remittance households, it is also necessary to shed light on the work and labour of members of remittance households that play an equally important although often ignored part in this process.

All participants were engaged in a mix of waged but mostly unwaged, paid but also non-paid, productive but also reproductive, domestic but also subsistence work. The financial, social and emotional toll that arose from sustaining remittance households was shared, sometimes unequally, between members of the remittance households and their migrant counterparts. First, the vast majority of remittance households interviewed were not solely relying on domestic
and/or cross-border remittances to sustain themselves. Rather, remittances became, when entering the space of remittance households, intertwined with a diverse, complex and evolving set of financial practices and money management strategies and came to represent one source of income amongst many others. When asked about the different sources of income of their households, many participants highlighted that they could not just rely on remittances:

Every month, it is just not enough to sustain us (...) I work to earn money from my shop so that I don’t have to rely solely on him (...) I just add what my son sends me to what I earn to take care of the home. I use my own income from the shop to take care of the home (Rosaline, shopkeeper, Accra, son, US).

If the remittance is not enough, I don’t see it as a problem, I understand that it’s not good for him there. That is why I don’t sit in the house, I am working. We are not sitting in the house, we all have our different means of earning income even though it is not much. The ladies, our wives, also have their various little businesses that they do to help themselves (Kwasi, mouldmaker, Tamale, brother, Accra).

While several participants were wage workers – those who happened to be were all men – the vast majority of them were involved in unpaid agricultural and livestock work as well as income-generating activities, such as street vending and petty trading. Farming work was mainly used for subsistence although, in some instances, part of the crops was sold in market places. Cattle and crops were also used to build assets that could easily be converted into cash if the need arose. Generated incomes and/or assets could then be used to complement or advance remittances to cater for the immediate needs of the households. Other possible sources of cash derived from recipients’ short- and long-term money management strategies. These took the form of gift exchange practices and participation in alternative financial institutions (see Section 5.4 and Chapter 6), as well as money transfers from people who were not principal remitters.

Second, my evidence suggests that remittances were not simply consumed, spent or ‘eaten’. They also required significant amount of labour and time to ‘work’ the way migrants wanted them to. They could be source of tensions and represented at times a financial, social and psychological burden that members of remittance households had no choice but to carry. For someone like Idrissu (farmer and mason, Savelugu near Tamale, cousins, UK and Spain), remittances were a headache due to the constant requests he received from people who expected him to be in a position to support them. Remittances even ended up constituting an obstacle to his economic advancement:
I can say that I personally don’t see anything helpful with what they remit to us. I am talking about my own personal view on what they send to us. It is just that I cannot stop receiving the remittance because of humanity sake. I don’t actually have the interest of receiving such remittances. Why am I saying this? The white man is of the view that ‘you don’t give a fish to a man but rather teach him how to fish by himself’. Even though it helps us in a way, it [also] blocks my chances a lot more that it opens my chances. How do you think people around here will look at you when they get to know that you have someone abroad who sends you remittances? They always feel that you have no financial problems, and they look at you as a rich man (…) Someone can just put pressure on you to give him/her something for the reason that you have someone abroad and therefore are able to help him/her. It makes you spend money on certain issues by force whereas what you get from the remittances is just not enough at all.

It was not only the constant financial requests that Idrissu deplored but also the amount of time he had to spend and efforts he had to make to guarantee the satisfaction of his brother abroad. In fact, most of the money Idrissu received was neither for him nor his household but had to be redistributed to other people or managed for the remitters’ different ‘projects’. Idrissu had to oversee various construction projects for which his brother sent remittances. He was also in charge of distributing gift remittances to family members, close friends and members of the extended family and the community in general:

This thing is really giving me a lot of stress and worries (…) It would not be a problem [to stop receiving remittances] because the time I waste in most of his projects is more than the money he sends me (…) Even if you ask him personally, he will tell you what I have done for him is not a quarter [of what he has done for me]. If you look at the projects and the time it consumed, it has affected my work and block most of my chances, but I still honour my pledge to supervise and support him in diverse ways.

Construction projects, such as house building, have been a major avenue of investments for migrants. Explanations for migrants’ housing investment decisions are manifold and are usually understood as a mix of family-related motives, altruism as well as a means of securing and strengthening membership rights in their communities, with all these motivations sometimes operating together. While these investments, alongside social remittances more broadly, contribute to well-researched processes of place making, it is also essential to shed light upon remittance recipients’ significant role in holding migrants’ place within the household and the community as well as the potentially detrimental effects this may bring about on recipients’ economic advancement and well-being. Here, rather than the practice of remittance sending, it is remittance receiving that needs to be understood as a practice of ‘care’.
Third, it was not rare to come across situations in which migrants were actually the ones being financially, socially and/or emotionally supported by members of remittance households. In the above statements of Idrissu, the usually assumed directionality of support from migrants to remittance households was challenged. One could almost sense that Idrissu felt that his brother was indebted to him after everything he had done over the years. A similar logic could be found in the above vignette when Mamina (street vendor, Toubatoul near Thiès, husband, Spain) admitted that she handed money – *her* money – out to her husband when he came back from Spain so that he could redistribute it in the forms of monetary gifts to people that were expecting something. Mamina’s financial support to her husband was intertwined with dynamics of social protection but also concerns about preserving and consolidating his status and family relationships. Likewise, Niali (shopkeeper, Thiès, husband, Italy), whose husband was arrested for street hawking in Italy, told me that when he came home for a few weeks, he did not have any money. At that time, Niali had just received her tontine share of 350,000 CFA franc, the equivalent of around £470. After calculating how much she needed to cover the expenses of the household for three months, she kept a chunk of the money and gave the rest to her husband so that he could “*régler ses besoins*” (meet his needs) and pay for his air ticket back to Italy. Even in situations when the migrant had not returned, several participants were requested to lend, and even give out, their own money to complete a job or to look after someone. Zakariah (vendor, Tamale, three uncles, Spain, UK and Kumasi), for instance, explained to us that his great nephews had been excluded from school because their father, Zakariah’s uncle in Spain, could not pay for their school fees. Zakariah then assured his uncle that he would handle the situation. It was only after five months that Zakariah’s uncle was in a position to take over and started to pay his twins’ school fees. Finally, another telling illustration that counteracts the assumed direction of support from migrants to remittance households was that of Nafi (petty trader, Thiès, husband, Italy). Nafi told me she sometimes had to pretend in front of her stepfamily that recently-acquired furniture and appliances for the house were all bought with money remittances sent by her husband. Instead, Nafi confessed that it was through her tontine share that she was able to buy a new sofa and a new fridge:

> You know, marital life is full of secrets that you must keep for yourself. They [members of Nafi’s stepfamily] are very pleased to see new things in the house, because they think it was paid by their brother. But I don’t say anything. People think that everything you have comes from your husband.

The above accounts were not just anecdotal instances I decided to single out but rather constituted telling testaments of the significance of what has been termed ‘reverse remittances’ (Mazzucato, 2011; see also Adiku and Anamyoza, 2016; Mobrand, 2012). Reverse remittances
have been defined as “a practice where family members and friends in the home country provide services, send goods and/or money to their migrant relatives abroad” (Adiku and Anamyoza, 2016:200). Drawing upon this definition, I propose an understanding of reverse remittances in this context as the varied types of work and activities that are required to care for remittances. This, in turn, allows for a more complex understanding of remittances and/within remittance households (Figure 5.1.) and offers a stark contrast to an imagined idle, passive, unproductive and remittance-reliant household. This sheds light on relatively neglected socio-economic dynamics and situations, which include amongst other things members of remittance households lending money to their migrant counterpart to complete a task (e.g. cover school fees for a child the migrant, not the recipient, is looking after) or recipients handing out money to their migrant relatives when the latter are temporarily back home. Caring for remittances may also consist of acts of remaining silent or lying in order to protect and consolidate migrants’ status and honour, as illustrated by Nafi’s (petty trader, Thiès, husband, Italy) example. The next section examines the ways in which existing debt claims, gendered power dynamics and norms as well as household context and kinship relations influence the allocation and uses of remittances within remittance households.

5.3. Remittance allocation and utilisation: Debt, gendered and kinship power relations

At the core of the remittances-financial inclusion nexus is the promotion of savings on the one hand (i.e. to encourage migrants and recipients to direct part of the remittances to financial accounts), and the cross-selling of additional financial services such as insurance and credit on the back of remittances on the other. My evidence shows, however, that for many remittance households channelling remittances towards such purposes is just not a possibility. In this section, I situate remittance flows within existing relations of debt, gender and kin and show how these mediate practices of remittance spending, using, saving, (re)distributing and/or investing. Choices about how remittances can be spent and what can be saved and/or invested are not individual processes but rest upon relational, collective, albeit sometimes unequal, decision-making process between migrant(s) and recipient(s) as well as other people situated down the ‘remittance distribution chain’.

5.3.1. “Remittance is spent before it even gets to you”

Remittances were often neither sufficient nor regular enough to secure the immediate survival and well-being of remittance households. While this may be an obvious statement, debates about
the use of remittances are surprisingly not often linked to questions of frequency and amount (Teye et al, 2017b). Many participants, despite the lack of information they had on the lives of their migrant counterparts in host countries, were fully aware of the precarious living and working conditions of the latter. It was in fact frequent for remittance households to experience irregularity or a decrease in the amount of remittances they would usually receive. Several participants even said that at times remittance flows could stop altogether. This was the case for Niali, whose husband in Italy was arrested by the police for selling goods illegally on street corners and had all his belongings confiscated. In contrast to the idea that remittances are often ‘wasted’ by remittance recipients, many participants highlighted the importance of being extremely cautious in the ways in which they manage the money they receive:

Lots of people think that it’s easier to better manage your hard-earned money than money you receive from abroad. I think it is the opposite; I can spend my salary however I want to, without having to answer to anyone but if someone makes the effort to send me something, I’ll have to manage this amount adequately without frustrating the person who’s sent it to you (Diakhou, vendor, Thiès, husband US)

Around a third of participants admitted they just did not have enough money to be able to save the remittances they received, reflecting the impossibility for many to accumulate assets in a context of precarious, irregular and low-income economic activities (see Chapter 2). For instance, Linda (hairdresser, Accra, husband, Brazil) stressed that she did not even have enough money to cover basic needs and thus wondered how it could be possible to save in these conditions. Similarly, Idrissu (farmer and mason, Savelugu near Tamale, cousins, UK and Spain) acknowledged that he was “unable to save money because [he] doesn’t earn much”. He added:

Before your savings can be of benefit to you, it should last for at least a year. But if our income is not even enough for your basic needs, how can you think of saving part of it for future use?

To the question whether MM had created new opportunities for him to save, Abdul Aziz (farmer, Savelugu near Accra, three sons, Accra) responded that opportunities only depended on what he had and the amount he could deposit. What mattered were not the financial tools or products that were available to save and leverage remittances, but simply the amount of money available, i.e. disposable income. Relatedly, and in contrast to the assumption that remittances are first sent and then spent, many participants said that the money they were expecting to receive had already been spent in anticipation. As a result, keeping a certain amount of remittance money in a bank account was not really an option, as Kwame (NGO worker, Accra, mother, Germany) pointed out:
Previously I’d try to save the remittances (...) But after school and marriage and all those responsibilities... We have a saying in our local language: ‘Remittance is spent in advance before it even gets to you’. That’s what happens basically, you can’t save this amount.

Once received, remittances often did not even enter the remittance household but rather served to repay debts, as Hajia (petty trader, Kumbungu near Tamale, husband, Accra) indicated:

I sometimes buy something on credit awaiting [my husband’s] money. So, by the time he sends me money, I would have already bought something on credit, which I would pay by using that money.

These debts were owed to friends, family members, alternative institutions, or even to ‘boutiquiers’ (shopkeepers51). In other words, remittances, before they were sent – and possibly even received as wages in host countries – were already embedded in diverse circuits of debts and debt claims, which made it difficult for many remittance households to even save a small part of it.

5.3.2. Remittance use: Gender, inter-women hierarchies and kinship links

Adding to previous feminist studies of the household (Agarwal, 1997; Lo, 2008), my evidence confirms that remittance households should not be conceptualised as a single, undifferentiated economic unit, as is too often implied in the policy literature on remittances and financial inclusion. Rather, remittance households are sites of entrenched power dynamics, gendered and inter-women hierarchies, which in turn permeate remitting behaviours as well as processes of decision-making over the use of remittances. On several occasions, participants in Ghana said they were in charge of decisions with regard to remittance allocation. For instance, Ibrahim (barber, Savelugu near Tamale, two sisters, Accra and Libya) explained he was able to decide himself how to use the money his sisters sent him. Farida (student, Tamale, husband, Wa) stated that her husband’s role was “to send” and hers was “to decide on what to do with it”. Interestingly, how decisions were made and by whom could evolve over time as several recipients I interviewed used to be remittance senders a few years back and vice versa. In other cases, decisions were made collectively, either between the migrant and one or multiple household members or between recipients themselves without necessarily the involvement of the migrant. Having said that, and while it was far from always being the case, migrants did generally maintain a great influence on who the money should be given to (redistribution) and how it should be spent (usage). This was particularly the case when remitters were mothers sending money to their sons and when

51 It is common practice to buy on credit from shopkeepers and reimburse the debt at the end of the month when remittances are received.
husbands were sending money to their spouses, as illustrated by the cases of Linda (hairdresser, Accra, husband, Brazil) and Vera (street vendor, Accra, husband, US):

My husband determines what I use the money for (...) [He] is quite stern and difficult but I would have invested into my hair business (...) but he likes to see that I have used the money exactly as he requested. Thus, you hardly are able to save up for other projects of expenses.

My money is just for the business and my husband’s money is for the upkeep of the home and school fees. He decides... he tells me what to do with the money.

Disagreements could, however, happen as a result of migrants’ choices and decisions could be unmade at the point of remittance reception, as Idrissu (farmer and mason, Savelugu near Tamale, cousins, UK and Spain) explained:

Sometimes, he [Idrissu’s cousin] can send you money and asks that you should give a particular amount to someone in the family. And the old lady [Idrissu’s grandmother] would also sit down and make changes. She can tell you that this particular person is not supposed to be given this.

Relatedly, the supposedly increased women’s financial independence and decision-making power as a result of the absence of their migrant husbands was oftentimes constrained by the presence of other male figures – a father or a brother, for instance – within the household or the community, especially when recipient women lived with their husband’s extended family members (see also Teye et al, 2017b). Similar dynamics were identified in Senegal where processes of earmarking were also common and permeated by gendered power dynamics (see aforementioned vignette). When remitters were men sending money directly to their wives, instruction were generally given on how the money should be spent. What this meant was that remittances, even if sent to a bank, microfinance or MM account, could not be easily kept and saved but rather had to be withdrawn immediately, regardless of the willingness of the receiver to save. As Safiétou (petty trader, Thiès, husband, Ziguinchor, Senegal) clarified: “Remittances are just for the household expenditures”.

These processes of earmarking money ultimately had an effect on the extent to which remittances could be put to use as encouraged by proponents of remittance marketisation, as Yaye (retired trader, Thiès, husband and son, Dakar and France) explained: “I cannot save the money he sends because it is calculated in advance”.

While it is important to note that several participants receiving remittances from their husbands reported that they alone made decisions on how to use remittances for the upkeep of the household, I did not come across cases in which participants were in charge of their husbands’
major investment projects such as house construction. These decisions were still made by migrant men and male members of the receiving household or male friends. Mamina (street vendor, Toubatoul near Thiès, husband, Spain), for instance, received remittances from her husband for the upkeep of the household but it was Abdoulaye, the local shopkeeper and an old friend of Mamina, who received the remittances that were dedicated to the construction of the house:

    He [Mamina’s husband] sends me remittances for the household and he also sends money to Abdoulaye to pay off his debts. For the construction, he sends the money directly to Abdoulaye. Sometimes, when Abdoulaye tells him he does not have time to collect the money, my husband sends the money for the construction to me and I then hand out the cash to Abdoulaye.

Here, Mamina, despite the fact that she had to spend time collecting remittances for the construction, did not have control over it. The money was handed out almost immediately to Abdoulaye, a man her husband felt he could trust to handle his investment-related affairs. Migrants also retained control over the everyday use of remittances by sending money directly to the local shopkeeper at the end of the month to settle the debt of their household. As such, several women I interviewed did not receive cash but bought foodstuff on credit instead. Gorgui (shopkeeper, Thienaba, two brothers, Spain and Italy) mentioned that as a shopkeeper he was receiving remittances from at least five different migrants:

    They [migrants] do their monthly calculations and then send the money to me so that I can manage their households.

Another common situation I encountered in Senegal was recipient men receiving remittances from their brothers and then redistributing part of the amount to the migrant’s wife, often to cover recurrent household expenditures, i.e. school fees for the children or daily food expenses. Similarly, it was frequent for male relatives to receive a large amount and the migrant’s wife a much smaller sum in order to cover recurrent needs. As Issa (shopkeeper, Thienaba, three brothers, Gabon) who lived with his wife, his children as well as two of his stepsisters explained:

    I receive remittances from my two brothers. I manage the everyday spending of one of my brother’s wife. Every month, he sends me money to settle his wife’s debt. That is 41,000 CFA franc, the equivalent of his wife’s everyday spending over a month. It only covers food [i.e. when it is her turn to cook for the household as well as breakfast]

Remittance households were also sites of inter-women dynamics, within which the allocation and utilisation of remittances could be a source of tense negotiations, misunderstandings and,
sometimes, overt conflicts. In fact, even when the decision-making power was vested in women within the remittance household, it did not necessarily mean that decisions were made on a level playing field amongst the different household members. For instance, Safiétop (petty trader, Thiès, husband, Ziguinchor, Senegal) lived with her “co-épouse” (i.e. the second wife of her husband) and had control over the use of remittances:

I decide everything because my husband gave me this responsibility. As soon as I receive the remittances, I tell my co-wife that we have to buy this and that. Upon mutual agreement, I manage all the household expenses.

If not between two ‘co-wives’, tensions and negotiations also took place between migrants’ wives and their stepfamily, as Mamina’s (street vendor, Toubatoul near Thiès, husband, Spain) situation demonstrated:

Beforehand, my husband would send me everything. But then rumours started that I was managing remittances on behalf of my stepfamily, especially my stepmother, did not like it. So, he stopped sending me the money for the stepfamily and he now only sends the remittances for my household. My stepfamily did not want me to know how much my husband was sending to them. Ultimately, I did not want to be involved. Now, I just manage the remittances for my household.

As such, women’s social position within remittance households influenced the extent to which they could negotiate and control the allocation and utilisation of remittances. This position was also fragile and unstable as the above vignette demonstrated. In effect, the decision of Mamina’s husband to marry a second woman triggered a “fear of relegation” (Lo, 2008:423), which translated into worries about the future financial stability of her household.

The significance of kinship networks has long been analysed in relation to remittances, understood as social practices (Erdal, 2012). Mazzucato and colleagues (2006) have shown the important role that remittances play in maintaining kinship ties through, for instance, funeral expenditures. My evidence suggests that relations of kinship between remitters and recipients are also crucial to account for when trying to understand the extent to which members of remittance households have control over the uses of the money they receive. Sawdiatou (shopkeeper, Thiès, daughter, Dakar), a long-time divorced shopkeeper who received remittances from her daughter, was adamant that she had total autonomy over her remittances. When asked whether she differentiated remittances from other types of incomes, Sawdiatou responded a bit bemused: “It is the same thing, I cannot separate this money. All of it is mine, so I cannot separate”. In contrast, Kwasi (mouldmaker, Tamale, brother, Accra), who lived with his two wives and children as well
as his brother’s wives and children, received remittances from his brother in Accra on a regular basis both for the upkeep of the house and for a construction project. When asked whether he was sometimes able to save part of the money he received from his brother, Kwasi’s answer was as follows:

What happens is that before he sends me money for something, we will have to get a cost of that particular thing he is sending the money for. And once I receive the money I will go straight and use it for that purpose. I don’t think there will be any reason for taking part of it for savings. What if you take part of it and the remaining amount is not enough to complete the task he asks you to perform? So, if he sends money for some purpose, you have no reason for using part of it to save (...) We will make sure it is done as expected so that he will be very happy when he comes home to see it. We all want to always have peace and trust for each other.

As such, even with regard to remittances sent to brothers and other male recipients, control over the use of remittances often still remained in the hands of migrants. This could be done in a direct manner, as Kwasi’s statement showed, as well as in more covert ways. For instance, Mustapha (trader and teacher, Accra, mother, friends and relatives, US), who received remittances from family members and friends from different countries across the world, confided in me that several of his friends abroad asked him to make sure their family members were using remittances as expected:

Yes, I do help them [with their construction projects]. They normally send the money to a family member to do that, but then since I have knowledge of their lands and the activities going on, they at times tell me to go and spy on them. Just to make sure that they are using the money they sent for the right things. To check whether they are misusing the remittance sent or not. So, after the spying, I inform them on everything that I see.

Overall, this section has examined the allocation and use of remittances within remittance households. The vast majority of members of remittance households are very rarely in a position to invest part of the remittances they received in financial accounts, and even less so to use remittances for loan repayments or as collateral. While proponents of financial inclusion generally evoke a lack of access to such financial products and services, my evidence rather suggests that power relations and hierarchies as well as processes of earmarking between migrants, receivers and recipients as well as amongst members of remittance households mediate the ways and extent to which remittances can be incorporated into financial circuits and put to use for financial purposes advocated by proponents of the remittances-financial inclusion nexus. The next section continues investigating the extent to which remittances can be leveraged as a means to enhance
financial inclusion (RQ2) by situting these within broader financial and money-management arrangements, practices and strategies of remittance households.

5.4. When remittances enter the remittance household

Decisions not to save or invest within so-called ‘formal’ financial circuits have usually been portrayed in development policy discourses and documents as “behavioural anomalies” that supposedly reflect poor people’s “loss aversion and impatience” and their “traditional” and “backward” lifestyles (Berndt, 2015:578). In a similar vein, international financial institutions and other organisations involved in the remittances-financial inclusion nexus often refer to the limited knowledge about and/or the lack of experience and availability of financial products and services to explain some of the barriers to access or use of financial services (Figure 5.1). Lack of access to these services, it is argued, reduces recipients’ choices. As a result, they are "only able to save informally" and must turn to “relatives or local lenders for borrowing, typically with severe limitations in terms of amounts, availability and costs” (IFAD and World Bank, 2015:12, emphasis mine).

Figure 5.2 - Financial services demanded by remittance recipients and barriers to access

<table>
<thead>
<tr>
<th>Services demanded by remittance recipients</th>
<th>Regulated financial services that cover these needs</th>
<th>Barriers to access or use of financial services</th>
</tr>
</thead>
</table>
| Basic remittance reception: Receive money securely, timely and closer to home | • Cash-to-cash transfers  
• Mobile wallet  
• Deposit account | • Distance to the access point, costs, risk and available schedules to pick up the money  
• Lack of liquidity at the access point  
• Lack of ID  
• High cost to maintain bank accounts |
| Contingencies and investments: Use diverse financial options for contingency situations | • Savings  
• Payment  
• Loans  
• Insurance | • Limited knowledge about financial services and lack of experience and access to digital financial services, particularly in rural areas  
• Lack of availability of basic and integrated products accessible in remote areas |

(Source: IFAD and World Bank, 2015:27)

Moreover, alternative ways of saving are, more often than not, reduced to a derogatory notion of saving “under the mattress” (IFAD and World Bank, 2015:12). Even when the continuing prevalence of savings and credit associations is acknowledged, it remains, according to a report on digital financial services commissioned by the IFC and the MasterCard Foundation, a “barrier” to (digital) financial inclusion that needs to be overcome (Koblanck, et al, 2017:17). These same organisations are usually at pains to explain why such practices persist and cannot easily be
replaced by new financial products, as the following statement from the same report demonstrates:

It may be that people simply like to meet together to conduct financial services for social reasons. Or maybe some feel pride in being able to show off their cash to their social networks (ibid:35, emphasis mine).

In order to bridge this ‘financial capability gap’ (Mader, 2016a) and allow remittance recipients to improve their money management skills, interventions such as financial literacy programmes are deemed necessary to ‘properly’ understand, appreciate and use new available services (Figure 5.2). Increasing the use of financial products and services offered by banks and Microfinance Institutions (MFIs) would enable remittances to be “used to the maximum benefits of both remittances recipients (interest earnings) and their communities (reinvestment through loans)” (IFAD, 2009:12). What is at play here is the discursive and political construction of an imaginary boundary between what constitutes the ‘market’ and its ‘deviant’ other, as a mean for the latter to be integrated into the former (see Chapter 2).

*Figure 5.3 - Interventions to remove barriers and improve remittance recipients’ financial capabilities*

<table>
<thead>
<tr>
<th>Problem to be addressed</th>
<th>Possible policies and interventions</th>
<th>Players involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of financial capabilities to manage money as disposable income increases with remittances, and poor knowledge of regulated financial options</td>
<td>Financial literacy programmes specific to remittance recipients aimed at improving: • Income management and financial planning • Awareness about existing financial products that match their needs</td>
<td>• Public authorities of the country of origin (central banks, Ministry of Finance, local development offices) • Private sector (banks, MFIs, MNOs) • Civil society (diaspora groups, NGOs) • Public media</td>
</tr>
</tbody>
</table>

(Source: IFAD and World Bank, 2015:27)

My research shows, however, that these aforementioned assumptions about so-called ‘informal’ investment, saving and credit practices and arrangements contribute to the persistent misrepresentations of RR money management and financial strategies and undermine their diversity and complexities. In effect, a detailed empirical exploration of what happens to remittances when they enter the remittance household suggests that these arrangements and practices play a central role in protecting and sustaining remittance households and anticipating what the future may hold. They are even often considered more advantageous, convenient and profitable than what banks, MFIs and MNOs can offer. Drawing upon evidence from my interviews, I also challenge the assumption that resources, including remittances, within household are necessarily pooled (see also Erdal, 2012) and show that when members of
remittance households did not, or could not, direct remittances towards investment and saving, they often channelled their own incomes instead.

5.4.1. Remittances and alternative circuits of saving, borrowing and investment

My evidence demonstrates that, when possible, members of remittance households saved and/or invested a fraction of the remittances they received. The problem for proponents of the marketisation of remittances is that that these were in most cases channelled through so-called ‘informal’ financial institutions and circuits and were, therefore, deemed ‘unproductive’. Only on very rare occasions did I encounter clear-cut examples of participants regularly saving remittances in financial accounts. One exception was Gouya (trader, Thiès, husband, France) who put aside every month between 10,000 and 12,000 CFA franc (£13-16) of the remittance she received in her bank account in case her son falls ill: “I withdraw little by little, it's for my son, his food and his health”. So far as MM was concerned, several participants in Ghana said they started using MM services in order to receive domestic remittances. This was notably the case of Farida (student, Tamale, husband, Wa):

> [My husband] used to find it difficult to send me money, especially when he is sending me small amounts like 50 GhC. He feels lazy and uncomfortable going to the bank. Because of this, he asked me to go and register to MM.

This, however, rarely led participants to use their mobile wallets as a tool for long-term remittance savings or as a substitute for already-existing alternative money management and financial institutions and strategies. In effect, many participants saved part of the money they received by contributing to Rotating Savings and Credit Associations (ROSCAs\(^{52}\)), Accumulating Savings and Credit Associations (ASCRAs\(^{53}\)) and/or handing money out to susu collectors (savings mobilisers). For instance, Kankou (shopkeeper, Thiès, husband, France) affirmed that she systematically took aside a portion of the money she received in order to be able to contribute to her tontine:

> Every time my husband sends me money, I take 10 000 CFA franc to contribute to the tontine.

This was also the case for participants in Ghana like Aisha (farmer, Mbanayili, Tamale, two daughters, Accra) who pointed out that she sometimes used part of the money to make contributions to her susu. These contributions allowed participants to finance their contributions

\(^{52}\) ROSCAs are called tontine in French, natt or tegg in Wolof, susu group in Akan, adashi in Dagbani.

\(^{53}\) In contrast to ROSCAs where savings are pooled and then instantly redistributed to members in rotation, the savings that are pooled in ASCRAs are not immediately returned – at least, not for the first few months - but are “allowed to accumulate, to make loans” (Bouman, 1995:375).
to family ceremonies, such as naming ceremonies, weddings and funerals but also to start or consolidate their economic activities and buy furniture and household stuff. This division between ROSCAs for ceremonies and ROSCAs for economic activities can however be quite blurry on the ground. Here, I draw heuristic boundaries for the sake of the analysis: while the practice of drawing upon ROSCAs funds to participate in ceremonies will be explored in further detail in Chapter 6, the focus in this section is mainly on the use of ROSCAs to fund income-generating activities and cover various other needs (e.g. clothes, education, household stuff, and so on).

My interviews show that remittance recipients’ saving practices were underpinned by tensions between their own economic and social desires on the one hand, and household and community obligations and constraints on the other (see also Guérin, 2006). In both countries, family and community obligations can take the form of community taxes, housing members of the extended family, making donations to religious leaders and/or participating in kin and kith’s life-event ceremonies, such as naming ceremonies, marriages and funerals (Buggenhagen, 2011). While fulfilling these duties brings social and economic protection and stability in the long term (e.g. inheritances and land claims), they also potentially intensify short-term uncertainties in terms both of acute needs and of a wide range of solicitations by members of the nuclear and extended family, and the community.

While handling these tensions had an effect on everyone, the impact on women was particularly evident due to their domestic obligations and their limited and uncertain access to economic rights (Guérin, 2006; Berry 1995). These tensions between personal aspirations and community demands notably manifested themselves through the different forms of savings that women undertook, especially through variegated forms of ROSCAs and ASCRAs. While MM and financial accounts were considered to be useful for ‘emergency savings’, I found that tontine and susu were not used as a last resort but largely favoured as instruments of “future-making” (Green et al, 2012:1641). Yaye (retired trader, Thiès, husband and son, Dakar and France) in fact explained that:

The tontines, it’s by force. We are obliged to contribute whether we want it or not. And once we have contributed, we cannot have access to this sum of money anymore, unless it is your turn to get the pot. Whereas with the bank, you can collect your money. I live just nearby the CMS branch, so if I keep my money there, I can collect it whenever I want to.

Echoing previous studies on alternative ways of saving (Green et al, 2012; Guérin, 2006; Kane, 2001, 2010), my evidence suggests that one of the main reasons why participants saved through
ROSCAs was because they constituted a way to enforce compulsory saving. In other words, ROSCAs played a disciplinary role for women, requiring them "to save and use them as an incentive to earn income" (Guérin, 2006:559). Many participants, especially women, were adamant that this form of compulsory saving enabled them to stop ‘le gaspillage’ (waste). This was for instance the case of Alimatou (shopkeeper, Thiès, brother, Italy):

Before the tontine, I was spending my money frivolously. But my tontine enabled me to save my money. Every time I have a little bit of money, I put it in the tontine.

However, more than just avoiding wasting money, many women emphasised the fact that regular daily or weekly payments were a way for them to think about and plan for the future rather than just focusing on the present. In Ghana, many participants like Dawud (street vendor, Tamale, brothers, Accra) made daily payments to susu collectors. She explained that at the end of the cycle "the amount can be used to increase the stock in your store”. Similarly, Afua (trader, Tamale, husband, Italy) was part of two mutual aid associations; one adakabila and one adashi. While the adakabila generally allows women to save in the long-term and have access to credit, the adashi helps them invest in their trading businesses but also to contribute to the adakabila:

The adashi that we do is something that is helping us in our everyday business and to make contributions to the adakabila. When you take the money from the adakabila at the end of the cycle of the contribution, this is not for the adashi but to, for instance, buy cereals to keep for future sales when prices increase. The adashi is something that will help you make more savings for the adakabila; you're making your savings for the adakabila with the help of the adashi.

Here, short-term saving practices enabled Afua (farmer, Mbanayili, Tamale, two daughters, Accra) to promote her economic activity as well as build up longer-term savings. In turn, it was with the money she contributed to the adakabila for six to twelve months that she was able, amongst other things, to accumulate cereals or rice stocks that could then be sold at a better price at a later stage. These three imbricated forms of savings/investments attached to various time frames also allowed Afua to manage her debts. In fact, she was able to take out loans from the adakabila and the adashi when a need arose. To be able to repay her loans, Afua said that she needed to receive her share from the adashi first. In other words, the debts she incurred from one association had to temporally match a form of savings she had made with another group:

What happens is that with the two contributions, whenever one of these is going to be difficult [to pay], it is the other one that will help you (…) Whenever it is becoming difficult for me to raise money to repay the adakabila loan, I wait until I receive the adashi savings. If I'm not close to taking
money from the adashi, I won’t borrow money from the adakabila. I normally take the contribution from the adashi and invest it in my business. The little profit that I get is what I will use to contribute to the adakabila and the remaining amount will be used to take care of our basic needs in the house. But when it comes to a time that I am short of money to make the adashi contribution as well as invest in my business, I will then take a loan from the adakabila. That is how I manage these.

For Afua (farmer, Mbanayili, Tamale, two daughters, Accra), ‘juggling’ saving and borrowing practices constituted ways of not only anticipating needs, including cash needs, but also taking advantage of different sources of financial supplies for accumulation strategies (see also Guérin et al 2013). In fact, Afua was able accumulate and keep her cereal stocks even when she was short of cash by taking out loans from one of the alternative financial associations she was involved in. Similarly, for Mahama (trader, Tamale, daughter, Accra) being part of four associations (i.e. one susu, one adashi, one ceremony association and one group with which she took out loans from a rural bank) was a way to meet her different needs when needed:

If you are in this group and you need money to do something and it is not available in this group, then it will be ready in another group and you can take it to solve your problem. It is helpful to be part of four groups because of the different purposes.

It was not only ROSCAs and ASCRAs that were often prioritised over the use of financial accounts and other mainstream financial products and services. Many participants said that part of remittances they received was directly invested in farming products, trading and other income-generating activities as well as land, housing and other type of assets. This was the case of Aisha (farmer, Mbanayili, Tamale, two daughters, Accra):

If it is the farming season, she [one of her daughters] can send me 200 GhC and I will give some to her father, my husband, so he uses it to plough and buy fertilisers (...) When the money is enough for me to do my shea butter business, I use it for that particular purpose. But when it’s not enough, I use it to buy cooking ingredients.

As such, when the amount allowed it, Aisha and her household managed to invest part of the remittances into their farming and trading activities. When the two daughters did not have enough money to allow for such investments, Aisha told us that she borrowed and then waited for her daughters to send money in order to pay back her debts. Furthermore, remittances were often used to complement an amount of money that was eventually used to invest in an economic

54 While Aisha could use remittances to invest without having to pay back her daughters, this was not possible for everyone. In fact, some participants mentioned that they could use the remittances they were sent to invest in their business but then had to reimburse the amount at a later stage at the migrant’s request.
activity. When Ama (street vendor, Thiès, husband, Mali) received her tontine share, she did not have enough to start her henhouse project. Her husband subsequently sent her another 100,000 CFA franc to complete the amount.\(^{55}\)

In Senegal, the concept of *denc* (savings) covers a wide range of practices (Baumann and Fall, 2015). While these diverse saving strategies have long been accounted for (Berry, 1995; Shipton, 1995), they are nonetheless important to highlight. In contrast to the reductive notion of saving cash “under the mattress”, many participants said they saved a portion of the remittances they received by buying cattle, jewels, grains and/or building houses in multiple stages over a long period of time. All these saving practices were almost always deemed better than saving in cash at home according to participants. Abibatou’s (farmer, Thiès, son, Joual, Senegal) and Gorgui’s (shopkeeper, Thienaba, two brothers, Spain and Italy) saving practices were quite telling in that sense:

> You know very well that a farmer does not keep his money [in cash] on them since every time they have some, they buy cattle, which they can to sell in case of an emergency or an unexpected need (…) I sell them [sheep, chicken, goats] every time I have needs to meet [e.g. new school year] or when I have a ceremony like the Tabaski. You take a sheep for the meal – it is in any case to satisfy a need that we sell.

> I don’t save my money because every time I have money, I invest it in a sector (…) I build houses that I rent, I also raise cattle. That is how I save.

Similarly, while the purchase of jewels by women is often associated with conspicuous consumption or waste (Kane, 2001), several participants implied that this particular means of saving allowed them to store value, which could easily be converted back into cash if need be.

What the above shows is that in both countries, money, including cash remittances, is constantly in circulation. As Isaac (farmer, Accra, brother, UK) attested: “I have a bank account but we don’t save his money [his brother’s remittances]; it just arrives and is then going for the project. *The money has to move.*” When cash is received and/or at hand, it needs to be either spent or converted

\(^{55}\) It is also important to note that in many instances the consumption/investment dichotomy did not hold in reality (see Section 2.2.3 in Chapter 2). Dawuda (street vendor, Tamale, brothers, Accra) for example told me that her brother in Accra sent her a fridge once. While this fridge may be accounted for as remittances used for consumption, Dawuda said that she used it to sell ‘pure water’ (small bags of purified water), hence for an income-generating purpose. This shows that what counts as consumption or investment is not as clear cut as one may think and cannot be easily analysed and accounted for through questionnaires. What is required rather is an in-depth grounded exploration of the ways in which remittances are spent, saved and/or invested, sometimes all at once.
immediately, that is saved/invested in goods and assets but also in the community circuits through contributions to diverse credit and savings associations.

Interestingly, my evidence suggests that all these financial and money-management strategies were often used to circumvent the financial and non-financial limitations of products and services offered by banks and MFIs, including not only proximity and convenience but also costs. Constant comparisons were drawn by participants between these and alternative arrangements and the financial benefits they derived from these. Participants frequently explained that it was more advantageous for them to invest and/or save their money outside banks and MFIs’ financial circuits. In fact, for many, saving in an account or a mobile wallet was not financially rewarding, especially if people only had access to a current and not a savings account. This was the case of Demba (farmer, Thiès, two brothers, UK):

> If you put money in the bank account, the money will sleep whereas you can yield a profit by investing or increasing your working capital.

Because participants showed rational financial reasoning – the kind of mindset most international financial and development organisations are so desperately seeking – ROSCAs and other means of saving and investing were prioritised over the use of mainstream financial circuits. In fact, Alimatou (shopkeeper, Thiès, brother, Italy) affirmed it was more beneficial for her to save in a tontine than in a financial account:

> When I save in my tontine, the interest rate is higher than the one at the bank. That is why I don’t use formal financial products.\(^\text{56}\)

When asked about the new opportunities offered by MTN and Ecobank to invest in Treasury bills through MM and earn interest rates, Kwame (NGO worker, Accra, mother, Germany) laughed:

> Personally, I don’t save because of the interest. I remember a couple of years ago, I bought T-bills and at the end of the year, the money, the dividend I got was 50 pesewas [laughs].\(^\text{58}\) And with that same amount of money, if I invest, say if I do petty trading, I’ll do better. So, personally, saving [in a

\(^\text{56}\) Interest may be charged on loans in certain ROSCAs and is then redistributed among members at the end of a cycle. This will be further explored in Chapter 6.

\(^\text{57}\) The Ecobank TBILL4ALL is a mobile-money based investment service that allows Ghanaians to purchase and manage Government of Ghana Treasury Bills from their mobile phones. Ecobank Ghana currently offers the service on the MTN mobile money platform. MTN Mobile money wallet owners can buy Treasury bill with as little as 5 GhC. See: https://ecobank.com/gh/personal-banking/products-services/investment-solutions/tbill4all.

\(^\text{58}\) 50 pesewas are the equivalent of roughly 7 pence.
financial account] is just to be on the safer side, nobody can take my money. But as to save to increase your financial status, I don’t see this as something feasible.

My evidence demonstrates that, when possible, participants often actively chose to direct part of the remittances they received towards alternative circuits and practices of saving, borrowing and investing. Rather than constituting a solution of last resort in a context of a lack of access to mainstream financial products, they were in fact largely favoured by participants for not only insurance but also accumulation strategies. In the next section, I show the importance of differentiating remittances and the incomes generated by individual members of remittance households to account for the full diversity of their financial and money management practices and strategies. This also allows for further investigation of why remittance flows cannot be easily directed towards financial channels as advocated by proponents of the remittances-financial nexus.

5.4.2. Remittances and individuals’ own incomes

Even when remittances were not, or could not, be saved or invested (see Section 5.3.), individual members of remittance households often invested their own incomes in income-generating activities and/or had their own money circulating through different types of financial circuits. More specifically, many participants I interviewed – especially recipient women – said they used their own incomes to save in ROSCAs and ritual associations but also to pay back MFI loans because migrants – mostly men – did not want their remittances to become embedded in these financial circuits. ROSCAs and/or ritual associations can still be considered the affairs of women from which some men may feel excluded (see Buggenhagen, 2012). What was particularly striking as a direct result of this was how some recipients were hiding the fact they were saving or accessing loans – whether formal or informal – from remitters. Vera (street vendor, Accra, husband, US) for instance admitted that her husband did not know she saved in multiple susu because she said he would send less otherwise. Similarly, Afua (farmer, Mbanayili, Tamale, two daughters, Accra) acknowledged that her husband was not aware she was part of two ROSCAs:

If he finds out, he will say that I’ve been getting enough and that is why [thanks to the remittances] I’m able to join these groups

In Senegal, participants like Rokhaya (street vendor, Thiès, husband, Mauritania) and Sarratou (seamstress, Thiès, husband, Italy) also tried to keep their involvement with tontines to themselves. The reasons they gave were as follows:

59 Although an increasing number of tontines and susu groups are now mixed (Kane, 2010).
Like many men who often reduce their contribution when women have some revenues, I noticed that he was neglecting me. So, I stopped telling him certain things. I don't tell him about my revenues anymore. He reduced the amount he sends because he knows I participate in a tontine and he thinks that this is his money that I save in the tontine, and that because I'm able to save, I must have enough money.

When I joined a tontine, I did not tell him. But when he found out, he asked me to quit. That is why I decided to stop when this tontine ends.

To be able to continue being involved with tontines and/or receiving the same amount of remittances, Rokhaya and Sarratou tried to hide – or at least not share – information to their husbands about their financial arrangements. Others told me that they had to prove that remittances were not used for such purposes.

Again, the distinction between money that covers the needs of the household and income generated by different individuals within the remittance household is crucial here (see Section 5.2.1), as illustrated by Ama’s (street vendor, Thiès, husband, Mali) case:

He [Ama’s husband] thinks that I pay back my loans or that I contribute to the tontine with the money he sends me. But that is not the case. I use remittances for the dépense quotidienne [daily allowance for the upkeep of the household]. This created some tensions at the beginning. But I made him understand that he is supposed to cater for my needs and because he does not, I am forced to adopt strategies that help me cater for my needs.

In a similar vein, and going back to my vignette at the beginning of this chapter, Mamina asserted that because she was not in charge of either the daily allowances or food, she was able to save through the incomes she generated with her petty trading activities. “The money that I save is the profit I make through my business, the shares of my tontine and the sale of my cattle”, she asserted. In turn, Fadima (housewife, Thiès, husband, Mbour, Senegal), whose husband did not know about her bank account at Baobab Senegal, talked about the money she earned as her “little secret”:

The money I earn by selling my chicken, I put it in the account to save a little bit (...) The money is mine, I do whatever I want with it.

Interestingly, while the distinction between remittances – as money for the upkeep of the household – and incomes of individuals of remittance households can be quite stark, it did not necessarily prevent recipients from temporarily diverting a portion of remittances into ROSCAs.
and ritual associations. I also frequently came across situations where participants used remittances for their own financial arrangements and then reimbursed the remittances spent with their own income, as illustrated by Ramatoulaye's (street vendor, Thiès, husband, Mali) case:

When I receive remittances for the daily allowance, it's when it's my turn to cook, it's for meals only. I use my own income to contribute (...) Previously though, when I was receiving remittances, I would put a portion of it aside for the reimbursement of my loan at the bank. Sometimes, when I did not have enough to pay back, I would take a small part of the remittances and as soon as I receive my own income, I would reimburse the remittances I took. But I stopped doing this to avoid stress.

Overall, this section has shown that remittances play a significant role in alternative investment, saving and borrowing arrangements. Rather than constituting a solution of last resort that cannot fully harness the productive potential of remittances for development, my interviews have demonstrated that these circuits are largely favoured by most participants – including those with access to mainstream financial products and services – not only for financial protection but also accumulation purposes. Even when remittances cannot be directed to mainstream and alternative financial circuits, members of remittance households often channel part of their own income to such purposes.

5.5. Conclusion

This chapter has investigated the marketisation of remittances from the perspective of members of remittance households. My analysis shows that the extent to which remittances can be nudged towards specific financial circuits and arrangements, once in the hands of members of remittance households, is limited (RQ2). In other words, despite all the market engineering detailed in Chapter 4, the incorporation of remittances into global financial circuits cannot be accomplished straightforwardly. Several reasons can be given to explain this.

First, remitter-receiver-recipient configurations are variegated and influence the ways in which remittance are used, saved, invested and/or redistributed. Remittance households are not homogenous units that receive remittances but rather sites within which remittances are sent by one or multiple migrants on the one hand, and used by, and earmarked to, one or multiple receivers and recipients on the other. In other words, remittances cannot be leveraged by simply providing the right nudges. Second, and in contrast to much of the policy literature on remittances and financial inclusion, my analysis demonstrates that remittance households are not simply sites of consumption, within which development interventions are needed to harness the productive
potential of remittances. Instead, significant labour is required to not only supplement remittance income but also make remittances work for migrants and remittance households. Perhaps counterintuitively, my evidence suggests that remittances can constitute a financial, social and psychological burden for members of remittance households in home countries. This understanding of remittances as not only a resource to be leveraged but also a potential cost and burden highlights important limits to the remittances-financial inclusion nexus. Third, in contrast to proponents of the marketisation of remittances that generally evoke a lack of access to financial products and services as one of the main barriers to financial inclusion, my findings demonstrate that power relations of debt, gender and kin as well as inter-women hierarchies mediate the ways in which remittances can be used and how much can/should be directed towards mainstream financial circuits. In fact, remittances are often not sufficient to sustain remittance households and, therefore, cannot be saved. Furthermore, migrants – mostly male – often retain a certain degree of control over the utilisation of remittances. Whereas tensions sometimes may arise from these processes of earmarking, they nonetheless constrained the possibility of using remittances in ways advocated by proponents of the marketisation of remittances. Fourth, whereas remittances are rarely deployed in mainstream financial circuits and arrangements, they are often saved/invested in farming, trading and other income-generating activities as well as in ROSCAs and ASCRAs, cattle, land and housing. Rather than constituting an unproductive solution of last resort, as often depicted by proponents of the remittances-financial inclusion nexus, these alternative circuits of saving, investment and borrowing are largely favoured by participants as instruments of financial protection and accumulation. Importantly, even when remittances cannot be deployed in these diverse financial circuits, many participants use their own money to save, borrow and invest, sometimes without migrants even knowing. The next chapter further explores how the marketisation of remittances plays out from the perspective of members of remittance households by specifically looking at how the latter have responded, accepted and/or resisted processes of financial incorporation and subjectivation (RQ3).
CHAPTER 6
Contesting the marketisation of remittances: Repertoires of reluctance, refusal and dissent

Nudging and experimenting are never complete and always prone to failure. They may be readily adopted, they may meet outright resistance and there may be instances of what James Scott has termed ‘calculated conformity’ (Scott, 1985). These are important questions, however, that can only be answered empirically and go beyond the scope of this paper. (Berndt, 2015:584)

6.1. Introduction
This chapter examines how remittance households have experienced processes of remittance marketisation, understood as market subject formation (RQ3). Previous studies have tended to analyse the ‘financialisation of remittances’ without paying enough attention to how members of remittance households in home countries have reacted to processes of financial incorporation (with the exception of Zapata, 2013, 2018). While it is certainly true that the ambiguities and fragilities of processes of financial subject formation have been acknowledged (Finlayson, 2009; Langley, 2006), the reasons why processes of market subject formation may succeed or fail and the ways in which variegated financial practices and subjectivities emerge and persist deserve more empirical scrutiny (Kutz, 2018; Lai, 2017). More specifically, I argue that particular consideration needs to be applied to the ways in which participants’ financial practices and subjectivities interact with, are subsumed by and/or counter various marketising attempts to replace and/or absorb them. Doing so can help further understand both the limitations to, and strategies of adaptation of, marketising projects that aim to link remittance flows and households to global finance. Conceptualising processes of financial subject formation as a practical accomplishment that is always contested, uncertain and in the making, this chapter advances the understanding of members of remittance households as ‘reluctant’ and ‘dissenting’ subjects of remittance marketisation as well as subjects that ‘deny’ marketisation through discourses and acts of refusal. They are “quasi-subjects” of remittance marketisation (Berndt and Wirth, 2019:4), constantly negotiating dis/entanglement processes at the borders of competing networks and regimes of value. This chapter critically draws upon and extend a growing body of work on financial inclusion and everyday financialisation in the Global South (Aitken, 2013; Mader, 2015; Mawdsley, 2018a; Rankin, 2013; Roy, 2010) by nuancing the often-assumed unrelenting advancement of the financial inclusion agenda – and the remittances-financial nexus more
specifically – in practice, and its inescapable performative power on remittance recipients’ financial everyday lives (see also Bernards, 2019).

This chapter is divided into four sections. First, I explore the lived experiences of those participants who can be considered financially included. I show that most of them exhibit what I call reluctant acceptance, recognising the limited benefits and the potential and actual harm that processes of financial incorporation bring while admitting they have no choice but to comply. Second, I highlight the ways in which marketisation is denied through individual and collective acts of refusals. To do so, I shift my empirical lens onto participants who either stopped building or refused to build relations with financial institutions. Third, I examine multifaceted acts of dissent in the form of self-organisation. I show the ways in which members of remittance households set up alternative financial circuits and practices in order to directly contest the seemingly all-encroaching processes of financial(ised) inclusion. Finally, I explore how/whether these forms of financial self-organisation can resist the danger of formalisation and co-optation.

6.2. Reluctant subjects of marketisation

Access to financial products and services in general, and loans in particular, did not provoke as much interest and enthusiasm as posited by international financial institutions. For participants who were actively using financial accounts and taking out bank and/or MFI loans, a sense of inevitability was often palpable. I advance the conceptualisation of ‘reluctant’ subjects of marketisation to account for those participants who, despite acknowledging the potential harm and limited benefit that financial inclusion might bring, recognised having no choice but to take out loans and comply with their disciplinary mechanisms. I also show that, in several instances, new forms of debt took over participants’ everyday lives, sometimes dispossessing them of their capacity to produce “relational value” (Elyachar, 2005:7) through practices of ritualised exchange within alternative circuits of debt and debt claims.

6.2.1. Reluctant acceptance

Despite all the attention and resources spent on financial inclusion over the years, and all the people and institutions that have a stake in finding and promoting its benefits, the direct positive effects of financial inclusion on household business profits, income or consumption remain rather elusive (Duvendack and Mader, 2019). On the ground, while the supposed positive effects of financial inclusion were met with scepticism by the vast majority of participants, it is nonetheless important to note that some did acknowledge benefitting from some of the financial products and services offered by banks and/or MFIs. When asked about savings products and services,
participants’ first reactions tended to be rather positive. Financial accounts were often perceived as a safe, reliable, and convenient tool to manage their money. However, follow-up questions often led participants that initially said they were actively using such accounts to acknowledge that they were in fact either not using or barely had any money in these. Many participants were also quick to point out the transformative limitations of such services:

Savings help you when you try to sort out emergencies but sometimes you realise that the little you save is not even enough when things come up. It just consumes almost all the money you have. Ok, that helps... but not as much as you’d want to (...) Looking at my current situation, this is difficult because it’s like you cannot really plan because something beyond your control can always come up and you have to sort that one out. (Kwame, NGO worker, Accra, mother, Germany)

In the context of a lack of income, expanding the choice people have with regard to financial services seemed to have limited purview. Credit products, in turn, were very rarely depicted in a positive light. Five main themes emerged based on discussions I had with participants. First, many participants complained that the amount offered was generally too small and insufficient for investments to yield enough profit and increase their disposable income once loans were paid back. Second, the time-span to reimburse microloans was often deemed too short to be beneficial. Third, and directly related to the above, participants complained that loans often needed to be repaid immediately (often a week only after having received the loan amount), which did not allow enough time for any investments to materialise. Fourth, participants were often hard pressed not only because of the short maturity of the loans but also because reimbursement for many MFIs took place on a weekly rather than monthly basis, as Hafsah (housewife, Tamale, husband, US) indicated:

I used to work for such a company [MFI]. I could have 1 billion GhC and distribute it to three groups and each person would pay back at the end of the month. It wasn’t like the ways these current microfinance institutions do, rushing their clients every week.

Fifth, as I explore this in more detail in the next section, the above complaints were almost systematically supplemented by criticisms relating to the general costs of the loans. As Maxwell (business owner, Accra, brothers, Malaysia and Germany) admitted: “the loans are good but what’s killing the loans is the interest”.

As such, bank and MFI loans were being drawn into a broader repertoire of financial practices. They were more often than not considered as an additional source of funding participants could use to cover their needs – both for business and non-business activities – and respond to
emergencies, including other debts that had to be repaid. In effect, and in accordance with other studies (Guérin et al., 2013), while getting into debt with MFIs could be part of a strategy of accumulation for some participants, for others, like Issa (shopkeeper, Thienaba, three brothers, Gabon), ‘juggling’ debts was a way to manage unexpected expenses and events. This is the reason Issa gave me when I asked him about the second loan he took out from Baobab Senegal:

This sum was used to reimburse another debt I owed someone (…) This person was depositing money at my shop on a regular basis, between 2000 and 3000 CFA franc and this came to constitute a big sum of money in the end. One day, she came to ask for it, but I was having problems to gather all the money.

Issa’s situation was quite telling in the sense that it was relatively similar to a well-known practice in Senegal but also in other parts of the world that consists of taking on debt from one source to settle a debt with another (Wampfler et al., 2013). In Wolof, there is an expression for this: sab buikki, sulli bushido (to take a hyena to bury a hyena) (Baumann and Fall, 2015). Sometimes called ‘bicycling’ (Wampfler et al., 2013), it is important to emphasise that these practices did not necessarily constitute an indicator of over-indebtedness. Rather, they represented a skilful way for members of remittance households to manage their money in the context of a constant shortage of cash and economic instability. What Issa’s situation revealed, however, was the importance of honouring one’s debt, even if that meant getting indebted to MFIs such as Baobab. However, the payments of these debts, even with the help of the money sent by migrants, was nowhere near a straightforward process. Knowing which debts to settle first constituted a carefully planned endeavour, as Farida (student, Tamale, husband, Wa) implied:

I really acquire many debts, but I made it such that anytime he [her husband] gives me something small, I will manage and pay some debts leaving others. When he gives me again, then I will settle a different debt but sometimes it may not even be enough for a particular debt.

Conversely, several participants told me that they used part of their tontine share to pay back MFI loans. In other cases, the experiences of being involved in ROSCAs were said to have helped access to MFI loans. Furthermore, different financial circuits were used at different stages of the same economic activity. For instance, Sawdiatou (shopkeeper, Thiès, daughter, Dakar) and Issa (shopkeeper, Thienaba, three brothers, Gabon) said that their tontines were not only helpful but necessary to start their businesses, whereas the microloans from Baobab could only be accessed once their businesses were consolidated. Importantly, while I spoke to many participants navigating and juggling multiple financial circuits, only once did I come across a situation in which a participant had deliberately chosen to substitute alternative financial circuits and arrangements.
for financial products and services offered by banks, MFIs and/or MMOs. In fact, even when loans were being used the way financial and development institutions wanted them to be (i.e. invested in small-scale businesses), participants found that these merely enabled them to buy enough goods, which in turn could be sold at a high enough price as to allow them to pay back their loans and have just enough to cover the basic needs of their households. To the question of whether it helped her to become more financially comfortable, Sawdiatou (shopkeeper, Thiès, daughter, Dakar), who had taken more than sixteen microloans over the years, including six from Baobab, responded with the following:

Not really. Maybe the only advantage is that we can have a full amount of money in one go that is enough ready cash [to invest in the business].

Out of the 59 participants I interviewed in both countries, I did not find a single participant asserting that loans could or had helped increase their income. While my data is based on qualitative interviews and, therefore, partly reflects participants’ bias, it is nonetheless a rather telling stylised fact that supports the conclusions of an increasing critical body of literature on the non-existent impact of financial inclusion on income (Duvendack et al, 2011; Mader, 2016a; 2018; Roodman, 2012) (see Chapter 2). Amongst those that had taken out loans, the main advantage that was highlighted had more to do with ‘financial intermediation’ than ‘income generation’ and ‘poverty alleviation’ (Mader, 2018). As Abdallah, a carpenter in Tamale who receives remittances from his brother in Italy, put it:

MM and banking services have changed my life a lot with regards to how I manage my money.

However, what was striking during so many of the discussions I had with participants who, like Issa (shopkeeper, Thienaba, three brothers, Gabon), had taken out loans from MFIs was this sense of being stuck, or trapped, with these loans:

*Taking out these loans did not change anything* in terms of my standard of living because I spend half or even more than half [of what I earn] on paying back my loan. This does not allow me to cover all the expenses of the household (…)*Nothing changed* because I continue having debts.

Although not necessarily deemed beneficial, loans were nonetheless inevitable. The following two statements from Sawdiatou (shopkeeper, Thiès, daughter, Dakar) and Aladji (salaried worker, Thiès, brother, Kaolack, Senegal) constitute fairly representative reactions I received when I inquired about the reasons behind people’s decisions to take out loans from MFIs:
You just do it, it’s independent of your own will, and you’re forced to do it.

Personally, if I really had the choice, I would not have taken any loans (...) I did not want to put up with the pressure of the banks because I know how people live when they’re tied to banks.

The vast majority amongst those with loans from MFIs freely admitted that they had no choice but to accept the conditions underpinning these loans as well as the consequences these may have on their everyday lives. Sawdiatou (shopkeeper, Thiès, daughter, Dakar) and Issa (shopkeeper, Thienaba, three brothers, Gabon) were just two among several other participants to mention that they constantly thought about their MFI loans and how to repay them. The issue of reimbursement led to a huge amount of stress for a significant number of participants:

In December and January, in Senegal, there is no money. Not much is happening. When you owe 227 000 CFA franc, which is not a small amount, you become preoccupied, you start worrying (...) You have to be focused on the loan all the time, it’s stressful (...) I always think about Baobab, I avoid postponing repayment. I think about Baobab all the time. Sometimes, it’s hard to pay, especially when I owe a payment to the bank and an electricity bill or the tontine at the same time. It’s hard to manage. I always have this in my mind, I think about the payment I have to make, I think about it constantly.

Sawdiatou indicated that from the 1st to the 14th of each month, everything she did and calculated was in relation to her loan. She would try not to spend or buy anything until she had saved the amount of money corresponding to her monthly repayment due on the 14th. “I tighten my belt”, she said. In other words, half of each month of the year was dedicated to serving the MFI loan she was tied to. This tight disciplining effect that debt had upon many participant’s economic and non-economic behaviours was even more evident in the case of Penda (shopkeeper, Thienaba near Thiès, husband, Italy and Spain):

I always have this [loan repayment] in mind, I’m not peaceful until I pay back Baobab. I constantly think about the repayment. After the due date [on the 10th for her], I feel relieved but when the next due date approaches, I only focus on this (...) I am careful of waste, of unnecessary expenses. I only buy what is necessary and what can yield profit. I reduce my expenses (...) When you have a loan to pay back, you constantly live under stress because you’re telling yourself that the money does not belong to you. This pushes you to avoid unnecessary spending, avoid wasting money in ceremonies... because the only thing you can think about is the debt. For instance, instead of spending an entire day in a ceremony, I only go for some time because I have to open my shop to earn income and to pay back my debt. Time is precious for me.
Penda’s account of what it meant for her to be indebted to Baobab demonstrates how debt works as a disciplinary mechanism that not only impacts her consumption but also produces new subjectivities. Feelings of responsibility, even obsession, about debt repayment as well as guilt until the debt was repaid started permeating Penda’s everyday life and dictating the activities she thought she should or should not do. All her socio-economic activities were geared towards the repayment of the loans, reducing her first fifteen days of each month to mere survival. If an activity was not deemed ‘productive’ in the sense of being useful for the repayment of the loan, it became secondary and sidelined. Crucially, this meant reducing the amount of time she spent in ceremonies. Although this may not seem significant, I show in the next section that life-event ceremonies, and the social payments that take place within these, enable the production of “relational value” (Elyachar, 2005:7) that, in turn, contributes to ensuring the social reproduction of remittance households. As Buggenhagen (2011:726, emphasis mine) argues: “by lending one’s presence to a family ceremony, one is participating in a virtual exchange of reputation and creditworthiness”.

6.2.2. Relational value and accumulation by dispossession
Mutual aid associations for obtaining credit and managing savings, for example tontines and susu, have a long history in West Africa, predating the colonial era and colonial currencies (Falola, 1995). African economies – and socio-economic relationships and exchanges in particular, including traditionally non-monetary asymmetrical social payments such as bride wealth and gift exchange practices during family ceremonies – became increasingly monetised during the colonial period. This monetisation was accompanied by the preservation, evolution and even multiplication of rotating and nonrotating groups for monetary savings and credit (Berry, 1995). As Buggenhagen (2012:159) argues:

One could presumably find complex precolonial models of financial management that resemble contemporary rotating savings and credit associations. Yet many of these institutions emerge at the interface of Atlantic and African economies throughout the colonial period and after, and they have always been dynamic.

In effect, increasing financial burdens imposed on the populations by way of taxation pushed many people to identify diverse strategies to be able to pay in the colonial currencies. This included undertaking migration and wage employment but also, and importantly, savings and credit institutions (Berry, 1995). While these associations have expanded and contracted at different historical moments (Buggenhagen, 2012), they became even more visible in the 1980s due to the increased precariousness resulting from the imposition of Structural Adjustment
Programs (ibid). The multiplication of associations revealed the necessity for the vast majority of the populations to find other modes of resource allocation.

While Chapter 5 focused on the importance of ROSCAs and ASCRAs in supporting income-generating activities and covering diverse needs, I pay attention here to their links with life-event ceremonies. In Senegal, many women I spoke to usually drew on funds they accumulated from ROSCAs attached to different types of associations, including tuur and mbotaye, to be able to exchange ndawtal (gifts) in the form of cash or kind, especially cloth, during life-cycle ceremonies. Tuur are rotating associations organised by unmarried women living in the same neighbourhood while mbotaye are usually formed by married women that contribute to support each member’s family ceremonies. Contributing to ROSCAs was seen as essential by the vast majority, as Ama (street vendor, Thiès, husband, Mali) and Abibatou (farmer, Thiès, son, Joual, Senegal) indicated:

We are used to do these kinds of things amongst women [participating in tontines]. This allows us to get to know each other well, to consolidate our bonds because this allows us to go to every ceremony organised by the members of the tontine.

I have been able to cover my ceremony expenses, such as the wedding or the naming ceremony of my daughters. Without it [tontine], I would not have been able to have a big enough amount of money to cover these expenses.

Rather than simply constituting a short-term response to cope with crises as they are often depicted, these complex financial strategies that women developed through these associations, and that were made visible during family celebrations, are part of what Jane Guyer (2004) refers to as a vast fiscal repertoire of financial management strategies. These repertoires are to be understood as practices that create “value over the longue durée of currency instability and global volatility” (Buggenhagen, 2012:17). One such practice in Senegal is called lebal-bor, or sowing debts (Mottin-Sylla, 1987). During naming ceremonies, relations of credit and debt are constituted through asymmetrical gift exchanges. Women attending a naming ceremony proceed to give a ndawtal gift to the birth mother who then offers a return gift (njukkul) either immediately or at the next ceremony. Usually, the return gift needs to represent double what the birth mother received. By returning a gift with an increment, the recipient expects a future replacement: “one ‘lends debts’ with the aim of recovering credit” (Buggenhagen, 2012:157). These asymmetries that are created by women returning the gifts they receive with an increment play an essential part in women’s financial repertoires as they constitute obligations that perpetuate relations of reciprocity over time. As Guérin (2006:554) argues, “the rhythm of daily life is thus dictated by an unlimited exchange of gifts and return favours”. It is through these practices that ‘marginal gains’
are expected to be made (Guyer, 2004). In Senegal, the circuit into which women, but also men, enter through their involvement in family ceremonies is called the circuit of kersa⁶⁰ (honour). Not being part of, or cutting oneself off from, these circuits of honour – which also constitute circuits of indebtedness – can have disastrous consequences because such ceremonies represent an essential component of the social reproduction of these remittance households. They constitute the places and moments that make visible the forms of relationship that are vital to participants’ futures, as Ama (street vendor, Thiès, husband, Mali) indicated:

> He [her husband] tells me that I waste money because I ask him to send me money to attend ceremonies. But we cannot not go. He cannot understand that we must give during ceremonies. It’s in that sense that he says I waste money.

It is certainly true that some of the women I spoke to said that their husbands abroad often complained about their remittances becoming entangled with ROSCAs and ritual associations, especially naming ceremonies (see Chapter 5). While this led several participants to either use their own income or temporarily divert a portion of remittances into ROSCAs attached to ritual associations, many others did use remittances and stressed how important they were for their ability in participating in ceremonies.

Ama’s opinion is also revealing of long-standing attempts by the state, customary authorities, the Muslim clergy and/or NGOs in both Senegal and Ghana to regulate social payments during life-event ceremonies such as naming ceremonies, marriages and funerals (Arhin, 1995; Buggenhagen, 2011, 2012; Manuh, 1995). Practices of ritualised exchanges have long been depicted as wasteful and conspicuous expenditures that hamper economic development. In this context, attempts to explain the persistence of these practices by stressing the desire to “show off cash” (see Koblanck, et al, 2017:35 in Chapter 5) perpetuates the idea of money being spent carelessly when circulating through these circuits of exchange. Instead, many scholars of West African popular economies depict these practices and expenditures as a way of not only making ends meet but also creating enduring forms of value in the context of economic instability through the creation, multiplication and cementing of social ties (Arhin, 1995; Berry, 1989, 1995; Buggenhagen, 2011, 2012; Falola, 1995; Shipton, 1995). Going back to the example of naming ceremonies in Senegal, what these investments in asymmetrical relations and associational life signify is the “desire to translate money into long-term stores of value” (Buggenhagen, 2012:160).

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⁶⁰A second intertwined circuit of exchange (circuit of spiritual and material blessings) relates to offerings of labour, cash, livestock and/or crops from disciples to religious leaders (Buggenhagen, 2009).
In effect, what the birth mother – the recipient of the ndawtal gift – does is to "invest value in the donor by placing her in the position of debtor" (Buggenhagen, 2011:725). In other words, participating in ceremonies can be considered a form of investment of value in others. This is what Elyachar (2005) calls relational value in the context of workshops in Cairo, i.e. the value attached to the creation, reproduction, mobilisation and extension of relationships, which constitute a mode of survival and render possible the negotiation of daily life. For masters working in workshops in Cairo, "maintaining the balance between a sphere of short-term exchanges, in which the pursuit of individual gain is legitimate, and a 'cycle of long-term exchanges concerned with the reproduction of the social and cosmic order'" guarantees the durability of their economic activities (ibid:148). Rather than constituting wasteful expenditures during ceremonies, these practices of ritualised exchange in West Africa in fact produce relational value and have therefore the potential of being highly 'productive' in the future.

Crucially, just like remittance markets (Chapter 4), these relationships are not just 'out there', ready to be used as a resource. Rather, they are "situationally produced and performed" (Elyachar, 2005:145; see also Guyer, 2004) and require huge amounts of time, labour and resources to be maintained (Berry, 1995). In the context of naming ceremonies in Senegal for instance, producing, reproducing, and maintaining these asymmetrical social relations that are essential to people's socio-economic futures require complex strategising and calculation. Here, the forms of calculation that relate to these social payments are based on several measurement scales, including incremental numerical scales, the nominal scale of qualities (of objects being exchanged), and the ordinal ranking (of people) (Guyer, 2004). It is upon these "disjunctures between scales, through performative skill at successfully bringing them together" that marginal gains are produced (Guyer, 2004:95 in Verran, 2007:174). In fact, Buggenhagen (2012:727) talks about "fiscal performances" to describe the distribution of cloth wealth and cash in family ceremonies. They demonstrate how women have to carefully plan their transactions, having to constantly remember and recall past gifts in order to plan future ones (ibid). As mentioned earlier, asymmetries are created by returning gifts with increment. As such, replacement is ensured in the future, either to women themselves or to their offspring. What is more, attention is paid not only to the quantity but also the qualities of the objects, especially cloth, that are exchanged. Not all gifts of cloth have the same values. While some constitute mere payments that do not require counter gifts, other more visible, scrutinised and substantial gifts of cloth are recorded in ledgers and constitute loans that must be repaid in the future as they are deemed to express "inalienable qualities" (Buggenhagen, 2009:200). As a result, women try to convince each other to endow first-quality strip- and locally-woven cloth rather than machine-made cloth as a way to ensure future wealth and lineage continuity (Buggenhagen, 2012). Finally, through these practices, notions of
social rank are created and reinscribed. In fact, women's genealogies are rendered publicly visible and honoured by griots during ceremonies in order to assert women's social status and aid them in bestowing their gifts of cloth or cash (ibid). Griots, genealogies, social status, ledgers, cloth characteristics constitute an assemblage of material, textual and discursive elements that bring about different kinds of "calculative agencies" than the ones evident in the making of remittance markets in Chapter 4 (Çalışkan and Callon, 2010:12). They participate in the formatting of agencies that enable the 'qualification' of gifts and the production of relational value among those attending ceremonies. These social-technical devices intervene to produce asymmetrical relationships and generate marginal gains. As Verran (2007:176) argues, drawing on Guyer (2004) and Callon and colleagues (2002), "it is in the 'economy of qualities' that marginal gains are generated". And while it is essential not to romanticise these alternative circuits and practices that can perpetuate inequalities and hierarchies, they nonetheless constitute circuits from which disentanglement can have disastrous socio-economic consequences.

Whereas creditworthiness during these ceremonies manifested itself by the "bodily display of wealth, including clothing, coiffure, and cosmetics" (Buggenhagen, 2012:726), it was calculated by MFIs such as Baobab based on savings and borrowing behaviours (e.g. making payments on time). Because these two calculative regimes compete against one another, it became increasingly difficult for someone like Penda (shopkeeper, Thienaba near Thies, husband, Italy and Spain), who had to start spending less time in ceremonies (Section 6.2.1), to maintain her creditworthiness in both circuits simultaneously. The MFI-imposed mode of calculating Penda's creditworthiness slowly dispossessed her of her capacity to produce and maintain relational value in life-cycle ceremonies. Penda's debt thus encroached on the circuits, activities and time dedicated to processes of social reproduction and strategies of future-making.

Penda was not the only participant I spoke to who had to compromise her capacity to produce relational value in order to be able to pay back their MFI debts. However, it is important to note that when life-events negatively impacted participants' socio-economic conditions, it often led them to go back to alternative forms of financial arrangements or even to give up on financial products and services offered by MFIs. This was, for instance, the case for Ama (street vendor, Thies, husband, Mali):

I've got to contribute to my tontine and the calebasse. I've got to pay back my loan from the calebasse as well as my loan from FIDES [commercial MFI]. It is really difficult to manage all of this.

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61 See for example Guérin (2006) and Buggenhagen (2012).
That is why I decided this month [when her loan will be fully repaid] to stop taking loans from FIDES.

As time gets increasingly taken up by daily struggles to earn a livelihood, participation in a variety of institutions – especially financial institutions like MFIs in this case – decreases. In effect, and as mentioned earlier, juggling and prioritising the repayment of one debt over another is often part of a carefully planned strategy that consists of always being in a position to honour one’s pledge. The hierarchisation of debts and expenses permeates remittance households’ socio-economic everyday lives (Baumann and Fall, 2015). This, in turn, allows members of remittance households to place and channel their money where it is most needed, which often corresponds, especially for women, to the necessity of partaking in asymmetrical exchanges of reciprocity (ibid). While Baumann and Fall (2015) emphasise that the contribution to ROSCAs often take priority over the reimbursement of an MFI loan, they also stress that both debts have to be paid. What the above example of Ama illustrates is that financial spaces cannot be abandoned until loans are fully repaid. When some participants started struggling to both contribute to their ROSCAs and reimburse their MFI loans, but were nowhere near the end of their loan repayment end date, decisions had to be made. As their financial situations became more and more untenable, they had no choice but to stop contributing to their ROSCAs in order to be able to continue paying back their MFI loans. What this demonstrates is that when participants take out loans from financial institutions, there is always a risk that the circulation and social hierarchisation of debts and debt claims in other circuits may no longer be possible.

So far, my evidence has suggested that in some instances new forms of financial product and debt can take over alternative circuits of debt and debt claims and force members of remittance households to sacrifice some of their capacity to produce relational value through indigenous ritualised practises of gift exchange. As they struggled to repay MFI loans, several participants had to partly disentangle themselves from alternative value-producing circuits of mutual obligations and rights. The financial imperatives of MFI debts contributed to producing subjectivities of individualised responsibility and guilt.

Having focused on members of remittance households that experienced processes of financial incorporation, I now turn to participants that decided to either not use or stop using financial products and services offered by MFIs, banks and/or MNOs. By doing so, I show that alongside accounts of microfinance ‘victims’ and ever-encroaching processes of financial inclusion lies another story in which a significant number of people still have very few, if no, connections with
financial institutions. This is a story that gives greater emphasis to acts of refusal, dissent and self-organisation.

6.3. Denied marketisation: Individual and collective refusals

My interviews demonstrate that remittance marketisation was often denied through individual and collective acts of refusal. While it is certainly true that some participants did not have the opportunity to access bank and/or MFI products and services, many others were either not interested or actively refused to build financial relations with any financial institutions.

Many members of remittance households expressed acute reservations about the financial products and services on offer, and microloans in particular. With regard to financial institutions’ enrolment practices, my evidence base indicates that remittances rarely constituted a means through which members of remittance households got patronised with banks or MFIs. Most of them started using formal financial services when advised by a friend or a relative. While 25% of participants in Senegal said they had been asked at least once to open an account when collecting remittances, only a couple ended up opening an account. One was Alimatou (shopkeeper, Thiès, brother, Italy) who visited one of the ACEP branches in Thiès on a regular basis to pick up the remittances her brother sent her. However, she admitted that it had been a long time since she last put some money in this account. In fact, opening a bank account rarely led participants to become active users, and even more seldom to engage with other financial products and services. As Alimatou pointed out:

Every time I come to pick up the remittances, they tell me that I can get a loan. But at the moment, I don’t need one.

Despite the MFI’s aggressive marketing strategy, Alimatou, like many other participants in Senegal, had so far rejected the institution’s call to get indebted. Similarly, in Ghana, numerous participants like Rosaline (shopkeeper, Accra, son, US) and Ali (timber trader and farmer, Savelugu, Thiès, wife and brother, Accra and Spain) acknowledged that they had the opportunity to access financial products and services but refused to do so:

They [loan officers] do come around to offer but I don’t accept because the interest rates are just too high.

Officers from ADB [rural bank] come to me every time to ask me why I stopped patronising their bank and that I should come back. And that even if I need a loan, they would give me one, but I think
that what I have is ok (...) They [banks] are really interested [in my business] and are always ready to lend me but because of their charges, I don’t borrow from them.

Unsurprisingly, one of the key reasons for such refusals was linked to the cost of microloans and their high interest rates. Many participants in both countries also complained about hidden fees and charges attached to loans, bank accounts and debit cards. This was notable in the case of Isaac (farmer, Accra, brother, UK)

I applied for an ATM card, but they were deducting my money. Every month they were deducting money from my account and I told myself it could not continue and then asked them to close my ATM card and they did.

As mentioned earlier, while few participants had tried to take out, or were even yet to hear about, mobile-based nano-loans, those who had were already aware of the high costs of these loans (see Chapter 4). For instance, Maxwell (business owner, Accra, brothers, Germany and Malaysia) told me that the interest rate on QwikLoan was too high and that he was avoiding it as a result.

While some participants were adamant that they would not build any links with financial institutions, others refused to maintain or renew the financial relationships they had with them. In fact, a recurrent form of refusal that is worth emphasising relates to loan renewals. The following two examples provide significant insight into not only the problematic behaviours of some financial institutions but also the ‘rational’ responses that customers offered. This is how Grace (seamstress, Accra, sister, US), very well aware of the risks these loan offers posed, reacted to the constant haggling of MFIs:

They [Advans - MFI] are constantly calling on me to come and access more loans but I have asked them to give me some time. I want to be certain of what I need the loans for first (...) Before I go for money, I do think it through first very carefully.

It was not only from Advans that Grace received loan offers. In fact, she received loan offers from many other financial institutions but was adamant that this did not constitute the solution for her:

I don't want to borrow from many places or else I will get into trouble with creditors. When I am paying with just one bank, I can manage and pay off my loan.

Similarly, in Senegal, despite aggressive marketing strategies from several MFIs, including Baobab (Touré, 2014), my evidence suggests that participants were not just passive loan takers but also rejected MFIs’ offers to renew loans.
While the above cases reflect refusals expressed on an individual basis, people also organised acts of refusal collectively. This is what Aisha (farmer and vendor, Mbanayili, Tamale, daughters, Accra) explained to me:

Officers from various banks came to this village three times and never succeeded in convincing us because we already told them that they have very high interest rates. So, we don’t take loans or save with those formal institutions. The teachers in this village have advised us not to go for loans from the banks (...). Even before any organisations can operate in this community, they first have to go to the palace and seek for permission. And every time such financial institutions come, the chief does not allow them to operate so we don’t even have them here in this village.62

Interestingly, two of the participants who were amongst the most critical of microloans used to work for financial institutions. William, a salaried worker in Accra who receives remittances from her fiancée based in the US, used to work as a credit analyst for one of the main MFIs in Ghana:

I’m not comfortable with loans. If you’re taking a loan, you must understand the terms, know how much you’re paying on top as well as the interests before you take it. If you know the business is not safe, don’t try a loan. You can do it the informal way; a friend can give you (money) and might not put any interest on it, which is preferable to me. That is why I depend on friends or family, compared to institutions ... because there is no interest (...). The interest is huge, that’s why I hardly advise people to take loans, especially if you’re close to me. I’ve had a lot of experiences, it’s terrible sometimes, people are brought to courts ... oh, it’s crazy.

What this former credit analyst for a microfinance institution in Ghana urged people to do was to prioritise the ‘informal’ over the ‘formal’ sector to obtain loans as he considered formal loans too risky and expensive. Prioritising the ‘informal’ over the ‘formal’ was also the suggestion of Kwame (NGO worker, Accra, mother, Germany), another former bank employee:

I had financial issues in the past. Now, imagine if I had taken a loan, the bank would have come after me. How would the bank be able to understand my situation? People even die because of these things. But even though I’m facing financial challenges, if I don’t owe anything to any banks, at least I have my peace of mind (...). You see, the thing is that anybody who borrows is a slave to the lender because you have to be working, working and working to pay off. So, for me personally, loans...

62 In fact, before we could even meet Aisha, Sugri and I had to go through the village’s main entrance where a number of elders were socialising. While I did not partake in the conversation, Sugri spent about fifteen minutes greeting them and explaining the reasons of our visit and who we wanted to speak to. It was only after some time that we managed to enter the village and look for Aisha.
unless... I don't think... I would prefer we do informally: you take the money, there is no interest, there is no inflation so when I get the money, I can pay you (emphasis mine).

Echoing Kwame’s (NGO worker, Accra, mother, Germany) comparison between being a borrower and a slave, when asked why he did not want to use banks and MFIs to borrow, Maxwell (business owner, Accra, brothers, Malaysia and Germany) responded that “loans are very expensive, we just end up working for them”. Far from merely being a question of affordable loans, Kwame and Maxwell were more concerned about the disciplining social power of money and credit over social life. Microfinance debt was not seen as a neutral exchange of money between equals but rather as constitutive of the inherently unequal relationship between debtors and creditors that underpins microfinance as a “poverty industry” (Soederberg, 2014). As Hardt and Negri (2012:12) argue:

In contrast to the myth of equal exchange, then, the debtor-creditor relationship has the virtue of unmasking the vast inequalities at the foundation of capitalist society.

In effect, for many participants, the unequal relations of power and domination between rich investors and poor borrowers were not concealed but rather took the form, as Kwame (NGO worker, Accra, mother, Germany) remarked, of “well-built people” that came to houses to collect goods and money by force:

The bankers, you cannot blame them because they’re taking investors’ money and they have to pay dividends at the end of the year. So, when they come, when they want you to take loans, they will come with a beautiful face but when it’s time to repay, they will send well-built people to come and take their money. I don’t think it’s right.

It is important to note that the ability to refuse and/or reject MFI and bank loan offers as well as loan renewals was partly dependent upon each individual’s circumstances and social position. Issa (shopkeeper, Thienaba, three brothers, Gabon) told me that despite his initial reluctance (see previous section), he found it hard to reject Baobab's loan renewal offer:

When I finished paying back my loan, I did not want to take another one. It's the guy from Baobab who encouraged me to do it. He even called me to tell me. I told him to give me some time to think about it and that I would call him back. Sometime later, I called him back to let him know I would come on in a few days for my second loan.

As mentioned already, Issa owed a large sum of money to one of his regular clients and used this second loan to pay them back. In contrast, for Khoudia, a retired teacher in Thiès who receives
remittances from her three daughters in France, it was her relatively small but nonetheless stable pension that allowed her to avoid interest-based loans.

I have shown that acts of refusal were frequent among participants. This was not only true for people who did not want to have anything to do with financial institutions but also for those who, despite having initially joined financial circuits, were reluctant to continue building further links despite the ever-recurring offers of bank and MFI credit agents.

6.4. Dissenting subjects of marketisation: Self-organisation as resistance?

Sometimes established in direct opposition to so called 'inclusive' financial systems, ROSCAs and other forms of savings and credit associations can constitute spaces within which decisions are made collectively and alternative processes of financial valuation are rendered possible. This section explores these multifaceted acts of dissent in the form of self-organisation among remittance recipients.

6.4.1. "Not all interests are the same": Competing practices of valuation

On several occasions, the setting up of and/or participation in associations for obtaining credit and managing savings was expressed in direct resistance to the banking and microfinance systems. This was for instance the case of Khoudia (retired teacher, Thiès, three daughters, France):

I don’t want to take out loans because of the interest. That is why we set up a tontine. I wanted to borrow money without having to pay any interests. That is how I set up the tontine in my school. I organised it so that they [her colleagues] could have access to money in a different way, to show them how we can solve our problems without the banks that suffocate us. I told them that we can undertake projects without taking out a loan from the bank. With the bank, with the interest, you’re tired, you don’t live anymore.

Khoudia set up a tontine not because she could not have access to bank of MFI loans but rather to find an alternative to a banking system that did not suit either her socio-economic needs or her convictions. Similary, Niali (shopkeeper, Thiès, husband, Italy) who refused to open an account with an MFI because of the “high interests” and the “negligence” of such institutions contributed to initiating an association with forty other women as an alternative:
We established this small group. We thought about it and then decided the way it would work. We keep this money ourselves because we did not want to leave it at the bank.

Niali explained that with her ASCRA each member could now have access to loans of up to 13 000 CFA franc. In contrast to ROSCAs where savings are pooled and then instantly redistributed to members in rotation, the savings that are pooled in ASCRAs are not immediately returned – at least, not for the first few months - but are “allowed to accumulate, to make loans” (Bouman, 1995:375). This sum of 13 000 CFA franc had to be repaid over a period of a few months before a loan of the same amount could in turn be redistributed to another member. Interest was added to the loan so that the fund could grow over time and bigger amounts could be shared by members at a later stage of the cycle. Crucially, interest originating from such groups were not valued the same way as interest charged by banks or MFIs. As Dawuda (street vendor, Tamale, brothers, Accra) pointed out to me: “not all interests are the same”. For instance, I was told by some participants in both countries that some of the ROSCAs they were involved in had recently been equipped with a non-rotating emergency fund from which members could draw upon if needed. What was sometimes called the ‘solidarity’ fund was partly funded by the interest charged on non-emergency loans, as Ama (street vendor, Thiès, husband, Mali) explained:

If I take out a loan of 5000 CFA franc with FIDES [formal MFI], I have to give 1000 CFA franc [of interest] that will not be in my account because it belongs to the bank. However, with the group, it’s a consensus, we discuss among ourselves in order to find the right amount that we can add to the loans we take out. It’s an amount that is more flexible and more acceptable financially because it’s between 200 and 500 CFA franc. It’s even more acceptable because we put it aside for the solidarity.

Interest-based loans within alternative financial arrangements were in fact welcomed by participants. Because they were subsequently redistributed to all members of the group at the end of the cycle, interests were in fact working in favour of all, including the borrowers. Dawuda (street vendor, Tamale, brothers, Accra) told me that with her susu, when people took a loan, 10% interest was usually charged. Interest was added up and then shared amongst all contributors at the end of the period:

I will take it [the interest] because we benefit from each other’s interest.

Interests were accepted because they came out of a collective decision that was agreed by the group. Because they worked for the people themselves, Rokhaya (street vendor, Thiès, husband, Mauritania) did not even call it interest:
When you pay back your 10 000 CFA franc loan, you give 500 CFA franc extra. But we don’t call it interest, we call it solidarity.

Interestingly, I was told on numerous occasions that part of the money that was accumulated in these solidarity funds was also used for investing in chairs, tarpaulin and kitchen utensils that could be rented out in case of events and ceremonies. The earned incomes were then added to the fund, ultimately allowing the distribution of larger loans as well as larger shares amongst members at the end of the cycle. Relatedly, what women involved in ASCRA tended to emphasise is how useful these regular cash instalments, i.e. the sum of 13 000 CFA franc, were at enabling them to either stabilise or consolidate their income-generating activities.

Niali (shopkeeper, Thiès, husband, Italy), Dawuda (street vendor, Tamale, brothers, Accra) or Rokhaya’s (street vendor, Thiès, husband, Mauritania) associations and the many others I encountered during my fieldwork all took different forms and were organised according to a different assemblage of evolving rules, mechanisms and technologies with regards to a wide range of aspects, including the number of loans one could obtain during the same cycle, the charging of interests on loans, the introduction of a lottery mechanism to decide on the rotation, the addition of a non-rotating emergency fund from extra contributions and revenues such as interests and fines. Because these associations were non-permanent, they were able to adapt their strategies to new circumstances. In fact, Kane (2010) argues that tontines in Senegal are like ‘chameleons’ that evolve over time according to changing needs. As such, what was accepted and acceptable during one cycle could change over time because of what members thought and decided. While Sofietou’s (stallholder, Thiès, husband, Italy) ASCRA was charging interest on loans at the time of our interviews, they had collectively decided that they would stop this at the end of their 12-month saving cycle. This also meant that tensions and disagreements could arise amongst members regarding the rules that were in place and ultimately push some members to leave. For instance, rules about fines and late deposits could be considered too strict for some. Rokhaya (street vendor, Thiès, husband, Mauritania) told me that the woman who was leading the previous association she was involved in was not showing enough flexibility. As a result of these constant changes, it was frequent to hear recipients saying that they had given up one association for another. Ama (street vendor, Thiès, husband, Mali) for instance preferred the ‘solidarity calebashes’63 (calebasse de solidarité) over the standard ROSCA she used to be involved in whereas

63 ‘Solidarity calebashes’ is a locally-based, solidarity-driven approach that aims to reduce inequalities and fight against debt and over-indebtedness by providing interest-free loans to the most vulnerable populations. For more information, see: http://renolse.org/la-calebasse-de-solidarite/.
Rokhaya (street vendor, Thiès, husband, Mauritania) wanted to stop the ‘solidarity calebashes’ and join another group.

6.4.2. Alternative savings and credit associations as ‘money commons’

It is in this context that I locate Max Haiven’s (2017:632) call for a “decolonial financial literacy” that takes seriously the idea that alternative financial circuits and arrangements, including all their variants, represent acceptable and sophisticated economic practices with their own set of literacies rather than the manifestation of market anomalies in need of formalisation (Berry, 1995). In her long-standing work that focuses on the building, maintenance and expansion of ‘commons’ beyond the market and the state, Silvia Federici (2018) refers to these women’s savings and credit associations as “money commons” (see also Podlashuc, 2009). For her, these associations constitute:

autonomous, self-managed, women-made banking systems that provide cash to individuals or groups that have no access to banks, working purely on a basis of trust (2018:108).

For Podlashuc (2009) in turn, they reflect an organic praxis, that is a self-creating, self-reflecting instrument that synthetises action and imagination to respond to and overcome problems. What ROSCAs do by de-individualising surplus and then collectivising it is to “assert cash as a new form of ‘the commons’” (Podlashuc, 2009:381). Podlashuc (2009) argues that the emergence of these savings collectives is to be located in the livelihood struggles of the oppressed themselves. This echoes Buggenhagen’s (2012) assertion that women’s complex money management strategies in West Africa take place in the context of economic instability and currency volatility. While Guyer (2004) refers to what these savings and credit associations can achieve as value creation over the longue durée, Podlashuc (2009:381) argues that savings collectives have the capacity to “transcend the zero-sum of poverty, by providing options for change and a sense of what the future could be”. He posits that these practices, more than simply being self-help responses to crisis, include “the premise of self-sufficient development” (ibid:389). Indeed, in Podlashuc’s empirical case study, these local savings groups also have a national and transnational dimension that allow them to be linked to wider network of Federations and, therefore, amass significant amount of money that can then be reinvested into the communities through development projects such as land acquisitions and collective sanitation blocks. While these experiences arguably offer compelling ways to think about already-existing modes of resisting and boycotting the market economy from below – Federici (2018) hints at the idea that they may represent an example of anti-capitalist money commons – it is also important to point out the multifaceted dangers of
formalisation and co-optation that these alternative savings and borrowing financial practices and circuits have faced over the years. I now turn to such dangers.

6.5. Towards the absorption of indigenous financial practices?

Formalisation and co-optation

Working in tandem with initiatives that aim to replace indigenous social practices with new forms of debt (Section 6.2), strategies that attempt to draw upon, absorb and/or transform existing alternative financial arrangements have recently intensified with the emergence of MM, and therefore require particular scrutiny.

With the rise of neoliberal development policies in the 1970s and 1980s, women's associations started to attract the attention of international development organisations. Under the Parti Socialiste in Senegal, mbotaye and tuur associations were turned into Groupements de Promotion Féminine (GPF) – women's groups – and were recognised by the state as civil society organisations. The latter “organised registration and voting for elections and provided audiences for the Parti Socialiste officials” (Buggenhagen, 2012:164). In return, the groups were offered access to credit and recommendations from state officials for international donor projects. Unsurprisingly, it is through these groups, which were the first to introduce the notion of committees in Senegalese women's collective lives, that the first NGO-led microcredit projects were implemented. As Ferguson (2007:74) argues:

Neoliberal motifs of 'empowerment' restyle the unemployed as 'micro-entrepreneurs', who, perhaps with the aid of a little 'micro-credit', might use their inventive creativity to power a new kind of economic development strategy.

Partly because of these associations' involvement with NGOs and international donors and lenders, new norms of accountability started to permeate women's exchange relations (Strathern, 2000). The necessity of balancing accounts that was taught in business management and financial literacy classes was increasingly given precedence over the perpetuation of relations of asymmetries. This culture of accountability, notably with the introduction of audits and organisational and individual performance checks, contributed to the rise of a mindset focused on the individuals. Ritual associations organised in GPF became more vertically organised and notions of individual responsibility and inadequacy were pushed to the fore and led members of these associations to increasingly monitor themselves in the name of financial efficiency.
(Tostensen et al, 2001). As it happens, while most participants reported that the aforementioned practices such as the charging of interests, the establishment of fines for late payments or recordkeeping were established by and negotiated between the members themselves, the influence of external actors was palpable (see also Datta and Aznar, 2019).

The case of the aforementioned ‘solidarity calebashes’ in Thiès was quite telling in this sense. A Solidarity Group (SG) programme supported by the NGO Action de Carême, they encourage marginalised populations to specifically avoid high-interest loans from MFIs and banks. Instead, they promote solidarity by building upon members’ savings to offer interest-free loans and cover basic needs such as education, health and food. The idea that women’s investment decisions have to be ‘rationalised’ is also a key component of the programme, which strongly discourages what they consider ‘wasteful expenditures’ during ceremonies. One male committee member of one of the twelve partner associations told me that the programme allowed one to “change behaviours with regard to wasteful spending”. He added that “women work for five or six years and waste everything in one day of ceremony”. While the project did not rely upon external financing, one of the aims of the SGs was to act collectively to influence local politics and advocate for their own interests (see also Mader, 2019). As such, they had to be seen by local authorities as a credible stakeholder. I suggest that clamping down on what is still considered conspicuous consumption represents one of the ways for local partner organisations to formalise their activities and build up their reputation. It was, therefore, not surprising that all participants involved in these SGs were also part of other groups and associations that allowed them to contribute more freely to ceremonies.

Similarly, several participants mentioned that they had been trained before setting up their associations. Although I did not manage to get the names and details of these training organisations – most women just could not remember – it is my understanding that quite a few participants in Senegal were members of a form of ASCRA that had been first established by the international NGO CARE in 1991, namely Village Savings and Loan Associations (VSLA, or AVEC in French). According to Ksoll et al (2016:70), VSLA is:

> a type of local financial institution that take many of the elements of ROSCAs and add more flexibility in savings and loans, standardise the governance structure and reinforce accountability element. (emphasis mine)

VSLA, according to their founders, were not supposed to offer an alternative but rather supplement the microfinance sector (Allen and Staehle, 2007). In contrast to the SGs mentioned
above, while warning about the dangers of an “ideological enthusiasm for the deepening of financial markets”, they nonetheless considered linkages between VSLA and MFIs and banks to be “useful and inevitable” (ibid:2). Attempts like these to directly link indigenous social practices and arrangements to financial circuits were numerous and seemed to follow a relatively similar logic, that of a pendulum that swung back and forth between the ‘indigenisation’ of some of the aspects of bank-based or microfinance and the ‘formalisation’ of indigenous social practices and relations. As mentioned already in Chapter 4, the social embeddedness of Banking Correspondents (BCs) within their communities plays a significant role in enrolling new clients and encouraging actual ones to take out new loans from Baobab. Similarly, many of the susu collectors’ participants were involved with, worked for and/or deposited their funds in banks. In effect, this service of daily savings collection was now offered by numerous banks and microfinance institutions in Ghana (Figure 6.3). This ‘indigenisation’ of finance, i.e. the informalisation of the relationship between financial institutions and customers, including the debtor-creditor relationship, seemed to increasingly constitute a strategy that aimed to formalise and co-opt indigenous financial arrangements and practices.

Figure 6.1- A susu account as part of a list of financial accounts provided by the MFI Best Point in Ghana
Crucially, while this role of “economic translators” (Waters, 2018:403) between local norms, values and time-scales and the imperatives of formalisation (e.g. the need for collateral or the contractual nature of the monthly payments) had originally been played by local human actors, such as credit agents, BCs, local VSLA trainers, members of local NGOs or susu collectors, the emergence of MM created new possibilities for financial institutions to have not only human actors but also technological devices permeating actual and potential customers’ financial everyday lives. When I asked about their enrolment strategies of new customers in general, and remittance recipients in particular, a representative of one of the main banks in Ghana responded as follows:

Basically, we’re relying on mobile money, linking it to a savings account that also has a micro-insurance component, reaching out to people in rural areas, especially those who come together to save in groups. You realise that they come together, they will save as a group of let’s say 25 people. Then, at the end of the day, they on-lend to each other (...) But what interests us is that they keep money in boxes, under their bed, or keep it at home. No interest accrues on it, they have no relationship with any financial institutions (...) Currently, we are working on how we can link that kind of model into the formal financial services sector. It is like bringing the informal sector to meet the formal financial sector. We call it "savings linkages". We are looking at it through technology, through domestic money remittances; how best we can link them into our financial... the core business that we do. So, at the end of the day, we create wallets individually, then we create group wallets too for them (...) So, yes, we are really leveraging on technology to reach out to them, not just savings but also looking at giving them some insurance component as a value proposition.

In Ghana, the increasing efforts of financial institutions to recognise and build on these networks came hand-in-hand with broader attempts to turn non-market financial relations into data. In fact, while these “savings linkages” were deemed necessary to increase bank deposits, they only represented the first stage of a broader plan of action. The bank representative continued:

And we are also looking at how best we can also lend to them – because they lend to themselves – so that they can use their savings as a guarantee (...) We are also looking at coming up with a retirement package, something you can save towards old age.

Mobile phones, and the wallets attached to them, acted as mediating calculative tools between commercial and financial institutions and indigenous financial arrangements. In Tamale, only two participants were using some of the functions of MM for their ROSCAs. This was the case for the ROSCA of Mahama, a charcoal trader in Tamale who received remittances from her daughter in Accra, was involved in:
We come together as a group of twenty friends who have been schoolmates since our primary school days and we are tribe mates as well. The main reason for forming that group was to support members during ceremonies (...). We have a particular person we contribute the money to at the end of the month. We all agree to give 50 GhC at the end of the month but whoever is unable to get that amount can contribute the lower denominations. We send those monies through mobile money and the person in charge takes the records (...). We have a sim registered with mobile money and we put it in a phone at the end of every month (...).

However, at the time of field research, nobody was using the loan function (e.g. QwikLoan) yet. While Kear (2016:262) argues that what he calls the financialisation of ROSCAs in the US has not led to accumulation by dispossession due to the absence of "pre-existing trust networks to be 'dispossessed'", the story is likely to be rather different when products such as mobile-based nano-loans are imposed onto existing alternative circuits of exchange in countries such as Senegal and Ghana. Relatedly, it has been argued that the "datafication" of ROSCAs in the US may encourage users to "play the credit score game" in order to improve their credit score rating (Kear, 2017:349). However, because of the recent emergence of such financial 'translators', i.e. mobile wallets, and the even more novel mobile-based credit products in both countries, we are yet to see if that is the case (see Chapter 7 for suggestions of future research avenues). A glimpse of such impacts can, however, be given through a story that Abdallah (carpenter, Tamale, brother, Italy) told me:

Anytime I want to give him [his brother] money to do something for me or just to use it for his own personal issues, I will have to call him and ask him whether I should pay it into his mobile money wallet or if he will come and collect it himself because he may have a loan to repay. Once money is paid into the account, it will be deducted automatically to repay the loan. So, unless he gives me the go ahead to pay to his account, I wait for him to come (...) Just some few months ago, his wife was admitted at the hospital. I was on my way home from the hospital when he called me and said that the hospital asked him to pay for some drugs which was 150 GhC. So, I went and withdrew the money from the ATM machine to pay it into his mobile money account and remembered that he had been taking loans from MTN mobile money. So, I called him to find out whether I could send the money to his mobile wallet. He then he told me that he was on a loan and gave me his wife’s mobile wallet account instead.

With mobile-based nano-loans such as QwikLoan, when debtors are late, their capacity to decide where to channel the money they have and/or receive in their MM account is dramatically curtailed, even in case of emergencies. Money, including money remittances, that sit or are sent to their MM account is deducted automatically until the loan is fully repaid. This may have significant consequences when an emergency arises, as Abdallah’s account showed. What we are witnessing
here is the increasing capacity – automated capacity – of commercial and financial institutions to curtail these strategies of financial juggling and practices of hierarchisation of debts, expenditures and investments that contribute to the production of remittance household members’ social and economic futures.

6.6. Conclusion

This chapter has explored the ways in which members of remittance households have responded to attempts to disentangle them from alternative circuits of exchange (RQ3). In contrast to many institutional accounts that portray practices of ritualised exchange within alternative circuits of debts and debt claims as ‘traditional’ obstacles that need to be overcome, my evidence suggests that they in fact produce relational value that is essential to the social reproduction of remittance households. My analysis shows that different (and even competing) regimes of value, devices and calculative agencies from the ones prevalent in the making of remittance markets in Chapter 4 are at play in the construction and maintenance of these alternative circuits of exchange. It is from this understanding of alternative financial circuits and practices that I conceptualise members of remittance households as “quasi-subjects” of remittance marketisation. This emphasises the fragile and contested nature of such processes of market subject formation. I call reluctant subjects of remittance marketisation those participants who, despite their awareness of the limited benefit and potential harm of being financially included, felt they had no choice but to comply with the disciplinary powers of mainstream finance. My findings show that, for some of these participants, new forms of debts can dispossess them of their ability to produce relational value. In turn, subjects that denied marketisation are those who, through discourses and acts of indifference and refusal, did not have, or no longer had, any relations with financial institutions. The risk of not being able to repay loans (often described as too expensive) and the fear of the consequences that such inability to pay back would bring are important factors that explain such decisions. Finally, dissenting subjects of marketisation were those who, sometimes in direct opposition to mainstream finance, set up and join ROSCAs and other forms of savings and credit associations. My evidence suggests that these arrangements represent spaces within which decisions can be made collectively and alternative processes of financial valuation are possible.

However, dangers of co-optation and formalisation have intensified in recent years, notably since the emergence of new technologies such as MM. Rather than trying to directly replace existing financial arrangements with new ones, what these new strategies aim to achieve is to draw upon and, ultimately, transform savings and borrowing mechanisms which, up until now, were located outside the reach of mainstream finance. What these new strategies and technologies work at is
to curtail the productive potential of alternative financial practices and arrangements as instruments of "future-making" (Green et al, 2012:1641).
CHAPTER 7

Conclusion

The relationship between remittances and financial inclusion has attracted heightened levels of interest from the international development community as well as commercial and financial sectors in recent years. This research has critically examined policies and programmes in Senegal and Ghana, which aim, as remittance specialist for the International Fund for Agricultural Development Pedro de Vasconcelos argues, to make "remittances count more" by financially incorporating remittance flows and households (Johnson, 2019, see Chapter 1). To do so, it has focused on the ways in which remittance markets are constructed in practice in both countries (RQ1), the extent to which remittance flows can be incorporated into global financial circuits (RQ2), and how remittance households experience such processes of subject formation (RQ3). The thesis has demonstrated that while proponents of the remittances-financial inclusion nexus seek to marketise remittances in different ways in both countries, the financial incorporation of remittance flows remains limited and processes of market subjectivation are uncertain, contested and require constant renegotiations. This chapter identifies the key findings of the study and discusses their new contributions to knowledge in response to important international theoretical and policy debates. It also suggests three main avenues for future research.

7.1. Key findings and contributions

The literature on financial inclusion and/of remittances fell short of explaining the ways in which the incorporation of remittance flows and households into global finance takes place in practice, and how members of remittance households in home countries experience such processes of market-making. The key theoretical contribution of this thesis relates to the novel application of a geographies of remittance marketisation approach to advance our understanding of the emergence and expansion of the remittances-financial inclusion nexus in Senegal and Ghana. Rather than what has been commonly identified in previous studies as financialisation, I propose here that what we are currently witnessing is the marketisation of remittances. Related to this, the key empirical contribution of this research is the novel exploration of how such markets are created, in two countries and four cities (including secondary cities) in the Global South, which do not often constitute sites of research. Finally, my research is significant for policy makers who propose and advance a remittances-financial inclusion agenda as it identifies the risks and limits
of such marketising projects. In response, I suggest three key pillars upon which such an agenda should be built.

7.1.1. Theoretical contributions: A geographies of remittance marketisation approach

Responding to calls to empirically and critically explore the making and effects of markets (Ouma, 2015b), this study has demonstrated how and why the creation, stabilisation and expansion of markets on the back of remittances is contingent, fragile and contested. As argued in this thesis, a geographies of remittance marketisation analytical framework enriches critiques of the financialisation of development in general, and remittances in particular, by emphasising the work that is done and, therefore, can be undone to construct remittances as financial assets upon which markets can be expanded. In other words, it enables an investigation of not only the extension of “finance's rules and logics” to remittances, its senders and its recipients (i.e. what finance does), but also its practical and intricate activities and operations (i.e. how it does it) (Christophers, 2015b:232; Ouma, 2015a). In doing so, I challenge extant research which has tended to treat financialisation as explanans (the explanation) rather than explanandum (what is to be explained), therefore overlooking the micro-geographical financial practices that underpin the construction, maintenance and deepening of finance, including its markets, assets and subjects (Ouma, 2016a). Unpacking the micro-practices of finance constitutes as much a technical endeavour as it does a political imperative that challenges taken-for-granted financial relationships, practices and ideas (Christophers, 2015b:230).

This approach has, therefore, shed new light on the processes through which ‘alternative’ remittance circuits and practices are politically and discursively constructed as ‘backward’ and ‘non-productive’ and, therefore, in need of development interventions (see Chapters 5 and 6). This dimension of marketisation refers to the construction of a boundary between the ‘market’ and the ‘non-market’ in order to legitimise attempts to incorporate the latter into the former. It also provides a useful framework to analyse how remittance markets are realised, through the practical accomplishment of three key framings: the conversion of remittances into commodities, the formatting of calculative agencies and the formatting of remittance market encounters. In doing so, a geographies of remittance marketisation approach also allows for the nuancing of the progress of the remittances-financial inclusion nexus, and financial inclusion more generally, which tends to be overemphasised and generalised by both critiques and advocates of the agenda (Bernards, 2019). In fact, a marketisation framework that is sensitive to the aforementioned behavioural turn in development – or what Kear (2018:317) calls a "behavioural geography of
marketisation” – is well suited to emphasising the uncertain nature of financial subject formation. It allows for an exploration of such processes as not inevitable but prone to resistance.

7.1.2. Empirical contributions: The construction and effects of remittance markets in Dakar and Thiès, Senegal and Accra and Tamale, Ghana

In detailing the construction and effects of remittances markets, this study does not just advance our understanding of the non-human side of remittance marketisation and the work of market devices in rendering remittance markets possible (see Chapter 4). It has also generated new insights into its human side by looking at the ways in which remittance recipients’ financial practices and subjectivities interact with, are subsumed by and/or counter various marketising attempts to replace or absorb them (see Chapters 5 and 6). This is particularly significant since remittance recipients have not been the focus of attention or, where addressed, have been seen primarily in terms of dependent and passive individuals. Through fine grained empirical research drawing upon an original dataset comprising 188 semi-structured and ethnographic interviews with institutional and private sectors actors and members of remittance households as well as in field observations and document analysis, I have detailed (1) how markets are made; (2) the extent to which remittances can be incorporated into mainstream finance; and (3) how remittance recipients have responded to processes of market subject formation.

How remittance markets come into being (RQ1)

In the case examined here, the extensive financial, material, technological, discursive, legal and behavioural engineering that is necessary for remittance markets to be realised in countries such as Senegal and Ghana is closely analysed. As demonstrated in Chapter 4, remittance markets in Senegal and Ghana are realised through the practical and, sometimes, partial accomplishment of three decisive market framings. First, in order for remittances to constitute a legitimate source of development finance, they must be disentangled from realities of indebtedness, separation, exploitation, and even loss of life, that often underpin domestic and international migration. Remittances are ‘pacified’ through a combination of discursive processes and particular practices of ‘discounting’ (Hernandez and Coutin, 2006). Second, remittance markets are realised through the formatting of specific market agencies among not only migrants but also members of remittance households in home countries. Particular socio-technical agencements of human and non-human actors, including technological, textual and material market devices and settings, have been deployed in both countries in order to encourage and facilitate the integration and circulation of remittance flows through formal financial circuits, as well as to nudge remittance
recipients to use new digital financial products and services. Particularly important is the increasing emphasis that is put by development, financial and commercial institutions on the role of human financial intermediaries. Mobile Money (MM) agents in Ghana and Banking Correspondents (BCs) in Senegal are encouraged to behave as “active brokers” between financial and commercial institutions and customers (Rodima-Taylor and Maurer, 2019). Their social embeddedness acts as a nudge, or commitment device, that encourages remittance recipients to behave in certain ways rather than others and which, in turn, is dependent upon, and enhanced by, various technological, material and human elements for financial inclusion purposes. The third key market framing relates to the formatting of market encounters between members of remittance households, agents, financial and commercial institutions. Constant negotiations as well as individual and collective forms of contestation over price fixing shows that the making of these market encounters can lead to moments of ‘overflow’ and threaten market-making processes. More recently, market encounters between recipients in Senegal and Ghana and global investors have been formatted through extensive financial engineering, hence opening the door for the conversion of remittance-linked and remittance-backed income streams into potential sources of profit, and remittance customers into investable assets. On the basis of the new evidence base collected, it is clear that while the concrete realisation of remittance markets – marketisation – may very well provide a crucial entry point for further financialising projects, the financialisation of remittances is yet to materialise.

The financial incorporation of remittance flows (RQ2)

This thesis has shown that a major reason why remittances cannot easily be linked to financial products and services and, ultimately, be turned into just another asset stream is because they do not simply constitute a sum of money with mostly positive characteristics (Kunz, 2008). Just as Ouma (2015a:226) describes farmland as “a weather-dependent, geographically variegated, socioecologically embedded, and potentially political resource” that makes it difficult to financialise, remittances are social practices that are embedded in specific economic, social and cultural contexts which, in turn, influence the ways in which they can be used, when, by whom, and for what (see Chapter 5). This study has shown that choices regarding how remittances can, and should, be spent, saved and invested are not made by atomised individuals waiting for the right stimuli and incentives but rest upon collective, and sometimes unequal, decision-making process between migrant(s), receiver(s) and recipient(s). More specifically, remittance flows and practices are part of complex social networks of kith and kin that connect not one migrant to ‘a household’ but one or multiple migrants to one or multiple receivers and recipients. Remittances are often earmarked for specific individuals and purposes. Gendered power dynamics and norms, household context, inter-women hierarchies as well as kinship
relations, mediate these processes of earmarking as well as the extent to which remittances can be put to use in ways that are advocated by proponents of the remittances-financial inclusion nexus.

Policies and programmes that mainly focus on making remittance work for development and financial inclusion ignore much of what is taking place within remittance households. Depictions of members of remittance households as passive, idle individuals in need of intervention to ensure that they use remittances more productively are still prevalent, albeit often implicitly. In contrast, this thesis has demonstrated the importance of opening up what might be labelled the 'black box' of the remittance household to account for the limitations of a development project that aims to leverage remittance flows for financial inclusion. As shown in Chapter 5, remittance households are active sites of unwaged, reproductive and emotional labour, within which members not only labour to transform, or "depollute" (Carsten, 1989, in Abbots, 2014:145), remittances but also contribute to the production of life more broadly. Remittances are not simply consumed but necessitate labour, time and care to 'work' for the benefits of migrants. This points to the significant role that members of remittance households play in not only holding migrants' place within communities of origin but also mobilising financial resources for the socio-economic benefits of the latter. It also reveals the potential disadvantageous effects remittances can have on recipients' everyday lives. Highlighting the importance of multifaceted reverse remittances, including the labour that is required to care for remittances, challenges the often-assumed unidirectionality of economic, social and emotional support from migrants to recipients in much of the policy-oriented and academic literature on remittances, financial inclusion and development (Palash and Baby-Collin, 2019). This thesis, therefore, provides a new understanding of the relatively neglected inputs of members of remittance households in home countries within migration studies by furthering an understanding of remittances not only as a resource to be leveraged (for financial inclusion) but also as a potential cost that needs to be accounted for more systematically (Mazzucato, 2011).

A further set of limits to the remittances-financial inclusion nexus relates to the fact that the remittances received are often neither sufficient nor regular enough to make ends meet, let alone to accumulate assets (i.e. savings) or produce income streams (i.e. loan repayments) (see Chapter 5). This research, therefore, helps to highlight the difficulties faced by marketising projects in constructing migrants' and recipients' labour and incomes into objects of speculation in the

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64 See for instance reports on how remittances can work for 'development finance' (Julca, 2013), 'Africa' (Gupta et al, 2007) and 'financial inclusion' (Todoroki et al, 2014).
context of low-income and irregular economic activities. Rather than contributing to the ‘inescapable’ deepening of the financialisation of development, what a grounded exploration of the remittances-financial inclusion nexus reveals are the fundamental contradictions and limits of development projects that attempt to expand the possibilities of financial profits in postcolonial economies where everyday incomes have increasingly been rendered fragile and precarious (see also Bernard, 2019; Montgomerie and Tepe-Belfrage, 2017).

Marketising remittances also requires the discursive and political reconfiguration of indigenous financial strategies, practices and circuits as ‘backwards’, ‘inefficient’ and, therefore, in need of formalisation (see Chapters 2 and 5). However, this thesis has demonstrated that these alternative circuits and practices of (remittance) saving, borrowing and investing are generally actively chosen. This is often not due to a lack of financial literacy or access to mainstream finance but rather because they are deemed practically, socially and economically more advantageous than what MFIs, banks and MNOs can offer. My empirical exploration of the ways in which remittances are used and channelled shows that, when they have the opportunity, remittance recipients largely favour saving/investment in farming, trading and other income-generating activities as well as in ROSCAs and ASCRAs, cattle, land, jewels and housing as circuits and instruments of financial protection and accumulation. Importantly, when members of remittance households do not, or cannot, direct remittances towards investment and asset accumulation, they tend to channel their own incomes for such purposes instead.

**Market subject formation and remittance recipients (RQ3)**

As demonstrated in this study, attempts to format and align remittance recipients’ agencies to specific behaviours deemed economically beneficial by proponents of remittance marketisation are always a source of covert and overt contestation. In other words, **processes of financial subject formation are practical accomplishments that are always ambiguous, uncertain and in the making**. Members of remittance households constitute “quasi-subjects” of remittance marketisation (Berndt and Wirth, 2019) that reluctantly accept, refuse and resist processes of financial incorporation. This research, therefore, contributes to a nascent literature that is concerned with the rise of a new behaviourism and experimentalism in development by investigating how this trend plays out empirically (Berndt, 2015; Berndt and Boeckler, 2016, 2017; Boeckler and Berndt, 2013). It also furthers our understanding of not only the fundamental limits to such marketising projects but also the variegated forms of resistance to processes of financial subject formation (Fields, 2018). While it is certainly true that the ambiguities and fragilities of processes of financial subject formation have been acknowledged (Langley, 2006), I advance that part of the reason why processes of market subject formation may succeed or fail...
and variegated financial practices and subjectivities – that differ from the neoliberal self-disciplined subject – emerge and/or endure can be found by looking at what indigenous financial institutions, arrangements and practices are, and what they do. First, I have advanced the theorisation of remittance recipients as ‘reluctant’ subjects of marketisation to characterise participants who, despite being aware of their potential and actual detrimental effects, conceded to the disciplinary mechanisms of formal debt products. For some, entanglement in new market arrangements forced partial disentanglement from alternative networks and relations. To be sure, debts due to financial institutions such as MFIs occasionally took over people’s everyday lives and dispossessed them of their capacity to produce alternative forms of value – “relational value” (Elyachar, 2005:7) – essential to processes of social reproduction and strategies of future-making. Non-market technologies, devices and other textual, discursive and material elements intervene in the formatting of specific agencies that enable the ‘qualification’ of gifts and the production of relational value among those attending alternative circuits of exchange (e.g. ROSCAs attached to life-event ceremonies). These agencies are often at odds with the performance of market subjectivities advocated by the remittances-financial inclusion nexus. Second, I have shown how and why remittance marketisation is denied through acts of indifference and refusal. Many remittance recipients are not interested and even refuse to be entangled in formal financial circuits. In contrast to a literature on financial inclusion that tends to mostly focus on the predicament of people that have taken out loans and other financial products, my research has paid attention to the factors that push people not to participate or quit microfinance. Participants often raised concerns about high interest rates and the difficulty of repaying loans. Some provided more extensive critiques of the disciplining social power of money and credit over social life. Finally, I have demonstrated that resistance to the remittances-financial inclusion nexus, and to financial inclusion more generally, does not only consist in not participating (Mader, 2017) but also can take the form of collective self-organisation among remittance recipients. Financial inclusion is not just covertly subverted but also resisted both individually and collectively, albeit not necessarily in the form of an organised social movement (although see CADTM, 2017). From this perspective, members of remittance households are dissenting subjects of marketisation that constitute and maintain alternative financial spaces in direct opposition to so-called ‘inclusive’ financial systems. In these spaces, decisions can be made collectively, and alternative processes of valuation are rendered possible.

Careful consideration of the importance of these indigenous financial circuits and arrangements in shaping the ways in which people respond to marketising attempts has also enabled this thesis to trace the evolution and strategies of adaptation of projects that aim to connect remittances flows and households to global finance. With the rise of MM, commercial and financial institutions
are increasingly trying to harness, rather than simply replace, existing alternative financial arrangements and aim to reproduce their logics and dynamics through the mediation of technological devices and platforms. While the impacts of such devices and new financial products attached to these are beyond the scope of this study, I have suggested that these new strategies may increase the ‘automated’ capacity of financial and commercial institution to curtail people’s varied financial management strategies.

7.1.3. Policy significance and implications

This research has demonstrated how the remittances-financial inclusion nexus aims to expand and deepen market rules and logics and advances the rise of behaviourism and experimentalism in the name of development. Poverty is conceived of as a cognitive problem and solutions are to be found in the transformation of the anomalous and problematic behaviours of the poor. The structural constraints that poor people face on an everyday basis are generally absent from these debates. Yet, and as the economics editor for the Financial Times puts it, "I don't have enough money to open a bank account' isn’t a problem that can be solved by putting a bank account on the internet" (Greeley, 2019). The micro-geographical practices of market-making and market subject formation, therefore, need to be brought into political debate. In the following, I provide a set of foundations upon which a radical, transformative and decolonial development agenda on remittances and financial inclusion can be built.

First, causes of poverty must be de-individualised and the context within which financial hardship occurs needs to be accounted for. Ignoring the root causes of migration only serves to obscure broader transnational power forces that shape political and economic development in the Global South. Migration must be understood from a “global perspective", which situates remittance "within transnational social fields of uneven power" (Glick Schiller, 2010:23). In Senegal for instance, only through a critical examination of the coloniality of the CFA franc and its consequences on people’s everyday lives can we start unpacking the genealogies, problematic framings and questionable outcomes of particular development interventions such as the remittances-financial inclusion nexus. In fact, and as I have argued elsewhere, the colonial foundations of the monetary arrangement in the franc zone continue to shape political and economic relations between France and many of its former African colonies such as Senegal as well the ‘post-colonial’ development policies supposed to improve the everyday lives of the 162+ millions of people living in the region (Guermond and Ndongo Sylla, 2018).

Second, if policy makers are serious about harnessing the positive impacts of remittances on development, priority must be given to supporting struggles against the restriction of legal, civil,
labour and reproduction rights of documented and undocumented migrant workers worldwide. Development policies and projects that laud migrant remittances without addressing and prioritising questions of migrant justice both in public arenas and on the ground are exploitative and further reproduce an unfair, unsustainable and oppressive global political economy (Datta, 2009; Datta et al, 2007; Ferguson and McNally, 2014).

Finally, already-existing remittance and other related financial practices and circuits in home countries must be recognised and valued in their own terms. Financial literacy and behavioural programmes and policies are in part produced by multifaceted forms of illiteracy, including "racial illiteracy" (Haiven, 2017:353). These are illiteracies not only towards the structures of classism, racism and colonialism, as I have noted above, but also towards "the manifold potentials for alternative forms of social cooperation and relationality" that projects of marketisation and financialisation seek to curtail (ibid:361). The alleged financial illiteracy as well as the lack of financial capabilities and productivity of remittance recipients in the Global South are the product of economistic, gendered and racialised assumptions about their role and that of remittances in the production and reproduction of the household, life and development. While remaining aware of the risks of romanticisation and co-optation (see Chapter 6), a decolonial agenda on remittances and financial inclusion must acknowledge indigenous circuits of exchange, saving, borrowing and investment as socio-economic and financial organic practices that should not be nudged and marketised but rather preserved and supported, with remittance recipients playing a leading role. As Mann and Guyer (1999:139) have argued, the origins behind the creation of formal local credit and cooperative associations in West Africa by French administrators during the colonial era was to be found in the alleged lack of initiative and foresight of African farmers "to lay aside enough seed and grain to endure a failed harvest". It does not seem far-fetched to argue that the supposed lack of foresight of Africans during the colonial era has now been replaced by the image of the "irrational, financially illiterate and 'excluded'" poor consumers whose behaviours need to be nudged in order to improve their well-being (Gabor and Brooks, 2017:431). It is, therefore, crucial for scholars to keep challenging such assumptions and deconstructing discourses and practices that underpin any development interventions. The remittances-financial inclusion nexus is no exception.

7.2. Extending this research: Further avenues for study

This research has explored empirically how the remittances-financial inclusion is constructed and contested in Senegal and Ghana. More critical work on the increasing prevalence of digital financial inclusion – beyond payment systems – is needed. More specifically, empirical research
on the impacts of digital financial products and services is essential as digital loans and insurance are increasingly becoming accessible in many countries in Sub-Saharan Africa, and beyond. Concerns have recently been raised with regards to late repayments and defaults in countries such as Kenya and Tanzania. In Kenya for instance, where 27 percent of adults have taken at least one digital loan (Totolo, 2018), a survey conducted by CGAP has revealed that digital loans are driving Kenyans into multiple debts (Izaguirre et al, 2018). The World Bank-housed organisation, renowned for its relentless promotion of financial inclusion, has even called for a slowdown in digital credit’s growth in East Africa (ibid). Further studies also need to examine the ways in which digital financial products may shape the financial relations, practices, mechanisms and subjectivities at play within indigenous social relations, practices and arrangements. At the heart of the matter will be the tensions between the ‘commoning of money’ on the one hand (Federici, 2018) and the marketisation of indigenous social relations, practices and arrangements for further financialising projects on the other. Moreover, analyses that explore the relationship between digital financial inclusion and financial surveillance could also prove useful, especially between governments, digital platforms, MM agents and consumers. Overall, there is a need for more longitudinal qualitative research on migration and financial inclusion which moves beyond snapshots. This would allow for an investigation of the ways in which uses of (digital) financial products and technology change over time. Given the rich qualitative data provided by in-depth and ethnographic interviews, this research could be extended through follow-up interviews with the original participants two or three years on from this project to identify the factors that drive these changes, and their impacts on people’s everyday lives.

Relatedly, further research is needed to investigate the relationship between digital financial inclusion and race/gender, with a particular focus on the Global South. The logics, technologies and imaginaries that are at play in the (re)valuation of racialised and gendered lives under the guise of digital financial inclusion need to be examined more closely. More specifically, studies could look at whether and how new technologies such as credit-scoring algorithms designed by Fintechs might contribute to new and continuing forms of racial and gender inequality and exploitation. Understanding how telecommunication and MM data is processed, interpreted and ‘humanised’ for a wide range of uses will require attending to the growing debates on “data colonialism” (Couldry and Mejias, 2019) and “decolonial computing” (Ali, 2016). Empirically, for instance, future research could unpack the geographies of algorithms: where are they designed? By whom? Under which assumptions? For whom? And for what purposes? This could contribute uncovering processes of “technological redlining” – the way data is used to profile populations in gendered, classed and racialised ways – in the context of digital financial inclusion (Noble, 2018)
International comparative analyses are also needed to understand the **differentiated ways in which the remittances-financial inclusion nexus manifests itself, and the various responses from remittance recipients.** A Special Issue in *Environment and Planning: A* on how this nexus unfolds in different socio-cultural, political and economic contexts, and to which I am contributing, is currently in preparation. Furthermore, while this research has examined how the remittances-financial inclusion agenda has played out on the ground as a *development* enterprise, remittances are also increasingly used as a tool for financial inclusion in the context of forced migration and *humanitarian* interventions. In Rwanda for instance, online money transfer service providers Worldremit and Useremit are now offering mobile-based remittance services to refugees in the two longstanding camps of Gihembe and Kiziba (Pistelli, 2018). UNCDF (2018:6), in a report entitled ‘Accessible and affordable remittance services for refugees: A toolkit’, promotes the use of MM as affordable remittance channels that can “further link remittances received by forcibly displaced people and host communities with broader financial services”. As an analytical framework, the behavioural geography of remittance marketisation is best suited to explore empirically the ways in which remittance-linked financial inclusion is constructed and expanded in refugee camps, as well as the limitations and fragilities of such market-led humanitarian projects.
### Appendix

**Appendix 1 - Interview questions posed to institutional and private sector actors**

<table>
<thead>
<tr>
<th>Section 1. Organisation details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can you tell me what your position is in this organisation?</td>
</tr>
<tr>
<td>How many branches do you have across the country? Where are they? Compared to 5 years ago?</td>
</tr>
<tr>
<td>Which part of the country is well serviced? Any reasons why?</td>
</tr>
<tr>
<td>Do you work with other entities in order to expand your network?</td>
</tr>
<tr>
<td>How many active account holders? And borrowers?</td>
</tr>
<tr>
<td>Who do you consider as your main competitors (names)?</td>
</tr>
<tr>
<td>Financing: what are the different ways in which you finance your activities (debt, equity, savings mobilisation, interest and non-interest incomes, etc)?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Section 2. Remittance service activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>When did you start providing remittance services? Why?</td>
</tr>
<tr>
<td>What are the different remittance products and services offered by your organisation?</td>
</tr>
<tr>
<td>What about mobile banking?</td>
</tr>
<tr>
<td>Remittance business:</td>
</tr>
<tr>
<td>- amount of payments per year over the past 5 years</td>
</tr>
<tr>
<td>- volume of payments per year over the past 5 years</td>
</tr>
<tr>
<td>- for whom? Which one is the main one?</td>
</tr>
<tr>
<td>What does your remittance pay-out networks look like?</td>
</tr>
<tr>
<td>How important in terms of revenues are remittance services in relation to your other activities?</td>
</tr>
<tr>
<td>In terms of commissions on transactions, how much goes to the distributors?</td>
</tr>
<tr>
<td>How are the commissions redistributed between the points/kiosks and the intermediaries?</td>
</tr>
<tr>
<td>In this money transfer business, who do you consider are your main competitors?</td>
</tr>
<tr>
<td>What have been your major achievements since the establishment of remittance-related operations?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Section 3. Remittance marketplace and regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>What are the key national regulations that shape remittance service provision?</td>
</tr>
<tr>
<td>What are the key measures that you had to undertake?</td>
</tr>
<tr>
<td>What are the most recent measures that you had to undertake?</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Section 4. Financial inclusion and remittances</th>
</tr>
</thead>
</table>
What types of loans do you provide? Individuals/groups? Different methods of reimbursement? Interest rates/Effective APR?

How are remittance recipients perceived by your institution?

Can you tell me about your strategy to target remittance recipients? And for migrants? Has it changed over the past 10 years? Can you tell me why?

Can you tell me about the strategy/tools you use to track remittance recipients’ financial stories with your institution? (how much they receive, how often, from where, etc)

Do you provide financial education? Who with? How many so far? Why? How successful was it?

According to you, what are the main barriers for remittance recipients to have access to financial products and services?

What kind of things should be done to further extend banking services to RR?

From the RR perspective, what could be the problems/potential negative effects associated with the extension of banking services?
### Appendix 2 - Members of remittance households interviewed across Thiès, Senegal and Accra and Tamale, Ghana

<table>
<thead>
<tr>
<th>REMITTANCE RECIPIENTS</th>
<th>NUMBER OF VISITS</th>
<th>GENDER</th>
<th>GEOGRAPHICAL SETTING</th>
<th>REMITTERS' GENDER</th>
<th>REMITTERS' RELATIONSHIP TO RR</th>
<th>REMITTERS' DESTINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senegal (N=31)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abibatou</td>
<td>2</td>
<td>F</td>
<td>Rural (Notto Diobass)</td>
<td>M</td>
<td>Son</td>
<td>Joual (Senegal)</td>
</tr>
<tr>
<td>Aladji</td>
<td>1</td>
<td>M</td>
<td>Urban (Thiès)</td>
<td>M</td>
<td>Brother</td>
<td>Kaolack (Senegal)</td>
</tr>
<tr>
<td>Ama</td>
<td>2</td>
<td>F</td>
<td>Urban (Thiès)</td>
<td>M</td>
<td>Husband</td>
<td>Mali</td>
</tr>
<tr>
<td>Mamina</td>
<td>3</td>
<td>F</td>
<td>Rural (Toubatoul)</td>
<td>M</td>
<td>Husband</td>
<td>Spain</td>
</tr>
<tr>
<td>Momar</td>
<td>1</td>
<td>M</td>
<td>Urban (Thiès)</td>
<td>M M M</td>
<td>Brother, Brother, Uncle</td>
<td>Italy, Matam (Senegal), Canada, Italy</td>
</tr>
<tr>
<td>Yaye</td>
<td>2</td>
<td>F</td>
<td>Urban (Thiès)</td>
<td>M M F M</td>
<td>Husband, Son, Friend (intermediary), Cousin (intermediary)</td>
<td>Dakar (Senegal), France, Spain, Italy</td>
</tr>
<tr>
<td>Kankou</td>
<td>1</td>
<td>F</td>
<td>Urban (Thiès)</td>
<td>M</td>
<td>Husband</td>
<td>France</td>
</tr>
<tr>
<td>Niali</td>
<td>2</td>
<td>F</td>
<td>Urban (Thiès)</td>
<td>M M M</td>
<td>Husband, Stepbrother, Brother</td>
<td>Italy, Spain, n/a</td>
</tr>
<tr>
<td>Djaly</td>
<td>1</td>
<td>F</td>
<td>Urban (Thiès)</td>
<td>M</td>
<td>Husband</td>
<td>Linguere (Senegal)</td>
</tr>
<tr>
<td>Sawdiatou</td>
<td>2</td>
<td>F</td>
<td>Urban (Thiès)</td>
<td>F F M</td>
<td>Daughter, Friend, Brother</td>
<td>Dakar, France, UK</td>
</tr>
<tr>
<td>Falilou</td>
<td>2</td>
<td>M</td>
<td>Peri-urban (Tienaba)</td>
<td>M M M</td>
<td>Brother, Brother, Brother &quot;Boys&quot;</td>
<td>Dakar, Keur Massar (Senegal), Italy, Spain, Brazil, Argentina, Gabon</td>
</tr>
<tr>
<td>Sarratou</td>
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<td>F</td>
<td>Urban (Thiès)</td>
<td>M</td>
<td>Husband</td>
<td>Italy</td>
</tr>
<tr>
<td>Name</td>
<td>Gender</td>
<td>Location</td>
<td>Relationship</td>
<td>Other Info</td>
<td>Origin</td>
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<tr>
<td>Gorgui</td>
<td>M</td>
<td>Peri-urban (Tienaba)</td>
<td>Brother</td>
<td>Spain</td>
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<td></td>
<td></td>
<td></td>
<td>Brother</td>
<td>Italy</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>Friends/Acquaintances</td>
<td>n/a</td>
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<td></td>
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<td>Khoudia</td>
<td>F</td>
<td>Urban (Thiès)</td>
<td>Daughter</td>
<td>France</td>
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<td>Daughter</td>
<td>France</td>
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<td></td>
<td></td>
<td>Daughter Son</td>
<td>France</td>
<td></td>
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<td></td>
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<td></td>
<td>Dakar</td>
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<tr>
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<td>Gender</td>
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<td>Abdul Aziz</td>
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<td>Accra, Accra, Accra</td>
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<td>Accra, Accra, Accra</td>
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<tr>
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<td>Uncle, Uncle, Uncle</td>
<td>Spain, UK, Kumasi</td>
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<td>Accra</td>
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<td>Husband</td>
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<td>Sunyani (Ghana)</td>
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</tbody>
</table>

**Total of interviews = 92**

**Total number of hours = 135**
**Appendix 3 - Interview questions posed to members of remittance households**

<table>
<thead>
<tr>
<th>Section 1. Presentation of the household and migration history</th>
</tr>
</thead>
<tbody>
<tr>
<td>Could you introduce yourself and present your family/household?</td>
</tr>
<tr>
<td>Are any members of your household migrants?</td>
</tr>
<tr>
<td>How did they migrate? Were they supported by anyone? Where are they now?</td>
</tr>
<tr>
<td>Have you ever migrated? If yes, where and for how long?</td>
</tr>
<tr>
<td>Do you know many other people from the neighbourhood who also migrated?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Section 2. Remittances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can you tell us who sends remittances to your household? Who is the money sent to?</td>
</tr>
<tr>
<td>What type of remittances do you receive? For remittances as cash: how much do you receive, and how often per month? Does the amount you receive vary?</td>
</tr>
<tr>
<td>What are remittances spent on? Do you use remittances for specific purposes/expenditures?</td>
</tr>
<tr>
<td>Who decides how remittances are spent? How is it decided?</td>
</tr>
<tr>
<td>Would you spend the money differently if you could?</td>
</tr>
<tr>
<td>What does the sender say about how the money is being spent?</td>
</tr>
<tr>
<td>Do you know if the sender sends remittances to other people?</td>
</tr>
<tr>
<td>Without these remittances, how would you cover all the expenses of the household?</td>
</tr>
<tr>
<td>How do you receive remittances and where do you go? Have you always received remittances this way?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Section 3. Income and expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>What are the main sources of income of your household?</td>
</tr>
<tr>
<td>Does anyone work for you? Do you work for someone?</td>
</tr>
<tr>
<td>Looking backwards, would you say that you and your family have had economic stability? Can you recall any 'turning points'?</td>
</tr>
<tr>
<td>How do you manage your budget during the 'bad times'?</td>
</tr>
<tr>
<td>Do you feel your income is always enough to pay for everything you and your family need?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Section 4. Financial services and products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tell me about the different means/ways you have used to save over the last 5 years?</td>
</tr>
<tr>
<td>Tell me about the different means you have used to borrow over the last 5 years?</td>
</tr>
<tr>
<td>Do you use mobile money? What do you do with mobile money? What do you think of it?</td>
</tr>
<tr>
<td>If the participant does not use any informal or formal financial services: ask why?</td>
</tr>
<tr>
<td>Questions for participants using informal services only:</td>
</tr>
<tr>
<td>- Why are you not using formal financial services? If you could, would you like to have access to these services?</td>
</tr>
</tbody>
</table>
If the participant goes to a bank or microfinance institutions to collect remittances: ask if the cashier there ever tried to promote and sell the institution’s financial products.

Questions for participants using formal services only: why are you not using informal financial mechanisms/services?

Questions for all participants using informal and/or formal financial services:

- Has any organisation ever tried to encourage you to open a bank account or to promote their financial products at the location where you pick up remittances?
- In which situation do you prefer to use formal financial services over informal ones? And why?
- In which situation do you prefer to use informal financial services over formal ones? And why?
- Do you think that receiving remittances has allowed you to have more/better access to formal financial services?

Section 5. Financial practices, arrangements and relationships

Could you give me your thoughts on what these informal/formal financial services changed for you in your daily life?

Has the use of these informal/formal services made any difference in the ways in which you manage the budget of the household?

How have the ways you save and borrow changed since you started to use informal/formal services?

Links between remittances and financial practices:

- Has the use of these formal services and products changed how you manage/use remittances?
- Can you tell us whether your relationship with the sender changed since you started using formal financial products?

Do you consider yourself as a good money manager? How would you describe a good money manager?

Section 6. Debt relationships

Do you often have loans to repay?

What is the interest rate for each of the loans you have taken out? What are the other fees you have to pay?

What is your strategy to repay your loans?

Do you sometimes have problems repaying your loans?

What do you think about using these loans?

What would have happened if you did not have access to those loans?
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