

The University of Manchester
Brooks World
Poverty Institute

MANCHESTER
1824

***Remittances, Poverty Reduction and
Informalisation in Zimbabwe 2005-6: a political
economy of dispossession?***

**Sarah Bracking¹ and
Lloyd Sachikonye²**

February 2008

BWPI Working Paper 28

Sarah.bracking@manchester.ac.uk
sachi@zol.co.zw

¹University of Manchester
²University of Zimbabwe

Brooks World Poverty Institute
ISBN : 978-1-906518-27-1

Creating and sharing knowledge to help end poverty

www.manchester.ac.uk/bwpi

Abstract

During the multifaceted crisis that has befallen Zimbabwe since 2000 the plight of the people has been manifest in a shrinking employment market, triple or four digit inflation, a sometime dearth of available commodities, rising child mortality rates and falling life expectancy - to the worst female life expectancy in the world - and a governance crisis experienced as political violence, uncertainty and cultural and social isolationism. Many popular and academic papers have bemoaned and discussed these symptoms of crisis.

The fieldwork from which this paper derives, in November to December 2006, was carried out in the context of the above, just after an exercise in currency renewal, where three zeros were removed, in a state suffering the excesses of state propaganda and fear. Some of the data is corrupted by this numeric confusion and fear induced unwillingness to respond to strangers' questions. However, the core of the dataset is sufficiently rigorous to suggest important validations and new observations which extend the analysis of our 2006 paper on Remittances in Zimbabwe (GPRG, Working Paper No. 45). This paper reaffirms the central importance of remittances to household wellbeing, reproduction and even survival. It provides new data on the expanding cross-border, non-pecuniary goods economy; data on a shrinking formal sector; an increasing unwillingness on the part of remitters to use commercial companies, banks or friends and relatives to transit remittances and thus a shrinking institutional base for the political economy of remittances. In other words, reliance on the personal physical carriage of money has grown as trust in other individuals and firms has shrunk during a period of deep and extended crisis. This serves to arrest any undue romanticism about the ability of an informal sector to emerge in direct compensation and competition to an ossified formal sector: all institutions are in crisis and the new informal remittance transfer systems (IRTS) are no exception. However, the resourcefulness of people in crisis continues to astound, despite these activities not resulting in concretised new institutions.

We conclude that a model of a political economy of dispossession can be drawn around our empirics to give both a metaphorical and deeper conceptual understanding of this distal, multi-nodal economy of international remittances, which is critical to the survival of Zimbabweans at the current time.

Keywords: migration, poverty, remittances, informalisation, Zimbabwe, political economy, dispossession.

Sarah Bracking is a Senior Lecturer at the Institute for Development Policy and Management in the School of Environment and Development, University of Manchester

Lloyd Sachikonye is a Senior Researcher at the Institute of Development Studies, University of Zimbabwe.

Acknowledgements

The authors would also like to acknowledge, with gratitude, the skills of the Field Researchers, Batsirai Mubaiwa and Fortune Nhengu; the SPSS data managers Fran Kern and Danief Neff. The support of the Economic and Social Research Council is gratefully acknowledged. The work was funded under the programme of the Global Poverty Research Group, grant (M571255001). Any inaccuracies of interpretation are our own.

1. Introduction

"I am looking after five orphans left by my children. I wish I could get assistance to send them to school and also provide them with food and clothing. My cottage and tuckshop were both destroyed by Operation Murambatsvina." (2006)

"It is my utmost prayer that God takes care of my husband and keep him away from immoral behaviour. It is very hard to maintain distant relationships these days of many trials. Many people are dying of HIV/AIDS. (2006)

"I long to be with my wife here in Zimbabwe, but life in Zimbabwe is so bad that if she comes back here our family will starve of hunger. Families are being forced to separate unnecessarily just because of man-made economic mismanagement." (2006)

"We just pray our children will not be repatriated back because life is very rough here." (2006)

"Things are so hard that we are now leading an abnormal kind of life. It was unheard of during our days that a woman would spend most of her time in a foreign country working for the family. It is unfortunate that we are gradually losing our manhood, even the very kind of respect we used to get as husbands." (2006)

"Our life requires supplementary assistance otherwise we cannot survive as human beings created in the image of God." (2006)

"Money received from abroad is no longer useful when compared to the cost of living in Zimbabwe. The government should promote the informal sector to supplement what we get from our relatives working outside the country." (2006)

Life is getting hard everyday. Had it not been help that we get from the relatives in Diaspora, we would not be here. (2006)

"We just feel sorry for our children because they now carry extra burdens. When we grew up, life used to be easy and manageable, but today it's no longer the same." (2006)

"I have nothing to add because it makes no difference. Our life has gone beyond our capacity or ability. The haves will continue having more, while the have nots will continue getting poorer and poorer." (2006)

That remittances are critical to household wellbeing in Zimbabwe (International Organisation for Migration (IOM), 2004; Bracking and Sachikonye, 2006) and elsewhere has been clearly established by a mature and burgeoning literature (for example, Mutume, 2005). Indeed, it has become a commonplace in the research area of migration and development, and its subfield of poverty reduction and remittance studies, that international migration can have a positive impact on poverty reduction through the generation of migrant remittances (Skeldon, 1997, 2002; Kothari, 2002; De Haas, 2005; Adams and Page, 2005; Department for International Development (DfID), 2007), and, for the vast majority of researchers, that remittances are positively associated with economic growth (see Adams and Page, 2005). Within international development, much hope has been invested that remittances provide an accessible pathway out of poverty, and an alternative to inter-governmental and official systems of development assistance (IOM, 2007).

This generally positive view does, however, have strong detractors, particularly over the role remittances can play in exacerbating social and economic inequality (reviewed in Bracking, 2003; Hansen, 2004 on Somalia; Ghosh, 2006), and given the particular vulnerabilities experienced by remitters themselves (Datta et al, 2006; Akuei, 2005). Additionally, for sub-Saharan Africa, the evidence of positive developmental impact

remains particularly sketchy, if not illustrative (see de Hann, 2000: 17), partly because of data unavailability, and partly because the results of econometric analysis, such as Adams and Page (2005), is correspondingly questionable, as it becomes heavily weighted in aggregation to the experience of other regions. However, this working paper does not seek to contribute directly to this wider debate on the contribution of remittances to economic development (from the seminal Stark et al 1986; reviewed in Bracking, 2003; Maimbo and Ratha, 2005): it is evidentially much more demanding than our small data set can manage. We aim instead to add to the small but growing data on sub-Saharan Africa and Zimbabwe in particular.

Suffice to note that unsubstantiated optimism was generated by widely cited large remittance figures, and an overly positive interpretation of them until quite recently. Large headline figures were considered outside of the context of working economies (see Cohen 2005), while attribution and aggregation problems in large data sets, such as in Adams and Page (2005) hide the specific circumstances of structurally isolated economies where many of the poorest people live (Gore, 2003), many of which are in Sub-Saharan Africa (Grant et al, 2004). In these, we can expect that productive absorption of this type of incoming investment into the formal economy will be much lower (Newland, 2003; Bracking and Sachikonye, 2006), although this too remains under-researched (see De Haas, 2005: 1274; Khadria, 2002: 25). Mhone (2001) wrote convincingly of the structural duality and enclave nature of political economies in southern Africa, which again suggests that the productive absorption of remittance incomes here would be questionable and highly contextual. The research here is carried out where all these cautionary factors pertain.

In any case, remittances of goods and money - and skills and services, although these latter are not covered by our research - in their multitude of individual acts of charity and care, add up to a truly global network of transactions (see Zinyama, 2002 on Zimbabwe; Levitt and Nyberg-Sørensen, 2004). Networks are particularly difficult to evaluate in any simple cost-benefit type analysis. Remittance networks have their own institutions in the wider sense: context specific and localised firms and internet-based systems, norms and codes of behaviour and shared understandings. Geographers talk of complex and interdependent webs of human behaviour built on remittance sending and receipt (Koser and Al-Ali, 2001; Black and King, 2004), while Özden and Schiff (2006) reviewed the literature on the effect of these complex networks on the sending societies. The network is symptomatic of peoples' persistent attempt to liberalise movement and the global labour market as a response to both economic crisis and economic opportunity under processes generated by the globalisation of capital, industrial manufacture, and iconic cultural consumption. Within this general response to globalisation, each particular remittance sending community has its own nodal points and social practices which have multiple effects on the society not just left behind but carried along and transformed. How far remittances can affect and underpin transformative social change is core to a number of ongoing research projects. For example, Bailey et al (2008) promise an exploration of the spatiality of the transnational practice of remittance sending and receipt for the Zimbabwean Diaspora living in West Yorkshire, in cognisance of its multifaceted, social, material, cultural, and symbolic meanings (they cite Massey, 2005; Featherstone et al, 2007).

Our case study illustrates more about basic survival and privatised social protection in a period of economic contraction, which is embedded in our urban suburbs of Zimbabwe,

even though our remitters are dispersed globally¹. How far our empirics are illustrative of wider processes of social survival, change and meaning remains an open question at the current stage of the work, although some tentative observations have emerged around this theme. The specificity of our research centres on how individuals and households have responded in Zimbabwe to an extended period of economic crisis and retreat by the state into 'spoils politics' (see Allen, 1999). We have found that optimism surrounding the ability of individuals to build institutions, de facto, if not de jure, in periods of crisis to substitute for those formal sector ones which have been functionally lost, must be tempered by a realistic acknowledgement of the limitations desperate and poor people face during such periods. Instead, an understandable widespread social and cultural implosion occurs in the everyday life of people, which remittances, though acts of solidarity, can only temper, not solve. We discuss some of the methodological challenges of this research in the next section, and return to the wider links with processes of informalisation and malign politics in section 4.

2. Methodological challenges

This paper reports on a second round of household sampling in the suburbs of Harare and Bulawayo in November 2006, repeating with only minor changes a sampling survey first carried out in those same suburbs in 2005 (Bracking and Sachikonye, 2006). Because of security concerns we did not keep a record of the names or addresses of our original 300 households, but instead sampled another 300 in the same districts. Since we have income and demographic data we can match these two samples together and for the purposes of comparison view them as commensurate within measurable margins of error.

The purpose of the second survey was to review changes in migrant remittance sending and receipt statistics, and review the changes since 2005. We wanted to take a particular note of changes which would indicate a higher state of crisis in the economy; increased informalisation of economic activity; the rate of dollarisation in the informal economy; and changes to households' living standards as these relate to receipt of remittances. There was also an objective to review how the various sectors and institutions of the remittance economy; the informal sector money couriers, the internet based money exchangers, the informal commercial companies and cargo carriers had grown or shrunk in relation to their formal sector comparators and to review the basic organisational contours of a parallel economy in the midst of a governance crisis. We had relatively more success with these research objectives, than those, (below), which require extrapolation from our case study data set up to a wider geographic referent, such as the political nation, or the generic case of the role of remittances in ameliorating economic crisis.

¹ Unfortunately, we are not able to pair our respondents to their relatives who send, since they are anonymous, and we have insufficient resources. This type of research might be highly fruitful to the literature. Important work on the UK Diaspora's remittance behaviour has been carried out by McGregor, 2007; Bloch: 2005, 2006, 2008; and Mbiba, 2005) among others.

There are also a number of other methodological objections of which we are aware². The first is that this type of quantification add to nothing but an empiricism on which it is impossible to build theoretical concepts and categories; that the 'scaling up' problem is particularly acute in this case as Zimbabwe is seen as *sui generis* - a unique case; that the link made between the micro-level research and macro level questions is theoretically inadequate; that complexity is actually denied as the relationship between the revenue base in an economy and the state form pertaining is complex and context specific, thwarting generalisation; even the conclusions at a micro-level are inconclusive and contradictory, suggesting both a welfarist moment of redistribution of income North to South, and a system which reinforces and exacerbates inequality (see Hansen, 2004 on Somaliland). We will return to some of these in the concluding section.

A second purpose of the second round of surveying was to create some temporal comparisons which might enable us to begin to model the political economy of remittances, and the degree to which this can be taken as a proxy measure for a wider distal political economy of dispossession. To do this we needed data on how the institutions which underpin the sending and receipt of remittances had changed during the year; whether and in what ways institutionalisation within the spatial economy had occurred or remained constant; and how far the individual agents' participant in the exchange had regularised or changed their behaviour. We discuss this further in section 4 below, with reference to some seminal theoretical texts on the concept of a political economy of dispossession, or its related term, displacement. We prefer to use the term 'dispossession', since it reflects the underlying reasons why many migrants moved, even the skilled ones when the professional economy shrunk from 2000 in Zimbabwe, and why remittances remain so important to wellbeing in relation to an economy where the state class systematically disassembles independent accumulation or wealth creation. We conclude that our remittances provide liquidity for a relatively constant political economy of dispossession, whose loci are many, and which has nodal points of exchange dispersed internationally.

As with any case study research, in this second line of enquiry, we encountered the problem of measurement of how far our findings can be viewed as representative of a wider whole: whether the illustrative data can be used to answer, in some part at least, our wider research question of whether remittances illuminate the materiality underlying a particular mode of accumulation, or political economy of dispossession. This requires that our case study remittance research be used to proxy, or map, the 'materialism of everyday life' in our Zimbabwean households. This may be overambitious with our size of sample set, so we limit ourselves to proposing further lines of inquiry which are suggested by the data.

3. Demographics and household incomes

In some respects the results of the two surveys were very similar. For example a static 50 per cent of our households were in receipt of remittances in both years. In other respects they showed difference, such that the number of remittance receiving

² Some acknowledgement here is deserved by anonymous reviewers of the ESRC/DfID Programme Call 2007, who helped to schematise our methodological challenges. One concluded "Remittances are notoriously difficult to research empirically and measurement problems are only compounded where any derived and indirect effects are concerned.....[they will experience problems of] validity, reliability and generalisability"

households in Mabelreign had reduced substantially. We will review the data from the 2006 survey and comparative results in the next section, before returning to these rather larger suggestions of meaning resulting from reviewing that data.

The mean age of our respondents in 2005 was 37 from a highly varied sample (n=297; sd. 18), while in 2006 this was 38 (n=300; sd = 15). The median age in 2005 was 33, while in 2006 it was also 33. In both sampling exercises the respondents were only identified by alias and suburb, so exact tracing of respondents was not carried out. However, the sampling was carried out in the same suburbs, and the two samples can be seen as relatively comparable by a number of demographics – by age, sex and income.

Table 1: Gender and location of respondent, 2005 and 2006

		Mabelreign	Highfield	Glencara	Nkulumane	Mabelreign
2005	Male	29 39.2%	38 50.7%	43 47.3%	27 45.0%	137 45.7%
	Female	45 60.8%	37 49.3%	48 52.7%	33 55.0%	163 54.3%
	<i>Total</i>	74 100%	75 100%	91 100%	60 100%	300 100 %
2006	Male	31 41.3%	28 37.3%	31 47.7%	39 45.9%	129 43.0%
	Female	44 58.7%	47 62.7%	34 52.3%	46 54.1%	171 57.0%
	<i>Total</i>	75 100%	75 100%	65 100%	85 100%	300 100%

*includes Parklands and Mahatsula

**and Khumalo in 2006

Low density Bulawayo includes 25 households from Khumalo in the 2006 sample, although this suburb did not feature in 2005. The 2006 data includes 6 households from Parklands, also coded as low density Bulawayo (3), while the 2005 survey also included 24 households from Parklands. In 2005, 26 households from Selbourne Park were included in low density Bulawayo, but none from this area in 2006. Taken together, we interviewed 44.3 % men and 55.7% women over the two years.

The commensurability of the two surveys by income is a more confused picture. We tried to index link the bands used in the 2005 survey reproduced in the table below, to matched values in 2006. Either this exercise inflated the value of the 2006 incomes, or our sample set had become richer. It might also be the case that remittance income has become regularised such that people include this in their estimates of their household income, whereas in 2005 they did not include it. Additionally, the survey period (October to November 2006) occurred shortly after the revaluation of the ZWD through removing 3 zeroes. This could have affected the calculation of incomes and other receipts, as households struggled with understanding the value of the new money. What had been 1 million ZWD had become 1000 ZWD. However, there seems to be a marked clustering

of Bulawayo incomes around a higher average in 2006 than in 2005, and higher than Harare equivalents, which may be related to an increase in remittances received in 2006 in high density Bulawayo. It may also, however, be related to a build up of household assets from an earlier period of remittances, which is difficult to statistically explore when the households are not identical, the time period lapsed in only one year and the sample is relatively small. There are also fewer high density area households included in the 2006 data for Bulawayo than in 2005, who return household data, partly due to the inclusion of Khumalo households in the 2006 set, skewing the whole dataset's incomes upward.

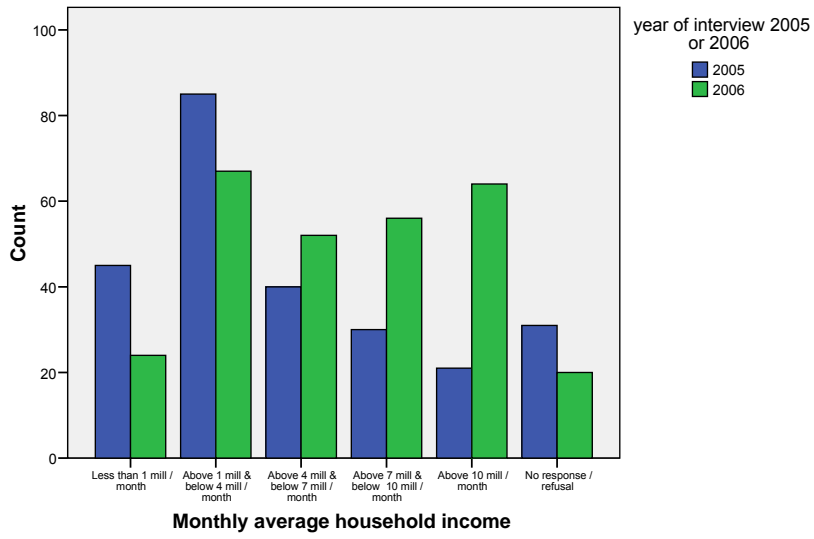
Table 2: Monthly average household income in 2005 and 2006

	2005	2006	<i>Total</i>
Less than Zim\$ 1 mill per month	45 17.9%	24 8.5%	69 12.9%
Above Zim\$ 1 mill and below Zim\$ 4 mill per month	85 33.7%	67 23.7%	152 28.4%
Above Zim\$ 4 mill and below Zim\$7 mill per month	40 15.9%	52 18.4%	92 17.2%
Above Zim\$7 mill and below Zim\$ 10 mill per month	30 11.9%	56 19.8%	86 16.1%
Above Zim\$10 mill per month	21 8.3%	64 22.6%	85 15.9%
No response / refusal	31 12.3%	20 7.1%	51 9.5%
<i>Total</i>	252 100%	283 100%	535 100%

This can be viewed as below:

Figure 1: Monthly average household income in 2005 and 2006

Bar Chart



The income data by suburb and year is in Table 3

Table 3: Monthly average household income by type of suburb in 2005 and 2006

2005	Low density Harare	High density Harare	Low density Bulawayo	High density Bulawayo	<i>Total</i>
Chronic poor	24.4	57.8	2.2	15.6	100
Poor	35.3	49.4	2.4	12.9	100
Working	47.5	12.5	22.5	17.5	100
Professional	20.0	.0	63.3	16.7	100
Above Zim\$10 mill per month	23.8	.0	71.4	4.8	100
No response / refusal	9.7	6.5	41.9	41.9	100
<i>Total</i>	29.4	29.8	23.4	17.5	100

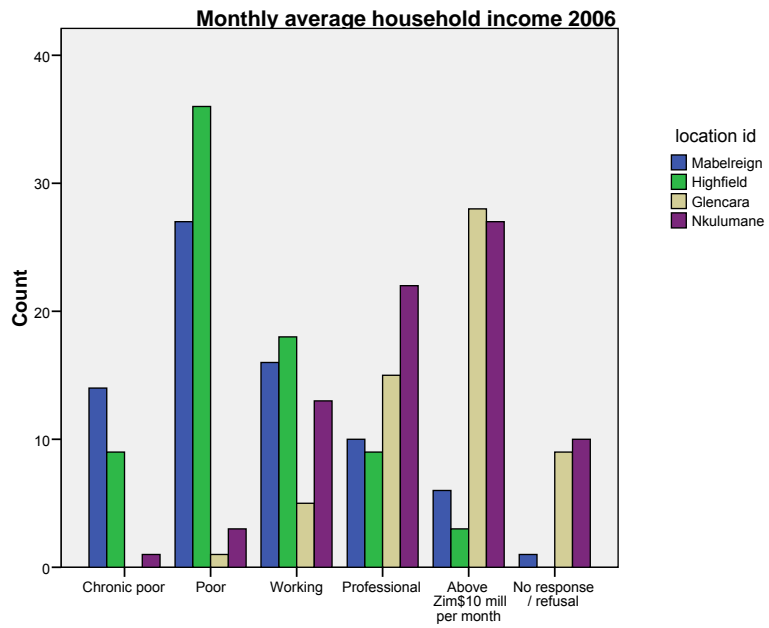
Source: Own survey data

All in percentages

Chronic poor: Less than Zim\$ 1 mill per month; Poor: Above Zim\$ 1 mill and below Zim\$ 4 mill per month; Working: Above Zim\$ 4 mill and below Zim\$7 mill per month; Professional: Above Zim\$7 mill and below Zim\$ 10 mill per month

2006	Low density Harare	High density Harare	Low density Bulawayo	High density Bulawayo	<i>Total</i>
Chronic poor	58.3	37.5	.0	4.2	100
Poor	40.3	53.7	1.5	4.5	100
Working	30.8	34.6	11.5	23.1	100
Professional	17.9	16.1	30.4	35.7	100
Above Zim\$10 mill per month	9.4	4.7	60.9	25.0	100
No response / refusal	5.0	.0	75.0	20.0	100
<i>Total</i>	74	75	78	56	283
	26.1	26.5	27.6	19.8	100

Figure 2: Monthly average household income in 2005 and 2006 by suburb



4. Receipt of goods and money

The number of households receiving goods or money from relatives who were away was remarkably constant between the years 2005 and 2006 at roughly half.

Table 4: Receiving households, 2005 and 2006

	2005	2006	Total
Yes	149 49.7%	152 50.7%	301 50.2%
No	149 49.7%	148 49.3%	297 49.5%
don't know	2 .7%	0 .0%	2 .3%
<i>Total</i>	300 100%	300 100%	600 100%

Source: Own survey data.

In 2006 we asked a new question of whether the household had a close family member living away, as a separate question, before we asked whether they received money from (that) family member away. Unfortunately this was not asked in 2005, but was included in 2006 to give an indication of how many 'failed' migrations there are, that is from the perspectives of those left behind, those migrations which do not result in remittances. Of the 2006 households, 172 reported a relative away, or 57.3 per cent, as compared with 152, or 50.7 per cent who then reported a successful remitter. Thus only 20 migrants failed to send money home. Exactly 50 per cent of the surveyed households, with 2005 and 2006 together, had remitters. By suburb the number of relatives sending money and/or goods is shown in table 5.

Table 5a: Households receiving goods and/or money by type of suburb, 2005 and 2006

	Low density Harare	High density Harare	Low density Bulawayo	High density Bulawayo	Total
2005					
Yes	58 78.4%	40 53.3%	25 27.5%	26 43.3%	149 49.7%
No	16 21.6%	35 46.7%	64 70.3%	34 56.7%	149 49.7%
don't know	0 .0%	0 .0%	2 2.2%	0 .0%	2 .7%
<i>Total</i>	74 100.0%	75 100.0%	91 100.0%	60 100.0%	300 100.0%

Source: Own survey data.

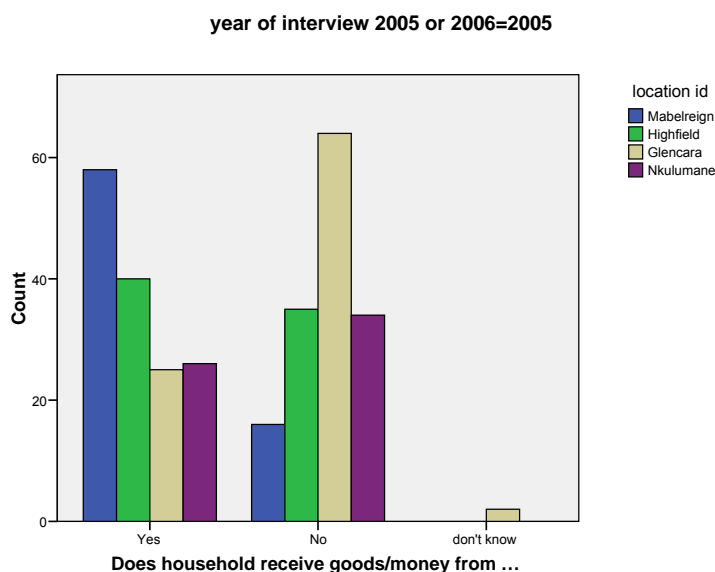
Table 5b: Households receiving goods and/or money by type of suburb, 2006

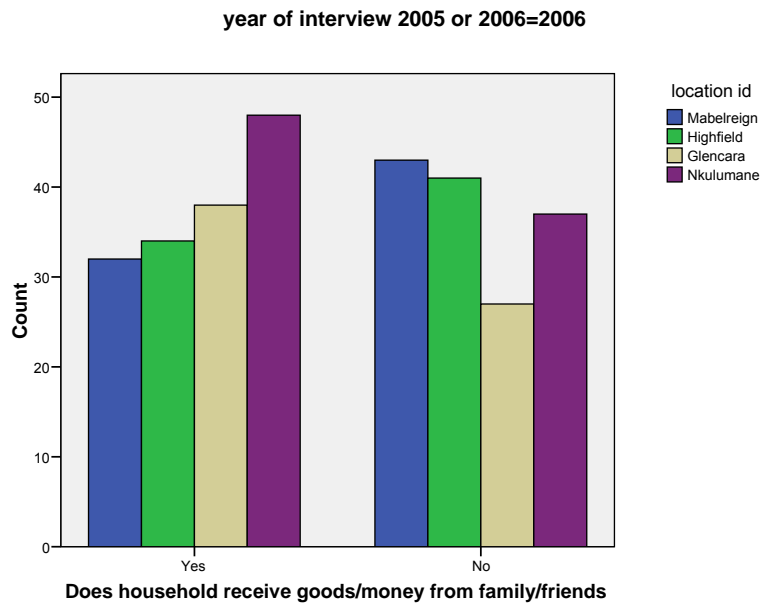
2006	Low density Harare	High density Harare	Low density Bulawayo	High density Bulawayo	Total
Yes	32 42.7%	34 45.3%	38 58.5%	48 56.5%	152 50.7%
No	43 57.3%	41 54.7%	27 41.5%	37 43.5%	148 49.3%
Total	75 100.0%	75 100.0%	65 100.0%	85 100.0%	300 100.0%

Source: Own survey data.

Significant here seems to be the drop in receivers in the low density suburbs of Harare, from 78.4 per cent in 2005, to 42.7 per cent in 2006, which could be because of the maturity of migration demographics, as relatives join the migrant in their new country of domicile. Perhaps wives and children have managed to join them as they accumulate rights and social capital in the new country. Otherwise, this could be interpreted as a forgetful group of migrants who have stopped sending, or a group which illustrates the 'remittances decay hypothesis' observed elsewhere, that remittances decline as time spent away lengthens (Brown and Foster, 1995: 38; see also Bryceson and Vuorela, 2002). Thus the low density Harare remitters seem to have reduced their gifts, while the high density Bulawayo remitters have increased theirs. Does this mean that the absence of remitters in 2005 in Bulawayo led to higher incomes? Or that the high number of remitters in 2006 means that they have higher incomes?

Figure 3: Households receiving goods and/or money by type of suburb, 2005 and 2006

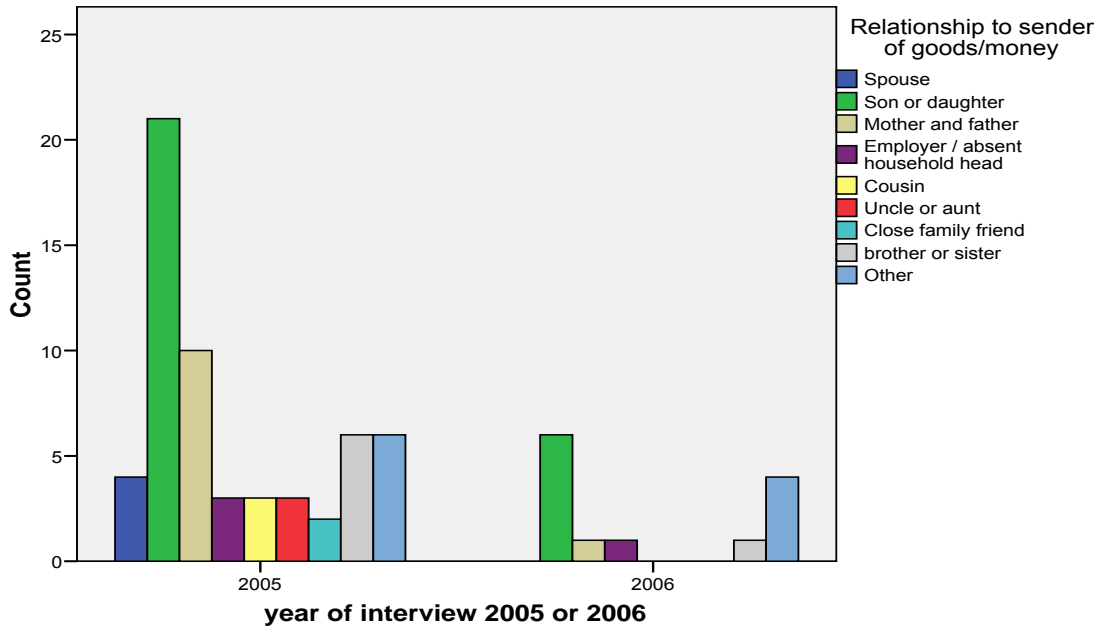




One hypothesis would be that the lower number of remitters in the low density Harare suburbs is due to demographic changes, around the continued emigration of family members. Taking just the sub sample of low density Harare residents the drop off in remitters is large – 58 to 32 in 2005 and 2006 respectively – against a fairly constant distribution of household income shares in our banded income brackets. Close relatives transferring money seem to have shrunk, supporting our hypothesis that families may have rejoined. For example, 21 sons and daughters were primary senders in 2005, whereas only 6 sons and daughters were sole senders in 2006, while of 10 mothers or fathers who were sole senders in 2005, only 1 singularly maintained a household in 2006. However, there may also be a bleaker picture here of reduced levels of transfer altogether between relatives that have not rejoined, for example, 3 cousins, 3 aunts and uncles have disappeared to no observations in these categories, while 6 brothers or sisters have reduced to 1. Obviously, these are not the same people, but number of observations in that category of relationship between the receiver and the sender. It is theoretically possible that the drop in the number of sole senders be offset by households receiving money from more than one person. However, this too had dropped: in Harare’s low density suburbs in 2005, 29 households claimed to be receiving money from more than one person, but in 2006 this had dropped to only 11 households.

Figure 4: Senders to Mabelreign in 2005 and 2006

Bar Chart



Across the whole dataset in 2005, of the households reporting a single primary sender, there were 18 spouses who were sending money, 10 to Highfield alone, but by 2006 this had dropped to none. Sons and daughters were much more constant, at 39 in 2005, and 32 in 2006, although within locations this varied more, as the data for low density Harare demonstrates.

However, a closer inspection of the 'other' answers, where respondents record multiple senders and where spouses may be hidden alongside aunts, uncles and so on, shows that a more complex picture pertains, with a rise in households receiving from multiple senders. For example, in 2005 there were 2 siblings mentioned in the other category, making, with those siblings who were sole senders (23) a total of 25 persons; while in 2006 there were only 2 siblings named as sole senders, but a full 31 brothers and sisters mentioned by households receiving from more than one sender, making a total of 33 sibling senders, more than in 2005. However, as table 9 illustrates, in all the other three categories – parent, spouse and child, the total number of senders - those mentioned a primary senders and senders within multiple answers – had dropped.

Table 8: Relationship to primary sender of goods and/or money in 2005 or 2006

	2005	2006	Total
Spouse	18 12.1%	0 .0%	18 8.0%
Son or daughter	39 26.2%	32 41.6%	71 31.4%

Mother and father	18 12.1%	4 5.2%	22 9.7%
Employer / absent household head	7 4.7%	1 1.3%	8 3.5%
Cousin	8 5.4%	0 .0%	8 3.5%
Uncle or aunt	7 4.7%	1 1.3%	8 3.5%
Adoptive parent	1 .7%	0 .0%	1 .4%
Close family friend	6 4.0%	0 .0%	6 2.7%
Brother or sister	23 15.4%	2 2.6%	25 11.1%
Other	22 14.8%	37 48.1%	59 26.1%
<i>Total</i>	149 100%	77 100%	226 100%

Table 9: Relationship to sender: total numbers in 2005 and 2006

	2005			2006		
	named as primary sender	Mentioned by a household with multiple senders	<i>Total</i>	named as primary sender	Mentioned by a household with multiple senders	<i>Total</i>
Parent	18	2	20	4	7	11
Sibling	23	2	25	2	31	33
Spouse	18	4	22	0	9	9
Child	39	6	45	32	6	38

Thus while the 'other' category has risen from 22 to 37 between 2005 and 2006, indicating a rise in multiple answers – that is, in those households with more than one primary sender - the drop in observations of households with a primary sender, in the close relatives' categories, cannot be offset by an increase in multiple numbers of senders who would include these people. In other words, close relatives sending money were fewer overall, even though households had managed to diversify their sources of revenue from those away. This is probably the case of gaining smaller rewards from a greater number of people, in the absence of a primary sender, again suggesting that nuclear family structures may have rejoined elsewhere. Overall, alongside the data suggesting that the regularity of remittances has declined, and monthly receipts are fewer, this demographic assessment would strongly suggest that remittances themselves declined in 2006, perhaps because of the tougher times faced by the remitters themselves. Here, triangulated research with senders as well as receivers would be ideal in order to test this suggestion.

5. More details of senders and receivers

In our paper on the 2005 data set we pointed to a fairly standardised and widespread pattern of monthly remittances based on migrations of a household head. The 2006 data set by comparison shows a large drop in receipts for the 'in the last month category, from 66.4 % in 2005, to 18.2 % in 2006, although this was probably associated with the financial turmoil pertaining at the time. The proportion of houses with senders was identified as fairly constant between the two years, but the question of when they last actually sent money shows a more depressing picture, with the 2006 households more predominantly in the longer ago categories. For example a full 20.3 per cent reported that the receipt had been in the last five years, as opposed to only 3.4 per cent in 2005.

Table 10: Temporality of receipt by year of interview

	2005	2006	Total
Last week	13 8.9%	11 7.4%	24 8.2%
Last month	97 66.4%	27 18.2%	124 42.2%
Last year	22 15.1%	55 37.2%	77 26.2%
Last 5 years	5 3.4%	30 20.3%	35 11.9%
Over 5 years	9 6.2%	25 16.9%	34 11.6%
<i>Total</i>	146 100%	148 100%	294 100%

Between 2005 and 2006, the number of primary senders located in South Africa had risen from 22.7 per cent to 27.8 per cent of senders, but had dropped for the UK from 24.7 per cent to 18.5 per cent of all senders. The increased proportion of remitters based in South Africa as compared to the UK could be a reflection that migration to the former has continued to increase while that to the latter has stabilized.

For Mabelreign, the actual number of senders in the UK had dropped from 23 to 10 persons; was constant for South Africa (8 and 7 respectively); and for high density Harare the number of senders in South Africa had dropped from 17 to 13, but in UK had risen from 6 to 9. In low density Bulawayo the number of senders internationally had also risen for both South Africa, UK and America, although the most significant change between the two years was for the location of senders for high density Bulawayo, where the number in South Africa had risen from 4 to 14. There was a higher proportion of respondents who had seen their relatives within the last year in 2006 (41.7 per cent), as compared to in 2005 (35.9 per cent). There were more coming home every month (23.3 per cent compared to 18.9 per cent) in 2006, but less coming home every year (19.3 per cent compared to 27 per cent), although 14 per cent reported that their relative returned every Christmas in 2006 as opposed to only 8.8 per cent in 2005.

Table 11: Return visits by year of interview

	2005	2006	Total
Every week	1 .7%	8 5.3%	9 3.0%
Every month	28 18.9%	35 23.3%	63 21.1%
Every year	40 27.0%	29 19.3%	69 23.2%
Every Christmas	13 8.8%	21 14.0%	34 11.4%
School holidays	0 .0%	2 1.3%	2 .7%
Less than once a year	21 14.2%	19 12.7%	40 13.4%
never	31 20.9%	15 10.0%	46 15.4%
Don't know	2 1.4%	0 .0%	2 .7%
Specify	12 8.1%	21 14.0%	33 11.1%
<i>Total</i>	148 100%	150 100%	298 100%

6. The process of sending and exchange in the goods economy

The way in which the household received the last money or goods has some significant changes between 2005 and 2006. In particular, the direct transit of goods with the sender themselves on a visit home had risen from 38.2 per cent to 50 per cent, while the use of persons known to the household had dropped from 34.5 per cent to only 15.8 per cent, suggesting that people were increasingly preferring the means of transit with the most control and security against theft or misadventure. This hypothesis is also supported by a slight increase in people going to fetch the goods.³ The only countervailing trend was an increased use of the post office.

Table 12: How did you get the last item you received?

	2005	2006	Total
Brought by the migrant relative on a visit home	42 38.2%	60 50.0%	102 44.3%
Brought by another person known to the household	38 34.5%	19 15.8%	57 24.8%
Sent by an informal courier who was not known to the hh	4	8	12

³ There were also more 'went to fetch it' in the 'other' category, but not clear whether these were actually from the person directly, or from an intermediate point, that is from where the goods were located, but where they had been paid for remotely by the sender.

	3.6%	6.7%	5.2%
Sent in the post	8 7.3%	13 10.8%	21 9.1%
Someone went to fetch it from where the relative works	7 6.4%	9 7.5%	16 7.0%
Someone met the person sending it	3 2.7%	1 .8%	4 1.7%
Employed commercial cargo company	7 6.4%	1 .8%	8 3.5%
Other	1 .9%	9 7.5%	10 4.3%
<i>Total</i>	110 100%	120 100%	230 100%

The dominant explanation for the choice of mode of transit had shifted between 2005 and 2006, where 'because it was most convenient' (polling 50.5 per cent) in 2005, to an equal split between 'most secure' and 'most convenient' (both at 32.1 per cent) in 2006. In 2005, only 9.9 per cent had cited safety and security as the principle explanation for the choice of transit method.

There had been a slight increase in the receipt of goods as a direct response to a request from the household from 30 per cent in 2005 to 33.6 per cent in 2006. Additionally, there was a higher number of households in 2006 reporting that the receipt of goods was a regular rather than one off event (52.5 per cent and 46.7 per cent respectively) as opposed to in 2005 (38.2 per cent and 59.1 per cent respectively).

Table 13: Explanations for choice of mode of transit of goods, 2005 and 2006

	2005	2006	Total
Cheapest	4 4.0%	6 7.4%	10 5.5%
Safest/most secure	10 9.9%	26 32.1%	36 19.8%
Most convenient	51 50.5%	26 32.1%	77 42.3%
Fastest	7 6.9%	7 8.6%	14 7.7%
Other	29 28.7%	16 19.8%	45 24.7%
<i>Total</i>	101 100%	81 100%	182 100%

7. Importance to the households of the goods sent

The measures of importance to the household begin with whether the item was food which would not otherwise have been consumed, which remained the same between the two years with a not statistically significant change. Similarly, with the measure of clothing importance, there was little change between the two years, suffice to add that in both years households recorded that goods received were of critical importance to them. However, people answering 'no' to the question of whether the goods sent were 'an additional thing the household could have done without', had risen between 2005 and 2006 from 67.6 per cent to 89.8 per cent. Asked whether another item would have been more useful than the one sent, 85.3 per cent answered 'no' in 2006, as compared to 79.6 per cent in 2005, suggesting a slightly higher degree of matching between goods sent and household need. Similarly, in 2006, a full 94.7 per cent answered that nothing else would have been more desirable than the goods sent, rising from 89.4 per cent in 2005.

8. The process of sending and exchange in the money economy

The degree of heightened matching to expressed need for goods sent was matched by a heightened degree of regularisation of money payments sent between 2005 and 2006. When asked whether the receipt of money was regular, 89.1 per cent replied yes in 2006 as compared to 81.7 per cent in 2005. However, the number actually receiving regular and frequent amounts of money seems to have dropped between the two years, showing a potential error in peoples' perception, or indicating that we are correct to assume that the direct circumstances in which the survey was carried out had interrupted that months' flows in an unrepresentative way.

Table 14: When money was received by year

	2005	2006	Total
Last week	12 9.2%	9 7.0%	21 8.1%
Last month	93 71.0%	25 19.5%	118 45.6%
Last year	12 9.2%	39 30.5%	51 19.7%
Last 5 years	3 2.3%	29 22.7%	32 12.4%
Over 5 years	11 8.4%	26 20.3%	37 14.3%
<i>Total</i>	131 100%	128 100%	259 100%

Thus the data on when the money was actually received is contradicted when respondents were asked how often money is sent: more said every month than reported actually having received money in the last month.

Table 15: Regularity of receipts reported by households

	2005	2006	Total
Every week	0 .0%	3 2.4%	3 1.2%
Every month	87 73.7%	95 76.6%	182 75.2%
Every year	16 13.6%	13 10.5%	29 12.0%
Less than once per year	0 .0%	1 .8%	1 .4%
Other	15 12.7%	12 9.7%	27 11.2%
<i>Total</i>	118 100%	124 100%	242 100%

When asked when the payments to the household began there was a definite trend toward longer ago when comparing the 2005 and 2006 responses, suggesting fewer migrations leading to remittances in the immediate past pertaining to the 2006 survey. This also suggests that the high concentration of flight migrations recorded in the post – 2000 period, explored in our earlier paper (Bracking and Sachikonye, 2006), are still resulting in a preponderance of successful remitters - who have now been away a year longer.

Table 16: Longevity of payments

	2005	2006	Total
Last month	2 1.7%	0 .0%	2 .8%
About 6 months ago	9 7.7%	3 2.5%	12 5.0%
About 1 year ago	18 15.4%	34 28.1%	52 21.8%
Between 1 and 5 years ago	58 49.6%	57 47.1%	115 48.3%
More than 5 years ago	18 15.4%	18 14.9%	36 15.1%
Other	12 10.3%	9 7.4%	21 8.8%
<i>Total</i>	117 100%	121 100%	238 100%

When asked how the sender got the payment to the household, again there was a dramatic drop, as there had been with goods sent, of those using a relative or family friend, suggesting the trust in such relationships had been worn out. The number of senders using bank accounts had also dropped dramatically, and in person exchange

had risen accordingly and in compensation. In other words, informal networks, informal commercial companies, and the formal sector institutions were providing a smaller magnitude of transmission services to migrants and their households in 2006, compared with 2005. Western Union was used by 14 people in 2005, who were willing to reply to the question, as opposed to only 1 in 2006, who was in any case referring to a dated receipt, since Western Union was included in a government ban on formal sector Money Transfer Agencies (MTAs) which was active during the survey period.

The significant drop in those using formal sector banks, corresponds in some degree to an increase in receivers relying on informal money changers – over 40 per cent of households (see Table 20 below), which includes these 43 per cent who received the money by the person coming home - subsequently used an informal sector money changer. This signifies the ever greater and unrealistic gap between official and parallel rates during the survey period. It also suggests a consolidation of the parallel market compared to earlier years.

When we asked households why the sender had used this method to transfer the money, convenience had dropped relative to safety as the overarching explanation. In the multiple answers given in the 'other' category, the 2006 responses also feature security predominantly, and more so than even in 2005.

Table 17: Modes of transit of money by senders, 2005 and 2006

	2005	2006	Total
In person	31 23.5%	56 43.4%	87 33.3%
Relative/family friend	42 31.8%	25 19.4%	67 25.7%
Courier	4 3.0%	7 5.4%	11 4.2%
To bank account	25 18.9%	8 6.2%	33 12.6%
Money transfer company	1 .8%	1 .8%	2 .8%
Agent into my bank account	13 9.8%	17 13.2%	30 11.5%
Agent - had to collect it	4 3.0%	6 4.7%	10 3.8%
Agent to the house	5 3.8%	1 .8%	6 2.3%
Other	7 5.3%	8 6.2%	15 5.7%
<i>Total</i>	132 100%	129 100%	261 100%

Table 18: Explanation for the mode of money transfer, 2005 and 2006

	2005	2006	Total
Cheapest	3	9	12
Safest / most secure	19	25	44
Most convenient	49	35	84
Fastest	11	6	17
Other	36	37	73
<i>Total</i>	118	112	230

Most respondents who answered specifically why the sender chooses this method cited exchange rates: the low official rate as compared to the competitive parallel market rate. They had memories of the time when The Government of Zimbabwe closed the Bureau de Change, the Western Union offices and the earlier period when Western Union was only allowed to pay out in local currency. When we asked whether the remitter had always used the particular method given, more than a quarter reported that they had changed their transit mode, suggesting that in a market which relies on trust, people were quite ready, or were forced to, change their behaviour relatively frequently.

Table 19: Changes in method of transit, 2005 and 2006

	2005	2006	Total
Yes	88 70.4%	91 74.6%	179 72.5%
No	37 29.6%	31 25.4%	68 27.5%
<i>Total</i>	125 100%	122 100%	247 100%

Predominantly, however, money was received in person rather than remotely – and this had increased since 2005. In 2006, 22.7 per cent of transactions were carried out remotely, as compared to 30.5 per cent in 2005, while in 2006 a full 75 per cent of persons recorded that they had received their money ‘in person’, as compared to 67.2 per cent in 2005. Moreover, of the exchanges conducted in person, more were transacted in foreign exchange in 2006 than in 2005, with 48.5 per cent and 29.8 per cent received in forex for the two years respectively. This suggests that not only were families increasingly not willing to use remote, unknown, or institutional means of conduit, they were also becoming more averse to using those same means to exchange the money into local currency at some point along its transit: whether in transit from a domiciled bank in the UK (forex) to a local business distributor (thus securing along the way the externalisation of local profits from Zim\$ to forex); or by using a street level money changer on the way from the airport to home. Instead, they were increasingly taking the foreign exchange with them door to door. Correspondingly, the number of in person transactions carried out in Zim\$ dropped from 64.9 per cent in 2005 to 50.5 per cent in 2006, indicating some dollarisation in the economy. This observation that dollarisation of the parallel remittance economy was in evidence even between 2005 and

2006, could be expected given the hyper inflation rates pertaining at the time and the actual physical shortage of bank notes.

The increase in person transactions is probably also related, however, to the proximity factor (to and from South Africa), given that an increased number of our remitters are more proximate than in the 2005 data set. Communication between remitters is easier (it is a day's journey), and probably regular, while the need for institutions and 'middlemen' reduces commensurately. It is difficult to disaggregate the effects on the mode of transit of the security environment and general economic context, from the demographic and locations of remitters themselves, although the data on how security is cited as a larger determinant suggests that it is not only the logistics of the transit and proximity of South Africa that are in play. Local remittances would also be sensitive to security and trust in transmission, and crime levels show an upward trend. There was also a ban on MTAs during the survey period.

When asked what they did with the money first, an increased number in 2006 (20.4 per cent) reported paying it in to a bank account (as opposed to 6.2 per cent in 2005), although this might be a consequence of more of the money having been received in person in the first instance. It is also perhaps indicative of the surveillance pertaining in the banking sector and the partial criminalisation of remittances, which would undermine the safety of a cross-border deposit, even when the receiver has an actual preference for the money to be in a bank: that is, it would need to be brought into the country clandestinely as foreign exchange, changed into local currency, and then deposited. Of those receiving money in foreign exchange, the mode of exchange into Zim\$, by far the most preferred method, was to use a money changer known to the household, which mode had increased from 15.1 per cent to 40.2 per cent from 2005 to 2006. Casually meeting people to exchange money had dropped as a preference – from 11.3 per cent to 3.4 per cent - again reflecting criminalisation of the transaction, alongside a heightened state security presence surrounding the changing of the currency in Autumn 2006.

Table 20: Money changing, 2005 and 2006

	2005	2006	Total
Commercial Bank	5 9.4%	5 5.7%	10 7.1%
Money changing shop	1 1.9%	1 1.1%	2 1.4%
Known money changer	8 15.1%	35 40.2%	43 30.7%
Recommended money changer	7 13.2%	7 8.0%	14 10.0%
Casually met money changer	6 11.3%	3 3.4%	9 6.4%
Other⁴	26 49.1%	36 41.4%	62 44.3%
<i>Total</i>	53	87	140

⁴ Most 'other' are specified as 'received in Zim\$'

	100%	100%	100%
--	------	------	------

When asked what they then spent the money on a full 90 per cent of the full sample recorded multiple answers, but when the choices were asked separately 57 per cent recalled having spent received money on food in 2006, up from 49.6 per cent in 2005, with a constant 95 per cent agreeing that they 'could now not be hungry' as a consequence in both years. In 2006, 19.5 per cent said they spent some of the money on clothing or footwear, constant with 18.6 per cent in 2005. The appreciation of households buying food could be due to increased local food costs and periodic shortages. The inflationary factor also looms large here and needs to be taken into account: it was in four digits throughout the 2006 survey period. It was 1, 500 per cent in July 2006

9: People within the households

We asked how many people the remittances were supporting in the household, and the 2006 results were similar to those recorded in 2005.

Table 21: Number of people supported in their basic needs in 2005 and 2006

	2005	2006	Total
None	6 4.5%	0 .0%	6 2.3%
Just myself	10 7.6%	13 10.2%	23 8.8%
Myself and one other	29 22.0%	30 23.4%	59 22.7%
Less than 5 people	60 45.5%	64 50.0%	124 47.7%
5 to 10 people	22 16.7%	19 14.8%	41 15.8%
11 to 20 people	1 .8%	2 1.6%	3 1.2%
Other	4	0	4
	3.0%	.0%	1.5%
<i>Total</i>	132	128	260
	100%	100%	100%

The number of households receiving financial assistance from elsewhere was also constant, although there was a slight observable rise in households receiving assistance from the World Food Programme and Government of Zimbabwe, reflecting deepening poverty, and increased food assistance to urban areas by donors and public authorities.

Interestingly, the 'other' category far exceeds all the others in who is providing this other assistance.⁵

Table 22: Assistance received by households, 2005 and 2006

	2005	2006	<i>Total</i>
Yes	49 16.7%	49 17.1%	98 16.9%
No	238 81.2%	237 82.9%	475 82.0%
Don't know / Refusal	6 2%	0 .0%	6 1.1%
<i>Total</i>	293 100%	286 100%	579 100%

Table 23: Forms of assistance received from households in 2005 and 2006

	2005	2006	<i>Total</i>
Church	20 13.2%	18 7.9%	38 10.0%
Charity - Zimbabwean	5 3.3%	6 2.6%	11 2.9%
Charity - Foreign	1 .7%	1 .4%	2 .5%
World Food Programme / UN	2 1.3%	6 2.6%	8 2.1%
Government	8 5.3%	16 7.0%	24 6.3%
Other	116 76.3%	181 79.4%	297 78.2%
<i>Total</i>	152 100%	228 100%	380 100%

10. Wider implications of the data on informality and governance

Poverty reduction, in multi-dimensional terms (see (Hulme and Shepherd, 2003; Green and Hulme, 2005; Clark, 2005), has been evidenced by migrant remittance receipt in the data gathered from our survey. However, this must be considered in relation to indirect

⁵ The hypothetical question of what people would do with gifts of money was asked in 2006, as were questions of what goods were sent. Because of pressure of space we will cover these elsewhere.

effects, such as inflation, which occur as a consequence, at least in part, of the informalisation and dollarisation within the economy, which is in turn exacerbated by remittances. Not only are their zimdollar receipts subject to constant devaluation, but remittance receivers have also experienced expulsion and government extortion as a consequence of their positionality in the 'political economy of displacement' (see Hammar and Raftopolous, 2007, mimeo, for a discussion of this term). In this sense, the quantitative data from our research triangulates the interpretative findings of work from social anthropologists and sociologists on coping and getting by in deleterious governance circumstances (see for example Little, 2003; Trefon, 2005): that is, that ameliorative networks and social capital are formed, but not without struggle and reaction from the state. Thus, avoiding pressure from the government to surrender receipts into the formal system - and to subsequently lose 9/10th of their potential value at the official exchange rate - does not mean that the market value of remittances stays constant at the parallel rent. They are also subjected to hyper inflation.

A high degree of economic informality was observed in our survey, more than in 2005, and also a considerable degree when compared to other studies. El-Qorchi et al (2003) estimated unofficial transfers of remittances to the developing world at \$10 billion per year, but other estimates have ranged from between 35 percent to 250 percent of total remittances (Freud and Spatafora, 2005: 1). With the application of what they term the 'first empirical methodology to estimate informal flows', Freud and Spatafora use historical data on the balance of payments (BOP), figures on migration, transaction costs and country characteristics for over 100 countries, 'supplemented with household survey data', to conclude that informal remittances amount to about 35-75 percent of official remittances to developing countries (2005, 1). It would appear from our data, derived from the percent of households reporting use of the official or formal system, that informal remittances range between 90 and 95 per cent for Zimbabwe.

The consensus view is that informal remittances to sub-Saharan Africa, encouraged by dual exchange rates, are relatively high (Freud and Spatafora, 2005: 4; Aggarwal and Spatafora, 2005). Some micro-level field studies have also indicated that informal or in-kind transfers are substantial globally (Massey and Parrado, 1994; see also Puri and Ritzema, 1999; reviewed in Gammeltoft, 2002), including in the DRC (Sumata, 2002: 622), Somalia (Ahmed, 2006) and Zimbabwe (Bracking and Sachikonye, 2006). DfID (2002) assert that informal remittances currently represent twice or three times the amount of formally transferred funds globally, which might be conservative relative to the poorest countries, as this case study suggests. Widening disparities between official and unofficial exchange rates in some sub-Saharan African countries, the maturing of international migrant populations and the increase in electronic transfer could all augment these estimates.

The use of informal and formal has been discussed in specialist literature on the (in)formal sector (reviewed by Gërkhani, 2004), while the informal sector is also ambiguous in its actual economic effects (Ranis and Stewart, 1999). The data from Zimbabwe suggests that within the 'informal' category, there was a greater reliance on known persons and relatives, rather than commercial companies, in goods and money transit, suggesting that 'informalisation' can take distinct forms (Bracking and Sachikonye, 2006: 24-27). These distinct forms in turn relate to the social positioning of recipients, and feed into political economies of corruption, collapse, rentierism and externalisation of funds in failing states. Thus understanding the role of remittances within illiberal states, requires reference to wider cultural norms, embedded institutional

practices (see Granovetter, 1985), within traditional or indigenous sites of reciprocal exchange, as examined, but also essentialised, by Chabal and Deloz (1999; reviewed in MacLean, 2002: 517 – 520: see also Savage and Harvey, 2007).

Meanwhile, political economy accounts of the roots of nefarious government, the most proximate cause of informalisation, have also been attributed to structural adjustment processes (Harris-White and White, 1996; Szeftel, 1998) which legitimised the accumulation of private wealth (Harrison, 1999: 542-3; Chingono, 1996: 82; on Mozambique: Bracking, 1999; Dansereau et al, 2005; Bond and Manyanya, 2002, on Zimbabwe) while creating new opportunities for spoils politics (see Allen, 1999) through privatisation (see Tangri and Mwenda on Uganda, 2001). Rapid and unstable socio-economic liberalisation has spurred 'boundary politics' exercised "between the national and the global economy; between the public functionary and the citizen" (Harrison, 1999: 537), where contests over resources have become illiberal and subject to corruption and violence. Research on the effect of remittances within states experiencing nefarious government, where informalisation is ubiquitous, are few, although a recent collection by Savage and Harvey (2007) reviewed the role of remittances in failing states and within humanitarian crises.

However, from these accounts we can deduce that neo-patrimonialism (see Bratton and van de Walle, 1994: 458-9) does appear to set a precedent for ruling elites to view remittance recipients' money as somehow deserving or belonging to them, the natural patriotic leaders of the nation, such that punitive taxation regimes and spurious taxes are often devised to capture some of the income sent by migrants. In other words, Bayart's *pays legal* is used to incrementally subvert the poverty reducing potential of private transfers, using the *pays reel* where real power is wielded (see 2000: 229-230, on the two spheres). Maclean (2002, citing Clapham, 1998) recently reviewed and applied the 'political economy of conflict' approach to understanding the deterioration of governance in Zimbabwe, arguing that sovereignty provides "access to outside sources of wealth as well as a protective shield behind which the sources and beneficiaries of that wealth could remain obscure" (2002: 517), which in some part explains the ideological defense of the acquisition of remittances by means of state policy. In more extreme cases Allen describes a 'spoils politics' model which can lead to eventual state collapse (1999, 367), where global marginalisation, citing Duffield, gives "local actors the chance to rework the nature of political authority" (Duffield, 1998: 82), dislocating it from "conventional territorial, bureaucratic or consent-based structures" (Duffield, 1998: 97).

Within this more extreme spoils politics model, the capture of private remittances by the political class would be commensurate with the functionality and form of other political relationships with the majority poor. In other words, it would seem like 'common sense' that the Reserve Bank should capture them, even at a derisory official exchange rate. This research has provided evidence for the viability of this spoils politics model in the current context, to explain the mode of governmentality prevailing in Zimbabwe, and the role of remittances in contributing to the funding of that state form. This context undermines the pecuniary value of remittances over time, by reproducing chronic scarcity in goods markets, and by failing the citizens in terms of the welfare prerogatives of liberal government to the poor.

Indeed, there is also a multidimensional political economy relationship between the micro-level remittance economy, and acts of kleptocracy by the ruling elite, because of the sheer magnitude of the former, and the lucrative rents and profits to be found in

money changing and money supply in transactional exchange between the informal and formal economy⁶. Events in late 2007, surrounding a more recent replacement of the money stock, revealed 'cash barons' at the heart of government, while some banks which facilitate parallel market exchange are rumoured to be owned by top officials within the ruling party. These relationships between various social actors have the potential to be successfully modelled within a 'political economy of dispossession' paradigm. The political economy of decline in Zimbabwe (Dansereau and Zamponi, 2005) has a specific historiography, rather than being isomorphic to other states, but there are similarities around the role of internally and internationally displaced people and the remittance economy they create. The dispossession of the rural and urban poor and informal sector traders during the 'land reform' process and Operation Murambatsvina (see Potts, 2006), has been accompanied by a dispossession of the middle and professional classes caused by economic contraction in the formal economy, to create a political economy where the majority people's dispossession has created economic opportunities for others, the core elite and the party faithful⁷.

11. Conclusion

We have explored a small snapshot of change between November 2005 and November 2006 in the remittance economy of Zimbabwe and observed a general decline in the trust required to facilitate remote economic exchange. There was no observable build up of the commercial informal sector during the year, but rather an increase in, and further deepening of the privatisation of economic exchange. It is probable that while both commercial informal sector institutions and familial networks can work relatively autonomously from the state, it is the capture of the former by members of the political class which has pressurised increased recourse into the latter, the more private family networks. There was also some evidence of dollarisation, which again suggests a greater schism between state and society, even since 2005. It is clear from the triangulation from qualitative data collected along with the surveys that informalization in 2006 continued to be affected by the Operation Murambatsvina of 2005. However, while trust may have been affected in relations between remitters and receivers, it may be only tentatively posited as a critical factor given that most respondents in the 2006 survey were not the same as those surveyed in 2005.

We also observed a decline in remittance receipts in the low density suburbs of Harare, an increase in receipts in the high density suburbs of Bulawayo and an increase in remitters in South Africa relative to the UK. The emotional and social effects of loneliness and isolation caused by relatives' absences were still being felt acutely. In general, we suggest that to the extent to which the Zimbabwean economy as a whole is dependent on corporeal, physical and/or material dispossessions – and the resulting assets made available and remittances sent - it can be characterised as a political economy of dispossession. It remains for us to continue to theorize the economic effects of the remittance economy, alongside its political consequences, despite neither of these

⁶ It would be useful to compare patterns amongst *internal* and *external* remitters in this respect. There may be patterns emerging on size and regularity of remittances. Because of pressure of space we have not done that here.

⁷ Harris-White (2005) explored how the existence of one person's destitution creates relatively more resources for someone else, while Harvey, (2003a, 2003b) summarised in Bond (2006: 7-9) modelled these into processes within an 'accumulation by dispossession'. Both these authors influenced the work here.

being methodologically very easy, in order to ensure that the individual sacrifices being made are resulting in the most benefit possible to those left behind, and ultimately to members of the Diaspora as well. In sum, the international remittance network is sponsoring social change alongside its important work of social survival, but of what types and with what consequences remains unclear.

References

- Allen, C (1999), "Warfare, endemic violence and state collapse in Africa" in *Review of African Political Economy*, no. 81, 367 -384
- Adams R H and Page J (2005), Do international migration and remittances reduce poverty in developing countries? *World Development*, vol. 33, issue 10, ps.1645-1669
- Aggarwal R and Spatafora N, (2005), "Workers' Remittances and Economic Development" in *World Economic Outlook Ap*, Washington, International Monetary Fund
- Ahmed I I, (2006) "New regulations restrict Somali remittances", *ID21 Insights*, Issue 60, <http://www.id21.org/insights/insights60/art04.html>
- Akuei, S.R. (2005) Remittances as unforeseen burdens: the livelihoods and social obligations of Sudanese refugees. *Global Migration Perspectives* no. 18. Geneva: Global Commission on International Migration.
- Bailey A, Cliffe L and Magunha F (2007), *Remittances and Transnational Vulnerabilities across the Zimbabwean Diaspora*, Leeds University, mimeo
- Bayart, J-P (2000), "Africa in the World: A History of Extraversion" *African Affairs*, 99, 217-267
- Black, R and King, R (2004), 'Editorial introduction: migration, return and development in West Africa'. *Population, Space and Place*, special issue on 'Transnational Migration, Return and Development in West Africa', 10, 2, ps 75–83.
- Bloch, A. (2005), *The Development Potential of Zimbabweans in the Diaspora: A Survey of Zimbabweans Living in the UK and South Africa*, Geneva: International Organization for Migration.
- Bloch A (2006), "Emigration from Zimbabwe: Migrant Perspectives" *Social Policy & Administration* 40, 1, ps. 67–87
- Bloch, A (2008), "Zimbabweans in Britian: Transnational Activities and Capabilities", *Journal of Ethnic and Migration Studies*, 34, 2 ps. 287 – 305
- Bond, P (2006), "Accumulation by Dispossession in Africa: False Diagnoses and Dangerous Prescriptions", paper to the Cornell Confernece on the Ethics of Globalisation, Ithaca, 29th September, available at http://www.economyandsociety.org/events/Bond_paper.pdf
- Bond P and Manyanya M (2002), *Zimbabwe's Plunge: Exhausted Nationalism, Neoliberalism and the Struggle for Social Justice*, The Merlin Press Ltd
- Bracking (1999), "Structural Adjustment: Why it Wasn't Necessary and Why it Did Work", in *Review of African Political Economy* 26, 80, 207 – 226
- Bracking S (2003), *Sending Money Home: Are Remittances always beneficial to those who stay behind?* *Journal of International Development*, vol. 15, ps. 633-644
- Bracking S and Sachikonye (2006), *Remittances, poverty reduction and the informalisaiton of household wellbeing in Zimbabwe*, Global Poverty Research Group, working paper no. 45, available at <http://www.gprg.org/pubs/workingpapers/pdfs/gprg-wps-045.pdf>

- Bratton M and van de Walle N (1994), "Neo-patrimonial regimes and political transition in Africa" in *World Politics*, vol. XLVI, ps. 453-89
- Brown R and Foster J, (1995), "Some common fallacies about migrants' remittances in the South Pacific: Lessons from Tongan and West Samoan research", in *Pacific Viewpoint*, 36, 1, ps 29-45
- Bryceson D and Vuorela U, (2002), "Transnational families in the twenty-first century" in Bryceson D and Vuorela U (eds.) *The Transnational Family: New European Frontiers and Global Networks*, Berg Publishers Ltd
- Chabal P and Deloz J-P (1999), *Africa Works: Disorder and Political Instrument*, Oxford, James Currey
- Chingono M (1996), *The State, Violence and Development*, Aldershot, Avebury
- Clapham, C (1998), *African Guerrillas*, Oxford, James Currey
- Clark D A (2005), 'Sen's Capability Approach and the Many Spaces of Human Well-Being', *Journal of Development Studies*, 41(8), 1339-1368.
- Cohen J H (2005) *Remittance Outcomes and Migration: Theoretical Contests, Real Opportunities*, *Studies in Comparative International Development*, vol. 40, no. 1 ps. 88-112
- Dansereau, S, Zamponi, M (2005), *Zimbabwe - The Political Economy of Decline*, Nordic Africa Institute, Discussion Paper 27, compiled by Melber, H
- Datta, K., McIlwaine, C., Wills, J., Evans, Y., Herbert, J. and May, J. (2006) *Challenging remittances as the new development mantra: perspectives from low-paid migrant workers in London*. Working Paper no. 5. Department of Geography, Queen Mary, University of London
- Department for International Development (DfID) (2002), *Remittances and Migration*, Seminar Notes, 9th October, London
- DFID (2007) *Moving out of poverty – making migration work better for poor people*. London: Department for International Development.
- De Haas H (2005), *International migration, remittances and development: myths and facts*. *Third World Quarterly*, 26(8): 1269–1284.
- De Haan A. (2000), *Migrants, Livelihoods, and Rights: The Relevance of Migration in Development Policies*. *Social Development Working Paper No.4*, Department for International Development, February.
- Duffield M (1998), "Post-modern Conflict: Warlords, Post-adjustment States and Private Protection", *Civil Wars*, 1, 1, 65- 102
- El-Qorchi M, Maimbo S, and Wilson J, (2003), "Informal Funds Transfer Systems: An Analysis of the Informal Hawala System", *IMF Occasional Paper no. 222*, Washington, International Monetary Fund
- Featherstone D, Phillips R and Waters J (2007), "Introduction: spatialities of transnational networks", in *Global Networks* 7, 4, 383–391
- Freud and Spatafora (2005) *Remittances: transaction costs, determinants, and informal flows*, Policy Research Working Paper no 3704, Washington, World Bank

- Gammeltoft P (2002), Remittances and Other Financial Flows to Developing Countries, *International Migration*, vol. 40, 5: 181-211
- Gërxfhani K (2004), 'The Informal Sector in Developed and Less Developed Countries: A Literature Survey', *Public Choice*, Vol 120, p267-300
- Ghosh, B. (2006) Migrants' remittances and development: myths, rhetoric and realities. Geneva: International Organization for Migration.
- Gore, C (2003), Globalization, the International Poverty Trap and Chronic Poverty in the Least Developed Countries, Working Paper 30, Manchester, IDPM/Chronic Poverty Research Centre (CPRC).
- Granovetter, M. (1985). "Economic action and social structure: the problem of embeddedness", *The American Journal of Sociology* 91:481-510.
- Grant, U, Hulme D, Moore K and Shepherd D (2004), *Chronic Poverty Report 2004-05*, Manchester, University of Manchester.
- Green, M. and D. Hulme (2005), 'From Correlates and Characteristics to Causes: Thinking about Poverty from a Chronic Poverty Perspective', *World Development*, 33(6), 867-879.
- Hammar A and Raftopoulos B, (2007) Outline for a Collaborative Research Project on 'Political Economies of Displacement in Post-2000 Zimbabwe, Nordic Africa Institute, Uppsala, Sweden and Institute for Justice and Reconciliation, Cape Town, South Africa, mimeo
- Hansen, P. (2004) Migrant transfers as a development tool: the case of Somaliland. Working Paper no. 2004/15. Copenhagen: Danish Institute for International Studies.
- Harris-White B (2005), "Destitution and the Poverty of its Politics – With Special Reference to South Asia" in *World Development*, 33, 6, ps. 881 -892
- Harris-White B and White G (eds.) (1996), "Liberalisation and the new corruption", *IDS Bulletin*, 27, 2
- Harrison G (1999), "Corruption as 'boundary politics': the state, democratisation, and Mozambique's unstable liberalisation", in *Third World Quarterly*, 20, 3, 537 - 550
- Harvey, D (2003a), "The 'New' Imperialism: On Spatio-temporal Fixes and Accumulation by Dispossession" in Panitch L and Leys (eds.), *Socialist Register 2004*, London, Merlin Press and New York, Monthly Review Press
- Harvey, D (2003b), *The New Imperialism*, Oxford University Press, Oxford and New York
- Hulme D and Shepherd A (2003), 'Chronic Poverty and Development Policy: An Introduction', *World Development*, 31(3), 399-402
- International Organisation for Migration (IOM), (2005), *The Development Potential of Zimbabweans in the Diaspora*, Migration Research Series, no. 17
- Khadria B (2002), *Skilled labour migration from developing countries: Study on India*. International Migration Papers 49. Geneva: International Labour Office, International Migration Branch. Retrieved December 8, 2002, available from <http://www.ilo.org/public/english/protection/migrant/download/imp/imp49e.pdf> accessed July 2006

- Koser, K & Al-Ali (eds.). (2001) *New Approaches to Migration: Transnational Communities and the Transformation of Home*, London: Routledge
- Kothari U (2002), "Migration and Chronic Poverty", Chronic Poverty Research Centre, Institute for Development Policy and Management, Working Paper No. 16, March.
- Levitt, P. and Nyberg-Sørensen, N. (2004) *The transnational turn in migration studies. Global Migration Perspectives no. 6*. Geneva: Global Commission on International Migration.
- Little P D (2003), *Somalia: Economy without State*, James Currey, Oxford
- MacLean S J (2002), "Mugabe at war: the political economy of conflict in Zimbabwe" in *Third World Quarterly*, 23, 3, 513-528
- Maimbo, M. and Ratha, D. (eds) (2005) *Remittances: Development impact and future prospects*, The World Bank, Washington D.C.
- Massey D, (2005), *For Space*, Routledge, London
- Massey D S, Parrado E A (1994), *Migradollars: the remittances and savings of Mexican migrants to the United States*. *Population Research and Policy Review*, vol. 13: 3-30.
- Mbiba, B. (2005) *Zimbabwe's Global Citizens in "Harare North" United Kingdom: Some Preliminary Observations*. Pages 26 –38 in Palmberg, M. and Primorac, R. (eds.) *Skinning A Skunk: Facing Zimbabwean Futures*. Uppsala: Nordic Africa Institute.
- McGregor J, (2007), "Joining the BBC (British Bottom Cleaners)': Zimbabwean Migrants and the UK Care Industry", in *Journal of Ethnic and Migration Studies*, 33, 5, ps. 801 - 824
- Mhone G (2001), *Labour Market Discrimination and its Aftermath in Southern Africa*, United Nations Research Institute for Social Development, conference Racism and Public Policy, Durban, 3-5 September
- Mutume, G. (2005) 'Workers' remittances: a boon to development'. *Africa Renewal* 19(3): 10–13. New York: United Nations.
- Newland K (2003), *Migration as a Factor in Development and Poverty Reduction*, Available from the Migration Information Source website at <http://www.migrationinformation.org/Feature/display.cfm?ID=136> accessed July 2006
- Özden, Ç and Schiff, M (eds) (2006), *International Migration, Remittances & the Brain Drain*, Washington: World Bank & Palgrave Macmillan
- Potts, D (2006), 'All my hopes and dreams are shattered': urbanization and migrancy in an imploding economy – the case of Zimbabwe, *Geoforum*, 37, 4: 536-551
- Puri S, Ritzema T (1999), *Migrant worker remittances, micro-finance and the informal economy: prospects and issues*, Working paper no. 21, International Labour Office: Geneva.
- Ranis G and Stewart F (1999), 'V-Goods and the Role of the Urban Informal Sector in Development', *Economic Development and Cultural Change*, vol. 42, No.2 p259-88

- Savage, K. and Harvey, P. (eds) (2007) Remittances during crises: implications for humanitarian response. Humanitarian Policy Group Report no. 25. London: Overseas Development Institute
- Skeldon R (1997), Migration and Development: a global perspective, Longman, Harlow
- Skeldon R (2002), "Migration and Poverty", Asia-Pacific Population Journal, vol. 17, 4: 67-82
- Spatafora N (2005), "Workers' Remittances", IMF Research Bulletin, vol. 6, no. 4, p 1, 4-5
- Stark, O., Taylor, J.E. and Yitzhaki, S., (1986) Remittances and inequality Economic Journal. 96, pp. 722-740
- Sumata C (2002), "Migradollars and Poverty Alleviation Strategy Issues in Congo", Review of African Political Economy, Vol.29, 93/94: 619-628
- Szeftel M (1998), "Misunderstanding African Politics: Corruption and the Governance Agenda", Review of African Political Economy, 25, 76, 221-240
- Tangri R and Mwenda A (2001), "Corruption and cronyism in Uganda's privatisation in the 1990s" in African Affairs, 100, 398, 117-133
- Trefon, T (2005) Reinventing Order in the Congo : How People Respond to State Failure in Kinshasa, Zedbooks, London
- Zinyama, L (2002), 'International migration and Zimbabwe: an overview', Chapter 1 in D. Tevera and L. Zinyama (eds) , *Zimbabweans who Move: Perspectives on International Migration in Zimbabwe*, Migration Policy Series no. 25, Cape Town: Southern African Migration Project

The University of Manchester
**Brooks World
Poverty Institute**

MANCHESTER
1824

Executive Director
Professor Tony Addison

Research Director
Professor Michael Woolcock

Associate Director
Professor David Hulme

Contact:

Brooks World Poverty Institute
The University of Manchester
Humanities Bridgeford Street
Building
Oxford Road
Manchester
M13 9PL
United Kingdom

Email: bwpi@manchester.ac.uk

www.manchester.ac.uk/bwpi

The Brooks World Poverty Institute (BWPI) creates and shares knowledge to help end global poverty.

BWPI is multidisciplinary, researching poverty in both the rich and poor worlds.

Our aim is to better understand why people are poor, what keeps them trapped in poverty and how they can be helped - drawing upon the very best international practice in research and policy making.

The Brooks World Poverty Institute is chaired by Nobel Laureate, Professor Joseph E. Stiglitz.

www.manchester.ac.uk/bwpi