

## **SOCIAL RELATIONSHIPS AND SOCIAL PAYMENTS IN ETHIOPIA**

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### **ABSTRACT**

Previous Study about financial services for the poor are narrowly defined, mainly depends on secondary data, and focused on the design issues. They did not explore what the need of the poor is! Thus in order to fill the current knowledge gap and inform mobile money design this study investigates the types of social relationships and social payment practices thereof. Accordingly, the study investigate that there are three types of relationships: (1) among people with similar economic (life style) status, (2) among individuals and higher class people, and (3) among individuals and religious objects of worship. On these relationships there are different money exchange practice (transactions) of which some are executed secretly (undocumented) and some others are disclosed (documented). This study adopts qualitative Study approach in which focus group discussion with key informants is the primary means of information gathering.

### **STUDY SITE**

This study was conducted among the poor living in rural areas of Ethiopia. The site is located 230 km southeast of Addis Ababa, the capital of Ethiopia. The Study site has population size of more than 1000 head of households whose subsistence life is dependent on farming. Their income is from the sale of cereals they are producing once a year and the sale of cattle. Their farming is entirely dependent on rainfall, which varies from season to season. Whenever the rainfall varies in its timing and amount, these farmers lose their productivity significantly.

The Study community has many infrastructure problems: difficulty of getting access to financial institutions and services. There are no financial institutions like banks and insurance companies within 55 km range (one way distance). If these people want to deposit their money, they have to travel a minimum of 110 km (round trip), stay at least a day as there is problem of getting transportation for the return trip. Hence, these people have to pay for their round transportation cost, and hotel accommodation for their stay. As the result of these costs, the farmers decide not to save money at banks and have to travel such distance in order to participate on death and marriage ceremonies of their relatives and/or families.

On the other hand, these people have got access to mobile telecommunication service (see figure 1) without having fixed line telecommunication facilities. Although mobile penetration rate is low, there is an indication that these people are demanding the service significantly. But they have problems of recharging their mobile battery, as they have no electricity and problem of buying airtime, as there are no air time sellers. Even the researcher couldn't recharge his mobile phone during data collection. In addition to this, the people have to travel round trip of around 17 km to recharge their account balance too as there is no mechanism to charge their balance from their home (farm place).



(Figure 1, study site)

## METHOD

Data was collected through focus group discussions with key informants, leaders of their local community in terms of their knowledge about their culture, tradition, and religion. They are drawn from both Amhara and Oromo people. The data is collected predominantly on Sunday. This date is preferred as the informants have more time for discussion with the researcher or data collectors. Discussion times varied from 1.5-2.5 hours. Discussion questions were developed prior to discussion in English. But during discussion, they were translated into Amharic or Oromifa, depending on the language of the informants. A translator was not needed as both the researcher and assistants had knowledge of the local language, context, culture, and norms of the study population. As the result, there is no challenge regarding data collection time, getting trust from the informants. All discussions were recorded through tape recorder, for later transcription.

In order to guide the data collection process and raise similar discussion questions across the different informants, discussion questions were prepared in the areas of types of social relationships among individuals, type of items used for social payments, reasons for establishing relationships, and attitude of people towards their relationships. Field notes were used to record observation such as who said what, the date, time, and location of the interview process.

## STUDY FINDINGS

The following section explains the relationship types and social payment practices thereof.

1. ***Relationships and social payments among individuals of comparable economic status:*** People with comparable economic status and similar life style create relationships to assist one another in case of emergencies, such as death, economic crises, and to share particular life experiences, such as marriage, birthdates, college graduation etc.

(A) *Money practices during death or funeral:* to assist one another during death, individuals establish formal association called “*Edir*<sup>1</sup>”. Members of *Edir* association contribute monthly cash, and two or three time a year cereals, and spices. When death happen among family members then cash and some other money types (wheat, wood, alcohol, spices, and cereals (paeans and beans) will be given to the affected member from *edir* association. This gift (presentation) from *edir* will be documented by the receiving person or his/her delegate for follow up purpose-who have presented the resources (listed above) and who have not. This document (information) will be given to chairperson of *edir* and used to take some measures on defaulting individuals.

In addition to *edir*, individuals extend financial support to one another, willingly and personally by giving some *cash*<sup>2</sup>, shaving their hair, and shooting of gun to families of dead person. The amount of this cash the individual gives depends on financial ability of the receiver and strength of their relationships.

The aim of such cash gift is to financially compensate for the death of the person. The recipient uses this cash as a means to measure reputation and community standing. Individuals giving such cash do so with the intention that families of the dead person will not fall into financial crises later, as they expend much. The amount and the name of the person giving this money will not be documented (recorded) by receiving person. And even the giving person gives it in *somewhat secret manner*<sup>3</sup>. This means the giving-accepting process of such money is not officially recorded on paper; people do not count this money in front of others. Although it is not documented formally, the giver counts and decides how much to give secretly and the receiver also memorizes who gave him and how many. Such cash gift is called *yazentega*.

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<sup>1</sup> *Edir* is an association between individuals to assist each other mainly during death

<sup>2</sup> This cash is called *yazentega*

<sup>3</sup> But for some culture, such practice is documented formally

*Yazentega* is not recorded (documented) due to: (1) not to boast in front of the public; (2) the gift can be made anywhere and anytime (reasonable place and time), where the receiving person may not be able to record; (3) if the amount is small, individuals may feel shame; (4) Individuals come to the affected person's home because of moral obligation, love, and hence, if such money gift is recorded officially, people with no (little) money gift will feel shame; and (5) also by principle, this gift is not necessarily reciprocal. Thus, such gift of cash money is executed in somehow secretly.

When people give *yazentega* to a person, they say “*egziabher yatsngh*”, in local language which means, “Let God give you the strength to forget the death and he or she handover the cash money.” The receiving person in turn says “*bealem yemeles*” which means, “I wish your gift be paid on joyful or happy events.” This dialogue clearly indicates that, the gifts are not generous rather there is sort of promise between individuals and gifts for death events can be repaid during other event like marriage, birthdates, and college graduation. In addition to this, the accepting individual can't refuse the gifts.

Money collected in the form of *yazentega* is kept separately from the rest of cash money the person has. This is to easily calculate how much they got from the community. Later, once they know the total, they can put with other money and do something with it.

(B) *Money practice during marriage*: unlike gifts during death, gifts given for say marriage, birthdates, and or college graduation will be documented formally on a paper. This document will be referred for repayment latter. Figure 2 is an example of such document.

Number	Name (Amharic)	Amount (Ethiopian Birr)
1	ገብረ ገብረ	1000
2	ሙሉ ገብረ	500
3	አብነት ገብረ	1000
4	አብነት ገብረ	2000
5	አብነት ገብረ	500
6	አብነት ገብረ	1000
7	አብነት ገብረ	1000
8	አብነት ገብረ	500
9	አብነት ገብረ	500
10	አብነት ገብረ	1000
11	አብነት ገብረ	500
12	አብነት ገብረ	500
13	አብነት ገብረ	1000

(Figure 2. Documentation of money gifts during marriage occasion- in Amharic language)

This document shows date, month, year, and the event (marriage or birthdates or college graduation ceremony of name of the bride/groom) followed by list of individuals and amount of cash they give.

## 2. Relationships and social payments between individuals and sorcery

Around the area where this study was conducted, there are powerful and well respected individuals. Individuals approach them for different reasons like to get solution for their health problem, to get wealth, to be successful in their activities (e.g. education, business), to get anything else including search for good mate, solution for husband and wife problems etc.

When individuals have lost their property with unknown thefts or with known thefts but unwilling to tell the truth (return), victims will report this case to such powerful individuals. Thus, these people will take some measures on the thefts, unless they tell the truth and compensate the affected person. According to the informants of this study, to indicate how powerful they are and attract more people to believe in their power, such powerful individuals take serious actions on defaulting people. To do so

do not require any witnesses. Furthermore, the respondents believe that these individuals have the magical abilities to bring rainfall for the community when there is no rain.

While individuals get such services and supports from the sorceress, they promise to give different monies to these people in return. The common gifts include cattle (sheep), cash money, local alcohol, honey and bread. If their promise is to give cash money, they put it separately from the rest of their money, will not use it for their personal benefit under any circumstances, and will not put this money nearer to the rest of their money. These monies are called special monies<sup>4</sup>, and will be given to the sorcery on the promised date and place. Figure 3, below is an example of such money.

### 3. *Relationships and payments between individuals and supernatural beings*

Just as individuals cast with human beings seen above, they also turn to religious icons (Virgin Mary, Saints, and gods) for their social, economic, and political problems. During any of the above problems; individuals pray to deities or religious icons. When they request such assistance from deities they promise to give some money in return. Such promise of giving money can take different forms i.e., (1) the individual can pray (promise) by indicating at some cattle or some cash money-making them part of the transaction or (2) pray or promise without making anything as part of the transaction.

If individuals promise by making cash money (cattle) as part of the transaction, from this time on ward, these cattle or cash become special money and should be kept separately. This money is called “*yeselet genzeb*” in local language of the informants, which means promised money and the person cannot use it for personal consumption. Thus again, such money will be kept separate of the other monies. Figure 3, below is an example of such money.



Figure 3. example of special money

In addition to such promised money gifts, there are other obligatory religious payments that informants of this study told called “*asrat bekurat*” in local language, which is biblically declared on every Christian Orthodox People. “It is clearly indicated on the bible that, 10% of your earnings doesn’t belongs to you and should be given it to church”, statement of one informant. When you give this money to God, what you do on the earth will be blessed and you will get credit from God or church and thus individuals assume that by giving this money, their wealth will not decrease, rather it will increase.

Moreover when people visit church during weekend, holidays etc they simply drop or throw some money (usually coins) into a certain volute called “*mudye mitswat*”, (see figure 4 below) for the church. When they do so, by principle they do not count and determine how much to give (explicitly) rather they simply pick some coins from their pocket and throw into the volute. The principle is that you need not count to give to church due to the reason that “God says when your right hand gives, let your left hand do not see it”, statement from respondents. Such gifts are also not recorded. In addition to such cash gifts people can buy and give different gifts like candle, and church clothing etc to churches. The following figure shows “*mudye mitswat*” where individuals will throw or insert coins during their church visit.



(Figure 4, *mudye mitswat*)

<sup>4</sup> Specialty of this money arises from the reason that this money is intended for specific purpose. Interested reader can refer the article by (Zelizer A. Viviana 1989. The special meaning of money: “Special Monies”. American Journal of Sociology, volume 95, No 2)

During public holidays, churches also call individuals to make some donations or gifts officially. Such donations from individuals are not recorded on a paper (individual gifts). But church officials announce to the public the amount and name of individuals who give relatively significant amount directly to church officials. To make collection (donation) smooth, church individuals lay church clothes on the ground so that individuals can throw (donate) paper money or coins of any amounts they like on the clothe. During my field work, I have also observed churches using umbrella so that individuals can donate on the rotating upside down umbrella. Figure 5 below shows these two cases.



(Figure 5, church clothe laid on the ground and money donated).



(Figure 6, Upside-down umbrella used to collect donation of money).

Once such money is collected in whatever approach, a group of people will be called and count the total donation (contribution) and officially announce to individuals on the holiday. Such total contribution is going to be documented.