



## A chronology of fragments: Struggling to write a story alternative to the grand narrative of emerging economies

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### Nairobi, Kenya (spring 2011):

As I am to walk out the door of our apartment in central Nairobi where we have been living for a few months, in order to go to the grocery store, the cleaning lady, Imma, who has become almost like a family member, stops me and asks:

‘Matilda, while you are going out, could you please tell Fred at the gates to send me 20 shillings<sup>1</sup>, because I need to make a call?’

‘Of course’, I tell her. And as Fred – who is keeping big gates which are the only way to get out of the gated community where my apartment is – opens the gates to me, I ask him to send over 20 shillings to Imma.

I recall I was a bit confused after this conversation, sensing that the simplicity in which Imma and Fred transferred small sums of money to each other was quite amazing. How did they do it? What was this?

‘This’ is called M-pesa, by now a world-famous system for small money transfers by phone, developed by the Kenyan Telecom company Safaricom. Unheard of by me, and many others in Europe, back then.

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<sup>1</sup> Corresponds to approximately 10 Eurocents

## Two years later in Stockholm, Sweden (March 2013):

Sitting in a cosy pub in the center of Stockholm together with some of my closest friends, we are about to pay the bill. We got to know each other during our studies at the Stockholm School of Economics many years ago. Some of them work in the financial sector, others as consultants and the like. Some of us have cash, other credit cards. One of my friends, Jenny, works in one of the big Swedish banks and she asks the rest of us: 'But doesn't anyone of you have "Swish", this app in the mobile? That way we could just use our mobile phones to split the bill?'

Few around the table have heard of this thing called 'Swish' and no one has it – except for Jenny, the banker. So we have to split the bill the usual way, handing over several credit cards to the waiter and a bunch of crumpled bills. Apparently, a crowd of middle-aged women-economists in Sweden, one of the richest and most technologically advanced countries in the world, were in 2013 quite far from using the mobile banking technologies that have since long been commonplace even among the relatively poor in Kenya, East Africa.

What a stunning observation – I thought! Sweden versus Kenya, and Kenya is so much more advanced in the use of a technology called mobile banking. An area where the banking and telecom sectors in Sweden had been working long to establish a standard, and make people use it, without much success. From my own surprise about this fact, and other people to whom I talked, a research study began to emerge. What were the features that explained the success of mobile banking in Kenya and the lack thereof in Sweden? The surprise was based on the taken for granted assumption that when it comes to finance and telecom Sweden ought to be 'more advanced', such is at least the image of the country. For once it was relatively easy to get a research grant. In the application I basically wrote that I wanted to spend time in Nairobi to understand this 'miracle' and see what we could learn from it in Sweden. I was about to tell the story that Sweden has to 'catch up' with Kenya, surprisingly.

To say that this is surprising (thus worth telling) is in a sense confirming a post-colonial normality. A normality where a northern European country is more advanced than an African country, and as soon as we find a proof of the opposite we are to exclaim: 'wow, look at that, they transfer money in a more modern way than we do in Sweden – I would never have expected that'. This is a normality that I am raised in, which is transferred to me by almost any research paper or course book within my field (Business Administration). My normality is constructed from a western point of view. And I continue constructing it as I tell the story of the Kenyan mobile money miracle.

So I went back to Kenya, and stayed for seven months in Nairobi, studying M-pesa. But not by doing elite-interviews with people working as managers at Safaricom,

even though I did meet with one such manager. What I ended up doing was a participative study in an M-pesa booth in a dusty and busy street in Nairobi. Together with James, who worked in the booth 12 hours a day at least 6 days a week, and who told me everything he knew about M-pesa. But we also talked about many other things. I told him about snow and the Swedish welfare system. He told me about Kenya. But those things were sort of on the side. My research notes were mainly about M-pesa, and the customers that came to buy cash or to buy 'float' (SMS correspondence to cash).

### Research diary, Nairobi (27 January 2015):

I have been sitting in this tiny M-pesa booth for a few hours now, my back is hurting, the space is really small. It is such a difference to see this from inside the counter, I am doing the 'M-pesa' together with James. James works here 12 hours a day, 6 days a week. He is employed by Tim who is an M-pesa agent. It is through Tim, who drives one of the taxis we use here that I got the opportunity to tag along, inside the M-pesa shop. The shop, which mostly resembles a cupboard – there is room for two chairs and very small table behind the counter – is situated next to a restaurant. It has two small hatches, one towards the dusty street, and one towards the inside of the restaurant. Beside exchange of cash for an SMS and vice versa James sells scratch cards (units you can call for) and makes photocopies. But the main business is the 'M-pesa'. James is teaching me how to do it, he thinks I am pretty smart and getting a hook of it. Great. All you need is an old cellphone, preferably a Nokia with a long-lasting battery. James has a smartphone for private use, but the M-pesa shop uses the old Nokia to make M-pesa transfers. It is much faster when it comes to sending and receiving SMSs, James explains.

People come to the shop either with cash in their hand that they want to transform into SMS, or the other way around, they want to withdraw cash from their M-pesa account (which is not really an account in the proper sense but a sort of SMS-balance). The whole transaction is wordless and smooth. I feel like a human cash machine. And if I am to translate the function of M-pesa into something I have experienced it would be a combination of a cash machine and a bank transfer system. Except that there is no bank involved. Just a phone company. And a lot of small M-pesa booths all over town with people like James sitting inside them, with a small phone in their hand, receiving or handing out cash. All booths are painted in green, the 'Safaricom-green', a special nuance. Safaricom is the Kenyan partly state-owned telecommunications company that launched M-pesa and is now world famous within the telecom, mobile money sector. It was the first company that succeeded in making people use their phones to transfer money to each other on large scale.

An elderly man comes into the booth crossing the dusty street; he has 3000 shillings in his hand. James explains that he is a carpenter selling chairs and tables he has made on the other side of the big Ngong street. He has probably just sold some furniture and wants to put the cash into his M-pesa rather than carry it in his pocket. He hands the 3000 shillings to me and I send an M-pesa SMS to him, putting the bills under the cashier. As soon as he has gotten the confirmation he continues tapping on his small phone. I ask him what he did with the money? He explains he

sent part of the sum to his daughter who lives 600 km from Nairobi and he pays his electricity bill. 3000 is a big transfer. Many customers come and hand in 50, 100 or 200 shillings.

This is a busy street corner, and most people hand in cash rather than withdrawing. The bills pile up under the counter. We have to inscribe every transfer in a big notebook and the customer needs to sign it. According to the rules of Safaricom, each person making a transfer needs to show ID. This seldom happens in this corner. I ask why. 'Well, I know all these people' – says James – 'I have been sitting here for several years and almost all of them I know. They work here close by'. There comes an SMS to the phone. It says 'Sebastian, 2500 shillings'. What am I supposed to do? No one is there in front of the booth? A little while later an older lady shows up. She is there to get the 2500 for Sebastian. He has a business further up the corner, explains James, who knows both the lady and Sebastian. She comes every day, it is explained to me.

So what is it that we do there inside the booth? On the surface, we take or give away cash, and check that an SMS is being sent and received. I am trying to understand the system. My interpretation is that what we actually do here is that we sell and buy what is called 'e-float' (James just says 'float'). Float can be seen as an 'SMS currency'. Cash is transformed into float, and float is transformed into cash with M-pesa as the intermediary. Safaricom takes a share from each transaction. The business model is thus that of a phone company: the more transfers (SMSs being sent and received) the better. It builds on the logic of 'many small transactions' – quite contrary to the banking logic. To set up an M-pesa account is free. This has little to do with what I know as banking. It is not banking and it is not regulated as such. It is seen as mobile service and thus avoids financial regulation.

The M-pesa booths are run by independent agents. These are entrepreneurs that invest their own capital to start up an M-pesa booth. Tony has three booths. This one is really profitable, it yields a profit of 100 000 shillings a month. 30% of that goes to Safaricom....

I could go on here. I have pages and pages of notes like this. Photos. A Swedish researcher in business is taught how to M-pesa by a Kenyan agent. Probably not many have the kind of empirical material I have. Some colleagues might call it 'low hanging fruit'. But how am I to frame it beyond the business emergence story, which I do not want to tell the usual, sort of 'low hanging fruit' (and somehow easy, uninteresting) way: Kenya is considered an 'emerging' economy, so everything that emerges and can be evaluated and appreciated by an eye of global capital gets written about. I keep thinking about all the alternative stories that are not told. And the performative role of the 'success against all odds' story that is being re-told to me in the kiosques in Kenya. It keeps on circulating, from the global to the local. There are so many other stories to be told, but they end up being too painful, too emotional. So far from any 'objectiveness' one could ever have. How to tell them, is it even to be called 'research'?

One such story is about James and me, and how he saves me from going into custody. It is about my last day in the field, two days later I was going back to Sweden. A few times a week James walks alone from his M-pesa booth with four big piles of cash (one in each pocket in his jeans) a few blocks to the bank in order to 'balance' the cash (change it to 'e-float'). This day I walk with him to the bank and ask whether I can take a picture of him with my iPhone. He agrees. But as I lift my phone and take a photo of him, from behind, a military car comes around the corner. So I happen to catch the car on my photo.

After that everything happens very fast. An officer yells angrily at me, jumps out of the car and snatches my phone from my hand. I react with anger and tell him to give back my phone. It all happens fast. I am surrounded by yelling militaries. A mob starts gathering on the street. Voices get agitated. The officer says I have committed a serious crime. My first reaction, anger over my phone and over this attempt to get a bribe from a westerner is replaced with fear after some time. James explains that they are saying to the people on the street that if we were in the US I would have been 'shot on the spot' since I look like 'Al-Qaeda'. James manages to get me out of the mob and stops the officers from pushing me into their van. James tells me to go into a small shelter a few meters from the van. The officer says I am not going back to Sweden on Monday, because then I will be going to trial, and now I need to get into the van. I ask them to give me my phone so I can call my lawyer.

My lawyer talks to the officer through my phone. Nothing happens, still agitation. James tells me we need to bribe the officers before this gets dangerous. We do. Or I do, with his intermediary help. I am not seen handling the money, nor is the officer in charge. Suddenly everything calms down. The officer in charge comes towards me, shakes my hand and wishes me a pleasant stay in Kenya. It is almost surreal. I go and fetch my son from school and decide to forget about it all. Because how am I to make sense of it? How can I include this in my field study, how can I not? It affected me deeply. Suddenly a story about mobile money became a story about life and death and bribes and many other things. At least from my perspective. And any research I do will of course be affected by me.

Is this to be seen as the 'backside' of the miraculous emergence story we are used to hear? I'm not convinced at all. However it was not what I was studying really, it just happened. And I cannot pretend it didn't happen. Nor would I slide into concluding that a 'real' catching up with the 'advanced' West will not happen as long as incidents like this take place – this again would be an inadequate interpretation, undermining the importance of this new technology or casting a shadow on it, which it does not deserve. Maybe it can be a reminder of the fact that economic or business success stories do not automatically lead to political change.

However, I am not taught how to write about it, how to make sense of this at all as a business scholar, which in itself can be seen as part of the problem. Is my whole academic discipline so naïve? The answer is most probably yes.

What happened in Kenya is so far from everything I was taught as an organizational scholar. It interferes with my personal life, my deepest fears, as a human being. It is also a story about friendship and about sticking up for another human being. He could just have left me there. My experiences during this stay ‘inside the booth’ are so far from the official picture of the Mobile Money miracle, as it is usually perceived. Even if I leave out my last day’s experience. It will never be covered in the stories circulating globally. Such as the viral Facebook update by Mark Zuckerberg, a few years later:

Just landed in Nairobi! I’m here to meet with entrepreneurs and developers, and to learn about mobile money – where Kenya is the world leader. I’m starting at a place called iHub, where entrepreneurs can build and prototype their ideas. Two of the engineers I met – Fausto and Mark – designed a system to help people use mobile payments to buy small amounts of cooking gas, which is a lot safer and better for the environment than charcoal or kerosene. It’s inspiring to see how engineers here are using mobile money to build businesses and help their community. (1 September 2016)<sup>2</sup>

There is of course not one grand narrative, one story to be told. The global economy is full of success stories that travel fast. Some are told many times and get a life of their own. Companies have great resources to form grand narratives. Some people in the global economy, Mark Zuckerberg for instance, will be listened to when telling a story. And it is difficult not to be drawn into this type of ‘success narrative’ in ‘unexpected places’ – wow look what is just emerging here, I could never have guessed! But the surprise is in the eye of the beholder. And in the global economy, some people are looking and writing and ‘analyzing’, while others are under the gaze, often voice-less. Then there are those stories in between, and beyond, which don’t fit, which we do not know what to make of, that we might be scared or too puzzled to write about. Because they are complex and emotional, and as management scholars we have been told to leave emotions outside, to keep our sight clear. But our sight might perhaps then risk to get deprived of its humanity. And maybe, starting with empathy and engagement, even if its Western and not fully informed, could be a way to put together the fragments in order for new – perhaps more unexpected – stories to emerge?

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<sup>2</sup> Mark Zuckerberg’s Facebook account, 1 September 2016  
[<https://www.facebook.com/zuck/posts/10103073829862111>].

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