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Life and Debt: a View from the South

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'*Ons skuld tot ons vrek*', Mmagojane Sekwati once told me when I was doing my first fieldwork trip, three hours' drive to the north-east of Johannesburg, in the 1980s. This means 'We will be in debt until we die'. She used Afrikaans, although she was a native SePedi speaker, because she and her family had lived and worked as labour tenants on a white farm prior to being resettled in one of South Africa's homelands. She was referring to a government agricultural scheme that was providing inputs to small-scale cultivators, deducting repayments from their yield after the harvest, but always leaving them owing more than they could repay. Additionally, they were paying off a table and chairs bought on hire purchase from a furniture retailer in the nearest town, in South Africa's peculiar system of what has been called 'credit apartheid'. These were not the family's only experiences of long-term obligation. In a manner longstanding (and well documented) for black cultivator/pastoralists in the region, her household was embedded in an intricate set of staggered payments and reciprocal repayments that was initiated, by a kind of domino effect, when one of its members married. Despite the process of colonial dispossession that had thrown up this household on the margins of a capitalist economy, or perhaps because of such processes, gifts and counter-gifts of this kind were of crucial importance in tying her household to other families – but also in stretching its resources, sometimes to breaking point. But this kind of customary wealth flow and obligation was invisible to outsiders. Many accounts have seen the economy of South Africa as overwhelmingly capitalist; showing how, during the apartheid years, strong state regulation had prevailed and growth, where it occurred, involved the twin trajectories of 'maize' (Afrikaner capital) and 'gold' (its English counterpart) (Trapido 1978). In the race to modernise farming in the former sector and transform it into large-scale agriculture, families that had once lived on white farms as semi-feudal labour tenants, like Magojane's, had by the time of my fieldwork been cast aside.

Fast-forward 35 years, democracy has arrived, apartheid has come to an end, and the economy has liberalised. Whatever growth has occurred in the 21st century has been described as 'jobless': in the absence of investment in farming, manufacturing, mining, or production, and under competition from global rivals, financialisation -- according to some -has become the only game in town (Barchiesi 2011; Marais 2011: 124-8, 132-9). I discovered in my most recent fieldwork, speaking to householders from similar backgrounds, both in urban and in rural settings, that these transitions have brought both the promise and to some degree the actuality of vastly improved circumstances and status. Policy analyst Ivor Chipkin uses the term 'middle classing' to capture how this involves process rather than product, a journey rather than an arrival point (2013). The likes of Mmagojane's children have become civil servants -- nurses, teachers, and policemen, or senior office-holders – employees in government departments, or senior officeholders in companies and corporations. Many (but not all) people in this bracket, some (but not all) of whom have moved swiftly upwards from semi-literate backgrounds, are typically in debt to the tune of hundreds of thousands of rands. To bridge the gap between aspiration and its actualisation, more of them need or want to borrow, and there is more money available for lending. Many have taken out bank loans, own several credit cards, hold store cards from an array of retailers, and are paying back a vehicle finance company alongside the furniture retailers of earlier times, as well as having borrowed from other lenders, both formal (legal) -- so-called microlenders -- and informal (illegal) *mashonisas* or loan sharks. Many also aspire to, even if they don't achieve, the goal of paying bridewealth and affording the mandatory white wedding that accompanies it. The phrase used to capture this conundrum, replacing 'we owe until we die', is 'we are now working for *mashonisa'.* In place of an execution, it suggests a life sentence. Both statements seem to express profound resignation.

Moving beyond such resignation, and looking one generation further, however, the likes of Mmagojane's grandchildren have a somewhat different experience of debt. A key expense for which their parents borrowed was to pay for their university fees. Many have acquired a higher education but they still owe money to the university and their degree certificates are being withheld. Recognizing that the promises of high status are hollow if they can only be acquired on the never-never, they have joined the #Feesmustfall movement that brought the university sector to its knees in 2015 and that demanded – and was granted, albeit in provisional form – some kind of debt relief. At last, it seems, people in this generation are overcoming the individualisation and even self-blame that, as David Graeber shows, often accompanies getting into debt. The death sentence and the life sentence appear, here, to be commuted, or at least deferred.

Below I explore this 3-generational debt shift, with its changing modalities of enslavement and freedom; domination and resistance. I ask several questions (if not necessarily answering them). The first, more overarching, is: in understanding debt, can we transcend the tendency to explore matters of economy by classifying exchanges on either side of the capitalist/non capitalist divide, and ultimately assuming that those on the capitalist side prevail? The second, through my conscious parodying of the title of Clara Han's book *Life and Debt* set in Chile (2012), draws attention to the conundrum of indebtedness across the global south, but -- unlike her -- asks about the newly indebted 'middle classers' in particular. If financialised capitalism is a driving force in the 21st century, what characteristics do such people share across a variety of southern settings?

The third, contrarily, is how far we must understand local particularities – at the level of state and household -- in order to fill in the picture? Finally I ask whether there is some purchase in the Comaroffs' claim that the south can be viewed as a kind of experimental laboratory in which practices are tried out before they are exported to the north (2013).

Contract/non-contract: articulation again?

Life in Debt in South Africa is not pure slavery. Instead, it has an ambivalent character. For the likes of Magojane's children, as Clara Han found for Chile (2012), access to credit allows people to live a life of consumerism and aspiration from which they were previously excluded. But they are aware that, since these things have been given to them on tick, theirs is a 'loaned life'. The debt is necessary to actualise dreams of a better world in which harmonious relations with family members might be possible. But being unable to repay while creditors knock at the door is disabling and may even destroy those relationships. In these two cases and more broadly across the south (in others I will describe), the debt conundrum juxtaposes apparently unlike sets of values. Cherished and non-commodified family relations, on the one hand, both induce and are subject to the inexorable force of commodified payment-plus-interest on the other.

Parker Shipton in his book *The Nature of Entrustment* maintains that the Luo of Kenya 'are at times profit-seeking marketeers and at times reciprocators and redistributors' (2007). This description of alternating modalities is one recent attempt to deal with a conceptual binary that has been of long standing: with capitalist or market-style relations on the one hand and those which in substance and form are their opposite: that is, between the contract and what appears non-contractual. Jane Guyer has shown how a West African logic of economic activity dovetailed with – – while also countermanding – – a capitalist one. She speaks of a setting 'where magical conceptions about money coexist with routine numeration rather than contradicting it'; talks of multiplicity rather than binaries; shows how the formalisation and financialisation of economic arrangements can be accompanied by their opposite, all held within the same frame but not subject to some dominant hegemonic force originating in the capitalist West (2004) The way these authors enunciate the co-existence of rational calculation and reciprocity may seem to imply that people are free to choose which mode to switch to, and when. Their analyses have of course been praised for countered the determinism of Marxist accounts, prevalent in the 60s, according to which modes of production were 'articulated' with each other. Writing in the very first volume of *Economy and Society*, Harold Wolpe famously enunciated his 'cheap labor thesis', showing how capitalism in South Africa relied for the reproduction of its labour force, and hence its profit, on the rural economy of African cultivator/pastoralists (1972). Yet analysing two phenomena as 'articulated' relies on being able to separate them to some extent. The material I will present shows, in contrast, a more inextricable entanglement between debt in its non-commodified and commodified versions: one that is more in line with Shipton's and Guyers' accounts, but that belies the easy-sounding switch from calculation to reciprocity which they describe. As I show in more detail elsewhere, their inextricable entanglement owes itself, in part, to the role of intermediaries and agents (James forthcoming a).

What are the local 'models for' debt in South Africa? The most readily available example of long-term, enduring, and apparently non-marketised obligation is bridewealth payments. The relation of such payments to that of market-style, interest-bearing debt is far from voluntary. In one case I studied, a man attempting to position himself in the local solidarity economy by committing to bridewealth was only able to do so by incurring so much interest-bearing debt from a microlender that it threatened to undermine the very social arrangements which it was supposed to enhance. My earlier account showed how the positive character of aspirations to fulfil long-term social obligations, on the one hand, articulate uneasily with negative experiences of financialized arrangements -- and being hounded by creditors and taking out further loans -- on the other (2014). But, while this conceptualization of the relationship – which is refracted through the particular southern African prism of marriage payments – has some truth, it still represents matters too starkly. One is still confronted by a stark binary -- 'mutuality is good, commodity is bad'.

Why have I had to rethink this? For one thing, because the proliferating dependencies of the wives for cattle system could themselves constitute a form of slave-like entrapment. Let me explain. The networks of reciprocity, and the knock-on set of exchanges, which occured between houses on the occasion of marriage, have been analysed – and recently reanalysed -- by Adam Kuper (1982; 2015). Each house, headed by one of several wives of a polygynist, became a nodal point for the accumulation and transfer of concrete wealth. Although wealth was reckoned and paid through cattle, marriage payments actually enabled a transfer of resources from the pastoral to the agricultural part of the house economy, since cattle given for a wife provided female labour for the growing of grain. Each wife, once children were born, became the head of a separate cattle-owning house. Its cattle, once received in marriage, would be re-used when that family needed to transfer bridewealth for the marriage of its own son to a further house. But the system, if that is what it was, had inherent tensions. Debts were often recouped to deal with structural/demographic accidents rather than serving to weave together a Levi-Straussian web of connections. In part because being used for multiple purposes in this way, the value of cattle was inflated. Against this backdrop, missionary and anthropologist Henri Junod, in 1912, gave an account of hatred and bitterness between unpaid wife-givers and the unpaying wife-receivers against whom they were bringing civil suits in epidemic numbers. This was not necessarily because people wanted to cash in their cattle: much like house-buyers in a mortgage chain, the wife-giving house was waiting for cattle to use in respect of its own sons' marriages. But the resulting arrangements were characterised by Junod as equating to virtual enslavement. So long term relationalities could be onerous. In this sense, non-capitalist exchanges and dependencies, essential in creating productive relationalities, seem less different from their more recently-emerging counterpart, commodity debt, than might have appeared the case.

In South Africa, apparently non-capitalist exchanges and dependencies, essential in creating productive relationalities, have thus also been characterised as 'enslaving' people. In this sense they seem less different from their more recently-emerging counterpart, commodity debt, than might have appeared the case.
But what does this modern commodity debt look like in practice? And can we learn anything from comparing it with similar cases across the south?

Middle Classing and debt across the south
The ambiguities of indebtedness for the Chilean poor have already been described. But a similar set of ambiguities are true—even more trenchantly -for 'middle classers'. The cases I will explore below—South Africa, Malawi (Anders 2009) and India (Parry 2012)—show striking similarities, suggesting that global conditions have imposed some universally-shared characteristics upon newly-indebted members of this category. (The resulting picture shows qualities every bit as systemic as that of the wives for cattle arrangement already described.) First, in a manner reminiscent of the nascent German bourgeoisie in the 19th century (and unlike their predominantly entrepreneurial counterparts in Britain – see Lentz 2015) they mostly rely on salaries paid, directly or indirectly, by the state. These salaried forms of employment were, in the South African case, newly acquired through the changing racial composition of the civil service. In the case of Malawi, these positions were clung onto despite recent cuts to state spending, while in the Indian case they were held by employees in a public-sector steel plant. In these settings where class status is only recently acquired, or particularly vulnerable and tenuous, the imperative of status distinction described by Bourdieu (1984) is accompanied by the imperative to offer support to those from whom one is thus distinguished. Second, the liberalisation of the economy, in all 3 cases, has diminished or eradicated income sources for the neighbours or kinsmen of the upwardly mobile. Secondly, given that these 'middle classers' exist in a setting where liberalisation has been accompanied by public sector reform, such that their own wider kin increasingly lack reliable forms of livelihood, their salaries are relied upon to do more than support just their immediate families. Partly to ensure this, thirdly, they borrow money and often become overindebted. Fourthly, liberalisation means that such loans are much more readily available than they might have been a generation ago – Not only is there 'more money' available, but moneylenders of all kinds have newly acquired a speedier and more reliable system of collateral: that of deducting repayments directly from the salaries of debtors.

Let us look at each case in turn. In a paper on suicide by employees of the state-owned Bhilai steel plant in India by Johnny Parry (2012), we are told that debts are mostly incurred by, and offered to, those who are threatened – or whose children are threatened -- with downward mobility from a previous state of secure employment as the public sector downsizes. People cite addiction, womanising and family tensions as reasons for the high suicide rate--but few analyses, says Parry, deal with the 'causes of the causes'. Chief among these is indebtedness, to whom 'those with collateral' –that is, secure jobs and salaries – are most vulnerable. The difficulties of staying on top are considerable, but they are not simply running to stand still. Expectations are intensifying, even for those who do succeed in remaining as members of what he calls the labour aristocracy. They have aspirations beyond their reach, including maintaining their current status and meeting the 'increasingly exacting standards' -- educational attainments and consumption patterns- that go with that status. Loans are taken out from a variety of lenders; co-operative societies, or loan sharks who lend money 'against the security of their bank passbooks [or] ATM cards', and from employers at the plant. 'Loan repayments to the plant halve one's take-home pay, and the creditor who has one's passbook claims the rest in interest – 10% monthly'. In a few cases, however, where debts are not secured by these forms of collateral, creditors harass borrowers, and some suicides are alleged to have been prompted by this harassment alone.
Their efforts – ad the negative consequences -- might be characterised as 'middle classing', and their suicides as a sign that the struggles this process entails are too onerous to be borne.

The Malawian civil servants documented by Anders, in a setting where cuts and downsizing similarly prevail (2009), also borrow from employers. Here, the key distinctions are those between kin at different levels in the hierarchy, which are an important part of the problem. The structural adjustment of the 1980s brought the reform of the public sector, so that there were fewer jobs to go around. Inflation had also caused salaries to decline in real terms, and their recipients were increasingly using them to kick-start or underpin informal business ventures intended to supplement their formal incomes. Those with regular earnings found themselves relied upon to help their unemployed relatives. Partly to make this possible, they became reliant on loans from their employers, in the form of 'advances', at virtually no interest, often to the tune of two thirds of their salary. Employers used a system of automatic deductions and thus bore no risk of default. Although the rates of interest were low, this did not lessen the fact that employees were increasingly living on future earnings. Here too, salaries served as collateral for the employers-turned-creditors. The ultimate aim was that of caring for kin, but the resulting relationship was often one of tension and strife rather than accord.

These arrangements result in the claim that 'the worker finds himself working for nothing', or, as in South Africa, 'for *mashonisa*' (the loan shark). These lenders use identical – and outlawed -- collection practices such as confiscating borrowers' ATM cards (though here the going rate is 50% monthly); or, for the 'registered' ones, use garnishee or debt recovery orders (James 2014). Some employers– attempting to circumvent the ease with which creditors get their hands on the money -- were resorting to paying salaries directly in cash, or by using pre-paid money cards delinked from bank accounts. Nonetheless, the negative consequences of debt and of this feeling of entrapment, ranged from people resigning from their jobs to escape creditors, through cashing in their pensions, to tragic measures such as suicide.

But who exactly are these lenders, and what is their relationship to the borrowers? Let me turn to a fieldwork anecdote to answer this question. The Kekana family lives in Soweto, but both parents – just like the children of Mmagojane -- hailed from rural backgrounds. Both, as beneficiaries of the new order, work for a parastatal company. The mother, a frugal person, dislikes all forms of credit – but she found herself obliged to get 'in hock' so that their daughter could attend university after finishing high school. Financial pressures meant that the university (here turned creditor) was obliged to wait until the mother got her annual bonus before the fees could be paid. Had she secured the agreement of her husband, who thought their daughter should have gone out to work instead, it is possible that Mrs Kekana might not have been forced to shoulder this burden alone. Mr Kekana was making an additional income -- 'money from nothing' – as a *mashonisa,* using the salary he earned in a parastatal as a basis for his illegal moneylending business, waiting outside factory gates at month end to ask borrowers for their ATM cards so as to recoup his loans plus interest from their accounts. He was expanding his income along lines similar to those Anders described, with civil servants reinvesting in private businesses. It may well have been the case that, as a 'middle classer', he was obliged to send money to rural kin in the village (as with Anders' example) – but here the morality of debt and credit was reversed, since he appears as a predator rather than a victim. But what the story shows is that creditors cannot be easily distinguished from debtors since households may include both in complex intersection.

In sum: the salary here has become a multiple resource: not only one on which out-of-work relatives may call, but also, once paid from state coffers or by public companies into employees' bank accounts, a form of collateral that circulates around the system in a kind of pyramid scheme. Although not all borrowers repay their debts, a considerable proportion – plus interest – ends up in the pockets of lenders. Incomes and resources are, in a number of ways, thus redistributed to those not receiving them. This is one way of making a living in settings perhaps misleadingly characterised as financialised or 'neo-liberal'. Through accessing state resources, money can be made 'from nothing': the term 'redistributive' must then be added to 'neoliberal' to create a hybrid/hyphenated adjective.

Democratic transition: supply and demand

We need to examine not only the liberalisation and financialisation of southern economies, but also the role played by democratic transition. In Chile, Han demonstrates a relationship between that country's earlier repressive regime, and the extreme pendulum-swing of its subsequent liberalisation. The new government's readiness to envisage the extension of credit has something to do with the debt, born by the state, to those who had earlier been brutalized by it. (In Brazil under Lula, the mass extension of credit was one means – much decried by some – through which the NMC or 'new middle class' was created and a large number of voters saw their aspirations realized – albeit unsustainably (De Oliveira 2012; Neri 2012; de Souza 2010)). In South Africa something similar happened, but mapped onto this were the ethnic and racial divisions of the country's past and the pendulum-swing of its new inclusive dispensation. Following the first democratic elections in 1994, when a concerted attempt to abolish the various aspects of apartheid coincided with a massive rise in expectations, the burgeoning supply of credit that met this new demand showed marked divisions along linguistic-racial lines. Let me explain. Members of a rising black middle class replaced the (mostly white) incumbents of the previous civil service. It was, at least initially, these newly-jobless, mostly Afrikaans-speaking, public servants that used their redundancy packages to start new micro-lending businesses, extending credit to those replacing them as civil servants. Other micro-lenders soon joined them. Some were 'formal' and technically legal. Others – who had long been extending loans in black neighbourhoods but now expanded their operations exponentially, to workplaces and elsewhere -- were informal, classified as 'loan sharks' but also known locally as *mashonisas*. Big banks and mainstream retailers, many of them previously reluctant to offer credit to black people (the 'credit apartheid' I mentioned earlier), joined in. Besides the new microlenders using borrowers' salaries as a form of collateral as described above there were 'unsecured lenders' who charged even higher interest rates. This lending free-for-all had been made possible when, during the period of rapid liberalisation in the 1990s, the state repealed the terms of the Usury Act which had formerly capped the interest rate.

Sector	Lender	Type of loan
1	Mainstream/formal financial sector (the 'Big Four' banks run by English-speaking capitalists); soon joined by rapidly-consolidating new lenders – Capitec and African Bank	Bank loans; store cards for clothing and food; vehicle finance; furniture and appliances on instalments; housing loans
2	New microlending sector (Afrikaans-speaking former civil servants)	Smaller/short-term loans (secured and unsecured)
3	Informal microlending sector (neighborhood moneylenders – *mashonisas* in black townships and villages)	Smaller/short-term loans (secured and unsecured)

Lenders in all these sectors justified their lending practices: to understand this we must remember that this precipitous deregulation had been done (or so it was alleged) in the interests of expanding – and 'democratizing' – access to credit. The injunction to 'tighten belts' and 'live within your means' that might have been hearkened by those living under apartheid, now sounded hollow.

A list of some of these new microlending businesses gives an impression of their dodgy, fly-by-night character: Mavava Trading, Onecor, Amplisol, Triple Advanced Investments, Bridge Debt, Las Manos Investments, Polkadots Properties, Money Box Investments, Maravedi Credit Solutions, Icom, Villa Des Roses. (This list is from a court case bringing prosecutions against some of the worst offenders – a sign that regulation is being attempted).[1] But perhaps one should not jump to conclusions. Belying the idea that these were loansharks in all but name, what is noteworthy about these ethnically-designated lending sectors is the way each validates its operations in moral terms. Banks, and clothes and furniture retailers proudly announce that they are helping to bring the benefits of financial products to those formerly deprived of them. Micro-lenders, when challenged, advance a similar series of arguments which indicate – in quasi-paternalistic fashion - that they are motivated by the wish to serve the public and their potential clientele in particular. They point out that the loans they extend are to low-income black people lacking secure livelihoods and that their clients in turn use these borrowings to start small enterprises, buying goods which they then sell to others, on credit. They also point to the high costs of processing a small cash loan, and argue that to process such a loan at normal interest rate -- without an initiation or administration fee -- would make this uneconomic. Should they cease to do this within the law, they argue, there would still be a demand for micro-loans, and the vacuum would be filled with illegal loan sharks. (A very similar defence is made by UK payday lenders such as Wonga.com, of which, more later). The loan sharks or *mashonisas*, in turn, speak of their own embeddedness within the black community. Many of them argue that they only began lending in response to requests from neighbours, and that, unlike other lenders, they are willing to extend the loan without calculating an accompanying escalation of the interest rate. When representations were made to parliament about reforming the credit sector, similarly racial/ethnic invocations of the public good were evident. White-owned microlending businesses argued against the restricting of credit in the interests of ensuring continued ready access to it for all and of fending off loan sharks. Black trade unionists, in contrast, vilified such businesses, instead lauding the community-mindedness of the black *mashonisa* All in all, the sudden onset of democracy and the expectations/aspirations accompanying it, help to explain how no-one – or few -- among those newly liberated was willing to continue being excluded from the credit bonanza.

[1] University of Stellenbosch Legal Aid Clinic and Others v Minister of Justice And Correctional Services and Others (16703/14) [2015] ZAWCHC 99 (8 July 2015), http://www.saflii.org/za/cases/ZAWCHC/2015/99.html#.

Escaping enslavement?
The picture which emerges, then, is an almost overdetermined one. Broader forces of financialised neoliberal capitalism, local aspirations to democratic inclusion, expectations of redistribution rising from growing unemployment among family members, combine to create a situation in which ‘middle classers’ find themselves unable to engage in the ‘good side’ of debt/credit (Peebles) -- projects of upward mobility, pursuing marriage transactions, and supporting less fortunate kin -- without incurring the bad side -- unsustainable obligations of the commodified, interest-bearing kind. Pandering to this, lenders of all types are ready to extend loans and are able to recoup these, apparently with little trouble. But is it not perhaps possible to escape from the world of debt altogether?

Comparative evidence from southern settings suggests that, instead of wiping the slate clean, more or different kinds of debt may provide a way out. It is more common to read in the anthropological literature about people who, like the Murngin Aborigines of Australia, ‘want to owe .. $5’ (Peterson 1993) or, like the Amazonians described by Evan Killick, seek to become debt-peons of their timber-extracting partners (2011), than to hear of people extricating themselves from such relations by cultivating an ethic of ‘detachment’ (Cross 2011). The Luo in Kenya, as Shipton shows, are profoundly entangled in debts, even defined by them (2007). The reason they are often slow to honour their development loans is not because the idea of repayment is foreign to them, but because there are more important debts -- to kin, and other acquaintances – that must come first. In Tamil Nadu, India, Isabelle Guerin shows how women use microcredit to ‘accumulate debt ties and social relations’, and thus to ‘negotiate a better position within local spaces of sociability and wealth distribution, be these family spaces or local networks of clientelism’. In South Africa, workers have long made arrangements with their employers to help them commit to enforced savings practices, put deposits on an item with retailers with the stipulation of paying the rest of the price within a set time, or forfeiting the deposit, or made plans to buy furniture on instalments: arrangements used in a canny manner by people deploying economic formality to escape other obligations. Thus, argues Guerin, people can ‘negotiate and challenge’ their situations by choosing to repay some debts rather than others, or juggling various creditors’ claims against each other (2014)

Still in the South African case, the funeral savings clubs or ROSCA traditionally much loved by anthropologists and ethnographers -- but now undergoing a rapid expansion -- play their part in such negotiated relationships. Lerato Mohale, for example, has a secure salaried position as a teacher, but has recently been widowed. She occupies the nodal point in a network of unemployed relatives, both her own and her late husband’s. She has taken out a range of different types of funeral cover, of which some are formal policies and others are savings club memberships: each is designated as 'covering' a different relative or group of relatives. Her case tersely summarizes the financial drains involved when there is multiple reliance on a single and reliable source of income, in a setting of rapidly increasing inequality. It also illustrates that putting aside money regularly – that is, saving it – often by honouring one's obligations to particular kinsmen– is a means to stave off *further* demands from each intended recipient beyond what these instalments stipulate.

Name	Type	Use
Bohlebetho	Semi-formal club	cover grandmother and parents-in-law
Swazi society	Former medical aid	cover self, husband, children, brother- in-law
Bohlabela Society	Club for educated professionals	buy Sasol shares, cover self, children, unemployed uncles
Impalahoek Teachers' Burial Society	Formal club	contribute to funeral when a teacher dies
Standard Bank	Formal corporation	cover children
AVBOB	Formal corporation	cover mother
Jimmy club	In-laws' family club	cover in laws

Lerato Mohale's funeral investments

If we use these positive-sounding suggestions – that conflicting obligations can provide a means to 'negotiate' relationships -- we can revisit the story of bridewealth and explore how it relates to both apparently more commodified forms of debt in South Africa, as discussed earlier, and also to so-called blood relationships. Several anthropologists show – much as was observed by Junod for an earlier period – that few nuptials are ever finalised, and marriage payments are honoured more in the breach than in the observance. In poorer communities, men who were formerly wage-earners and are now unemployed and/or welfare dependant, continue to value ceremonial expenditures and investments in the long-term future but cannot afford them: something that has made for a deep-seated sense of failure and of psychic, social and cognitive dissonance. Although 'completed bridewealth payments are a distant dream for most young men … they nonetheless are trapped in endless accountings of outstanding debts and fines to their partners' relatives' (White 2011:7). For 'middle classers' like Mmagojane's children, the increasing financial independence of women, in this society where gender equality is assured by the constitution and in employment practices, has had similar effects. In another paper, I plagiarise Anne Stoler's idea of 'tense and tender ties' to talk about how women are set apart from their less fortunate relatives, even as they continue to have to support and remain intimate with them; and divided from male partners who expect them to conform to conservative female roles, even as they continue to hold positive views about marital exchanges (and payments) more generally (James forthcoming b). I have come across both men and women who prefer to remain single, viewing the expenses of marriage as prohibitive. But people who have climbed rapidly up the social ladder, and are expected to provide their children with higher education, may also be expected – on loan or as a non-repayable 'entrustment' (Shipton 2007) -- to provide some or most of the money that makes it possible to send a nephew or niece to university. In other words, resolving to withdraw from the complex obligations of marriage exchange that tie one to potential in-laws usually means fulfilling alternative demands from one's blood relatives.

But can one not keep such demands at bay? Mmagojane's children might, of course, have attended to the advice offered by author Phumelelo Ndumo. In a popular self-help book that draws on many actual cases, Ndumo tries to enable people to avoid the conundrums they face because of family members' requests – by advocating the 'belt tightening' I mentioned earlier: she enjoins people not to be too 'kind and well-meaning', since this puts them at risk of being 'taken advantage of by those they love' (2011). Heeding to her advice not to be a 'cash cow', and rather to focus on the future achievements and needs of one's own children, they might well have managed *further* to stave off the expectations of relatives by settling in one of the many new 'townhouse or condominium complexes' that are being built. Such complexes offer 'no deposit' arrangements akin to the 100% mortgages that were available in the UK before the crash, allowing people who secured formal employment as a result of the democratic transition but who lack savings, to buy apartments. The onerous regulations laid down by the body corporates who run such complexes allow residents, as author Ivor Chipkin points out, to 'negotiate diverse and complex histories of family… in their own space' (2013) – providing a safe haven that allows them to avoid the undue demands of kin. In this way, attentive to the tense situations that endless requests by family members can create, as with the Chilean poor of Clara Han's account or the Malawian civil servants of Anders' one, people like Mmagojane's children are able to create the circumstances in which as individuals, or in smaller, even single-parent households, they might progress and advance. However, this leaves unanswered questions about middle class ethics. Does one gain greater prestige – and even entitlement to be considered 'middle class' -- by being seen to attend to one's relatives demands or by breaking free of them? And if one DOES satisfy one's children's or relatives 'quest for things', it should be noted that this, as Deborah Posel claims, 'can be an expression of care and support for others, as much as a crass self-absorption' (2010:162): one might add that the quest for ready money may be driven by care and obligation rather than being driven, simply, by the wish for 'things'.

Generally, few are able – or even willing -- to jettison obligation, or debt, altogether. Instead, it is usually a matter of deciding between one set of obligations and another. And honouring either of these often requires that one borrow money at interest. Again, market and non-market, neoliberal and redistributive, coexist in a tight embrace that seems to require conceptualisation in some other way than by talking of 'articulation', or by thinking of financialised capitalism as holding sway.

Conclusion: The south as laboratory?

It sounds, then, as though debt can only be evaded by selecting between alternative kinds of owing. Such tactics can perhaps not be effective for long. But can social movements unify the indebted and make for a longer-term solution in their place? The #feesmustfall student protests, in which some members of the 3rd generation have participated, show that many parents – unlike the Kekanas whom I mentioned earlier – lack either a regular income or the strategic savvy to choose between competing priorities. Debts to banks and short-term/high-interest micro-lenders are incurred, and non-repayment is common. The movement has secured some promises of relief to indebted graduates and future scholars, but the question is left unanswered of how the university sector – and middle classers in general -- will ultimately be supported. Writing of this movement, Achille Mbembe returns us to the global stage. He argues that 'any plausible critique of today's political economy must … begin with a political critique of debt as one of the dominant structures of post-apartheid social relations,' but that 'the defunding of higher education and rising tuition fees in South African universities are but manifestations of the global financialization of existence – a systemic process that is an integral part of the changes affecting the organisation of capitalism worldwide. The violence wrought on people's lives by the 'debt machine' … is therefore far from a South African predicament only.' (2015). It sounds, then, as though we are back with capitalism as hegemonic determining force. But I hope to have shown some of the complex interweavings of market and non-market obligations, and of liberalizing and redistributive impulses, that underpin the situation. I also hope to have demonstrated that 'capitalism' on its own offers an inadequate explanation.

In any event, if South Africa's predicament – or that of the global south more broadly -- is not unique, do these settings perhaps represent some kind of laboratory in which disturbing new schemas are trialled? John and Jean Comaroff write that Africa, Asia, and Latin America are the vanguard of the epoch, 'making them at once contemporary frontiers and new centers of capitalism—which .. in its latest, most energetically voracious phase, thrives in environments in which the protections of liberal democracy, of the rule of law, of the labor contract, and of the ethics of civil society are, at best, uneven' (2013). A perhaps unexpected demonstration of their 'laboratory' claim is that the payday lending model in its starkest form -- as Wonga.com -- was inspired by the lending systems described above and imported to the UK. It was founded by a South African, Errol Damelin, who headed the company, until – under increasing pressure from the media and under threat of stringent regulation by the Financial Conduct Authority -- he stepped down from its management in June 2014. Wonga was subsequently required to pay £2.6 million in compensation to customers, in acknowledgment of its unethical debt collection practices, which included sending fake solicitor letters to customers. But he and similar payday lenders offered the familiar defence: regulating them or capping their interest rates would simply drive people into the waiting arms of loan sharks. Belying any suggestion that its products were forced on an unwilling populace, there is evidence that borrowers needed its services and even favoured the way it was packaged. A report commissioned by the UK's FCO (and researched and written by anthropologists and others), showed that payday loans seemed to offer a solution more short-term and easily controllable than any alternative. Some preferred these loans because they were easy to apply for and could be secured on-line rather than requiring the embarrassment of personal contact with a relative or bank manager. Other clients were 'suspicious of, or even hostile towards credit cards', feeling that they 'fuelled temptation and made it too easy to get into trouble'. They opted instead 'for short-term, high interest loans' that (they thought) 'made it easier to "self-police"' (Rowe et al 2014).

Of course, as soon as such consumers found themselves unable to pay back such loans within the 'short-term' as they'd intended, they ended up in a debt trap with interest rates escalating uncontrollably, and with the payday lenders reaching into their bank accounts to readily recoup their money or using allegedly legal – but dodgy -- threats. Sound familiar?

We might read Mbembe's statement, cited above, as implying that debt has reached a destructive level of determining influence on the lives of people (especially in the south), who are thus more marginalised than ever by the encroachment of financialisation. And that importing these practices up north – and globally -- augurs a similar moment of unregulated excess for borrowers everywhere. I hope to have provided some evidence that this is indeed true. But that is only part of the picture. Across the north/south divide, we seem to be witnessing a peculiar contradiction: critics, self-helpers and do-gooders want to restrict a credit system for the good of people whose circumstances incline them to continue borrowing and lending *without* restriction. But in settings that straddle the formal/ informal, market/non-market divide, in something like the way that Guyer and Shipton described, lenders' justificatory discourses -- that might sound suspect to outsiders -- can actually have some resonance for those aspiring, however precariously, to something better. Since credit apartheid of various kinds has often made formal lending inaccessible, borrowers on the margins, or who formerly lacked access, will insist on their right to take out loans. They will find ways of picking lenders that they view as being 'on their side' in a fractured and divided credit landscape, negotiating and balancing diverse obligations against each other, and reverting to discourses of 'self control' when things don't work out. Accounts of financialisation which imply a one-way, top-down intrusion by the market into people's intimate relations, see these commitments and aspirations as imposed on unwilling victims, and ignore the factors that might make participants complicit in debt, just as they are in life.

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