



From the Guest Editors

Poverty and Profits in the Information Age

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Information Technologies and Economic Capital

Since the 2004 publication of C. K. Prahalad's remarkably influential *The Fortune at the Bottom of the Pyramid: Eradicating Poverty Through Profits*, the term "BoP" has become commonplace among development practitioners and corporations. This work argued that, rather than relying upon inefficient governments to provide the poor (i.e., the BoP) with necessary goods and services, the for-profit sector, and especially multinational companies, could play a central role in creating demand and supplying low-cost goods (Prahalad, 2004). "The BoP" entered development discourse and practice at about the same time that information and communication technologies for development, or ICTD, rose to prominence as a key tool of poverty alleviation (Prahalad & Hammond, 2001). By the turn of the millennium, corporations and other private actors had joined the poverty alleviation "business" — not as a by-product of their operations, but as an explicit part of it.

These institutions, along with traditional international development organizations, converged upon the idea that philanthropy and profitability are not in opposition, and that the private sector can serve the world's poor efficiently through high-quality, low-cost products and ICT-enabled services (Hart, 2005). Thus, ICTs "for" D emerged in a joint environment of technological optimism, win-win aspirations of all stakeholders in the field of development, and a strong reliance on sustainable business models (Gurumurthy, 2010; see also Kuriyan, Nafus, & Mainwaring, this issue; Ilahiane & Sherry, this issue). More recently, Porter and Kramer's (2011) concept of shared value points to the opportunities that arise from serving disadvantaged communities and developing countries. Reminiscent of Prahalad, they argue that re-conceiving products and markets to address societal concerns can yield benefits to the private sector (ibid.).

Research on whether, or how, the principles of development-as-business actually work *for the poor* has yielded mixed findings. On the one hand, several studies from Asia and Africa have reported economic and social benefits of access to information technologies (Arunachalam, 2002; Donner, 2007; Hughes & Lonie, 2007). Yet, as Gillwald points out in the pages of this journal: "There is little non-anecdotal evidence in Africa linking communications sector policy reforms ... and lower costs of communications ... to poverty alleviation" (2010, p. 80). Overall, case studies on the impact of cell phone

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ownership and usage among the poor, or at least among the near-poor, have been positive (Donner, 2007; Jensen, 2007), whereas those on the impact of community-based computer kiosks or telecenters have mainly been discouraging (e.g. Kuriyan, Ray, & Toyama, 2008). Recent work has further revealed that low-income individuals may use ICTs in conventional ways, but these ICTs are also key sites of innovation with, and re-purposing of, these technologies (e.g., Heeks, 2009; Maurer, in press).

The four articles presented here seek to increase our understanding of poverty and profits in the age of technology-meets-development-meets-business. All four articles use ethnographic methods, sharing the ethnographer's attention to both the intended and the unintended, and to both the spoken and the strategically unsaid. They cover four broad stakeholder groups: the consumer, the local entrepreneur, the ICTD intermediary, and the multinational corporation. Together, they analyze ICTD interventions in terms of who benefits, the (often) complex nature of those benefits, how markets and consumers are created, and how for-profit corporations have tried to combine doing good and doing well.

Kuriyan, Nafus, and Mainwaring, writing on the "Poor" remade as "Consumer," focus on the celebrated case of M-PESA mobile payments service in Kenya. M-PESA boasts more than 8.5 million customers in a relatively short period of existence—a little more than four years (Camner & Sjöblom, 2009). The paper challenges the widely held notion that, in order to target low-income groups, one needs to design products, services, and marketing specifically for the poor.³ The authors show that the poor do not necessarily wish to be tagged as "poor," and that, by understanding and tapping into their anxieties and aspirations, Safaricom successfully created market messages to advance its own business interests.

Ilahiane and Sherry, in their ethnographic analysis of skilled and semi-skilled laborers in Casablanca, Morocco, find that 25% of their surveyed respondents attributed increased job opportunities and increased hiring of fellow *hrayfiya* (skilled workers) to the ownership of a mobile phone. They find that the ability of the *hrayfiya* to "form and shape" the nature and reach of their local networks is a key determinant of whether cell phones actually translate to more and better job opportunities. The transformation of local networks is, the authors argue, a central aspect of value creation in BoP-based entrepreneurship.

Bailur and Masiero's work is based on a study of community-based telecenters run by an NGO in India. Moving away from consumers or entrepreneurs, they examine the economic and social impacts of ICTD interventions on the intermediary—the liaison, in effect, between the consumer and the donor or NGO. Their paper reveals how these low-level staff members, who are considered essential for the sustainability of community-based ICT projects, are often divided between serving the needs of the community, keeping donors satisfied (even if project performance is less than satisfactory), and protecting their own economic interests ("I am also community, no?").

Schwittay's field note, which is also India-based, is an ethnographic study of the multinational corporation, specifically HP's (now defunct) e-Inclusion program. The author argues that, in the high-tech industry, multinationals such as HP are framing their activities related to the poor as "global corporate citizenship." This positioning provided HP in India with access to low-income market segments, and also gave it access to governments in order to obtain public contracts. The private sector thus benefits from the resources of the public sector to fulfill the double objective of generating both social benefits for the poor and financial benefits for the company.

3. *The targeting of products and services to the low-income consumer is clearly advocated in Prahalad (2004), and it has been backed by several sympathetic scholars (e.g., Hart, 2005). Mohammad Yunus (2008) also writes that the prospects for poverty alleviation depend on "technological devices and services that are designed a priori for poor people" (cited in Spence & Smith, 2010).*

We do not doubt that rapidly emerging ICTs *could* have a profound impact on global poverty. It is also true that the for-profit sector *could* bring creativity and efficiency to development efforts. The questions are: for whom, in conjunction with what, and at what cost? These questions motivated our original desire to put this issue together. Economic questions of this nature have dominated the ICTD literature overall. We were, of course, aware that ICTDs have resulted not only in economic changes, but also in changes at the social, political, and symbolic levels, for both the poor and the non-poor. Several interesting papers have highlighted the social uses of ICTs, such as aspiring to a higher socio-economic class (Kuriyan & Kitner, 2009); creating self representations to be heard by those perceived as powerful (Burrell, 2009); and creating political awareness, transparency, and accountability (Avila et al., 2010; Kuriyan, Bailur, Gigler, & Park., 2011). So when our poverty and profits special issue papers came in, we found that they were not about poverty and profits alone. To help interpret the symbolic (as well as economic) impacts of ICTD in these papers, we turned to Pierre Bourdieu.

Information Technologies and Symbolic Capital

In *Outline of a Theory of Practice*, Bourdieu (1977) argues that an overly narrow study of practice—by which he meant the more obvious and visible practices within communities—restricts attention to purely economic activities and overlooks practices that are considered symbolic (ibid.). These symbolic practices generate capital of their own—symbolic capital—that can be converted into economic capital at a later point. For example, a landed family can use its prestige to command outside labor during peak work periods (ibid., pp. 178–179). Similarly, economic capital can be converted to symbolic capital. An ICT-relevant example would be using a new job at a computer kiosk to merit “smiles, handshakes” (ibid., p. 179) and other signals of acceptance from higher up the social chain. The two capitals are inter-convertible, but not predictably so, and each is valuable on its own terms. Bourdieu’s insistence that the symbolic and the material are never reducible to one another, but cannot be divorced from one another, is the basis of the “systematic unity of practical social life” (Brubaker, 1985, p. 748).

Several symbolic practices, such as social network building and reputation enhancement, are in evidence in the papers in this volume. Such practices build social and cultural capital, and the papers make it clear that these capitals may produce (or, in Bourdieu’s terms, be transformed into) economic capital, though they also may not do so. The possibility is always there, and, consistent with Bourdieu’s analysis, each form of capital is of value. The most consistent symbolic practice that all four papers reveal is the use of ICTs to control, remake, or shift between identities. By identity, we mean the way(s) in which an entity, be it individual or intermediary, consumer or corporation, sees itself or wishes to be seen by others. We argue that a degree of agency over identity-making is a significant form of symbolic capital, and that engagement with ICTDs may either cause new forms of identity to be acquired, or cause older forms of identity to clash with the new.

Kuriyan, Nafus, and Mainwaring show that the M-PESA success story hinges on consumers and corporations being able to aspire to, and project, a we-are-all-Kenyan identity. The BoP consumers in Kenya, their interviews show, do not want to be classified as poor. Their aspirations are middle-class; they want to feel like “one of those Nairobi people,” and knowing that successful Nairobi people use M-PESA makes them proud to use it themselves. In addition to supporting a middle-class identity, M-PESA is seen as an all-Kenya service in a land that has repeatedly been wracked by civil violence and tribal conflict. In such times, ordinary people need to feel “Kenyan,” and the ubiquitous nature of M-PESA allows its customers to feel part of a national, non-tribal entity.

Safaricom has strategically exploited these aspirations and anxieties to position its own identity as not only an efficient business, but also a national unifier that all Kenyans can trust. An urban professional

can be a good son by sending money home using M-PESA, just as a rural pastoralist can be like any other Kenyan by banking through M-PESA. As Bourdieu would see it, the economic value and the symbolic value of M-PESA in Kenya are distinct forms of value, and the service allows for both economically and symbolically motivated practices. The point is not that all successful companies exploit aspirations to sell their product—they do—but that the symbolic value being created through this strategic exploitation is a real value.

Ilahiane and Sherry's study of mobile phone use among skilled workers also highlights the identity-transforming potential of effectively deployed ICTDs. At first blush, their paper is about the portability of the cell phone, its usefulness in finding work, and its ability to keep people connected to those with whom they have strong or weak ties (see Granovetter, 1973). But the deeper point is that these new networks are not always economic; they represent significant new social capital ("I keep you in my range!") that is underappreciated in the BoP literature. These connections have inherent social value, and they may not lead to economic opportunities—or they may. Symbolic and economic capital are interconvertible, but they are never directly reducible to one another (Bourdieu, 1977).

The authors show that mobile phone use (along with the building of new social capital) is allowing users to access their multiple identities. A maid can use her cell phone in a free moment and feel like a friend or a daughter instead of an overworked maid. A carpenter can access larger jobs in distant places, for which he might need to hire other carpenters, and can begin to think more like a micro-entrepreneur than just a skilled contract worker. Most interesting to us is the comment of a plumber, that the "mobile phone is the sixth pillar of Islam."⁴ So essential was the mobile, in this plumber's view, that it anchored his identity and made a meaningful life possible, as the five traditional pillars do for an observant Muslim.

Identity and the interconvertibility of economic and symbolic value are central to the paper by Bailur and Masiero. Theirs is an analysis of conflicting, rather than enabling, identities from the perspective of the telecenter intermediary. Bailur and Masiero see the intermediary as conflicted between personal roles (e.g., wife or sister) and newly acquired ICT-enabled professional roles (e.g., community teacher or leader). Working as a mentor at a telecenter would give a female intermediary professional standing in the community, but it could also lead to unhappiness at home because she is returning late from work.

At the same time, the intermediary could be conflicted between being a member of the community or standing a little apart from the community. The donor-led ICTD discourse emphasizes the community-based nature of the telecenter ("Everything the community does. I just facilitate."), but lay community members often see the intermediary as more aligned with the donor. The intermediaries themselves may start to see themselves as superior to those with whom they live, but can now instruct.

How, then, do these low-level ICTD workers position, project, or even understand themselves, given that their superiors think they occupy the bottom of the (development) pyramid, the donors think (or want to think) they are community, and the community thinks they are colluding with the "outsiders"?

Finally, Schwittay's paper on HP and its e-Inclusion program shows that identity-making is pursued by corporate entities as much as it is by individuals. HP framed its program in India as an integral part of its global corporate citizenship, and carefully prepared its written and visual promotional materials to highlight the citizenship (rather than business) aspect of e-Inclusion. Difficulties and contradictions in

4. *Islam has five pillars: the creed, the five daily prayers, fasting during Ramadan, giving alms, and making the pilgrimage to Mecca.*

the actual implementation of e-Inclusion were glossed over in HP's presentations of its global citizen identity before appreciative global audiences. By cultivating this disinterested and responsible identity, the company gained access to potential new markets, as well as to key government players. Bourdieu cautions that symbolic practices can become normalized, and that this normalization conceals, and thus legitimizes, the self-interest underlying the appearance of disinterest. Of the four papers in this issue, this is perhaps the clearest case of identity-making as straightforward economic strategy, where the transformation of the symbolic to the economic was most aggressively pursued.

We present this special issue, therefore, as a two-fold contribution to the literature on ICTDs, poverty alleviation, and the private sector. First, the articles each represent empirically grounded understandings of how (and if) profits are made and poverty is unmade through access to ICTs. Second, the articles reveal how the symbolic and the economic are created and intertwined through the use of ICTD interventions, in particular through new forms of identity-creation that ICT access and use make possible. Woven into this second point is the book review that wraps up this issue. Cara Wallis reviews Daniel Miller's *Tales from Facebook*, which is an ethnographic study of the website's uses in Trinidad. The book presents vignettes of Facebook's significance to 12 islanders from different walks of life, providing a reasonable cross-section of this online social network's multifaceted interaction with offline Trinidadian identities. ■

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