

Trust and Capabilities

Experiences from informal financial institutions

Av

Janvière Ntamazeze

Akademisk avhandling för filosofie doktorexamen i Freds och utvecklingsforskning vid Institutionen för globala studier, Göteborgs Universitet, som, med vederbörligt tillstånd från Samhällsvetenskapliga fakultetsnämnden, läggs fram för offentlig granskning fredagen den 15 januari 2016 klockan 13.15 i sal 326, Annedalsseminariet, Campus Linné, Seminariegatan 1A, Göteborg.

SCHOOL OF GLOBAL STUDIES



UNIVERSITY OF
GOTHENBURG

Abstract

Ntamazeze, Janvière (2016) Trust and Capabilities: Experiences from Rwanda's Informal Financial Institutions. PhD dissertation in Peace and Development Research, School of Global Studies, University of Gothenburg, P.O. Box700, 405 30 Gothenburg, Sweden.
Language: English, with summary in Swedish

ISBN: 978-91-628-9666-9(PDF)

ISBN: 978-91-628-9667-6 (Print)

[Http://hdl.handle.net/2077/41045](http://hdl.handle.net/2077/41045)

This thesis examines the role of informal financial institutions in the construction of trust between Rwandans as well as their influence on their livelihood. For many years Rwandans have suffered from ethnic conflict and poverty. Informal financial institutions require trust between members to function, and this thesis will particularly examine local savings and credit associations, which are known individually as Ikimina and collectively as Ibimina. While scholars have mentioned the role of informal financial institutions in passing, they have not shown what makes trust practical and what people who join these institutions become able to do. This thesis fills this gap by discussing trust and capabilities through the experiences and perceptions of Ibimina members. Qualitative interviews, observations and group discussions were used to understand the sources of trust and the influence of Ibimina on capabilities. The thesis addresses two main questions: 1) what is the relation between Ibimina and trust, and what are the factors that determine this relationship? 2) How does participation in Ibimina influence the capability of their members?

The empirical findings show that Ibimina and trust are mutually supportive. Trust is created and developed through both structures and interactions, before and after establishing an Ikimina. There are many sources of trust between members of Ibimina. The factors, which most clearly illustrate and define trust between members, are rules, the reputation of individuals and of the group, the relationships between members, group identification and individual characteristics of members. Kinship is not a source of trust between members of Ibimina, which contradicts the literature on informal financial institutions. Moreover, the findings show that Ibimina provide the possibility for their members to improve their wellbeing. Members use the pot for investment in small household enterprises and for consumption. This study contributes to existing literatures on informal financial institutions and on trust, particularly in the Rwandan post-conflict situation.

Keywords: Informal financial institutions, Ibimina, trust, capability, livelihood, Rosca, Ascra, Rwanda.