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# Poverty by Design: The Role of ICT

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## Abstract

While extant research has focused on the role of information and communication technology (ICT) in promoting development, consequently reducing poverty, less effort has been committed to examining the role of ICT in aggravating poverty. A descriptive research design method using the qualitative approach was used in the case of developing country context of Malawi. We argue that ICT can also be used as a tool that derails development, thereby aggravating poverty—directly or indirectly. It is not a question of possessing the ICTs, but rather it is more of how and what the ICTs are used for. At the end of the day, it is the poor people that become victims. We use concepts from Bourdieu's theory (1997) to discuss how poverty is aggravated by ICT when embezzled public funds (economic capital) were squandered in personal overspending (cultural capital). The amassed economic capital led to socioeconomic success (social capital), for a few, who became more influential in society. We conclude that the more institutionalized the practice became, the more public funds were drained affecting a number of pro-poor initiatives.

**Keywords:** ICT and poverty, poverty by design, Bourdieu's theory and poverty, the Cashgate scandal, poverty aggravator, the Habitus

## 1. Introduction

Over the years, there has been a lot of literature on the discourse of the role of information and communication technology (ICT) in poverty reduction [1–4]. Two schools of thought have emerged. One school of thought argues that ICTs enhance economic growth, consequently reducing poverty. The other school of thought argues that ICTs entrench inequalities as it aggravates the digital divide, leading to social exclusion [5]. A question that has been asked in many literature is “what is the role of the ICT in poverty reduction?” This paper brings in another perspective of ICT as it examines the role of ICT in aggravating poverty. In this paper, we argue that ICT plays a big role in assisting humans to pursue their plans of perpetrating poverty to a larger population be it directly or indirectly, ending up having a situation where poverty is aggravated. We argue that much as ICT is used as a tool for development, it can equally be used as a tool to derail development. It is not a question of possessing the ICTs, it is more of how and what the ICTs are used for.

This study examines the role of ICT in aggravating poverty, focusing on the identification of practices in a form of informal procedures, behaviors, and patterns, and explores the impact those practices have on poverty augmentation. Other scholars have argued that:

Poverty can only be fought in the presence of strong institutions, and equitable distribution of resources. This requires a non-corrupt government. However, in Africa, programmes designed to fight poverty are not fully implemented because

the funds end up in the hands of corrupt individuals, who pocket the majority. Again due to poor governance, those in authority have failed to apprehend the corrupt. This creates an imbalance in society and leads to more poverty because you end up with a few influential and powerful individuals oppressing the poor (who are the majority) ([6], p. 151).

The statement above is a good premise why we argue that ICT, if not properly utilized, can aggravate poverty, particularly in cases where governance institutions are weak and those in authority fail to apprehend the corrupt. We use the case of the Malawi Integrated Financial Management Information System (IFMIS) usage, an ICT that led to the *cashgate* scandal where billions of Kwachas were looted in the year 2013 [7]. We argue our case using Bourdieu's [8] theory who delineates three fundamental forms of capital: economic capital, which is readily convertible; social capital, which is comprised of social connections; and cultural capital can be embodied, objectified, and institutionalized [9].

## **2. Literature review**

The nature of the relationship between ICTs and poverty remains unclear as the statistical analysis of the impact of ICTs on dimensions of poverty and the mechanisms through which ICTs contribute toward poverty reduction directly are yet to be established [10]. However, Adera et al. [10] strongly recommend that governments should invest in ICTs. This chapter analyzes how such ICT initiatives aggravated poverty instead of reducing it. In this section, we discuss the role of ICT in reducing and aggravating poverty, poverty dimensions and causes, and how Bourdieu's theory of society relates to poverty. This approach broadens the understanding of how ICTs can aggravate poverty by taking into account the context, human factors, and all the different dimensions causing poverty.

### **2.1 ICT and poverty**

There are two schools of thought on the impact of ICTs on societies; while some view it as an enabler of economic growth, others view it as a tool that further entrenches inequalities and digital divide [5], consequently aggravating poverty. Some argue that the digital divide is not the root cause but rather a symptom of poverty [5, 11].

#### *2.1.1 The role of ICT in poverty reduction*

Mostly, ICT is portrayed as an enabler of development in different perspectives which include a vector of social development and transformation [4, 12]. Mogotlhwane et al. [13] illustrate how ICT has made strides in poverty reduction in Botswana, whereas Ponelis and Holmner [14] share evidence of ICT as an enabler from Benin, Zimbabwe, South Africa, Mozambique, and Ghana; and Kelles-Viitanen [15] shares experience from Kenya where the Naushad Trading Company saw their revenue grow from USD 10,000 to USD 2 million in 2 years. Sachs [16] also alludes to the fact that ICT is the most powerful new tool for solving the world's major challenges, including ending poverty. In their book, Adera et al. [10] came up with substantial contribution that there is a direct association between that ICTs have a direct impact on poverty reduction.

#### *2.1.2 The role of ICT in poverty aggravation*

On the other hand, Dutta et al. [17] have a different school of thought where they suggest that ICTs have opened up new digital divides since the opportunities offered

to contribute to a non-inclusive type of growth. They further argue that segments of the population may be exposed differently than others ending up aggravating inequalities across groups with different levels of skills. Battista et al. [18] emphasize the lack of inclusivity as the ICTs are far from being ubiquitous and are not spreading as quickly as many believe [18, 19]. It is also argued that when it comes to poverty, low technology (ICTs) is considered to be one of the causes, coupled with inadequate capital, manpower problems, poor infrastructural development, underutilization of natural resources, poor policy execution by government, instability of government, and poor attitude of the citizenry to work with government [16, 20]. Habito [21] is also of the view that technology has contributed to worsening economic poverty and widening income inequality. Habito [21] further argue that those who believe that technology improves lives should at the same time qualify whose lives, particularly in situations where there are disparities between the “haves” and “have-nots.”

May et al. [19] questioned whether investments in ICT represent a worthwhile option for poor communities considering that there is a myriad of other necessities, with high priorities that are required but may not be affordable. It is the non-affordable necessities that can be handled with whatever resources the government has, the more reason why the government funds need to be guarded carefully to avoid misuse.

## **2.2 Poverty dimensions and causes**

Poverty is when a person falls below the standard of life thought appropriate for that particular society. It is seen as a lack of adequate economic capacities [22]. Poverty can affect either individuals or society as a whole and is believed to emanate from “situations where gross inequality in the ownership of assets persists because of vested interests and entrenched power structures” [23]. Some scholars have argued that poverty is caused by attitude [24], while others [25] argue that “the number one killer of some African states development and the economy has been wasting public funds and aid money on white elephant projects.” The wastage has been categorized into either wastage done deliberately to siphon state funds unwisely to enrich others or wastage due to lack of coherent government policy [25]. The lack of good governance, coupled with inadequate legislation and enforcement of such legislation, aggravates the poverty situation [15]. Research conducted in Pakistan, a developing country, revealed that poverty can be caused by factors such as high population, low GDP, floods, corruption in society, and backwardness in agriculture [26] of all the continents, Africa is associated with poverty the most. There are different schools of thought as to why Africa remains the poorest. One school of thought is that people refuse to accept the reality of hard work and always expect world leaders to act and do something about Africa’s plight [25]. Another school of thought by the famous televangelist Prophet T.B. Joshua is that Africa would come out of poverty if they were to exchange their minerals and other raw resources with technology, equipment, and machinery instead of dollars (money) [27]. His argument is that availability of technology and machinery can create job opportunities, while the dollars can enhance corruption. Joshua’s argument is supported by sustainable development goal 1 which states that technology like ICT is “key to helping end poverty by providing possibilities to improve productivity among millions of people so that they can better provide for themselves and their families and move out of poverty” [28].

## **2.3 Poverty and economic growth**

The relationship between economic growth and poverty is quite complex [15]; while economic growth is necessary, it is not sufficient when it comes to poverty reduction as certain prerequisites need to be in place. For example, if poor people do



not have access to basic education, it would be difficult for them to take advantage of employment and income opportunities created by economic growth. Equally, if educated people do not have sufficient money, they remain poor. Similarly, the discriminated and socially excluded people cannot take advantage of the economic growth [15]. Additionally, if poor people (or indeed all people) are not of good health, they may not be able to contribute to or take advantage of economic growth.

Kelles-Viitanen [15] argues that ICT can only contribute to poverty reduction if it is tailored to the needs of the poor and used in the right way and for the right purposes. Kelles-Viitanen [15] adds that ICT is only capable of offering tools and applications but not solutions. "Poverty is the result of economic, political and social processes that interact with each other and frequently reinforce each other". Of interest in this paper is the social processes that, if not properly monitored and evaluated, can provide loopholes where ICT as a tool can be abused and used in a manner that aggravates poverty.

In Europe, when the Second World War wreaked havoc, the infusion of massive aid by America performed the required recovery [29]. This raises questions of why it is that Africa has never recovered despite years of foreign aid intervention. A number of factors that slow down development and economic growth in Africa are raised; these include excessive expectation of foreign aid [24, 29], which results in passive response to self-help efforts and initiatives; wasting public funds and aid money on white elephant projects; and failure of citizens to question their governments when there is unwarranted public expenditure and wastage. When aid money is misused, it aggravates poverty levels more since most of the "foreign aids are loans that are payable as debt" [29].

## **2.4 Poverty and the environment**

The environment, in this case, refers to our surroundings and the culture therein. Ngom [30] argues that the African man and woman, in the immense majority of cases, have not yet entered the era of individualism, we remain prisoners and often victims of the family. We remain prisoners in Africa due to the ravages of social parasitism, the rapacity of cousins and those who are called brothers. This is true at all levels of society, power, and social hierarchy and it prompts one to become corrupt as the extended family comes down on your savings and your livelihood. Therefore, "without the omnipresence of the family in Africa, corruption would be the same level as in Europe or Asia, because there are real corrupt everywhere on the planet" [30]. In their research findings, Lyimo-Macha and Kaijage [31] found that household poverty influences the existence of extended families, a thing which makes the one providing support remain a prisoner. This supports Ngom's arguments.

## **2.5 Attitudes that aggravate poverty**

The way African poverty situation is talked about at political levels gives the impression that poverty on the continent is a permanent situation and not resolvable. This perspective has been accepted because most Africans leaders are happy with the poverty levels in the hope of getting foreign aid. As such, they have refused to make the needed effort required to dispel such an impression. They leave their citizens doing nothing to convince foreign donors that the situation demands external aid as a solution. Narayan [24] argues that poverty is caused by attitude and can only be fought in the presence of strong institutions. On the other hand, the presence of the strong institutions requires a non-corrupt government [6]. Africans fail to make efforts to dispel the poverty impression in the hope of receiving foreign

aid [24]; when that aid arrives, the programs designed to fight poverty in Africa are not fully implemented because some of these funds are corruptly used.

## 2.6 Bourdieu's theory and poverty

Bourdieu theory of society [8] is used in this paper. We found Bourdieu's concepts useful in highlighting the interplay between economic, social, and cultural empowerments within our environments. Bourdieu [8] delineates three fundamental forms of capital: economic, social, and cultural capital. While economic capital is convertible, social capital comprises social connections, while cultural capital can be embodied, objectified, and institutionalized [9]. Bourdieu [8] sees the forms of capital as mutually constitutive in that economic capital affords the time and resources for investment in the development of cultural capital and socioeconomic success. One's social network can be broader, more influential, and more conducive to opportunity and further enhancement of other capital stocks. Further, these forms of capital can be accumulated and transferred from one arena to another [32]. The shift from material to cultural and symbolic forms of capital is to a large extent what hides the causes of inequality [32]. Capital is accumulated labor which, when appropriated, enables one to appropriate social energy in the form of living labor [33]. Capital makes the games of society—the economic game—something other than simple games of chance offering at every moment the possibility of a miracle [33]. Capital also takes time to accumulate [33].

Bourdieu's approach is useful in analyzing power in development and social change processes [32]. Bourdieu sees the power in the lens of *habitus*. Habitus is the way society becomes placed in persons in the form of lasting dispositions [32], the learned set of preferences or dispositions by which a person orients to the social world [34]. It is rooted in family upbringing, created through a social rather than individual process [32], and conditioned by one's position in the social structure. Habitus shapes the parameters of people's sense of agency [9]. In this sense, habitus is created and reproduced unconsciously.

In his theory, Bourdieu understood the social world as being divided up into a variety of distinct arena or "fields" of practice, each with their own unique set of rules, knowledge, and forms of capital. In some cases, the fields overlap; in this case, there is an overlap of the ICT and financial fields. Each field has its own set of positions and practices, as well as its struggles for a position as people mobilize their capital within a particular social domain [33].

## 3. Methodology

The empirical setting of this research is Malawi. The research uses a case study using a qualitative approach that adopts a descriptive design. Qualitative research addresses the questions of how and why and helps to yield an in-depth understanding of an issue. The descriptive design also "relies on observation as a means of collecting data. It attempts to examine situations in order to establish what is the norm, i.e., what can be predicted to happen again under the same circumstances" ([35], p. 9).

A case study is an account of an activity, event, or problem that contains a real or hypothetical situation [36]. In this research we use a real-life situation, examining activities surrounding an information system based on integrated financial management systems (IFMIS) in the Ministry of Finance that led to the *cashgate* scandal.

This study combined observation, document analysis, literature study, and reflective methods. The combined methods were particularly useful for triangulation across different data sources. In case study research, Hartley [37] suggests that analysis is like a detective work, which uses different techniques, and therefore it is imperative for a researcher to sift evidence in order to build inferences about events and why the events happened in some circumstances. Observation is important as a method because a qualitative study does not merely rely on asking questions but largely on observation which: involves watching and recording what people say and do... as it is impossible to record everything, this process is inevitably selective and relies heavily on the researcher to act as the research instrument and document the world he or she observes ([38], p. 183).

In the case used in this paper, observation was achieved by following the different events that unfolded over time as a result of the *cashgate* scandal, how the issue was brought into the open, different modes used to communicate the *cashgate* scandal to the public, the amounts involved, the verdicts given, and comments and opinions from the public.

Document analysis involves interpreting documents to give them a voice and meaning [39] based on the study parameters. Literature study forms a theoretical framework and a knowledge base in poverty dimensions and causes. The literature search was critical as a way of understanding what other people have done and written related to this research and assess where it will fit [25]. Document analysis involved a range of documentation including *cashgate* scandal reports and newspapers (both online and printed).

Literature review, on the other hand, was conducted throughout the study period. In the early stage, an extensive literature search was performed with different purposes: first, to get a good understanding of poverty dimensions and identify factors that have caused it and, second, to identify how ICTs reduce or aggravate poverty in different settings. The literature review has acted as guidance throughout the study, particularly the analysis and discussion stage.

Reflective methods included situations where issues which were observed, read, and heard prior to the study commencement were reflected upon; and in some cases, they helped to make sense of the current insights from observations and document analysis.

## 4. Case

While ICT is an avenue to cost cutting and having more efficient operations [40], others view it as an avenue for cutting corners and conducting cynical operations as a way of gaining riches. Below we detail how the integrated financial management system (IFMIS) was used to siphon billions of money in Malawi, leading to massive corruption in what was termed the *cashgate* scandal.

### 4.1 Context and IFMIS background

Malawi is one of the low-income economies in sub-Saharan Africa with over 90% of the population living on less than US\$2 a day [41]. Malawi depends on foreign aid in almost all sectors, with 40% of the national budget coming from foreign aid. Despite this aid dependency, the country experienced rapid growth between 2004 and 2010 when the economy grew at an average of 7% [41]. Another area where Malawi has benefited from donor support is the implementation of IFMIS.

IFMIS was acquired and implemented as one of the best practices in the Malawi public financial sector. This whole process started in 1985 when the government



decided to change the budget preparation and presentation system, by defining programs for each ministry and showing the budget by those specific programs [42]. An assessment that took place in 1993 by the World Bank highlighted weaknesses in the Malawi Government's budgeting system. The budget lacked clarity on what the government expected to achieve in each ministry, and the overall government objectives were silent [42]. The result of the assessment was the introduction of a methodology for the Medium-Term Expenditure Framework (MTEF) as a central tool for public expenditure management in the budget *process*. MTEF was introduced in 1995 [43]. By 1999, it was clear that the MTEF had not transformed the budget [43]. In parallel, with the introduction of MTEF, the Malawi Government with funding from the World Bank embarked on a project to computerize accounting and financial processes. This led to the implementation of Phase 1 of IFMIS, whose pilot was run in 2001 [44]. Phase 1 of IFMIS encountered implementation challenges [43, 44] which led the government to adopt an Epicor-based IFMIS in 2005 and a rollout of the system in 2006. Specifically, Soft Tech Consulting Limited (Soft Tech), an Epicor limited software solutions technology partner, developed the new version of IFMIS [7] and customized it to meet Malawi's specific requirements across the 50 ministries and government entities.

The objectives of implementing IFMIS were to (i) improve and strengthen public expenditure management and (ii) enable government to provide timely and reliable budget having integrated all accounting modules including the budget module [43]. An extract from the Baker Tilly Report [7] reads:

*"IFMIS generates payments to suppliers entered onto the system. In turn, cheques are raised which are then printed on Reserve Bank of Malawi (RBM) cheques. This function is currently centralized at the Accountant General's Department. All of the payment vouchers, less the supporting documents from the various Ministries, are manually brought to the Accountant General's Department for verification before the cheques are processed."*

Beyond technical and implementation challenges, it was envisaged that weak political commitment also affected the progress of IFMIS implementation, especially in cases where individual incentives undermined the efforts to promote sound financial management [44]. With the introduction of an Epicor-based IFMIS, the government decided to streamline its payment system from a decentralized to a central payment system (CPS) [44]. Following the introduction of a central payment system, the theft and fraudulent practices were reported to have been minimized. A recommendation was passed to streamline bank accounts to a single treasury payment account. Further, a single account in the Reserve Bank of Malawi was made as a way of reinforcing financial and fiscal discipline [43]. In September 2013, the discovery of massive looting of billions of local currency by officials at the Capitol Hill came into the open. The Capitol Hill is the seat of the government.

Audit reports done after massive looting was reported revealed internal control failures, with evidence that a significant number of transactions in IFMIS had been deleted [7]; this led to what was named the *cashgate* scandal. However, not all *cashgate* transactions were through IFMIS. The *cashgate* transactions through IFMIS amounted to 6,096,490,705 Malawi Kwacha, 45% of the total *cashgate* bill [7]. In this case, we focus on money looted through IFMIS.

## 4.2 IFMIS and the *cashgate* scandal

It all started when one of the accounts assistants in one of the ministries "was found with huge amounts of money not consistent with his monthly income" [45]. This was later compounded with the shooting of the then budget director in the



Ministry of Finance, on Friday, September 13, 2013 [45, 46]. In the days that followed, several civil servants were found with huge sums of money (in their homes, their vehicles, and some their banks) but lacking proper documentation on how the money was acquired [45]. The question is how did this happen? An initial inquiry conducted by the National Audit Office (Malawi) reported that public officials had stolen funds through making payments without supporting documentation, making payments to ghost workers and suppliers, diverting funds from the original use, and simply appropriating money or material resources without any trace of recording [47]. Of interest is the fact that the officials blamed the integrated financial management information system (IFMIS) [45] although the same IFMIS was reported to be performing well in other countries. The Malawi Government has been losing billions of Kwacha, and the Ministry of Finance blamed the IFMIS for lacking controls, a thing that led to the suspension of the IFMIS. The looting led to donors suspending aid to Malawi. Although IFMIS was blamed for the looting, the same IFMIS was considered as the very tool that enabled investigators to trace those who illegally encashed large sums of money through bank checks. “Thanks to the IT-System used—IFMIS—we seem to be able to trace who and where people took money. So please: Do not blame a computer for corruption—that would be a distraction from the real issue. It’s some criminal elements who are committing fraud.” [48]. This was true as computerized systems have audit trails that reveal suspicious activities. Properly configured IFMIS systems provide alerts, use biometrics, and have segregation of IT functions [49].

A forensic audit that was conducted on the system by a UK-based firm, Baker Tilly, revealed that poor practices were at play where IFMIS transactions could be deleted and the deletion was not captured by an audit trail. IFMIS was found to have had a weak password protection, a thing that enabled past transactions to be edited or simply deleted, payments could be processed without requiring any authorizations, and there was lack of appropriate feedback mechanisms which meant that large withdrawals from bank accounts were not flagged and reported [47]. Based on an unannounced ad hoc IT security audit, the Baker Tilly report [7] states that (i) the firewall configuration indicated that the firewall settings had been changed to permit any outside connection, (ii) the password controls had been disabled, and (iii) the connections to the IFMIS servers, which should have been routed through the network firewall, had bypassed the firewall. All the three anomalies found were through ICTs. It was also reported that it was more of how the ICT (in this case IFMIS) was used. There were situations where the one with the right to access the system would actually give his/her password to subordinates.

Both formal investigations and anecdotal evidence revealed that the cashgate beneficiaries used the money for lavish spending in posh areas outside Malawi—areas such as Sandton in South Africa; some of the beneficiaries used the funds to build houses. The anomalies represent a fundamental weakening of the internal control framework. This matter is of particular concern as the IFMIS implementation project involved high levels of funding [7]. More recent estimates suggest that the theft of government money had been going on since at least 2009 and that more than \$280 million might have been stolen [50]. Investigations and criminal trials have been launched; since then, over 70 individuals (including high-level civil servants, private contractors, and politicians) have been charged [51]. Over a dozen people have so far been sentenced, while many cases are ongoing. The tried cases are just a fraction of the hundred people under investigation; most notable trial being the one against Paul Mphwiyo and his 17 co-accused [50]. However, it was noted that the trials have been dragging on for months with frequent adjournments. A number of factors have been alluded to including the limited experience that Malawi’s legal system has with cases of money laundering and grand corruption; the scale of cashgate scandal and limited

resources available; the fact that Malawi's judges are known for going to great lengths to protect the trial rights of the accused, even in the face of the defense's efforts to slow down trials in the hope they will eventually fizzle out; and the frequent frictions between the police, the Anti-Corruption Bureau (ACB), and the Director of Public Prosecutions (DPP), as cooperation between the three agencies has been characterized by rivalry, mistrust, and miscommunication [50]. Those who had already gone through trials were charged sentences ranging between 3 and 11 years [50].

While a central element to the cashgate scandal was the manipulation of IFMIS that was supposed to help control spending, this was not the case. For example, the accounts of the tourism ministry or the cabinet office were hacked into, and the hackers found a budget allocation for paper clips that generated bogus payment orders until the allowance was exhausted [52]. A follow-up revealed that a check was then raised and paid into the bank account of a dormant company used solely for money laundering. Money was cashed, and the transaction was then erased from the accounts, so the fraud could be repeated [52]. According to the Baker Tilly report, a number of anomalies were noted: no one checked whether any goods had been delivered, basic filing was not applied, checks were left in printers overnight and made out in corridors rather than secure offices, and payment orders for large sums were honored by the central bank even if they had only two of the three required signatures. In one instance high-value checks with consecutive serial numbers for exact sums were cashed on the same day [52]. Another dimension concerning checks is where once the checks have been issued by the Reserve Bank of Malawi; ICTs (computers) within the banks are used to transfer money into other accounts as a way of disguising the direct transactions from IFMIS. This is supported by a newspaper extract which reads "Malawi Democrat has information that at FDH Bank Mpoola is using the CEO to transfer money into an account belonging to his wife. At NBS he is using a girlfriend's accounts" [53].

## 5. Discussion

### 5.1 The IFMIS field

In his theory, Bourdieu understood the social world as being divided up into fields of practice. This research is positioned in the field of practice of ICT and financial. The practice of ICT comes about due to the fact that IFMIS is an information system used in the Ministry of Finance, whereas the financial practice comes in due to the nature of transactions that IFMIS deals with. The case above has described the set of practices and struggles for a position within the financial field. These include technical and implementation challenges and weak political commitment, all of which affected the progress of IFMIS implementation. Within the practice of ICT, the ICT field also cites its own challenges which included the changed firewall settings in the configuration-disabled password control connections to the IFMIS servers bypassing the firewall. The challenges from both fields compromised the IFMIS. This emphasizes Habito's [21] concern of whose lives is the compromised ICTs improving. Clearly, this benefitted the few who capitalized this situation to siphon government funds. Dutta et al. also argued that ICTs have opened up new digital divides since the opportunities offered contribute to a non-inclusive type of growth. In the case of IFMIS, only a privileged few had a chance to access the system for their own benefit, ending up depleting government funds. This also emphasizes Raji et al.'s [20] point that poor attitude of the citizenry can cause poverty. Here we see a situation where the public funds are siphoned in this field leading to *cashgate* scandal; and as stressed by Owusu-Sekyere [25], this causes poverty. The loss of

funds through these weak infrastructures in the field of ICT also lowers the GDP, and low GDP is one of such factors cited as causing poverty [26].

## **5.2 The interplay of economic, social, and cultural capital**

The three Bourdieu's fundamental forms of capital (economic, social, and cultural) fit with the study findings and the behavior patterns that followed by the cashgate beneficiaries. The cashgate beneficiaries were found with huge sums of money siphoned through IFMIS loopholes. Bourdieu [34] argues that such economic capital is convertible. The cashgate beneficiaries had a change in their lifestyle, converting the economic capital to social capital and building their social connections as friends would be attracted with the money and extravagant spending. Slowly the looting became institutionalized as it went on for some time, turning now into cultural capital. This emphasizes Bourdieu's [8] point that the forms of capital are mutually constitutive in that economic capital affords the time and resources for investment in the development of cultural capital and socioeconomic success. Navarro [32] highlights that these forms of capital can be accumulated and transferred from one arena to another and the cashgate beneficiaries were reported to shift their stolen money to outside countries, buying and building houses. Capital is accumulated labor which, when appropriated, enables one to appropriate social energy in the form of living labor and takes time to accumulate [33]. However, the cashgate beneficiaries had an easy way and never took long to accumulate wealth and drove around town with a lot of cash in their car boots. Some looters invested their economic capital into building houses, most of which were abandoned once the looting was discovered. This money was never invested in growth projects unlike in postwar Europe.

## **5.3 The habitus**

Navarro [32] argues that habitus is rooted in family upbringing, created through a social, rather than individual process, and conditioned by one's position in the social structure, and Edgerton and Roberts [9] stress that habitus is created and reproduced unconsciously. On the other hand, Bourdieu cautions us to be mindful that all practices, and their meanings, are constantly socially created and re-created through space and time. In this case, we see a situation where habitus is conditioned by one's social position and reproduced unconsciously where, for example, budget allocation for paper clips that generated bogus payment orders was done repeatedly in the Ministry of Tourism until the allowance was exhausted. Bourdieu expands the concept of habitus to problematize the ways in which we engage with our own belief systems since ideas and practices seem unquestionably natural to us. We have seen in the case how bogus transactions were taking place, yet no one checked whether any goods had been delivered or basic filing was not applied. Bourdieu further argues that all aspects of the habitus that help guide our social actions tend to be "commonsense behaviors" because, again, we lose sight of when and how meaning behind our practices is actually created; a good example is where people begin to ignore even the sensitive issues and start leaving checks in printers overnight and payment orders for large sums being honored by the central bank even if with only two of the three required signatures. This makes it almost impossible to achieve objectivity despite believing that we are as our understanding of the world is rooted in the all-encompassing, subjective habitus. One can argue that the central bank practice of cashing checks became a commonsense behavior to the extent of losing sight and not checking and noticing that checks with consecutive serial numbers for exact sums were cashed on the same day.



Bourdieu sees the power in the lens of *habitus*. This is true with the case as the *cashgate* beneficiaries became very popular with the money they were splashing; they exhibited a common behavior pattern of lavish spending, gaining more power over others. Some gained powers to the extent of deleting transactions from the accounts and IFMIS, so the fraud could be repeated. Just as Navarro [32] argues that Bourdieu's approach is useful in analyzing power in development and social change processes, the case has illustrated how the corrupt practices and power gained thereafter led to social change processes. Civil servants with average salaries suddenly are able to buy or build luxurious houses within a short period of time.

#### 5.4 Attitude and poverty

As argued by Narayan [24], poverty is also caused by attitude and can only be fought in the presence of strong institutions, a thing that requires a non-corrupt government [6]. In the case of *cashgate* scandal, attitude played a big role; individuals accessing the funds did not care about the impact the loss would have on society or indeed the government. Further, there were no strong institutions in place to detect the fraud taking place in IFMIS early enough, and this emphasizes Korankye's [6] point. Owusu-Sekyere [25] categorize this type of wastage as wastage done deliberately to siphon state funds unwisely to enrich others. This derails economic growth, although, on its own, economic growth is not enough to reduce poverty. Kelles-Viitanen [15] gives an example of poor people finding it difficult to take advantage of employment and income opportunities created by economic growth if they do not have access to basic education or good health. In the context of the study, the *cashgate* scandal deprived society of money which could otherwise have been used to offer basic education or good health to many through budget allocations.

Although Africans fail to make efforts to dispel the poverty impression in the hope of receiving foreign aid [24, 29], the programs designed to fight poverty in Africa are not fully implemented because the use of these funds is misaligned [29] and in some cases they end up in the hands of corrupt individuals [6]. Raji et al. [20] quoting United Nations report allude to the fact that poverty in one of the African countries specifically [20] is both avoidable and unfortunate, caused not by the poor but created and sustained by the system. This has been confirmed in this study, where billions of Kwachas were looted and misappropriated in the *cashgate* scandal. The situation at hand could have easily been avoided or mitigated. Korankye [6] further argues that due to poor governance, those in authority have failed to apprehend the corrupt. The arguments presented have been confirmed in the case presented in this research.

The attitude of civil society in general also left much to be desired. There were laughter, jokes, and galore, but no indignant anger or genuine pressure for the government to curb these abuses.

#### 5.5 ICT as poverty aggravator

Some observers contend that computerized systems enable massive and automated fraud. However, this requires a high degree of sophistication and provides a higher chance of being caught. Computerized systems have audit trails that reveal suspicious activities. Properly configured IFMIS systems provide alerts, use biometrics, and have segregation of IT functions [49]. A forensic audit that was conducted on the system by a UK-based firm, Baker Tilly, revealed that poor practices were at play where IFMIS transactions could be deleted and the deletion was not captured by an audit trail [7]. "The deletion of any accounting entries and any subsequent payment of government funds is not a fault within IFMIS. It stems, instead from the weak application of the controls by the individual users and by staff circumventing the controls designed to



ensure that the system works effectively e.g., sharing user IDs” [7]. Weak application of controls and sharing user IDs can happen in any system. However, the “deletion of any accounting entries” sounds outside of the capabilities of any commercially produced accounting software. This confirms May et al.’s argument that access to ICT is not a solution to poverty. Here we see a situation where access to ICT has had a negative effect, as Habito [21] puts it, contributing to worsening economic poverty and widening income inequality. The question by May et al. [19] on whether investments in ICT represent a worthwhile option for poor communities is also justified; except in this case, the worry is not on the myriad of other necessities, with high priorities, but on the fact that the investment ended up benefitting only a few who were able to siphon the funds.

## 6. Conclusion

Practically, the case emphasizes Korankye’s [6] argument that fighting poverty requires a non-corrupt government. Korankye further argues that in Africa, programs designed to fight poverty are not fully implemented because the funds end up in the hands of corrupt individuals, who pocket the majority; this is exactly what happened with the *cashgate* scandal. This created an imbalance in society as only a few benefitted from the public funds meant for the masses leading to more poverty. The fact that the funds were drained due to loopholes in the IFMIS usage, we conclude that there are cases where ICTs aggravate poverty. May et al. [5], argue that “access to ICTs cannot be a solution to poverty in and of itself,” and in the same vein; we argue and conclude that ICT on its own cannot directly aggravate poverty but misuse of ICTs can. This confirms Adera et al.’s [10] arguments that “ICTs offer an opportunity, not a panacea” and that a number of prerequisites such as regulatory frameworks, ICT policy, and choice of technologies need to be in place.

Theoretically, we have seen how the three Bourdieu’s fundamental forms of capital (economic, social, and cultural) fit with the study findings and the behavior patterns that followed by the *cashgate* beneficiaries. As the *cashgate* beneficiaries change of lifestyle converted the economic capital to social capital, as slowly the looting became institutionalized turning now into cultural capital. In the process, the beneficiaries gained power over others.

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