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The Role of Information and Communication Technologies in Poverty Reduction in Zimbabwe: An Analysis of the Urban Poor in Harare

JOHN BOWORA AND BERNARD CHAZOVACHII
Lecturer, Department of Rural and Urban Planning, University of Zimbabwe
Lecturer, Department of Rural Development and Resettlement, Great Zimbabwe University

Abstract

The purpose of this article is to assess the impact of Information and Communication Technologies (ICTs) on the livelihoods of the urban poor in Harare. The article examines the accessibility and usage of ICTs, as well as analyzing which people participate in ICT activities to enhance their livelihoods. In the light of the analysis, it is argued that ICTs can play an effective role in poverty alleviation. ICTs can enhance poor people's opportunities by improving their access to markets, health care, micro-credit and government services, create direct employment opportunities, and provide training and education to people, and storage and marketing of their informal sector activities. While the poor are often isolated and lack the means to take collective action, ICT can empower poor communities and enable them to voice their concerns publicly to the responsible groups. The article concludes that the real benefits of ICT are related to its ability to make critical information easily available and break down barriers to participation. Progressive technologies not only contribute towards a pro-poor growth by increasing production in ICT sector but also through their strategic use in other areas as an enabler for enhancing of human productivity and the choice of opportunities.

INTRODUCTION

Development agendas have not fully exploited the role that ICTs can play in poverty alleviation of the urban poor. Conventional approaches to alleviate poverty have been in the form of aid and handouts; these have long lived their usefulness given the rate of ICT's diffusion worldwide. ICTs have fostered in some ways social exclusion for communication systems, which has led to the weak or fragile capital base resulting from the seclusion from business opportunities and

worsen their plight (Kabeer, 2003). Continued exclusion of the urban poor continues to hamper the means and ends of poverty reduction programmes. The primary objective of this research was therefore to investigate the availability of ICTs for the urban poor, exploring both the benefits and opportunities and constraints experienced by the urban poor from ICTs, with a view to identifying and understanding the role that ICT can be expected to play, where it could most effectively be applied and what it can realistically be expected to achieve in terms of urban poverty alleviation. Thus the need to suggest and analyze ways through which information and ICTs can best be of value to the urban poor. The research was underpinned by the view that ICTs in Zimbabwean context have not helped much in transforming the livelihoods of the urban poor due to lack of comprehensive understanding of the nexus between the ICTs and the urban poor.

This article first sets out a brief review of the underlying factor of the development of ICT in Sub-Saharan Africa. After explaining the research methodology, key developments in the Zimbabwean cities and ICT Service Affordability are summarized. It then turns to the findings from this research. First the development of ICTs in and around Harare is described. Two key features arise and require further explanation. Second, is the challenge that most of the urban poor could not afford the ICTs as they are expensive and, third, is the lack of knowledge to use them.

ICT AND SUB-SAHARAN AFRICA

According to Adam (2007), Africa despite progress made in expanding the reach of basic and new ICT services and applications, the majority of the population still does not have access to telephone services, computers and access to the internet. The unequal access to and utilization of ICTs has emerged as one of the predominant issues in Africa, particularly in poverty stricken countries such as Sudan, DRC, Congo, Sierra Leone and Mali. There is widely held belief increasingly combined with evidence that the diffusion and appropriate utilization of ICTs present enormous opportunities for economical and social development, whereas their absence seriously threaten to accentuate already existing and sizeable gaps between the haves and have nots. Thus, the Digital Divide represents the newest addition to the enormous chasms in the stages of development across the African countries. Bilateral and Multilateral agencies, the UN bodies included have played a key role in advancing the diffusion of ICTs in the region and

fostering environments for the participation of the private sector in the delivery of services. However, despite, optimism about the capacity of the private sector and foreign direct investment (FDI) in the ICTs, the outcomes of privatization and liberalization have not been that successful in Africa (www.choice.org). Adam (2007), further notes that the cash flow of private investment benefited only a handful countries such as South Africa, Tanzania, Egypt and Morocco, where infrastructure is well developed already.

Sub-Saharan Africa consists of 34 of the 50 least developing countries and fourteen of the 32 land locked countries that are confronted with the most daunting economic, social and political challenges. In the survey conducted by the Open Society Initiative for Southern Africa (OSISA) evidence has shown that South Africa and partly Botswana have made remarkable strides towards the achievement of the use of ICTs amongst the poor. The provision of relevant supportive infrastructure of the development of ICTs such as roads, telecommunication lines and rural electrification programmes have indeed facilitated the diffusion of technology from urban centres to the most isolated areas (ww.communit.com).

ICT in Zimbabwe

The World Economic Forum (WEF) in the Global Information Technology Report (GITR) in 2006 released that Zimbabwe ranks lowest among SADC members states in developing ICTs. Zimbabwe ranked a dismal number 105 in a survey that included 115 economies in 2005 – 2006. The report which uses the Networked Deadlines Index (NRI), measures the degree of preparedness of a nation or community to participate in and benefit from ICT developments. These statistics are further reinforced by the Internet usage and market report as in table 1 below, which shows how the usage of the internet has increased from the year 2000 – 2008, despite the world rankings by the (GITR).

Table 1: Internet usage in Zimbabwe over 8 years

Year	Users	Population	%	Usage Source
2000	50 000	14 712 000	0,3	ITU
2002	500 000	13 874 610	3,6	ITU
2005	820 000	12 247 589	6,7	ITU
2008	1 357 000	13 382 920	10,9	ITU

Source: Internet Usage and Market Report, 2008

Zimbabwe is still on the verge of being fully technologically abreast due to lack of financial capabilities to progress in this area which needs a lot of capital to invest in recent resources (Government of Zimbabwe, 2005). However information from one of the service providers, Net One, shows that the service providers are working flat out to offer ICTs service to the Zimbabwean population. ComOne is a subsidiary company of NetOne. ComOne Internet Services, provides Internet connectivity, domain hosting and registration, secured services along with many other online and offline business tools that enhance business users by making them more productive while, outline whether they are in office, at house or while traveling as well as empowering companies to take advantage of what the Internet has to offer to their business. (NetOne, 2009).

Another service provider is Econet which owns Ecoweb which is currently the largest independent internet provider in Zimbabwe, serving both corporate and individual dial-up customers, as well as operating internet cafes across the nation. It serves both dial-up and corporate markets. Ecoweb provides efficient, versatile, reliable and secure internet services comparable to best standards and practices in the world. Customers have instant and competitive access to the internet, e-mail and a wide range of value-added services that no other IAP or internet service provider in Zimbabwe is providing. From dial-on-demand LAN access, to permanent connections to the Internet, web hosting to e-commerce solutions, Ecoweb has the corporate solutions for today's business. It also offers value-adding solutions. These include web designs, development and hosting, Executive Briefing, News and Demand, Ask Charlice and Ecoweb Mail (Econet, 2009).

Econet launched a 3G system in September 2009 to cover the long wait to enter the age of mobile Internet access in the country finally through Econet Wireless, the country's largest telecom provider, of services that will provide easy access to the Internet, using one of the most advanced technologies in the world. General Packet Radio Systems or GPRS provide clients with handset that are able to send and receive emails on the move. GPRS can also be used by banks and shops to support payment devices for credit cards. While the roll-out of GPRS is itself

very exciting, the real excitement will be on the launch of a range of new generation services under 3G (Econet online.com).

The service providers although making strides in improving technology in the country are not accessible to the urban poor because they can not afford them. Some of the urban poor cannot even own cell phones let alone the ones which are 3G compatible. The urban elite are the only ones who take advantage of such ICTs creating a digital gap between the urban poor and elite.

HARARE, ICTs AND THE QUESTION OF AFFORDABILITY

Harare, the capital city of Zimbabwe has a population of 1.6 million with 2.8 million totals in the metropolitan area. Most of the affluent groups stay in the market low density residential areas of Borrowdale, Grange, Mandara and Mount Pleasant Heights. These areas are relatively far away form the city centre, however because of these affluent people's ability to access and use ICTs they are better able to extend their access to distant places and resources – increasingly such groups use ICTs to avoid real or perceived urban nuisances and dangers; for example traffic congestion and crime. ICTs have made possible the selective dissociations of affluent groups from exposure to Mbare and Highfields. ICTs are supporting the foundation of endeavors in the areas mentioned above through 'smart' home technologies, intelligent utility metering and electronic finance and consumption systems. And to help to secure their safety through CCTV systems, electronic alarms, mover and face recognition services and electronic gates are common in Borrowdale Brooke (UN: Habitat 2002).

In contrast, within the case of City of Harare are the high density residential areas of Kuwadzana, Dzvivarasekwa, Budiriro, Mufakose, Mabvuku, Tafara and Kambuzuma to mention but a few. These suburbs house the highly of the urban poor, characterized by high levels of unemployment and little access to health services, poor waste and pure water sources (Hatitye, 2007). Accessibility and usage of computers and other ICT gadgets is usually limited and home ownership of such ICT modems is still very low in these areas.

RESEARCH METHODOLOGY

In order to explore the social demographic profile of ICT availability to urban poor and the opportunities and constraints in utilization of the ICT by the urban poor, it was necessary to delimit Harare the capital city of Zimbabwe, looking at different forms of livelihoods in three distinct residential zones – that is low density, medium density and high density residential zones. Field research was undertaken in Harare Metropolitan Province for a total of eight months in three visits over the period September 2009 to February 2010. The methods used in the field work comprised surveys and semi-structured interviews with ICT providers, users and key informants. First, a supply-side structural survey was undertaken which involved : (a) in –depth interviews with three service providers and (b)the identification and interview of people from Harare high density residential areas and Harare low density residential areas. Cross – sectional data on accessibility and use of ICTs were collected along with details of benefits, opportunities and constraints experienced by the urban poor from ICTs. A random household survey of 500 households spread equally across the two livelihood types in the area – low density residential zones and high density residential zones – collected basic household level information on livelihood profiles. This data was then used to identify a purpose sub sample of 120 in depth individual interviews (based on location, age, sex and marital status) in order to investigate both quantities and explanations of ICTs service use. This was therefore able to capture the extent of use of both formal and informal business services. Quantitative data analysis was carried out. Qualitative data were analysed to explain patterns and relationships thrown up by the quantitative analysis.

RESEARCH FINDINGS

The study sample found out that, amongst the urban poor in Harare, the respondents who were employed in formal sector generally had a better knowledge about ICTs and what they mean in their day to day lives. The knowledge spanned from that of simpler ICTs mediums such as televisions, radios and cellphones to more detailed and sophisticated mediums such as PDA and GIS etc. However this knowledge did not mean that they owned them. Ownership was mainly limited to communication gadgets, cellphones constituting (60%). Computers were limited to

those at work places constituting (5%). Also in terms of cellphones the majority who owned them were formally employed and had acquired them from their work places.

The respondents in the informal sector were also familiar with ICTs in the form of cell phones. They mainly used cell phones to communicate with clients and suppliers of raw materials. Computers and other ICTs were relevant to the informal respondents but they could not afford them.

Most students from schools, colleges and universities in Harare and the unemployed had cell phones as their form of ICT .However, some of them had borrowed or were given by their relatives or friends. The majority of these urban poor reside in low income houses, have one meal per day, unemployed and for those employed, they earn far below the poverty datum line.

Education Level and the Use of ICTs

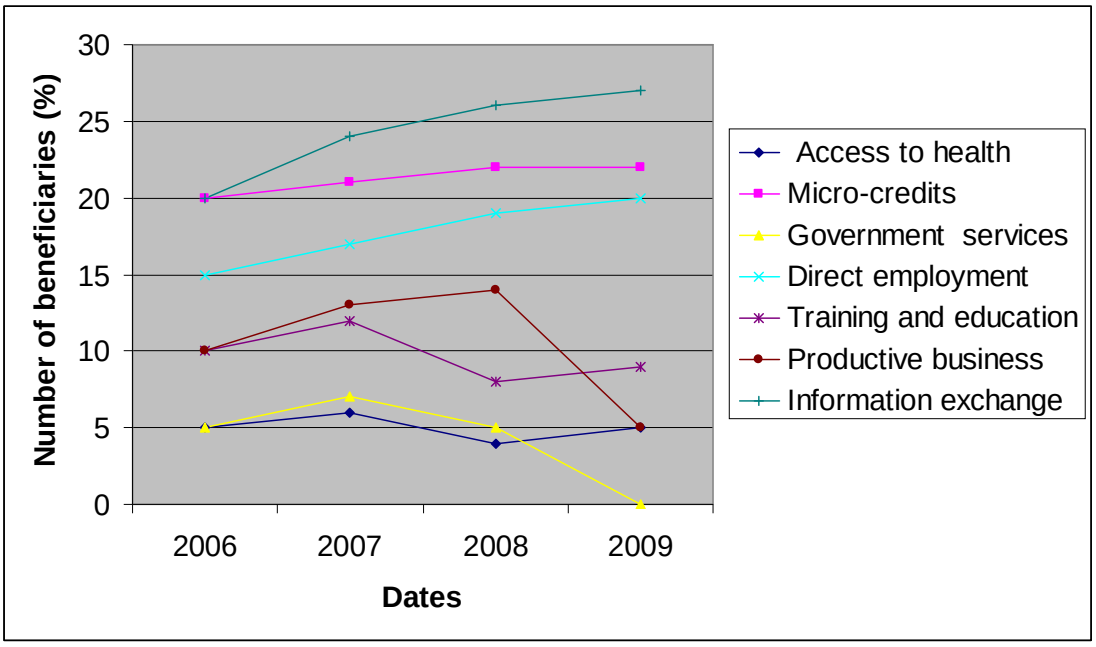
In a bid to establish patterns and ownership of ICTs, it is necessary to look into the educational profile of the respondents. The level of knowledge of ICTs increased as the level of education of the respondents improved. The study showed that those with low education levels, Zimbabwe Junior Certificate were not familiar with much complicated ICTs like video conferencing, confra-vision e-learning and e-commerce. These respondents mainly owned cellphones and heavily relied upon traditional means of communication like radios and television. The respondents with higher levels of qualification that is "A" level and tertiary level had knowledge of the ICTs not common to those respondents in the lower levels. This is mainly due to the fact that the respondents with higher educational levels were being exposed to these ICTs from their various learning institutions. However, the information technology dissemination by the head of the state to both rural and urban schools have enhanced the usage of computers to poor communities. A number of schools, colleges and universities have benefited from this programme. Schools in Chitungwiza, Ruwa and Norton and greater Harare are now able to use computers

Benefits Obtained From ICTs by the Urban Poor in Harare

The benefits obtained from the ICTs by the urban poor in Harare over the past four years can be seen in Figure 1.Generally, there was an increase in percentage of benefits from ICT from 2006-2009.the maximum increase was noted in information exchange which showed a sharp rise in

percentage of people benefiting. from 2006-2009 ,it rose from 20%-27% followed by micro credits which increased from 20% in 2006 to 22% in 2007.Direct employment shifted from 15% to 20% in 2009.However in productive business ,training and education and government services there was a fall in percentage of beneficiaries .

Figure 1.**Benefits obtained from ICTs by the urban poor in Harare 2006-2009**



Source: Field Survey, 2009

Other Benefits from ICTs by the Urban Poor

ICTs Facilitating Remittance Transfers

It was noted that the respondents used cellphones to get connected to their relative in the Diaspora such as South Africa, UK and the United States of America. The respondents cited that through improvements in the money transferring systems brought about by ICTs, they can now access the parcels from the Diaspora in just a day. This improved the economic and social ties

with relatives. A respondent through the use of oral interviews narrated her story to the researcher pertaining to the issue of remittance. The widow, who has a son in UK on scholarship arrangement five years ago in 2004, has completed his studies and got a job. He is now sending remittances to his mother through Money gram. This has greatly improved her status and up to date, she completed her core-house left by her husband.

Efficiency Improved Income Generating Activities

ICTs through new software like open office which helps file documents and save them as well, have fostered a new direction in which the respondents conduct their income generating projects. The informal activities, they operate work on credit lines. The cell phones have helped them to trace the debts without following the debtors to their homes. Through oral interviews, the respondents noted that their informal activities have also improved through effective communication offered by ICTs. There is no longer need to travel to suppliers and clients. Through the use of cellphones, they communicate with supplier to deliver the raw materials they need to their respective places of business.

Benefit of Print and Air Media

The respondents through the oral media acknowledged ICTs as sources of information creating awareness for issues which are not known to them. ICTs like radios and televisions have greatly improved their standards of living through improved information reception. Programmes on Zimbabwe Television, like Mrs Chisamba Show, have improved alertness on issues of HIV/AIDS and encouraged their behavioural change, to unsafe sexual practices. The respondents also cited that ICTs have helped in awareness about the events that are happening in the country and around the world.

Opportunities Created By the Use of ICTs for Urban Poor in Harare

One of the respondent cited that he was able to open up a video club. The video club came about through the knowledge and ownership of a computer connected to internet which enables him to download movies to start his business. The respondent commented that the internet offered them information to further their studies, through information search engines like Google and ask.com.

The search engines offered the respondents information not available in public libraries. Opportunities to go abroad and further education through scholarship are also offered on the internet.

The opportunities of creating global links were said by another one of the respondents. ICTs have offered them global linkages. Through face book and email they can now interact with people from all walks of life. The other opportunity created by ICTs noted by the respondents, was of advertising their informal business. Through facebook and email the respondent are able to freely advertise their business and attain more clients.

Constraints in the Use of ICTs by the Urban Poor in Harare

Power cuts and Blackouts

The Zimbabwe Electricity Supply Authority Company (ZESA) is battling with balancing the ever increasing power energy demand in urban centres of the country. One of the options is to ration the available energy to various users. Thus, the respondents in their residential areas are dependent on the availability of power. The Harare residents have accused ZESA of powercuts and blackouts stating that this was disturbing them from effectively using their communication technologies to enhance their livelihoods. This has hindered the proper functioning of ICTs available to them.

Information Bypass

The rate at which ICTs are being developed and superseded by other new forms of technology is very high. One respondent cited that computers were popular to the majority of the urban elite in the 1990s. These being replaced now by the more advanced laptops, which are soon to be replaced by new version without a keyboard which is palm top. Given the manner in which the technology comes and go, the poor are left out concentrating on bread and butter issues. The respondent further said that in this point in time, it's the laptop era but most poor do not even own desktops. Econet recently in September 2009 started to offer 3Gs to their customers at a price of US$25 a month. The service from Econet is still limited to 500 000 people as it is still in its infancy. The service enables one to be connected to the internet. The service by the nature of

the pricing has been attained by the urban elite only, since the urban poor cannot afford with their little finances which is meant to cover bread and butter issues.

Affordability

The ICTs equipment is expensive and beyond the reach of many. The questionnaires show that there was an overwhelming outcry from the respondents that the charges and prices are beyond their reach. A respondent noted that an average computer (desktop) is going for USD250 – 300 yet the majority of the poor struggles to raise USD100 per month. The respondents said this was mainly attributed by ICTs being offered by the private sector which have profits in mind. They also expressed that the government should introduce policies that will help the urban poor to acquire ICTs at a reasonable price. Some suggested that credit lines should be opened to urban poor so that they can access information technology facilities.

CONCLUSIONS

This research set out to determine the availability of ICT to the urban poor and to understand how the urban poor can benefit from ICTs. In order to do this, the researchers started by identifying the scale and nature of development of ICT and examined how this is related to their economic and social development. In pursuing this objective it took the view that most urban poor owned cell phones as their form of ICTs. Amongst the reason behind cell phones being popular is that they are relatively affordable and the only means by which they could communicate with relatives, clients and suppliers of raw-materials for their different informal activities.

The formally employed knew more about ICTs and how they operate. Such exposure was from their different work places. In addition such exposure made them eager to own other forms of ICTs other than cell phones. The respondents in the informal sector bracket lacked the knowledge and exposure to ICTs other than cell phones, radios and televisions. Most informal traders did not appreciate this and hence for them there was an immediate need to own the other ICTs. This research has revealed that men generally were more knowledgeable about ICTs. This can be explained by the low literacy rates amongst women, propelled by the vicious cycles of poverty. Women are more concerned about family issues that are domestic in nature. Another

limiting factor is their financial status which constrains them from owning even a cell phone. The only cell phone in the family will be owned by the man, who is the household head. This can only be linked to the cultural values which tend to stereotype women and have less opportunity in terms of education hence being less informed. Most women who are housewives whose education was negated by our cultural values which were oppressive to the girl child lacked interest and knowledge of ICTs. This was mainly common to women of the age of 40 and above. The younger generation understood better about ICTs since more opportunities are now offered to them in schools and colleges without looking at gender.

The findings of this study also indicate that ICTs mainly benefited the urban poor in Harare through effective communication. Thus, through the use of cell phones most residents were able to communicate with relatives from the Diaspora and within the nation. The findings broadly suggest that ICTs offer to them communication with clients and suppliers which proves to be benefiting their informal business activities. The issue of remittances was another benefit which was strongly emphasized by the respondent. The remittances from relatives abroad are helping them to improve on their economic muscle through ICTs and they are not taking time to reach them. The ICTs facilitated money transfers to an extent that it only takes a day to send money from abroad through money gram.

This finding adds further evidence to a growing view that there is a great challenge in terms of ICTs as most of the urban poor in Harare could not afford the ICTs because they are expensive. The overall argument here is that the urban poor would rather dispose their income on bread and butter issues than spend it on ICTs which are beyond their reach. The other challenge is that of lack of knowledge to use the ICTs. Most of the urban poor lack basic training of operating these ICTs such as computers. Hence for them to own ICTs without being able to use them is a waste of their already strained financial resources. The argument here can be taken further to say that there is lack of ICT in retail outlets in high density residential areas of Harare, especially internet shops to offer internet services to the urban poor.

However, one thing is certain: through the use of ICTs some of the urban poor are now able to earn a living. ICTs offered them income generating activities which were not available before.

The activities include printing services, CD and DVD writing. The ICTs therefore, are proving to be useful to the urban poor. Information accessibility is also being offered by ICTs through different form of ICTs from print media to air media, internet and computers. The urban poor are now able to access information which was not available to them. ICTs have empowered them with knowledge to improve their standards of living.

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