

The dark side of Mobile Money Transfer: A case study of Zimbabwe

Theo Tsokota, Collector Chipfumbu and Melody Maseko

Abstract

Mobile money transfer has been widely presented in the literature and in practice as a way to bring the poor, unbanked and backward communities into the mainstream financial system. The main objective of this paper is to provide insights into how mobile money transfer has contributed to the negative effects on Zimbabwe's economy and its citizens. Using integrative literature this study explores the how mobile money transfers have negatively affected the economy of Zimbabwe and its citizens. The findings show that mobile money, if not properly regulated, can promote money laundering, fraud and financial irregularities, which can harm the entire economy and lead to negative impact to vulnerable groups. This study contributes to the literature on financial inclusion and has provided an insight into how mobile money can be used in negative ways to destroy the economy and how it is used to exclude or inflict pain on vulnerable groups.

Keywords: Financial Inclusion, Mobile money transfer, money laundering, Parallel market