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Title: Telling the 'Money-Story' the Right Way: A Model for Studying Sustainable Indigenous Financial Inclusion

Author(s): Vinita Godinho and Roslyn Russell
Institution(s): RMIT University, Melbourne, Australia
Email(s): Vinita.Godinho@rmit.edu.au, Roslyn.Russell@rmit.edu.au
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Telling the 'Money-Story' the Right Way: A Model for Studying Sustainable Indigenous Financial Inclusion

VINITA GODINHO and ROSLYN RUSSELL

Abstract: Governments and policy makers across the globe are working on ways to improve financial inclusion. Although most Australians are 'banked', one in five is 'under-banked' (ie. lacks access to affordable, appropriate financial products and services from mainstream providers). Indigenous Australians are the most financially excluded community, whilst other culturally and linguistically diverse (CALD) groups (from non-English speaking backgrounds) are also over-represented. Collaborative, cross-sectoral efforts by the government, industry and community to improve Indigenous financial inclusion are yet to yield significantly positive outcomes. Literature on money and financial management in Indigenous Australia is patchy. Few studies focus on how Indigenous people understand, want to use or manage money. Banking policy and product design is heavily influenced by middle-income, 'Anglo-Celtic' (non-Indigenous) understandings of money. To remain inclusive, given Australia's increasingly multi-cultural population, the financial ecosystem must recognize how different cultures understand money and want to manage their finances.

Combining principles of 'both-ways' learning with an Indigenous research paradigm, this paper demonstrates a methodology for studying the understanding of money in remote Indigenous Australia, which can be applied to other under-banked CALD communities. These findings also have implications for government and industry policymakers, for the design of more 'culturally appropriate' and sustainable financial inclusion.

1. Financial exclusion and financial capability: The global debate

Financial exclusion exists where individuals lack access to appropriate and affordable financial services and products (Connolly *et al*. 2012). Half the world is 'unbanked' and the majority live in developing countries (Chaia *et al*. 2010). Financial inclusion is a key policy agenda for the developing world, and is at the centre of regulatory reform focused on improving access to finance, and enhancing financial capability. The recent global financial crises exposed an increasingly excluded population in developed countries too (European Central Bank 2013), with financial inclusion now seen as fundamental to their social agenda of reducing income inequality and poverty. Some even see it as a key lever to achieving higher global welfare and everlasting peace.

Financial inclusion is multi-dimensional. On the demand side, this translates to enhancing financial capability and consumer education. On the supply side, this involves improving access to safe, appropriate and affordable financial products and services, particularly for marginalized groups. There are many reasons why people can be excluded. One of these is individual financial 'literacy' (ie. the ability to make informed decisions about money) (Schagen 1996). Early global debate on financial 'literacy' focused policy on improving people's knowledge and information about finances. Later behavioural economics research (De Meza 2006) showed that financial decision-making is often more about individual psychology and motivation to learn, than about education and information. This broader view was enshrined in the United Kingdom's (UK) Financial Services Authority's (FSA) seminal framework on the key building blocks of financial 'capability' (see *Figure 1*).

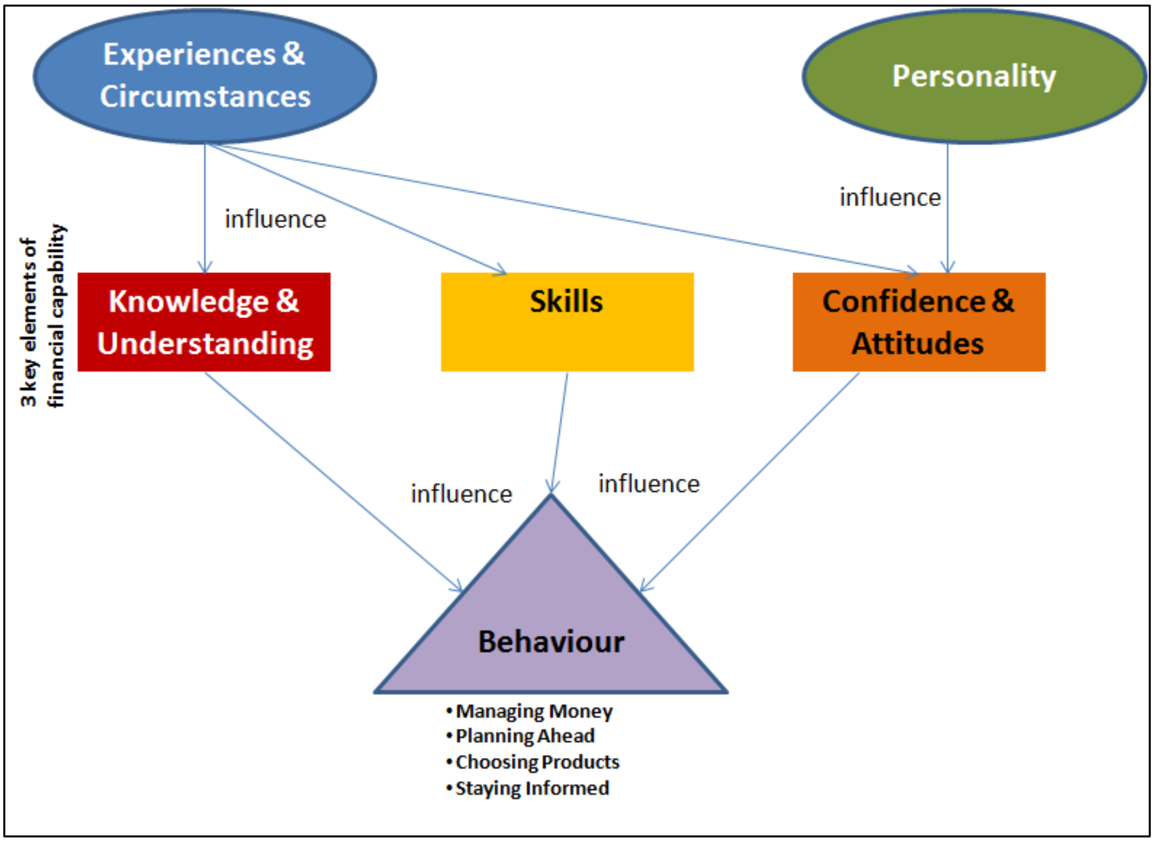

Figure 1: Conceptual model for financial capability
Source: Adapted from Kempson (*et al*. 2005)

More recently, debate on financial behaviour has shifted from an almost exclusively demand-side focus on the user's capability, to also include supply-side issues of access, and the design of financial products, services and education. Financial capability requires not just knowledge, skills and attitudes about finances, but also the opportunity and access to finance (Sherraden 2010). We have used this wider definition of financial 'capability' throughout this paper.

The aim of greater financial inclusion is to empower people to confidently make informed financial decisions, best suited to their own personal circumstances. Financial decision-making is a key life-skill for individuals, and financial capability is positively correlated with wellbeing (Taylor 2009). People who can manage their money well are also healthier, happier and more productive citizens. Moreover, by building our own financial resilience, we contribute to that of our families, communities and society as a whole. At the macro-level, a population that keeps track of its money, makes ends meet and plans ahead, creates a strong foundation for economic growth. Consumers who choose financial products well, and stay informed about financial matters, encourage healthy financial services markets (Elliott *et al.* 2010).

2. Financial exclusion, financial capability and Indigenous Australia

In Australia, the virtually universal (99 per cent) access to banking (Connolly *et al*. 2012) disguises a growing 'under-banked' population, and financial inclusion is not yet at the centre of regulatory policy. Unable to access affordable and appropriate financial products and services from mainstream providers, under-banked Australians rely on alternate financial services providers, often incurring higher costs which lead to unsustainable debt levels. Age, location, employment and income status, non-English speaking background and individual financial capability are factors that influence financial inclusion.

Indigenous people are two and a half times more likely (43 per cent) than the average Australian, to be financially excluded (Connolly *et al*. 2012). They are also over-represented amongst those with lowest financial capability (The Social Research Centre 2011). Whilst the lack of physical access to banking and financial services in rural and remote Australia disproportionately impacts Indigenous people (McDonnell 2003b) they are the only ethnic group consistently associated with financial exclusion, even in urban areas (Chant Link and Associates 2004).

Indigenous people are also the most socio-economically disadvantaged Australians, with lower than average living standards, life expectancy, education, health and employment (DSS 2013). Any examination of the causes of this chronic disadvantage takes us back to their history of colonization and dispossession, when Australia was declared *terra nullius*, robbing Indigenous people of their land. Past policies of forced removal and cultural assimilation further exacerbated the loss of their cultural identity, existing power structures and ways of life (ATSI Social Justice Commissioner 2011).

This history continues to cast its dark shadow across the present, and influences Indigenous attitudes and behaviour towards money. The history of not having had the opportunity to manage one's money, has contributed to poor money management practices and a lack of trust in institutions (Demosthenous *et al*. 2006). Income management introduced under the Northern Territory Emergency Response to Indigenous communities may have exacerbated this issue, by taking away the 'learning by doing' role that is critical to improving financial capabilities (Russell *et al*. 2011).

Studies on banking in remote Indigenous communities (see McDonnell 2003a, McDonnell and Westbury 2002, NIMMA 2007, Westbury 1999) document specific challenges faced by Indigenous consumers in accessing affordable financial products and services. Lower literacy, numeracy, and cultural barriers including language difficulties, lack of trust in mainstream banks and preference for face-to-face services, can lead to reliance on expensive informal providers. Banks struggle with Indigenous cultural awareness and determining credit-worthiness, as they hold limited information on Indigenous consumers. Research on the specific banking needs of Indigenous people is also lacking.

Earlier qualitative research has examined how Indigenous cultural values of relatedness, sharing, kinship obligations and equality, influence the way they manage money in remote Australia. Sansom (1988) describes how money circulating in Darwin's fringe camps is not a generalized medium of exchange with a fixed monetary value—its value is a socially calculated variable. Sansom (1988) and Martin (1995) also find that kinship relations in these communities are fluid, and must be continually sustained via a flow of 'valued' items (eg. food or cash) and acts (eg. showing caring, respect or sorrow) between kin.

A cultural norm of equality increases the pressure to share money, and though some people devise strategies to avoid demand-sharing, it does hinder efforts to save money (Martin 1995, Schwab 1995, Senior *et al*. 2002). Martin (1995) also reveals how the ready availability of cash has caused tension in relationships between older and younger men, since neither the access to cash, nor its use, needs to be mediated by the elders. Women, traditionally the nurturers, are also more susceptible to pressures to share their cash, compromising their ability to be financially independent, and meet family needs. These findings resonate with similar studies on Maori and Pacific Islanders in New Zealand (Fleming 1997, Taiapa 1994).

3. Towards a sociology of 'Indigenous money'

Connecting these disparate strands of literature on Indigenous people and money, we find that the themes emerging are closely linked with findings of the sociology of money ie. money is more than a currency—it is also a social phenomenon. Indeed, money is meaningless and worthless outside our monetized society. Money shapes and is in turn shaped by, non-economic factors such as social relationships and cultural values (Zelizer 1998). 'Money does not exist in a vacuum but is part of an elaborate web of dynamic social structural conditions within which people act and interact' (Wennerlind 2001, p. 558).

Unlike the traditional economists' view of money as a perfectly homogenous, fungible and portable medium of exchange, modern sociologists (Zelizer 1998, Dodd 1994) find that money can be qualitatively heterogeneous, non-fungible, non-portable and deeply subjective. Zelizer (1998) describes many 'special monies', each shaped by a unique set of cultural and social factors, and thus qualitatively distinct. Others have described 'Anglo-Celtic money' in marriage and banking amongst middle-income Australians (Singh 1997); money in transnational and polygamous families in Asia (Singh and Bhandari 2012); and in Maori families in New Zealand (Fleming *et al*. 1997).

The sociology of money perspective helps us realize that all money is culturally shaped and that not all dollars are equal (Zelizer 1998). We argue that this recognition that money is culturally shaped, should extend to studies exploring financial capability, and the design of effective banking and financial capability programs in Australia. Existing sociological research suggests that banking policy and the design of 'joint accounts' in Australia is based primarily on the understanding of 'Anglo-Celtic money', which flows through middle-income households of mainstream Australia (Singh 1997 and forthcoming). To be inclusive in modern-day multicultural Australia however, our financial ecosystem must also cater to the understanding of money amongst other culturally and linguistically diverse (CALD) groups.

An additional reason to study economic and financial concepts from the 'Indigenous lens' is that existing research documents how 'Western' financial systems, terminology and accounting concepts can be directly opposed to the understanding of these concepts in traditional Indigenous societies (Gibson 2000). Indigenous people will be less motivated to learn skills from outside their culture, if the acquisition of such skills threatens their traditional beliefs and values (Byrnes 1993). Efforts to enhance Indigenous financial capability and inclusion must therefore first investigate the Indigenous world-view of finances.

Here we demonstrate a methodology used to study 'Indigenous money' as it flows through households in remote Indigenous communities, and its influence on the building blocks of the participants' financial capability. This mutually respectful and sustainable methodology can be used to study money and financial capability amongst other under-banked culturally diverse groups in Australia, as an essential precursor to designing effective financial inclusion for them.

4. Indigenous research paradigm and 'both-ways' learning approach

This paper is based on a qualitative study undertaken in the Northern Territory, exploring the sociology of 'Indigenous money' (ie. money as a social phenomenon, flowing through remote Indigenous households). The study is underpinned by a post-colonial Indigenous research paradigm (see Chilisa 2012, Tuhiwai-Smith 2010), which acknowledges that there are multiple socially-constructed realities, shaped by relationships that humans have with their living and non-living environment. The main tenets of this paradigm are that research should reflect the priorities and interests of the Indigenous communities; engagement with the community should drive all aspects of research design (ie. consultation, negotiation, consent, facilitation, knowledge-making and dissemination); social transformation and change must be guided by Indigenous people themselves; and Indigenous knowledge and intellectual property should increase as a result of the research.

Whilst recognizing the disadvantage faced by remote Indigenous communities, the research aims to move past pathological descriptions of their history, towards a 'strengths-based' approach to enhancing financial capability, based on a better understanding of 'Indigenous money'. Indigenous financial inclusion has been identified as an important driver for greater economic independence (DFHCSIA 2011), which is a key priority for Indigenous Australians.

The study has also been influenced by principles of a 'both-ways' or 'two-ways' learning approach, which was developed and implemented by Indigenous teacher trainees, most significantly Mandawuy Yunupiŋu and Nalwarri Ngurruwutthun, in the 1980's (Living Knowledge 2013, Wunungmurra 1989, Yunupiŋu 1989). In this approach, Indigenous and non-Indigenous ('Western') knowledge systems work collaboratively to develop mutually compatible learning which benefits both cultures (AhChee 1991). By respecting and recognizing Indigenous culture and customs, a 'both-ways' curriculum reduces conflict and improves learning outcomes. Although there is limited academic literature on this approach, it has influenced some on the ground practise, and has been incorporated into Remote Teaching Service school curricula (Department of Education 2012). The 'both-ways' learning approach complements the Indigenous research paradigm on which this study is based, and we describe below how these principles have influenced the research design. Understanding Indigenous financial capabilities must be preceded by understanding how Indigenous people themselves view money, and its meaning within their traditional lives (Russell *et al*. 2011).

The research therefore views money through an 'Indigenous' lens. Here then, we explore what money means to remote Indigenous community members, how they currently use it and how they want to use it in future.

The study also included key informants and participants who deliver financial capability training and advice to remote Indigenous communities (for instance see ASIC 2012). Many service providers have successfully adapted their financial education programs, products and services to meet the needs of their Indigenous clients, by using the 'both-ways' learning approach. Observations from public forums and conferences where such resources are shared—though not yet reflected in academic literature—have also been included in this study.

Despite being designed for a primarily Indigenous audience, these resources could be adapted to suit other community groups which share common characteristics such as difficulty with English; lower literacy and numeracy; lower access to digital and financial infrastructure; and preference for face to face communication, and 'visual' as opposed to written, content. This paper highlights the learnings from these practical resources throughout the following sections, which describe the implementation of the methodology, findings and conclusions.

5. Putting Indigenous research methodology into practise

The primary data for this study comes from 'yarning circles', open-ended interviews, informal conversations and stories about individual experiences with money—methods that are most familiar to Indigenous people (Chilisa 2012). 'Yarning circles' are an informal yet structured method of consulting community members on a particular topic. Typically held in a public space over a shared meal, participants are introduced to the researchers by a known and trusted local elder. Consultation begins only when participants are comfortable with the researchers (Godinho, forthcoming).

A 'both-ways' approach which privileges the participants' existing knowledge and ways of communicating, is a precursor to developing a common understanding of money and finance concepts in remote Indigenous communities (ASIC 2012, p. 6). A similar approach has been used in a recent cross-agency NT pilot study, to develop a Yolgnu 'commercial vocabulary' in remote Indigenous communities (see *Case Study 1* below).

The facilitators of this pilot highlighted the importance of a 'common language' in cross-cultural communication, as talking does not necessarily equal to understanding. This applies to financial decision-making, so exploring Indigenous financial and commercial capability requires the use of financial 'language' that makes sense 'both-ways' (ie. to both Indigenous and non-Indigenous listeners). Differences in the Indigenous understanding of commonly-used commercial concepts include the separation of business versus personal money; 'hidden' costs involved in running a commercial enterprise; and the impact of business income on Centrelink entitlements (ASIC 2012).

The primary data for our study comes from fieldwork undertaken in Darwin and two Indigenous communities (referenced as 'Inland Town' and 'Coastal Town') in remote Northern Territory, during repeated visits between September 2011 and September 2012. In addition to yarning circles and interviews, she was invited to observe participants at a finance-related workshop and a conference. Interviews included six participants from other remote communities, visiting or moving to Darwin. Ethics approval from RMIT University's Human Research Ethics Committee, and permits from relevant land councils to conduct fieldwork were obtained. Travel to Inland Town was challenging, requiring an expensive flight on a small plane.

Case Study1: Cross-Agency Collaboration with Gadupu Indigenous Corporation

The Department of Business and Employment (DBE) initiated the development of a new approach to the delivery of small business courses. It contracted a consultant from Two Way Communication (TWC) with a teaching background to run a pilot in Milingimbi which was designed in consultation with the community's leadership group.

The project took participants on a journey of thinking about what products they could sell to their community and running a pilot stall which made a small profit. The approach embedded commercial concepts in practical learning. The key innovation of the model was the inclusion of foundational financial literacy learning that enabled people to better understand the commercial considerations necessary to run a business. This process included the 'two way' development of a commercial vocabulary in the Arnhem language of Yolngu to enable people to more deeply engage with concepts that were alien to their economic culture. The development of this shared communication tool underpinned the pilot's effectiveness.

Some of the pilot participants were members of a local but inactive organization called Gadupu. The course gave them the confidence and skills to activate the organization and conduct their own feasiblity study to grow into a training organization supported by TWC. DBE, the Department of Education, Employment and Workplace Relationship (DEEWR), and the Department of Family Assistance, Community Support and Indigenous Australia (FaHCSI) worked together to provide funding for a number of further initiatives to support Gadupu including a commercial literacy course for local youth and the development and delivery of a cultural awareness course to government workers

Source: ASIC (2012, pg. 5)

Access to the remote communities was facilitated through personal networks, and Indigenous protocols for respectful engagement meant that local community elders made all introductions. Mindful of gender protocols, and status as an 'outsider', participants were only introduced, and engaged within, the public areas of the communities. Participant consent was recorded either verbally or in writing. Extensive field notes and a fieldwork journal were supplemented, whenever permission was granted, by recorded conversations. Pseudonyms have been used for privacy and confidentiality—this became especially important as participants were mindful of not representing others' views, or generalizing on behalf of the community as a whole.

The populations of both Inland Town and Coastal Town are primarily Indigenous (95 per cent), and each town has a vibrant, distinctive language and culture, and a history of pre-colonial trade with Macassans. They face the common challenges of limited employment opportunities and welfare dependency. There are chronic housing shortages leading to overcrowding and high maintenance costs. Expensive freight rates drive up prices of everyday necessities. Banking infrastructure is limited. Inland Town has a bank branch but Coastal Town has none. Both have Electronic Funds Transfer at Point of Sale (EFTPOS) and Automated Teller Machines (ATMs) located in the community store. Despite minor differences, we found that the understanding of money, and attitudes to money, remained consistent across both the communities.

Fifty-three people participated in the study, via five yarning circles (16 participants), 31 interviews (including 11 key informants) and observation at a private workshop (six participants). Key informants included consultants, academics and service providers with expertise in remote communities. The authors were also invited to observe presenters at a conference on financial and commercial capability for remote Indigenous communities.

Table 1: Participant Details – Interviews

Psuedonym	Gender	Age	Highest Education	Household Type	Usual Household Size	Usual Household residents
Allora	Female	45-54	Year 12	Multi-family	9	Husband, offspring and families, sibling
Bakana	Female	18-24	Year 12	Single family	5	Parents, siblings
Camira	Female	35-44	Year 10	Multi-family	15	Parent, siblings and families
Daku	Male	35-44	Primary	Multi-family	9	Wife, offspring, parents-in-law, wife’s siblings and families
Darri	Female	35-44	Tertiary	Multi-family	4	Offspring and family
Elanora	Female	35-44	Tertiary	Single family	3	Offspring
Ganan	Male	45-54	Year 10	Multi-family	18	Wife, offspring and families, parent, uncle, nephew

Psuedonym	Gender	Age	Highest Education	Household Type	Usual Household Size	Usual Household residents
Gulara	Female	45-54	Year 10	Group	12	In shared accommodation (11 others) with husband
Hanya	Female	55-64	TAFE	Multi-family	5	Offspring, nephews
Maiya	Female	35-44	Year 10	Multi-family	8	Husband, offspring, parents
Olba	Female	18-24	Year 12	Multi-family	6	Parents, siblings, grandparent
Orad	Male	55-64	Year 10	Multi-family	9	Wife, offspring and family, parent, sibling and family
Pengana	Female	18-24	Year 12	Multi-family	5	Husband, parent, Cousins
Pindan	Male	45-54	Year 10	Multi-family	12	Wife, Offspring and families
Tarana	Female	45-54	Tertiary	Multi-family	11	Husband, offspring and families, sibling and family
Tuart and Coreen	Male, Female	35-44	Year 10	Single family	4	Offspring
Umina	Female	18-24	Year 10	Single family	2	Partner
Warrina	Female	45-54	Year 10	Multi-family	7	Offspring and families
Yindi	Female	18-24	Year 10	Multi-family	8	Husband, offspring, parent-in-law, siblings and family

Research was conducted in public spaces selected by participants, including a women's group weaving pandanus baskets, outside a community store, in a workplace and a shire office. Wherever appropriate, a shared meal and small gifts were offered to thank participants for their generosity. In yarning circles and interviews, participants were asked explain or 'tell' how they use money in their homes. Here the research explored how people talk about money, and with whom they share money. Where appropriate, it also asked about banking and how this might be improved. In accordance with Indigenous protocols for respectful communication, direct questioning was avoided, silence allowed and shame for participants eschewed, even if this restricted a more thorough exploration.

A software program (NVivo 9.2) was used to help sort, collate and search the data used in the study. Coding and discovering negative cases helped to ensure the fit of data and theory. Recognising that almost 75 per cent of Indigenous people now live in regional and urban Australia (ABS 2006), the next two phases of fieldwork will cover Indigenous communities in regional and urban Australia.

6. 'Indigenous money' and its impact on financial capability

Viewed from the lens of the sociology of money, 'Indigenous money' which flows through households in the remote Indigenous communities studied, is culturally distinctive (Godinho, unpublished) from 'Anglo-Celtic money', which forms the basis of banking policy and product design in Australia (Singh 1997). 'Indigenous money' flows within and between large clusters of related households, as opposed to the nuclear household which bounds 'Anglo-Celtic money' in middle income Australia. For our participants, money is prioritized for sharing, rather than saving. Money is disconnected from their traditional knowledge systems and law, and has been imposed on them, from outside their culture.

Here is it argued that this understanding of 'Indigenous money' influences each building block of our participants' financial capability, as described earlier in *Figure 1*. Traditional Indigenous knowledge systems (including norms of exchange and trade) did not have any place for money, which was introduced only in the late 1960's to the communities we studied. Participants, particularly the elders, consistently say they do not fully understand the 'money-story', which compromises their ability to influence the younger generations' use of money, and causes 'shame'. For instance,

> ' … there is no understanding of money ... no education ... we need to help Yolgnu people… with the money-story ... how the western balanda-system works' (Inland Town elder, Ganan).

Using money without fully understanding it can also have adverse consequences for unwary users. For example, removing all money from an account could incur a minimum-balance or overdrawn penalty, while withdrawing cash from a non-bank ATM can incur higher withdrawal fees. Such penalty fees or charges can confuse people and reduce their trust in the formal banking system. Regulators have exposed some fringe lenders who exploit this, by developing personal relationships with their clients, yet charging them unconscionably higher fees for the privilege.

Traditional obligations for Indigenous people to treat a valued resource with 'respect' by using it wisely, may not be translating the use of modern-day money. Inland Town elder Jarrah explains this,

> 'We don't understand … what is the meaning of the money ... how money should be respected and how should the money be used … how do you make your money life healthy?'

The lower 'respect' afforded to money is exacerbated by welfare dependency, given fewer opportunities for employment in remote communities.

The lack of housing in remote communities combined with a highly mobile population means households are large, and often overcrowded. The cultural obligation to share all resources (including cash) across related households can at times become a demand to share ('humbugging') which strains relationships. 'Sometimes it (humbug) embarrasses … it is an issue in the community … ' says middle-aged father Daku in Inland Town.

Individuals typically learn financial skills from their immediate circle of family and friends; however the inter-generational lack of experience with money severely compromises this in the case of remote Indigenous communities. Given lower incomes and the obligation to share, exercising financial skills such as saving for individual goals, are difficult and at times, the cause of social ostracism.

These factors can cause money to be seen as a problem, and a source of stress, reducing people's ability to use it as a valued resource, which can enable them to reduce their financial exclusion. This may explain why people may disengage from financial management including budgeting and saving skills, and choose to rely on 'friendly' fringe providers, even at the risk of higher costs. We therefore conclude that in the communities studied, Indigenous financial knowledge and skills, attitudes and confidence relating to money—that is, the building blocks of financial capability—are strongly influenced by socio-cultural factors. Just as 'Indigenous money' is distinctive from the mainstream 'Anglo-Celtic money', so too is Indigenous financial capability distinctive from, and not necessarily 'lower' than, that of mainstream Australia.

This differentiation is often missed by the existing research on Indigenous financial inclusion and capability, which is more focused on measuring the 'gap' in financial outcomes between Indigenous and mainstream Australia, viewed from a 'Western' lens alone. Our 'both-ways' approach to understand what money means to Indigenous people in the communities studied, allows us to see that the way they manage their finances has been influenced by their experience of having to incorporate a 'Western' concept of money into their traditional knowledge and cultural systems. This supports previous research which concluded that what looks like poor financial literacy, may often be the result of a dislocation between financial services and Indigenous ways of using money (Van Weeren *et al*. 2008).

7. 'Both-ways' model for Indigenous financial capability

Based on our study, we suggest an extension (*Figure 2* below) to the financial capability framework, which recognizes the interrelated impact of culture and money, on Indigenous financial capability.

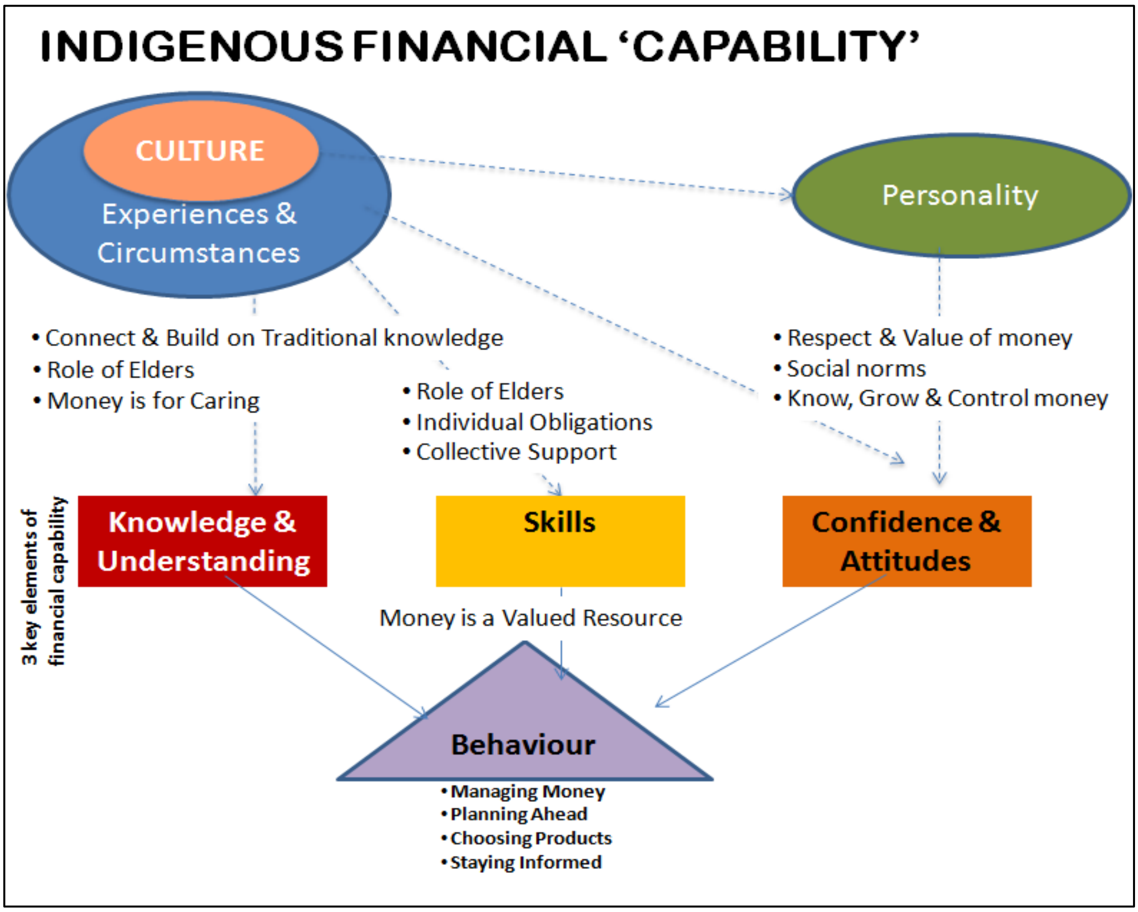

Figure 2: Extended conceptual model for Indigenous financial capability

A common technique for representing financial capability within a population is the use of 'personas' describing individuals exhibiting different financial 'personalities' and behaviours. Given that Indigenous financial capability is distinctive from that of mainstream Australia, the 'both-ways' approach can also be applied to how we analyse the financial behaviour of different personality types within the Indigenous context. A new resource, known as a Money Bird, has created a set of unique Indigenous financial 'personas' that describe and categorise people's financial habits (see *Case Study 2* below).

Using strong visuals and a story-telling style, this resource describes common financial 'personalities' typified as different birds used in Indigenous lore, such as the dove, the peacock, and the eagle. Each 'Money Bird' typifies a unique style of managing finances, including weaknesses and strengths. The story encourages Indigenous people to learn more about their own financial habits by identifying with a particular type of 'Money Bird', and then offers advice on how they can improve their financial management style, and in the longer term, their financial behaviour.

> **Case Study 2: Money Bird**
>
> 'My Money Bird Concept was created to make aboriginal people understand a bit about themselves, and why they continue to fall into the money traps that they do. Being an aboriginal woman born into two tribal groups of the Kimberley region in Western Australia (Gidja and Jaru) it is ingrained within us from birth, our connection to land and animals.
>
> My working history evolved mostly around the field of finances until I stepped into the field of Money Management. Money Management involves educating people on how to deal with their day-to-day finances. It was in this arena when I came into contact with people who were constantly relying on the Government system to meet their basic needs.
>
> Being a single parent with a large family, I understood the need to make it simple for people to make these choices, without having an overload of information. It is my hope that you as you read this book, that you will learn about yourself, and that it will inspire you to make the necessary changes to provide a better future for yourself in the world of money.'
>
> Source: McAdam (2012)

8. Towards 'both-ways' Indigenous financial inclusion

These findings also allow us to investigate more 'culturally appropriate' ways to enhance Indigenous financial inclusion in remote communities. Efforts to promote Indigenous financial inclusion in Australia have largely focused on 'demand-side' issues of enhancing individual financial capability. The construct of modern 'money' used in financial capability programs should however, connect to and build upon, traditional Indigenous knowledge of communal management of valued resources. Traditional law, physical environment, local cultural norms and an individual's role vis-à-vis society (particularly kinship obligations), were the 'glue' that held such traditional practices together (Godinho and Russell, unpublished). Elders, as custodians of traditional knowledge systems, ensured the collective-driven acquisition, management, distribution and preservation of 'valued' resources. Financial education is currently focused on the young, but must also empower elders to lead their people in knowing how to use money wisely and role-model effective financial behaviour.

'Supply-side' issues of Indigenous financial exclusion such as the design of 'culturally appropriate' financial products and services must also be an area of focus. Financial interventions can maximize effectiveness by connecting to existing Indigenous social norms, for example, by focusing on how the collective can support individuals to achieve their financial goals, enabling individuals to set goals which have a collective benefit, and meet obligations to share whilst retaining relationships. Social messaging, which emphasizes saving as 'caring', could encourage individual saving efforts, as could the design of dedicated accounts which enable people to save individually or collectively. Budgeting and tracking strategies and tools which recognize the larger boundary of money flows between related households, could enhance money management. The lack of understanding of wealth creation and investment strategies (ie. 'knowing, growing and controlling' money) amongst Indigenous participants, should be addressed in financial education curriculum.

Connecting money to traditional knowledge of managing valued resources, and providing relevant products and tools which allow Indigenous people to use money confidently to meet their own needs, could be the key to enhancing 'both-ways' Indigenous financial inclusion. The Money Story ® system being used in Indigenous communities in Australia, Papua New Guinea, Fiji, Vanuatu and the Solomons (see *Case Study 3* below), has demonstrated this approach, by enhancing financial management and reporting in Indigenous organizations (KWHB 2013).

Case Study 3: The Money Story ® System – Hugh Lovesy (Little Fish)

The Money Story ® System aims to help organisations establish a 'common language' for financial and commercial knowledge, so that these concepts can be talked about in a way that both Indigenous and non-Indigenous listeners can understand. Through his long experience with working with Indigenous organisations, Little Fish CEO Hugh Lovesy has found that although good financial management is a high priority for them all, the level of education and skill levels can vary across remote communities.

The Money Story ® System builds on Indigenous protocols for good communication and understanding, which include story-telling, using visual cues as 'memory hooks', action-based learning and clear thinking. Admittedly Indigenous businesses face many cross-cultural barriers, but they can learn from the experiences of their mainstream counterparts, particularly family-owned businesses, which have a similar objective of providing for the wider family

In order to succeed, owners must be passionate about their businesses – it is also important to focus on quality before quantity, clear and accurate information which is accessible to all key people involved, feedback and continuous improvement. The Money Story ® System is a financial reporting tool that enables Indigenous business owners to do this effectively, by fully understanding and taking control of the 'money' that flows through their business. It also enables board members of funded organizations to take more effective strategic control of financial decision making and to report back to their constituents in a meaningful way.

Source: ASIC (2012, p. 8)

The Money Story ® tool, often used to introduce this system to Indigenous business owners, is a visual model of 'Two Roads' for business management (see *Figure 3* below). One represents the Indigenous road, the use of which is governed by Indigenous laws. The other represents 'mainstream' society, for which non-Indigenous laws must be obeyed. Using this analogy, the model explores how Indigenous people must understand and rely on, both their own world-view and the world-view of non-indigenous people, in order to navigate the maze of everyday financial decisions. This 'both-ways' understanding of issues that are most likely to have a significant negative impact on the viability and sustainability of a cross-cultural business, is then extended to further explore business planning and risk management strategies.

Figure 3: The Money Story ® System
Source: KWHB (2013) (reproduced with permission)

The 'Two Roads' model also extends to a series of graphical financial reports, designed to accurately represent core 'Western' accounting concepts and standard financial reporting. As the understanding and knowledge of the owners grows, so does the depth and complexity of the graphic reporting. Applying 'both-ways' cross-cultural communication techniques to financial reporting thus allows the Money Story ® system to effectively enhance a participants' financial capability, empowering them to confidently manage and control their own businesses.

Conclusion

Using a 'both-ways' learning model, the study found that culture influences all the key drivers of Indigenous financial capability. This must be recognized in the design of Indigenous financial capability building programs, which currently focus on the 'Anglo-Celtic' view of money. Similarly, financial capability building for other under-banked CALD Australians, must connect to and build upon, their existing knowledge systems, cultural values and social norms relating to money and finances.

The financial ecosystem in Australia must also recognize that it is no longer enough to only focus on enhancing the financial capability of under-banked users. The design of financial products and services must also acknowledge and build upon the strengths of culturally diverse groups, and ensure sustainable behaviour change by empowering them to confidently use money to achieve their own goals. The 'both-ways' model of studying the Indigenous world-view of money and financial capability, and the implications for the design of a 'culturally appropriate' financial ecosystem in Australia, offers a sustainable methodology for achieving this.

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