

Making Money from Nothing: Popular Economies of Credit and Debt in South Africa

Deborah James¹

¹LSE, Anthropology, London, UK

d.a.james@lse.ac.uk

The South African government, notably through the National Credit Act, has made strenuous attempts to create a single economy of credit, in part through regularizing microlenders (especially the much-demonized loansharks or *mashonisas*). Based on a study of practices of moneylending in context, in both a rural (Mpumalanga) and an urban (Gauteng) one, the paper demonstrates that moneylending at high rates of interest is more ubiquitous than normally supposed, follows certain kinds of market logics, is often done by groups rather than by individuals (in a variant of the well-known *stokvel*), and may represent a response to so-called 'formalisation' (Guyer 2004) of financial arrangements by those who have considerable experience of this, rather than being a bulwark against it. The paper shows that aspiration/upward mobility, and the problems of credit/debt that accompany these, have much longer histories; and that these matters can give us insights into the contradictory character of the South African state. Its 'neoliberal' dimension allows and encourages free engagement with the market and advocates the freedom to spend, even to become excessively acquisitive of material wealth. But it simultaneously attempts to regulate this in the interests of those unable to participate in this dream of consumption.