

Future brief 2

In this brief, we discuss the social impacts of financial technology.

31 March 2028:

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Who is responsible – what are the social impacts?

Thanks for the feedback on my post, especially your comments on the social impacts of FinTech apps. I've shared some of your comments in today's blog.

Anya D: With virtual shopping so "in your face", it's much easier to get into debt/nama than it was 10 years ago. Spending has never been easier - you can scan an image and bang! It's yours. Scannable images are everywhere: in public transport systems, public spaces, and even on pavements. Holographic billboards let you scan and buy items while you travel. And then there are the social media ads and texts we get all the time. Sure, it's great to be able to use your BuyNow card to buy things so easily, but it's way too easy to get into debt/nama as well. FinTech tools can be a big help when people use them, but I know lots of people who accepted free finfones with the FinTech apps installed who then just ignored the messages the apps sent them. As a result, their credit was blocked and they threw their finfones out.

Tipene E: I think virtual sharing and building community wealth has been amazing for our communities. In the past decade we have supported 4000 graduates to get qualifications and now these young people are giving their services back to their people. Our sense of whānaungatanga (connectedness) and hauora (wellbeing) have never been stronger. The iwi-led Māori Bus-Tech Industries Trust has improved community facilities and funded youth into work programmes. The hauora of our people is good and I love seeing so many communities leading financially sustainable lives.

Maggie P: I belong to the Community Church. I have concerns over virtual tithing apps like Believe&Give. These schemes let people gift money/moni to churches on credit and then charge them high levels of interest. Our pastor suggests we give 10% of our income, following the tradition of tithing. However, some church seniors encourage people to give more than this, even when families are going through hard times. Before, if you didn't have money/moni, you couldn't put anything in the offering. But now that you just have to swipe a card when you go through the door, we feel too guilty to not give. Swiping is the easy part; it's the paying it back that's difficult.

Sahana P: I am a spokesperson for the Women's Fin-Ability Trust. We feel that making New Zealanders wear Fin-Cap wellbeing bracelets to measure and monitor their goal setting, management of money/moni, debt/nama, and savings is a breach of human rights. If someone forgets to pay a power or internet bill, an alert is sent to a local Fin-Cap adviser. Unless a family member attends the webinar

they are invited to, they can only spend money on their basic needs. The system doesn't take into account the complex reasons that might lead to a person missing a payment.

Helen T: I think sending money overseas and virtual gifting have become too easy. Our family often sends money/moni back home to help family members on low wages. We also send gifts for family celebrations. However, this can be a financial struggle for us.

Matt S: I love the "Needs and Wants" face recognition app. It made me realise lots of the things I was buying were more wants-based than needs-based. Since starting to use the app, my savings/whakaputu have grown and I've increased my contributions to KiwiSaver. Who would believe my face could give away the secrets of my spending behaviour? This app has made me want to save!

As you can see, digital technologies have had a big impact on people. I wonder whether digital technology has broadened the gap between rich and poor? It certainly makes it much easier for people to get into debt/nama. Does everyone need to be protected from making bad financial decisions or just some people?

What's the best way to inform people about money/moni matters? Should we be taught at school how to manage money/moni, or be left to make our own decisions, even if our decisions cause us lots of problems in the long run? Tell us what you think. The blog tomorrow will focus on the role that advertising plays in the world of FinTech. Please comment to share your thinking.

Future Brief 2 Audio



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