Balancing Separateness and Jointness of Money in Relationships: The Design of Bank Accounts in Australia and India

Supriya Singh

RMIT University, GPO Box 2476V, Melbourne 3001, Australia
supriya.singh@rmit.edu.au

Abstract. Personal bank accounts are an important way of signaling the separation, ownership, control and management of money. They are however a blunt instrument for balancing the separateness and jointness of money in relationships. This paper draws on the author's research on money and banking in Australia and India to describe the ways in which middle-income urban families in Australia and India use bank accounts in personal relationships. The paper points to ways that bank account holders can retain control by setting the limits to which information and money in the account can be shared with a designated person for a set time limit. It is submitted that having this partial shared account, together with existing personal accounts, will fit social practice, and help reflect the changing balance of separateness and jointness of money across a person's life stage.

Keywords: joint accounts; India; Australia: separateness; jointness.

1 Introduction

Bank accounts are an important mechanism for separating different kinds of money according to source, use and ownership. Money from consultancies, tax refunds, bonuses or occasional activities like umpiring is kept apart from wages. Money from inheritance is put in a different account, so that it does not get spent on groceries. Money for personal spending is separate from joint expenses. Money to be remitted to parents overseas also does not mix with family expenses in Australia. Money from an investment property or a retirement package is parked in a separate account for taxation purposes. Loan accounts are separated from savings accounts. At times, the money is separated by the ways in which it is paid out, withdrawn or transferred - via the passbook, the check account or via the Internet.

The importance of earmarking is in tune with Zelizer's [1] argument that there are multiple monies which are 'routinely differentiated' by meaning and use. As Zelizer (1989) says, 'Not all dollars are equal' (p. 343). One kind of money cannot necessarily substitute for another kind of money for each kind of money is qualitatively distinct.

This paper draws on two qualitative studies on money in the household in Australia and India. These studies yielded important data on bank accounts for they are the basic

N. Aykin (Ed.): Internationalization, Design, LNCS 5623, pp. 505–514, 2009.

building blocks of the way people perceive and separate money in the household. The paper also draws on the Australia-wide quantitative data set from the Household, Income and Labour Dynamics in Australia (HILDA) for 2006 (N = 12,905).

The Australian qualitative study conducted between April 2005 and July 2006, focused on money and intimate relationships within the context of an online banking environment with a particular emphasis on issues of security, trust, identity and privacy[1]. It covered 108 persons in Melbourne, rural Victoria and Brisbane. It included married, de facto (cohabiting) and single people. It had a diverse sample in terms of age, household income an educational background. Data collection was via open-ended interviews, group interviews and focus groups.

The Indian study conducted in late 2007 on the privacy of money in urban middle-income households in India covered 40 persons in 27 households in metropolitan Delhi (25 persons), peri-urban areas around Delhi (seven persons) and the regional town of Dharamshala in Himachal Pradesh (eight persons)[2]. These three sites were chosen to prevent focusing only on the metropolitan experience of the management and control of money. The sample included joint and nuclear family households. Data collection was via open-ended interviews conducted in English, Hindi and Punjabi and participant observation of money relationships among the authors' kin, neighbors, and friends in India. Questions about family money were asked in a roundabout way in a culturally appropriate manner (See [2, 3]).

Both studies had a convenience sample drawn from the personal and professional networks of the research team. Both studies were 'grounded' in that the aim was to move from data to middle-range theories, rather than a testing of hypotheses [4]. There was a palpable recognition that the interviews were jointly constructed, shaped by the social positioning of the researcher and the way the participant chose to represent matters of money, banking and marriage to himself or herself as well as the researcher (See [5]).

The interviews and focus group sessions were transcribed so that it was possible to repeatedly go back to the participants' voices. N6 and NVivo7, computer programs for the analysis of qualitative data were used, to ensure transparency as to the how theory emerged from the data. Following Glaser and Strauss [6], coding and analysis went alongside the collection of data. The data were broadly coded, then organized into matrices to check emerging themes in a transparent manner. These codes were accompanied by memos reflecting on the way data were shaped, and how connections and variations were recognised and theories began to emerge [7].

Section 2 examines the incidence and symbolic significance of the joint account for marriage in Australia. Section 3 considers the joint account in India and how it protects the interests of the survivors. Section 4 proposes ways to design joint accounts to balance jointness and separateness of money in a relationship. The concluding section summarises the findings and draws out the implications for design.

---

[1] I am grateful to Jenine Beekhuyzen, Anuja Cabraal, Gabriele Hermansson, Margaret Jackson, Lesa Beel and Doug Lorman who helped conduct the qualitative study.

[2] I am grateful to Dr Mala Bhandari who helped conduct the qualitative study.

2 The Australian Joint Account Symbolizes Togetherness in Marriage

Joint accounts became popular for married couples from the 1950s and 1960s. A move towards joint accounts was influenced by changes towards a partnership model of marriage, married women's increased employment and greater joint homeownership. It was also propelled forward by the Privacy Act 1988 which meant that bankers could no longer check a wife's creditworthiness by looking at the husband's file alone. Separate files for husbands and wives led bankers to prefer joint accounts and joint loans.

It is widely expected that money in the joint account will go to the survivor. Keith[3] and his wife who are both retired have two joint accounts for this reason. Keith says, '….if one of us goes, then the accounts are at least 50 per cent accessible. Otherwise you may need to wait for three months or longer for the access to the accounts.' The first account holder is seen as the primary account holder. This becomes most clear in jointly held credit cards, for only the first named person can change the contact details. The legal status of the rights of joint account holders in case of death is however unclear, for there are also known instances when the joint account is frozen to protect the interests of the estate[4].

2.1 Incidence of the Joint Account

In Australia, 83 per cent of married men and women in 2006-07 had a joint account, with or without a separate account (See Table 1). The joint account is seldom held between siblings or between parents and adult children. This is because money is private to the married couple. The opening of a joint account is symbolic of the commitment and jointness of marriage. The joint account is a secular ritual which

Table 1. Financial Institution Accounts for Married Men and Women 2006-2007

Accounts	Married		De facto	
	Male N = 3085	Female N = 3213	Male N = 570	Female N = 596
Joint accounts only	56%	45%	14%	13%
Separate accounts only	16%	16%	57%	58%
Joint and separate accounts	27%	38%	27%	27%
No bank account	1%	1%	1%	1%

Source: HILDA (The Household, Income and Labour Dynamics in Australia survey) Wave 6 [5]

helps focus on the togetherness of marriage, by theoretically converting separate and individual earnings to joint ownership of money. It masks questions of power and financial inequality [8]. As Celia, 45-54, in her second marriage, says, 'I think for both of us a joint account would signify a joint relationship.'

---

[3] All the names from the qualitative studies are pseudonyms.

[4] Personal communication, Rhys Bollen, Senior Manager, Strategic Policy, Australian Securities and Investments Commission.

[5] I am grateful to Prof Clive Morley for the analysis of the HILDA data.

The joint account is one of the factors that distinguishes money in marriage from money in de facto (cohabiting) relationships, where separate accounts are the norm (See Table 1). The joint account is part of the transition from the de facto relationship to marriage. Shane, 25-34, had only separate accounts when he and his partner were in a de facto relationship. When they got married, Shane pushed for having only joint accounts, mainly because his parents had joint accounts. He says, 'I wanted to have joint accounts because I saw that as being … almost a symbol or a practical application of our functioning as a team.'

The joint account in Australia most often yields joint information and access to money for the couple. Joint access and information about earnings, expenditure and money in the joint account has been aided by the computerisation of banks, for a person is no longer limited to the use of one branch. The direct crediting of wages, benefits and pensions when accompanied by a joint home loan, also means that the bulk of the money comes into the joint account. Access to the money and information also increased with the Automated Teller Machines (ATMs), Electronic Funds Transfer at Point of Sales (EFTPOS), telephone and Internet banking.

2.2 Bank Accounts Are a Blunt Instrument

Bank accounts are a blunt instrument for signaling the jointness or separateness of money. The qualitative study shows there is only a limited relationship between financial accounts, money management and control. Joint or separate accounts do not necessarily translate to joint or independent ways of managing and controlling money. It is important only in that having joint accounts only, excludes independent management and control. Having separate accounts only, excludes joint money management and control.

The form of the account, whether it be joint or individual, remains important in terms of meaning [8]. The Australian qualitative study shows that some married couples use joint accounts as if they were separate accounts. This allows for the control of separate money streams while allowing for the portrayal of jointness and emergency access to money.

David, 45-54 with an annual household income of more than $100,000 with two adult step children. He has a joint account with his wife. His wife also has a separate account for her part time salary and housekeeping expenditure. David says,

> *I put my pay into our joint account and I budget from that joint account. And I wouldn't expect my wife to spend money out of that joint account without me knowing….It's effectively my account that she has access to in case … for any reason she'd need to have access to it.*

Others use separate accounts as joint accounts. In traditional branch based banking only the person named on the separate account could withdraw money or gain information about the account. The exception to this rule had to be negotiated with the bank in the form of third party signatories or a power of attorney. With electronic banking – that is the use of the ATM, EFTPOS, phone and Internet banking – if a couple choose to share their banking passwords, then money in the separate accounts can be accessed and managed as if they were joint accounts.

People routinely share banking passwords and Personal Identification Numbers (PINs). Roy Morgan Research for the Smart Internet Technology Cooperative Research Centre and RMIT University in September 2007 found that nearly half (43%) of a random representative sample of 669 Australians over 18 and with a bank account had shared their banking passwords and PINs. The Australian qualitative study shows that when one person in a couple relationship manages the money – that is paying the bills, and monitoring Internet banking – it is not unusual for that person to manage the joint accounts as well as all the individual accounts, including the accounts of the partner. The Internet in that sense is breaking down the traditional boundaries limiting access to money and information in the separate account [9, 10].

Benjamin, 34, a farmer, and his wife know each other's log-ins. Sometimes his wife logs in as him to pay for the bills. "Now that she is at home (on maternity leave) it is easier for her to do this" Benjamin says, he has also logged in as her a few times to conduct some transactions.

3 The Joint Account in India Protects the Survivor

In India in middle income urban families, the joint account is predominantly a way of ensuring that money in the account goes to the surviving account holder. It is an inheritance device. The account may be Joint (Either or Survivor); Joint (Former or Survivor) or Joint (Latter or Survivor) [11]. In this aspect, the joint account is similar to placing a nomination on the single account. However, the nominee cannot operate the account unlike the either/or survivor clause in a joint account. [12].

These characteristics of the deposit account in India go some way towards making for a less stressful transfer of funds to the survivor in the joint account or the nominee in the separate account.

3.1 The Nominal Joint Account

It has been difficult to find nationally representative data about the relative incidence of separate and joint accounts in India.

The Indian qualitative study shows that nearly three-fifths (61%) of the married persons in the sample have joint accounts, with or without separate accounts (See table 2). The Indian joint account may only nominally be a joint account for the sake of protection rather than transaction. Often it works as if it were a separate account.

In the sample less than half (11 of the 24 married persons with joint accounts) could transact on these accounts. This is because the joint account often substitutes for the separate account because it offers superior legal protection to the survivor and convenience of emergency access.

Table 2. Deposit Accounts of Married Persons (n=39)

Joint Account/s only	15
Separate account/s only	12
Joint and separate accounts	9
No bank account	2
Did not ask	1

Balu, 45-54 says he has a joint account for the sake of convenience. Since he travels a lot, he wants his wife, Beatrice to conveniently withdraw money as and when required. Beatrice too has her own joint account for her professional fees and inheritance. She says, 'It is totally my account. I withdraw. I deposit.'

Different streams of money go into these joint accounts. Mahesh, a retired professional says all their accounts are joint in name but managed separately. He says,

> *In India the salaries go into separate salary accounts for…the income tax lawyer wants separate streams of money coming in and going out. … The joint account is a matter of contingency, either or survivor. But the income tax rules are that the owner of the account is the first name on the account.*

In the above cases, the married couple has information about each other's joint accounts. The money is meant for common use. In the sample, however, there are four cases where there is no information or transactional access to the joint account. Neera, a businesswoman in Delhi has a joint account with her husband and a separate business account. She does not access the joint account even when her husband is away. She also has no information about money in the account. She says,

> *He has never said 'I don't want to tell you.' … I myself have not taken the initiative. Many times he tells me 'You should know. You should take more interest.' I feel he is better at it than I would be. He knows better what to do.*

The other three women are virtually unbanked for they have only this one joint account. Amar, a widow over 65, living with her son in a three generational joint family in Dharamshala knew she had a joint account but until her husband's death did not know how much was in the account. Now that the same account is joint with her son, she does not ask him either. Her daughter-in-law Amrit, 45-54 and a graduate, also does not know what is in her joint account with her husband. She says, 'I don't go to the bank. He does everything. I don't have any knowledge about it.' Santokh, over 65, also in Dharamshala says his wife has never withdrawn money from the joint account. This is partly because she lives in another town.

Though more than three-fifths of the sample has a joint account, the joint account does not necessarily lead to the joint management and control of money. The overwhelming pattern in the qualitative study is that of male control (21 of 40) and female management (28 of 40) in a variety of combinations. However, having a joint account excludes male management and control on the one hand and independent management and control on the other.

3.2 Wider Boundaries of Family Money

The joint account in Indian urban middle income families may also be held with unmarried adult children, parents, siblings and the undivided joint family. A distinctive aspect of personal banking in India is the bank account in the name of the Hindu Undivided Family (HUF) [12]. The HUF can invest and be assessed for tax as a distinct unit [13].

In the Indian qualitative study there are no cases of joint accounts with the Undivided Joint Family. There are however five cases where a person has a joint account with his or her children and one case of a woman having a joint account with her mother who is ill. Accounts with the children are because of protection and convenience. Gauri, 45-54, has joint accounts with her two working sons so that she can deposit and withdraw money for them. Tara, also 45-54 has a joint account with her husband and a child, and another joint account with another child. These joint accounts enable the children, who are studying away from home, to withdraw money from an ATM.

Urmilla, 55-64, does not have a joint account with her working son, but he has given her an ATM card, so that she can withdraw money from his account. These accounts are all with unmarried adult children. Asha and Avinash in Delhi used to have joint accounts with their unmarried daughters. These accounts have ceased now that they are married. However participant observation suggests that the joint account may continue to be used for married children, if the only reason is that of ensuring inheritance by the 'either/or survivor' clause.

4 A Design for Balancing Separateness and Jointness

The design challenges are different in India and Australia. In Australia, the lack of an account which is partially joint and partially separate leads to the use of joint accounts as if they were separate, and separate accounts as if they were joint. There is thus a need for an in-between Joint/Separate Account which acknowledges that money in personal relationships comes in different shades of jointness and separateness across cultures and life stages. In India, the nominal joint bank account, in the absence of a separate account can lead to the person (usually a woman) becoming unbanked.

4.1 The In-between Joint/Separate Account

Enabling a person to choose the level of control he or she wants to exercise will lead to an in-between joint/separate account. This account will be separate in terms of control and joint in some measure in terms of information, transactions and ownership of money after the death of the account holder.

The in-between joint/separate account can be useful in four different contexts. Firstly, it will be useful for couples who want to separate different kinds of money and yet share information and money to some extent with the partner. Secondly it will better fit the needs of fluid relationships, as people will have the ability to designate a partner for a particular time limit. This will prevent the need to set up new accounts and direct debits when a relationship ends. Thirdly, it will help older parents who would like some help with the management of finances, without ceding total control. And fourthly, it will enable accounts to be set up solely for the purpose of internal and international remittances.

There are four essential elements for a personal bank account that can balance the changing mix of jointness and separateness in relationships. These are:

1. Control of the account by setting limits to sharing
2. Enable sharing of information about money in the account
3. Enable shared transactions to the financial limits and time period set by the account holders
4. Ability to ensure that at the death of one of the joint account holders, money will go to the survivor.

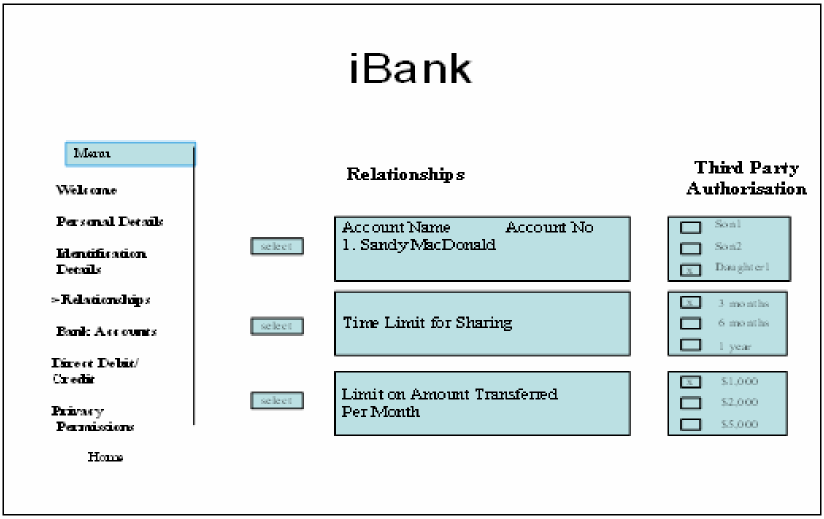

Fig. 1. Personalized iBank options

Personalization is central to the design of the in-between joint/separate account. The starting point for the design interface is a personal profile that would set out a person's preferences and would work across the bank. Some of these preferences have been set out in the model called iBank [14]. It would allow customers to choose between bank defaults, while continuing a trustful (though a more protected) financial relationship with family or professionals. These options would of course need to be usability tested across diverse cohorts and cultures.

Technologically, banks are used to setting limits to the amount of money a person may withdraw from an ATM, transfer to another account, or use for personal credit on a credit card. The challenge will be to enable legacy systems to recognize the customer across the bank and the limits he or she has placed on the use of bank accounts. Banks will also want to derive a revenue stream from this change in the account structure, until it becomes a staple of bank offerings.

4.2 The Unbanked Joint Account

The joint account in India protects the financial interests of the surviving spouse. But if this account is only nominally joint in name – without access to the money or the information – and if that is their only account, it can lead to a person being unbanked. This has immense policy implications in countries like India for the unbanked may be substantially larger than estimated.

A design solution that works in the counseling field may be appropriate. When a couple comes for counseling, it is common practice to interview them together as well as alone[6]. Hence, when a joint bank account is opened, separate accounts for all parties to the joint account could also be opened, unless they already have separate accounts.

---

[6] I am indebted to Anita Anand for this suggestion.

These separate accounts will not solve the issue of information and access to the joint account, but it will offer a separate account to the secondary account holder/s. The advantage of this proposal is that the unbanked person will get a bank account without having to ask for one and without being seen to intrude into the male financial domain. This aspect is particularly important in traditional joint family households where information about money is more likely to flow between the father and the son, rather than husband and wife. It is also important overall for the traditional pattern is one of male control of money.

5 Conclusion

The joint bank account among middle-income married couples has different social meanings and uses in Australia and India. In Australia the account is most often joint with a spouse. The joint account is an instrument of payment for a joint home, shared expenses and information on the one hand and a symbol of the togetherness of the marriage on the other. The new information and communication technologies have increased the potential for sharing information and access to money in the joint account.

In India, joint accounts reflect the broader boundary of domestic money and may be held by married couples, parents and adult children, siblings and the Undivided Joint Family. In India the joint account is primarily used as a way of ensuring that money in the account goes to the survivor when the first named account holder dies. The togetherness of marriage is not signified by a joint account. Both account holders do not necessarily use the joint account for transaction or information.

In India and Australia, the joint account is a blunt instrument for balancing separateness and jointness. It does not necessarily translate to joint management and control. In both countries the joint account may only be nominally joint in name, while being managed separately. In India, the joint account is established for the protection of the survivor, but is most often used as if it were a separate account, with only one person transacting and managing it. In Australia, unlike India, a separate electronic banking account may be used as if it were joint.

This paper demonstrates that bank accounts are culturally and socially shaped as they exist within different legal, banking and family frameworks. Hence user-centered design needs to take into account social practices and cultural values. This approach becomes particularly important with the greater use of mobile remittances and other transfers across borders. The starting point of effective design needs to take into account the different ways people manage money in the household and in banking.

Acknowledgments. I am indebted to the Smart Internet Technology Cooperative Research Centre and the RMIT Global Cities Institute for support for the two qualitative studies on money.

References

1. Zelizer, V.A.: The social meaning of money: "Special monies". American Journal of Sociology 95, 342–377 (1989)
2. Firth, L., Mellor, D., Pang, J.: Data quality issues in practice and theory: A cross-cultural example. Qualitative Research Journal 5, 5–14 (2005)

3. Ho, D.Y.F.: Indigenous Psychologies: Asian Perspectives. Journal of Cross-Cultural Psychology 29, 88–103 (1998)
4. Charmaz, C.: Grounded theory: Objectivist and Constructivist Methods. In: Denzin, N.K., Lincoln, Y.S. (eds.) Handbook of Qualitative Research, pp. 509–535. Sage Publications, London (2000)
5. Mishler, E.G.: Research Interviewing: Context and Narrative. Harvard University Press, Cambridge (1986)
6. Glaser, B.G., Strauss, A.L.: The Discovery of Grounded Theory: Strategies for Qualitative Research. Aldine, Chicago (1967)
7. Clarke, A.E.: Situational Analysis: Grounded Theory after the Postmodern Turn. Sage Publications, Thousand Oaks (2005)
8. Singh, S.: Marriage Money: The Social Shaping of Money in Marriage and Banking. Allen & Unwin, St. Leonards, NSW (1997)
9. Singh, S., Cabraal, A., Demosthenous, C., Astbrink, G., Furlong, M.: Password Sharing: Implications for Security Design Based on Social Practice. In: SIGCHI conference on Human factors in computing systems CHI 2007, San Jose, pp. 895–904. ACM, New York (2007)
10. Singh, S., Cabraal, A., Demosthenous, C., Astbrink, G., Furlong, M.: Security Design Based on Social and Cultural Practice: Sharing of Passwords. In: Aykin, N. (ed.) HCII 2007. LNCS, vol. 4560, pp. 476–485. Springer, Heidelberg (2007)
11. The Banking Codes and Standards Board of India. Code of Bank's Commitments to Customers, `http://www.bcsbi.org.in/Code_of_Banks.html`
12. Reserve Bank of India. Report on Banking Operations (May 7, 2008), `http://rbi.org.in/scripts/PublicationReportDetails.aspx?ID=379`
13. The constitution of a Hindu undivided family. Indian Express (March 2, 1998)
14. Singh, S.: Secure shared passwords: The social and cultural centered design of banking. The Journal of Financial Transformation (2008)