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INFORMAL TRADING IN SOUTH AFRICA: THE EXPERIENCES OF AFRICAN INFORMAL MIGRANT TRADERS OPERATING IN PRETORIA CENTRAL

A report on a research study presented to

The Department of Social Work

School of Human and Community Development

Faculty of Humanities

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In Partial Fulfilment of the requirements for the degree

MASTER OF ARTS IN SOCIAL DEVELOPMENT

by

MUFARO MUCHUWENI-CHIUMIRA

MARCH, 2019

DECLARATION

I, Mufaro Muchuweni-Chiumira declare that this report entitled, **Informal Trading in South Africa: The experiences of African informal migrant traders operating in Pretoria central** is my own work, and that all the sources used have been acknowledged by means of complete references.

Signature……

Date……..

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

Throughout the world's history, people have been migrating across continents for various reasons (Kalitanyi & Visser, 2010). Some of the reasons for migration are escaping civil wars and economic instability in their home countries. When migrants arrive in the host countries, they usually experience hardships in securing formal employment, due to difficulties associated with attaining required legal documentation. As a result, in pursuit of survival, some migrants resort to creating self-employment through trading in the informal trading sector. Therefore, informal trading becomes most of the migrants' livelihood strategy (Mago, 2018; Moyo, 2015).

Africa is a continent that is popular with a number of political instabilities and civil wars (for example, Burundi, DRC, Siera Leone and Somalia). These challenges faced by African countries often result in forced migration and economic instabilities both from home and host countries (Skinner, 2008). Upon arrival in host countries, migrants often occupy the informal trading sector for their survival. Skinner (2008) states that street trading and cross-border trading are examples of segments of the economy where foreign migrant traders work due to low barriers and set-up costs. Moyo (2015) adds that many migrants engage into self-employment by establishing small and medium enterprises when the process of their integration into the labour market of the host country is difficult. Their engagement in informal trading has a great impact on sustaining their livelihoods as they are able to improve their incomes which in turn improve their health and nutrition as well as the education of their children.

In Southern Africa, many people have been migrating to South Africa because it is one of the well-developed African countries, also considered the continent's economic hub. The country also has relatively stable political and economic environments (Sidzatane, 2011). In comparison with the rest of Africa, South Africa is seen as having more economic opportunities and modern infrastructure (Sidzatane, 2011). Moyo (2015) affirms that South Africa has and continues to attract more African economic migrants, including those who join the informal trading sector.

However, as African informal migrant traders operate their businesses in South Africa, they face challenges such as lack of the required legal documentation which are a passport with a valid visa, a lease contract for the stall and a licence (Trimikliniotis, Gordon & Zondo, 2008), lack of access to loans, harassment from police and animosity from some local citizens (Crush, Skinner and Chikanda, 2015). These challenges are a threat to the success or growth of migrants' businesses. This chapter presents the research problem and rationale for the study, significance of the study, purpose of the study and a brief synopsis of the research methodology.

1.2 Statement of the problem and Rationale for the study

African informal migrant traders operate in a context where there are numerous challenges that pose a threat to the growth and sustainability of their businesses. They face difficulties in accessing legally demarcated trading sites (Crush, Skinner and Stulgaitis, 2017). As a result, migrants operate their businesses in sites that are not meant for trade. While local traders may also be found in sites not meant for trading, migrant traders experience an additional challenge. When the municipal police are patrolling, they concomitantly demand to see legal identity documents yet some migrants are undocumented, or have expired visas so they get arrested (Peperdy, 2016). This means, during the period that they are arrested, migrants do not have an income since they are reliant on them trading.

The migrant traders experience animosity from local traders. They are perceived as individuals who are displacing local traders. Crush et al. (2015) argue that in South African cities, violent attacks on migrant entrepreneurs and their property have become extremely common. A study conducted by Beger (2006) found that the common stereotypes about migrants are that cross-border migrants in South Africa commit serious crimes, take job opportunities for locals and displace them as small traders. As a result, the migrant entrepreneurs face various problems including considerable xenophobic hostility directed to them and their businesses (Kalitanyi & Visser, 2010). It has been proven true that some migrants commit crime by selling illegal products, such as drugs (Leggett, 2002). However, there are many other migrant traders who are innocently seeking to earn a living through trading legal goods and services.

The trading experiences of the, reportedly, innocent migrants appear to be challenging because profits are not guaranteed due to the shortage of secure trading spaces. If they find a secure trading space, it is usually a small portion which may be costly, considering rentals, electricity and water bills. Therefore, they prefer trading in illegal spaces so that they can accumulate profit, as legal spaces would amount to working only for rent. The environments in which they operate their businesses also seem to be a threat to the growth of the businesses. They endure loss of goods due to confiscation by municipal police, arrests and shortage of secure trading spaces. Therefore, the aim of this study was to explore the experiences of African informal migrant traders operating in Pretoria central.

There is an extensive body of knowledge exploring various issues on informal trading in South Africa. Anderson's (2006) study focused on interrelated flows of people and goods while Ngomane (2014) focused on the socio-economic impact of illegal Zimbabwean migration to South Africa and the measures taken by the South African government to deal with it. Moyo (2015) conducted studies on African migrant traders focusing particularly on deconstructing the notion of migrants being perceived as the threatening other. Genc's (2014) study focused on how immigration increases trade while Kalitanyi and Visser (2010) examined whether or not African migrant entrepreneurs are contributing to employment creation for local South African citizens. Serumaga-Zake (2017) investigated the challenges that Zimbabwean diaspora communities are facing in South Africa. However, even though this is the case, there is a gap in literature, especially in exploring the experiences of African informal migrant traders in Pretoria central.

The rationale of this study was to explore the experiences of African informal migrant traders operating in Pretoria central. This study has the potential to contribute to social development, by providing information that could possibly help African informal migrant traders on how they can improve their trading experiences, despite the challenges they face. The study is significant for social development in that the African informal traders need to improve their incomes and the nutrition, health and education for their children. Such a study will also improve the safety and security of the African informal traders.

1.3. Purpose of the study

The aim of the study was to explore the experiences of African informal migrant traders operating in Pretoria central.

1.4 Research Question

The research question for this study is:

What are the experiences of African informal migrant traders operating in Pretoria central?

1.5. Research Objectives

The objectives of this research study are:

- To establish the benefits of African informal migrant traders trading in Pretoria central.
- To explore the challenges experienced by African informal migrant traders operating in Pretoria central.
- To establish the African informal migrant traders' views on the perceived growth, sustainability and profitability of their businesses.
- To investigate the African informal migrant traders' ideas on how the local municipality can assist them in improving their trading experiences.

1.6. Research Methodology

This study adopted a qualitative research approach and a case study design was used. Qualitative approach produces richly and relevantly detailed descriptions (Lewis-Beck, Bryman & Liao, 2004) in order to gain an in-depth understanding of the participants' experiences. A case study design is used for the purpose of generating primary data from participants (van Wyk, 2012), it was used in this study to establish the actual experiences of the African informal migrant traders. Purposive sampling technique was used to draw a sample from the population of African informal migrant traders who operate their businesses in Pretoria Central. Semi-structured interviews were conducted with fifteen African informal migrant traders operating in Pretoria

central for the purpose of data collection. The collected data was transcribed and analysed using thematic data analysis as expounded by Blanche, Durrheim and Painter (2006).

1.7 Definition of Key Concepts

This study was guided by the provided definitions below:

- **Trading** refers to the buying and selling of goods and services (Khumalo, 2015).
- **Informal Trading** refers to various forms of trading such as street trading of goods and services in a public place, mobile trading and selling of goods in stalls or kiosks (Stats SA, 2013)
- **Formal Trader** refers to traders whose enterprises are registered to pay Value Added Tax (VAT) or those who have a registered company or Close Corporation (Wills, 2009)
- **Experiences** refer to challenges, benefits and other activities related to trading. It also includes the traders' feelings, thoughts and transactional relations. (Roth & Jornet, 2014)
- **African migrant traders** refer to Africans who are not South African citizens, regardless of their immigration status; for example, asylum seekers, and refugees, temporary or permanent residents (Moyo, 2015).
- **Local Traders** refers to South African citizens who are involved in trading activities (Moyo, 2015).

1.8 Organisation of the Report

Chapter one provides an introduction to the report. The Chapter provides the background of the study, the statement of the problem and rationale. The main purpose of the study and an overview of the research methodology used, are also outlined. Finally, key concepts pertaining to informal trading are defined and the organisation of the report is presented here.

Chapter two presents the literature review on the experiences of African informal migrant traders for example, push and pull factors that cause them to migrate from their home countries,

challenges that they experience in the host countries and the types of businesses they usually operate. The chapter also describes the theoretical framework which is; Sustainable livelihood perspective, and its significance to the study.

Chapter three elucidates the research design and methodology utilised by the study. In particular, the research question, aim, objectives, design and approach, population, sampling and sampling procedures, instrumentation, methods of data collection and analysis, trustworthiness of the study and ethical considerations are expounded.

Chapter four is a presentation and discussion of the findings of the study. The findings of the study are analysed using thematic data analysis. The chapter also incorporates literature that confirms and/or contests the research findings.

Chapter five is the final chapter which presents the main findings, conclusions and recommendations. Findings are presented pertaining to the four objectives of the study. The chapter presents the recommendations for practice and for future research. Lastly, the main conclusion is then provided.

1.9. Summary of the Chapter

South Africa is a country that has accommodated many migrants from various countries. The migrants, especially from Africa have migrated from their countries due to economic challenges and political instability. They have come to South Africa in search for job and business opportunities. Due to the difficulties they experience in attaining legal documents for securing formal employment, they resort to informal trading. As they operate their businesses in the informal sector, they experience challenges such as police arrests, animosity from other local citizens and officials and difficulties in accessing loans for their businesses.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1. Theoretical framework

This study is based on the Sustainable livelihood Approach. Sustainable livelihood perspective focuses on the activities that are undertaken in a bid to survive in a world full of adverse conditions (Mago, 2018). In this study, the adverse conditions experienced by African informal migrant traders were harassment from the police, robbery, and animosity from local customers, competition and possession of Asylum-seeker permits that do not allow them to access bank loans and to open bank accounts. Against the backdrop of these conditions, migrant traders still hustled to find ways of sustaining their lives in South Africa. Crush, Williams and Peberdy (2005) argue that many Africans seek income and livelihood security in other countries. The main focus of livelihood perspective is on reducing poverty, empowering the poor to make use of opportunities and to provide support for accessing assets (Haidar, 2009).

Furthermore, access to assets is central to the livelihood perspective. The assets that are important to livelihood perspectives are human, financial, social, physical and natural (Arun, 1999). Human capital is the people's knowledge, skills and experience. The African informal migrant traders themselves are assets because their knowledge, skills and experience in trading enable them to survive in a competitive world. The traders have the capacity to work and to adapt (Serrat, 2017) to conditions that they are exposed to. Financial capital are the financial resources such as access to capital, credit and profits that people use to establish and maintain their businesses. Serrat (2017) noted that financial capital includes the savings, credit and debt, remittances, pensions and wages.

The African informal migrant traders' challenge in securing adequate financial support impact negatively on their business endeavours. However, as people with knowledge and skills, they are resilient and strive to work hard such that they have some savings and manage to send remittances home. Social capital refers to the networks that people build, as well as the

connectedness found in family, fellow business people, friends and customers. In business, networking is an important factor as one gets referral clients through that. Networks may also assist them in knowing the places where to purchase good quality goods at affordable prices.

Physical capital includes the infrastructure (roads, transport, buildings etc.) that is used for transportation and trading of goods and services (Serrat, 2017). The researcher managed to gain a deeper understanding of the dynamics around the migrants' purchasing of goods, in terms of where they purchase, the transport they use to move the goods from the purchasing point to the site where they sell, the costs and profits. Natural capital refers to land and water which are necessary for human survival (Morse, McNamara & Acholo, 2009). This is crucial in that there is no business that can survive without land and water. The migrant traders use land as trading sites.

The outcomes of the Sustainable Livelihood Approach include: more income, increased wellbeing, reduced vulnerability, improved food security, and increased sustainable use of natural resources (Arun, 1999). The study explored how migrant traders generate income from their various businesses, and how their well-being is improved. One of the primary sustainable livelihood strategies for refugees and asylum seekers is creating work for themselves in the informal sector (Crush et al, 2017). Hence, as the migrant traders become self-employed it becomes a poverty reduction strategy because it earns them means of survival. Therefore, Sustainable Livelihood Approach was suitable for this study because it helped in understanding accessibility to assets by migrant traders, and how this is improving their as well as their families' lives.

2.2. Literature Review

2.2.1. Introduction

At a global level, informal trading is regarded as the cornerstone of the economy. It is globally estimated that 50-57% of non-agricultural labour force is in the informal sector (South African Liaison Office, 2017). People have been migrating from all over the world mostly to Britain,

USA and Australia because these are countries that are seen as economically developed. They migrate to these countries in search of employment and business opportunities. Migration often results in informal trading as migrants strive to earn a living through selling goods and services. Skinner (2008) suggests that trends in street trading over time are integrally linked to migration, urbanisation and economic development processes. This means that migration promotes trade. Migrants encounter difficulties in finding formal employment; hence they tend to engage in self-employment (Kalitanyi & Visser, 2010). In contrast to the perception that there are vast job opportunities, it is difficult for migrants to be incorporated in the professional fields of their expertise in the first world countries such as Australia and the UK. Therefore, migrants alternate to under-employment or informally trading, to earn a survival (Moyo, 2015). Africa has a similar, or to a greater extent, trend because of the continent's high rates of unemployment.

In Africa, informal sector provides a means of survival to a vast number of poor workers and families (Blaauw, 2011). Foreign migrants generally work in segments of the economy where barriers to entry and setup costs are low, such as informal trading (Skinner, 2008). It seems that it is much easier for migrants to engage in buying and selling goods at a small scale than to secure formal employment. Many trade on the streets where they do not have to pay rentals, electricity and water bills. However, there are challenges associated with trading on the streets, for example looting and confiscation of goods by the police (Peperdy, 2016). It should be noted that local traders also experience these challenges when they operate without trading licences. Nevertheless, the African foreign migrant traders experience these challenges disproportionately because most of them are not affiliated to any organisation. The lack of affiliation often leads African foreign migrant traders to minimal or no support and representation when they encounter challenges (Skinner, 2008). Informal trading is most common in Southern Africa where unemployment is higher compared to the rest of African cities.

In the Southern Africa region, Vanek, Chen and Hussmanns (2013) estimate the informal sector to be 66% of the non-agricultural labour force. In Southern Africa countries, migrants usually engage in informal trading due to difficulties in getting proper documents required to get into the formal sector. This is supported by Moyo (2015) who argues that poor migrants are usually not entitled to any government benefits; hence, they have greater motivation to become self-employed to generate income. On the other hand, one can also argue that even if citizens of a

nation can be entitled to government benefits, some find it difficult to access their benefits due to corruption which in turn, hampers social development. Therefore, they also create their own employment through trading informally, and also face similar struggles that foreign migrant traders experience.

Nevertheless, despite the obstacles such as corruption, being in possession of a national identity document can be a step ahead towards accessing benefits, compared to a foreign national who has no hope in getting a South African Identity document to access benefits. In the Southern Africa region, South Africa has accommodated huge numbers of informal migrant traders from all over the continent. It is estimated that in year 2013, there were 1.5 million people owning an informal business in South Africa, an increase from the 1.1 million recorded in 2009. These informal businesses are predominantly owned by Black Africans (Stats SA, 2013).

African informal migrant traders have been identified by Moyo (2015) as people from African countries, who, regardless of their immigration status in South Africa, produce or buy and sell different types of goods and services. These range from small-scale activities such as vending, to relatively big retailing shops. The term African informal migrant traders is used in this study to refer to Africans (other than South Africans) who either produce or buy and sell products and services at a small scale and are not registered to formally operate their businesses. The informal economy consists of self-employment as well as wage employment in jobs that are informal (International Labour Organisation, 2002). Therefore, this study explored the experiences of Africans who own small-scale, unregistered businesses and those who work in such businesses. The participants in this study were from different educational backgrounds.

On the one hand, there are migrants with low levels of education. Blaauw (2011) observed that participants in informal economy achieved a much lower level of educational attainment. On the other hand, other migrants have formal education but they still face challenges in securing formal employment, so they start their own small businesses. This is confirmed by Kalitanyi and Visser (2010), who point out that there are migrants who find it difficult to find formal employment despite their relatively higher level of education and experience; hence they create employment for themselves and others within the informal sector. They utilise their human capital; that is their knowledge and skills to operate their businesses so as to sustain their livelihoods. The

similar pattern applies to some educated local citizens, who also find it difficult to secure employment (Letsie, 2009) due to high competition, although it is rare to find an educated South African selling on the streets. Hence, one can conclude that informal trading is largely occupied by people from low educational backgrounds and to a lesser extent but disproportionately African migrants, with high level of education. Regardless of their educational background, the informal migrant traders undergo several challenges as they operate their businesses in other country and the challenges may be detrimental to the growth of their businesses.

The migrants trading in other host countries often experience challenges such as discrimination. However, some forms of discrimination are due to the fact that there are limited resources automating to a scramble. For example, the Lebanese street traders operating in Nigeria were banned from trading in the local town where the Nigeria's Ife traders were operating their businesses owing to the scramble for resources with the locals (Falola, 1990). This can be a difficult situation because if the migrant traders begin to sell their goods in front of the local shops, attracting all customers due to lower prices, it would not be fair on the shop owners as their shops are also a means of survival, hence; the latter are bound to retaliate by banning the former. Halasz (2009) also points out that the arrival of the Romanian traders in Italy was portrayed as being a threat to the security of the local populations who then lodged violent attacks in 2008 that left eight Romanians dead and several others injured. Usually, when people feel threatened by others, they react in different ways. Some may get frustrated such that they resent their perceived threats, even though the behaviour of taking other people's lives cannot be condoned.

The findings of the study conducted by Lyons, Brown and Zhigang (2012), on African traders in Guangzhou; China, also showed that the African traders experienced challenges of operating in the host country, such as strict Chinese regulations that prohibited them from importing African food. It could have been a good business opportunity to sell African traditional food to fellow African counterparts in China, but since the African migrant traders were not permitted to do that, they had to abide by the law. Based on the above scholarly arguments, it can be noted that trading in a foreign land poses difficulties in sustaining migrant businesses and expanding them to a large scale; hence, many migrants operate their businesses in the informal sector and at small-scales.

2.2.2. Push and Pull Factors

Push Factors

These are unpleasant factors that push people away from their home countries, resulting in them migrating to other countries. The livelihoods of migrants were threatened in their home countries because they did not have means of survival to ensure health, safety and education for themselves and their families. Crush and Williams (2005) argue that in Zimbabwe, the economic conditions have deteriorated so much that, lower income groups and individuals have no way to cope with the hardships thereof, hence their decision to migrate. Ngomane (2014) affirms that often people move from their countries of origin due to 'push factors' such as poverty, hardships, poor living conditions, scarcity of food, fuel, high inflation, rising cost of good and basic necessities, and drought. They therefore move to other countries which they perceive to have better job opportunities.

However, when people arrive in host countries, they often discover that the perceived employment opportunities are non-existent in reality. Migrants only realise when they are already in the host country that local citizens are also struggling to get employment. For example graduates are being produced every year from various universities but are not employed as well. Unemployment is a matter of serious concern in South Africa (Letsie, 2009), in addition, when migrants come, they also compete for those limited employment opportunities but they are often unable to secure formal jobs. As a result, they engage in informal trading as a livelihood strategy. They trade various goods such as clothes, fruits and vegetables. However, they experience hardships in trying to earn livelihoods, a reality which is contrary to their perceptions before they move into South Africa.

Political instability is another factor that influences migrants to leave their home countries. This can be in form of civil wars where people kill each other for power struggle. This is a life threatening factor that leads people to flee and find refuge in other countries. From Kalitanyi and Visser's (2010) study, on African immigrants in South Africa, migrant entrepreneurs confirmed that their lives and those of their children were threatened by political instability. Mudi-Okorudu

(2009) is of the view that migrants from countries that are characterised by civil wars, have refugee statuses but are active in economic activities especially the informal sector.

People also migrate from their countries due to inadequate educational and health care services. In some countries such as Zimbabwe the health system is failing due to poor facilities and fewer resources. Zimbabwe's national health strategies have continued to endorse the Primary Health Care approach as underpinning health provision but low investment and limited resources have deterred this ambition (Sunanda & Masuka, 2017).

Pull Factors

Pull factors are those factors that attract migrants to come into host countries. These factors include better job opportunities, business opportunities, political stability, peace and harmony and others. Kalitanyi and Visser (2010) noted that people migrate due to perception of business opportunities, economic reasons, visit and other reasons. Maharaj (cited in Ngomane 2014), posits that pull factors include employment opportunities, higher wages, political stability, better social amenities, access to consumer goods and a better life than in the country of origin. These factors are appealing such that people migrate to those countries in order to enjoy the benefits.

However, as mentioned earlier, these are perceived opportunities; in reality they are often absent. Many migrants get disappointed because they do not find employment opportunities. On the other hand, local citizens are also struggling to get jobs; therefore, there are contestations to access the scarce resources. From this type of existence, people struggle to make ends meet; as a result many migrants are absorbed in the informal trading sector where they also experience insecurities such as being robbed.

2.2.3 Impact of Migration on Host Countries

Negative Impact

Migration has a negative impact on the host countries. To a certain extent, migration contributes to high unemployment rate. Simelane (1999) is of the view that excessive migration also contributes to increased crime rates. To a certain extent, this is true because in a country such as South Africa where unemployment is already high, a large number of migrants that continue to come may worsen the situation and it may also lead other traders (both local and migrant) to engage in criminal activities as a means of survival. Sibanda (2008) argues that unemployment rate increases because native labour is displaced by migrant labour while wages decrease due to an increase in labour supply. It is believed that some migrants take any jobs and accept low wages, which impact negatively on their local counterparts who cannot accept the low paying jobs, and they end up being unemployed. The competition also exists in informal trading where migrant businesses get attacked because of a scramble over customers.

Positive Impact

On a positive note, the receiving countries may benefit in terms of gaining many skilled workers and entrepreneurs who can be job creators that would benefit the local population. Simelane (1999) suggests that migration benefits the receiving country in that the migrants bring their expertise, in terms of skills and experience. This can impact positively on the economic development of the country. South Africa seems to be spending less on production because employers pay migrants less than they would pay local citizens (Ngomane, 2014). It becomes positive for companies as they spend fewer costs, although it may be a disadvantage for the migrants that are underpaid (Crush & Williams, 2005). Other migrants who cannot be absorbed into the low-paying jobs are the ones that trade informally.

2.2.4. Common Types of Businesses Operated by Informal Migrant Traders

According to Tshishonga (2015), the majority of non-South Africans strives to earn a living from businesses such as hair salons and barber shops, clothing industry, nail bars, grocery, cell phone and computer stores specialising in selling and repairs. In South Africa, there are a number of hair salons and grocery shops that are owned by foreigners who are from countries such as Nigeria, Zimbabwe and others. Peberdy (2016) notes that in Johannesburg, retail is the most important entrepreneurial activity, involving the selling of a variety of foodstuffs (sweets, chips, cooked food, fruit and vegetables), and items such as clothes, shoes, accessories, cosmetics, books, electric goods, art and sculptures. Informal entrepreneurs also provide a range of services including hairdressing, fixing and making shoes and clothes, car repairs and welding (Peberdy 2016). Skinner's (2008) research findings on street trade in Africa confirm that women represent fifty percent of the total number of traders in most African countries and that they tend to predominate less lucrative trade areas. This is also confirmed by Raniga and Ngcobo (2014) who stress the feminisation of poverty.

2.2.5 Challenges experienced by African Informal Migrant Traders

Previous literature indicated that informal migrant traders suffer a number of challenges as they operate their businesses in South Africa. Moyo's (2015) study on African immigrant traders in Johannesburg, focusing on deconstructing the notion of the threatening other, found that the migrant traders experience hostility, although it does not cause them to leave South Africa, but rather to adopt strategies for survival in South Africa. Hostility may also be in the form of xenophobic attacks. A study that was done by Kalitanyi and Visser (2010), focusing on establishing whether African migrants in South Africa are job takers or job creators, showed that these entrepreneurs endure considerable xenophobic hostility directed at them and their businesses. Segatti (cited in Mazars and Matsuyama, Rispoli and Vearey, 2013, p. 18) sustains that "in May 2008 xenophobic attacks, foreign traders and shopkeepers were the primary targets." Another study by Landau and Freemantle (2010) which focused on insertion and self-exclusion revealed that the increase in the number of migrants in South Africa has led to tension, and some migrants are subjected to exclusion and discrimination, despite their legal status.

Taking a look at the core of this animosity and hostility, there is contestation of limited resources. It can be noted that the perception of job opportunities and business opportunities by migrants is just imaginary, because in reality these opportunities are quite scarce. The locals themselves are struggling to get employment, and when migrants come enter into the host country, they are perceived as threats that increase the scramble over the resources that are already limited. Hence, the locals react in a way of safeguarding their chances of accessing the desired opportunities. Foreigners, particularly African migrants, are perceived to be taking jobs away from locals (Laher, 2010), and the migrants are said to be draining the country's resources (Mattes, Crush & Richmond, 2002).

Although the researcher does not condone the behaviour of xenophobic attacks, when considering what the locals are experiencing and how they feel, it can be noted that the underlying reason behind the animosity is that the locals are living in a context where there are limited opportunities. In Zimbabwe, there was a period when there was a shortage of basic commodities such that people had to queue very early in the morning every day, and they would fight among themselves for the limited items. Similarly, the behaviour of animosity and hostility from locals is not out of context because it is mainly about survival. Therefore, the bottom line is that, the job opportunities are very scarce.

Furthermore, African migrants in general, are often perceived as people who engage in criminal activities in South Africa. Moyo (2015) acknowledges that in some cases, migrants are the perpetrators of illegal economic activities such as operating from undesignated trading zones and selling drugs and pirated goods. However, there are some migrant traders who are honest and hardworking people who run legitimate businesses (Moyo, 2015). In terms of engaging in criminal activities, it can be pointed out that there are other migrants who when they do not find employment, turn into illegal activities such as selling drugs, and robbery, immoral behaviours that have a negative impact on the social development of a country. The migrants who engage in such activities are tarnishing the image of other migrants in such a way that sometimes when other locals see a migrant, they associate them with illegal activities. On the other hand, it can also be noted that there are other locals who also engage in criminal activities such as murder and hijacking, and these activities should not be condoned.

A study by Peberdy (2016) which focused on International Migrants in Johannesburg's Informal Economy, showed that migrants also experience problems with the police such as; confiscation of goods, harassment and demand for bribes, arrest and assault. This finding confirms that of Moyo (2015) which indicated that the migrants who turn to the informal sector, particularly street trading, are sometimes arrested and harassed. Landau and Freemantle (2010) also found that the migrants are often subjected to arrest, detention and deportation. Therefore, confiscation of goods due to failure to produce a trading licence, seems to affect both migrant and local traders, however, migrant traders end up being arrested for not possessing legal documents. Some arrests can be justified especially when the traders operate at the sites that are not meant for trade, while other arrests cannot be justified especially if they possess the legal documents. The local traders also experience confiscation of goods like their foreign counterparts, although the latter face the challenge more severely because some will not be having the legal documents to go and retrieve their goods, while others are in possession of asylum-seeker permit which does not look very formal and they are told that it has to be verified first to check if it is not fake.

Asylum means refugee status recognised in terms of the South African Refugees Act 130 of (1998). An asylum-seeker is a person who is seeking recognition as a refugee in the Republic (Refugees Act, 1998). A refugee means a person who has been granted asylum in terms of this Act. A person qualifies for refugee status if that person, owing to a well-founded fear of being persecuted by reason of his or her tribe, religion, nationality, or political opinion, is outside of his country of nationality and is unable or unwilling to avail himself or herself of the protection of that country (Refugees Act, 1998). This Act also explains that asylum-seeker permit is a temporary residence permit that is given to a person who applies for a refugee status (asylum) and it can be renewed from time to time, pending the outcome of the application and it lapses if the holder departs from the Republic without the consent of the Minister. Given that asylum seekers are not yet recognised as refugees, their legal position is uncertain and such uncertainty places them in a situation of vulnerability (Kavuro, 2015). The Asylum-seeker permit gives the holder the right to freedom of movement, access to health and education services, some social protection, and the right to work (Refugees Act, 1998). However, in practice, permit holders do not exercise these rights because many employers are reluctant to hire asylum seekers or

refugees due to the duration of their permits which is usually six months or less (Crush et al, 2017).

Most informal migrant traders are in possession of asylum-seeker permits (valid or expired). These types of permits are very temporary and seem to have many limitations in terms of access to services such as opening bank accounts and getting bank loans. The document itself does not look very formal, and therefore it poses problems for the holders, and may sometimes lead to their arrest and refusal of access to services. The renewal of asylum and refugee permits is extremely unpredictable in terms of waiting period and length granted (Crush, Skinner & Stulgaitis, 2017). The administrative requirement that asylum-seekers should renew their permits every six months imposes some financial and other hardships on the permit holders (Crush et al, 2017). Hence, the end result is that these permits expire and the holders are always hiding from the police, to avoid arrests. Nevertheless, it should be noted that there are other alternative permits that can be considered, which can allow migrants to open bank accounts, like general work permits which apply to those who are working, and business permits, although they may be hard to get.

The Immigration Act 13 of (2002) stipulates that there are various types of permits that migrants can apply for. A business permit, among other conditions, can be granted to a foreigner intending to establish a business if such foreigner has undertaken to comply with any relevant registration requirement set out in any law administered by the South African Revenue Service and the holder of a business permit may conduct work. The Act also issues out quota work permits and general work permits if the migrant satisfies the Department of Home Affairs by meeting the stipulated requirements (Immigration Act, 2002). All the above are temporary residence permits; and there are many others stipulated in this act. Lastly, a permanent residence permit is issued to a foreigner who has been in the Republic for five years on a general work permit or quota work permit. The holder of a permanent residence permit has all the rights, privileges, duties and obligations of a citizen (Immigration Act, 2002). Despite all these choices of residence permits, the conditions needed are still very difficult to meet as there is a lot of documentation required which may be very difficult to get, for example, a labour certificate with regard to a general work permit. These challenges result in many migrants remaining undocumented and becoming "illegal foreigner" in terms of the Immigration Act (2002).

Some informal migrant traders experience challenges in opening bank accounts. This is a problem in that they are forced to keep cash on themselves, in their houses or premises, thereby becoming targets for robberies as many people are aware that they do not keep their money in the banks (Crush et al, 2017). A study by Crush et al (2017) which focused on a critical analysis of refugee and informal sector policy, established that many banks refuse to open bank accounts for refugees and asylum-seekers based on fear that they will not be able to correctly validate the refugees' documents as the asylum is considered less formal compared to a South African Identity document or Passport. It was evident from this study by Crush et al (2017) that because migrants find it difficult to open bank accounts, they become easy targets for criminals who are well aware that cash is likely to be stored on the premises.

Also, Crush et al (2017) hold that this puts refugees' families and livelihoods at risk, not only for loss of profits and other assets, but also of violence and trauma when break-in and robberies occur. The Department of Trade and Industry (2014) reported that there is evidence of violence and sadness of local communities with regards to the taking-over of local businesses by foreign nationals. In many locations, the small businesses that exist are foreign owned businesses, where former local traders sold their businesses to the foreign nationals who were willing to pay them in order to run the businesses. In this case, it would be a misunderstanding to say that foreign traders took the businesses from local traders if there was a voluntary transaction made to buy or sell the business to each other. Nevertheless, violence in local communities and protests seem to be targeted on foreign owned businesses (Crush et al, 2017).

The lack of capital and financial support experienced by informal migrant traders is another issue. They struggle to raise money to start their businesses and to maintain it. Sidzatane (2011) supports that migrant street traders encounter difficulties in accessing the finance and capital necessary to start their entrepreneurial businesses. Most financial institutions strictly require a green barcoded South African ID document which these African informal migrant traders don't have hence they are not able to access any form of financial support.

On the other hand, it would also be unfair to focus on migrants' plight only, when the local citizens are also experiencing some disadvantages in their native country. The local citizens are living in a context where there is too much competition for scarce resources. Some have tried to

look for formal employment, but it is a difficult world where if you do not know anyone, it becomes difficult to make it in life. Corruption is rampant in South Africa, and unemployment rate is rising (Adjor and Kebalo, 2018) and therefore there is resentment of foreigners who also compete for the same resources. It has even gone bad to such an extent that some companies prefer to hire foreigners because they can underpay them (Crush and Williams, 2015) as compared to their South African counterparts. This has resulted in the displacement of locals by migrants indirectly, hence, the resentment continues.

In terms of informal trading, some elderly local citizens resort to informal trading and they also experience hardships in their trading businesses. Some find it difficult to secure trading sites while others do not have start-up capital and they struggle to earn a living. Some local traders who managed to start small informal businesses are also struggling to get funding to support their businesses even if they may be in possession of national identity documents. This is supported by Willemse (2011), who points out that ownership rights are required as collateral for bank loans and many do not have collateral and can therefore not access the formal credit from banks. Some even get desperate such that they take loans from money-lenders (matshonisa) whose interest rates are ridiculous, thus leaving the traders in huge debt. In addition, lower demand by consumers, limited product differentiation and more competition from new traders can lead to an overall drop in consumer demand, resulting in lower profits (Cohen, 2010). Furthermore, the locals also experience confiscation of goods by the police if they trade in areas that are not meant for trading. They are also harassed by the police when they trade on the street, although the harassment is more severe on migrants as they are often asked for identity documents.

In Crush et al's (2017) research study, it was revealed that refugee service providers overwhelmingly agreed that if services to refugees are better than services available to South Africans, the latter will protest and may end up presenting themselves as refugees in order to access the needed services. This simply means that it's only fair that when various services are being provided, local citizens should be considered first because it's their right to access such services. When they are considered first, it may also help to reduce the animosity and resentment that exist, and xenophobic violence might also be eliminated because currently it exists in a context where locals feel that foreigners are taking their jobs and businesses. Hence, it should be

noted that as service providers give first preference to locals, they should also consider migrants in their service provision, rather than shutting them out or tightening their systems to eliminate them.

2.2.6. Summary of the Chapter

This chapter presented a review of literature on African informal migrant traders. The literature discussed above indicates that there are huge numbers operating the informal sector markets all over the world. Unemployment that is rampant in Africa has been discovered to be the main reason underlying the engagement in informal trading, since when people fail to secure formal employment, they usually turn to informal trading. The push and pull factors of migration have been debated and it has been unveiled that the perceived opportunities that lead people to migrate to other countries are only fantasy, because in reality migrants become hopeless and helpless as the opportunities seem to be non-existent. The negative and positive impact of migration has also been examined. The different types of businesses operated by migrant traders have also been explored. The challenges experienced by African informal migrant traders have been discussed on one hand, while the challenges faced by local traders have also been explored in order to gather a balanced view. Furthermore, the theoretical framework that informs this study, that is, the sustainable livelihood approach has also been discussed. This chapter concludes that African informal migrant traders experience some similar challenges that local trader's experience, however, the former experience an additional set of challenges and they experience the similar challenges more severely as discussed in the chapter. The next chapter deliberates on the research methodology used in this research.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter discusses the research design and methodology used in the study. The research question, primary aim of the study and the secondary objectives that inform the study will be outlined. The research approach to the study, that is, the qualitative approach and the research design (Case Study design) will be explained. The population of the study; The African Informal Migrant Traders Operating in Pretoria central and the purposive sampling technique as well as the sampling procedures are highlighted. The interview method of data collection is also deliberated upon, including the semi-structured interview schedule as the research instrumentation. A thematic method of data analysis will also be discussed. The chapter also explores the trustworthiness and rigour of the research study in terms of credibility, dependability, confirmability and transferability. Lastly, the chapter will explore on the ethical considerations used in the study, in relation to confidentiality, anonymity of participants, voluntary participation and informed consent.

3.2. Research question

The research question for this study is:

What are the experiences of African informal migrant traders operating in Pretoria central?

3.3. Primary Aim

The aim of the study was to explore the experiences of African informal migrant traders operating in Pretoria central.

3.4 Secondary Objectives

- To establish the benefits of African informal migrant traders in trading in Pretoria central.
- To explore the challenges experienced by African informal migrant traders operating in Pretoria central.
- To establish the African informal migrant traders' views on the perceived growth, sustainability and profitability of their businesses.
- To investigate the African informal migrant traders' ideas on how the local municipality can assist them in improving their trading experiences.

3.5. Research Approach and Design

A qualitative research approach was adopted in this study. Gravetter and Forzano (2012) describe qualitative research approach as one which is based on making observations that are summarized and interpreted in a narrative report. The researcher opted for qualitative research approach in order to allow the participants to explain their experiences in great detail. This enabled the researcher to gain an in-depth understanding of the African informal migrant traders' experiences. The strength of qualitative approach lies in its ability to provide descriptions of how people experience the given social issues. It makes use of open-ended questions that give participants more room to explain their experiences in detail which gives a researcher a deeper understanding of the subject matter. It also provides information about people's feelings and attitudes towards a given issue. This is supported by Parton and Cochran (2002) who noted that qualitative methods generally aim to understand the experiences and attitudes of the community.

The qualitative approach was relevant to this study because the researcher was able to capture in-depth details of the participants' experiences in depth. The face to face interview enabled the participants to ask for elaboration on the questions that they did not fully understand and the researcher was able to clarify. The use of qualitative approach also enabled the researcher to observe non-verbal communication and to listen to the flow of information verbally.

This study used a Case Study research design to explore the experiences of African informal migrant traders operating in Pretoria city centre. A research design is a general plan for

implementing a research strategy (Gravetter & Forzano, 2012). Case study research is when the researcher explores a case through in-depth data collection involving interviews (Cresswell, 2012). The researcher did a case study of African informal migrant traders operating in Pretoria central, to explore their experiences and challenges.

One of the key benefits of case study design is the ability to capture the real life experiences of the participants (Murphy, 2014). In this study, the case study design enabled the researcher to gain insights into the actual experiences of the case of African informal migrant traders operating in Pretoria central. As cases may be different, a case study research design also offers the benefit of specifity, whereby the researcher deals with the specific experiences of a specific case. It can be noted that what the African informal migrant traders in Pretoria central experience, may be different from what the informal migrant traders in other areas are experiencing.

3.6 Population, Sample and Sampling Procedures

In this study, the research population consisted of the African informal migrant traders who operate their businesses in Pretoria central. O' Leary (2010) defines population as the total membership of a defined class of people, objects or events. The researcher drew a sample of fifteen participants from the defined population and two key informants from the Department of Trade and Industry and Tshwane Barekisi Forum respectively. According to Gravetter and Forzano (2012), a sample is a set of individuals selected from a population and usually is intended to represent the population in a research study. The researcher used purposive sampling technique to recruit participants. Purposive or judgment sampling is a method 'based on the judgment of a researcher regarding the characteristics of a representative sample and the researcher selects units that are judged to be the most common in the population under investigation' (Bless, Higson-Smith & Kagee, 2006, p.106).

In gaining entry into the community, the researcher approached Tshwane Barekisi Forum, an association that represents informal traders in Pretoria. The researcher introduced the study and request for permission to conduct a study with the informal traders. This was followed by recruiting participants at the trading sites in Pretoria central, such as Bosman, Bloed and Hellen Joseph streets where many informal traders operate. The researcher walked around Pretoria

central, approaching the prospective participants in the informal trading business and requested them to participate. Etikam, Musa and Alkassim (2016) posit that purposive sampling is a deliberate choice of participants due to the qualities that the participants possess. The researcher then scheduled appointments at places and times that were convenient to the participants that were willing to take part in the study. The researcher also recruited key informants in the Department of Trade and Industry (DTI) and Barekisi Forum respectively. The inclusion criteria was to select informal traders who were Africans, other than local citizens, both males and females, trading different types of goods and services, within the inner city of Pretoria as well as key informants from the above departments. The age group of the migrants was between 20 and 60 years old with two to 15 years of trading in South Africa.

3.7. Research Instrumentation

The study employed the use of the semi-structured interview schedule as the research instrument. Semi-structured interviews make use of a flexible structure where interviewers can start with a defined questioning plan, but will shift in order to follow the natural flow of conversation (O' Leary, 2010). The interview schedule was chosen as the instrument because it guides the researcher in tackling the objectives of the study. Semi-structured tool enabled the researcher to observe and address the discrepancies that existed in the verbal and non-verbal communication of participants so as to get clarity on their actual feelings and attitudes on the given subject matter.

3.8 Pre-testing of the Research tool

Pretesting involves simulating the formal data collection process on a small scale to identify practical problems with regard to the data collection instrument and method (Hurst, Arulogun, Owolabi, Akinyemi, Uvere, Warth, and Ovbiagele, 2015). The pre-testing of the interview schedule helps the researcher to improve the dependability of the research tool, find out how

long the interview is going to take, and will yield feedback regarding any potential problems concerning the interview schedule (Babbie, 2001). The researcher pre-tested the interview schedule with one individual; an African informal migrant trader whose information was not included in the research report. This action confirms Hurst et al's (2015) view that a typical pretest in qualitative research involves administering the interview to individuals that have similar characteristics with the target population, and in a manner that replicates how the data collection session will be introduced. The pre-testing was very important because it helped the researcher to improve her interviewing skills such as probing to get detailed information during the actual interviews. Faux (2010) posits that pretesting helps to improve the research instrument in order to get a good response rate. When the researcher listened to the interview and transcribed it, she could identify some areas of improvement where she rectified in the next interview in terms of asking for elaboration of answers and probing more open-ended questions in order to get in-depth information. The pretesting really helped to check the logical flow of the questions and some questions were re-arranged during the interviews to ensure logical flow. To improve the primary questionnaire and ultimately the response rate (Rothgeb, 2017).

3.9 Method of data collection

The method of data collection that the researcher used was semi-structured interviews. Gillham (2000, p.1) defines an interview as a conversation, usually between two people where one person, the interviewer is seeking responses for a particular purpose from the other person, the interviewee. The researcher employed open-ended questions so as to allow the participants to give qualitative details of their experiences of trading in a foreign land. Interviews were audio-taped so that they could be listened to repeatedly in case of doubt or during data analysis, as it also provides a basis for reliability and validity (Al-Yateem, 2012). The interviews were transcribed. Some notes were taken in order to write down short comments based on the observations of the participants' verbal and non-verbal expressions. This method afforded the researcher an opportunity to talk to the participants face-to-face at their trading sites for duration of one hour per session, so that attention would be paid to both verbal and non-verbal communication when they were relating their experiences.

3.10 Method of Data Analysis

The study adopted a thematic analysis as a form of analysing data. Data analysis refers to all forms of analyzing data that was gathered using qualitative technique (Babbie, 2001). This study followed the five steps of thematic data analysis as proposed by Terre Blanche et al (2006). The first step was to familiarise myself with the collected data, by converting the recordings into written transcriptions (Terre Blanche et al, 2006). The second step was to develop some themes or categories based on the descriptions of the participants' experiences (Ritchie & Lewis, 2005). The third step was to code the themes (Terre Blanche et al, 2006). The fourth step was to review the themes and check if these themes work in relation to the coded extracts, analyse and keep refining specifics of each theme (Terre Blanche et al, 2006). According to Braun & Clarke (2006) the final report would include selected extracts as examples, final analysis of selected extracts by relating them back to the analysis of the research questions and literature.

3.11. Trustworthiness of the study

The researcher considered four constructs to enhance trustworthiness of the research study. These are credibility, dependability, confirmability and transferability. *Credibility* is the qualitative equivalent of internal validity in quantitative research and seeks to ensure that the study measures or tests what is actually intended (Shenton, 2004). This was enhanced through proper selection of participants who are foreign traders operating in Pretoria central, in order to ensure that the researcher would get a true reflection of their experiences.

Dependability is the quantitative equivalent of reliability which means that if the work were to be repeated in the same context, with the same methods and same participants, similar results would be obtained (Shenton, 2004). Dependability was ensured through providing detailed information that describes the experiences of African informal migrant traders. *Confirmability* is to confirm that the researcher was not subjective in terms of reporting the findings; hence, no bias or personal motivation was done to twist the participants' responses. Therefore, confirmability was achieved through an audit trial (Anney, 2014) where I provided a detailed explanation of the whole process that includes data collection and analysis, up to the final research report.

Transferability is the demonstration that the results of the work at hand can be applied to a wider population (Shenton, 2004). Transferability will be enhanced through ensuring a comprehensive description of the data to be applicable to the general population of this study.

3.12 Ethical Considerations

The study adhered to the following ethical considerations:

Ethical Clearance

Due to the fact that this study involved human participants, the researcher requested for permission from Tshwane Barekisi Forum to undertake the study with African informal migrant traders operating in Pretoria central. The permission letter was granted (see appendix B) and the researcher submitted the permission letter with an ethics application to the Wits' department of Human Research Ethics Commitee (non-medical). An Ethics clearance certificate was obtained, and the protocol number is SW/18/07/38 (see appendix A). The interview schedule (see appendix E) was also submitted to the department of HREC for approval.

Voluntary participation

The participants were informed that participation in this study was voluntary. This means that under no circumstances did the researcher force people to participate. Voluntary participation in a research study also entails that the participants are free to withdraw from participating in the study anytime and any stage of the research process (McLaughlin, 2007).

Informed Consent

The researcher provided consent forms (see appendix C) and the participant information sheet (see appendix D) with clear information that the participants can easily understand so that they may choose to participate, having the knowledge of the risks and benefits associated with being part of the study. According to Gravetter and Forzano (2012), the principle of informed consent requires the investigator to provide all available information about a study so that an individual can make a rational, informed decision to participate in the study.

Confidentiality

The researcher kept the participants' information private by protecting the identity of the research participants such that the information shared would not be linked to particular participants. The information was not divulged to any other person except the supervisor and it was only used for research purposes. Gravetter and Forzano (2012) state that confidentiality is a practice of keeping strictly secret and private the information or measurements obtained from an individual during a research study.

Anonymity

The researcher ensured that the information given was not attached to a specific participant's name; hence, phrases such as (Participant 1, 2, 3) were used to identify the research participants. This is supported by Oliver (2010) who affirms that anonymity is the cornerstone of research ethics in that respondents should be offered the opportunity to have their identity hidden in a research report.

3.13. Reflexivity

- In some cases where I got participants from Zimbabwe, I conducted the interviews in their local language and had to translate into English. To mitigate the possible loss of deep meanings, back to back translation was used.

3.14. Summary of the Chapter

This chapter presented a discussion of the research methodology utilised throughout the research. The primary aim of the study was defined, that is, to explore the experiences of African informal migrant traders operating in Pretoria central. The research question and secondary objectives were also pointed out. The qualitative research approach and Case study design were discussed in terms of their strengths and relevance to this study. The purposive sampling technique was

used to draw a sample of fifteen participants from the population of African informal migrant traders operating in Pretoria central. The method of data collection, i.e. interviews and the thematic method of data analysis and how these were utilised was articulated. This chapter also presents how the research tool was pre-tested and how the trustworthiness of the research would be ensured. The chapter concludes with the ethical considerations that were taken into account during the research process. The next chapter is a presentation of the research findings, discussion and analysis of the findings with the integration of literature that confirms or contests the findings of this study.

CHAPTER FOUR

PRESENTATION AND DISCUSSION OF FINDINGS

4.1 Introduction

This chapter is a presentation and discussion of the research findings. The primary aim of this study was to explore the experiences of African informal migrant traders operating in Pretoria central. The data was collected using semi-structured interviews. The interviews were audio-taped and transcribed. The collected data was analysed using thematic data analysis where commonalities in the participants' responses were identified and categorised into different themes. Literature that supports or contrasts the findings was also integrated in the analysis.

4.2 Demographic Characteristics of Participants

Participants for this study were African informal migrant traders who are operating in Pretoria central. In total, 15 participants were interviewed; both male and female, aged between 23 and 45 years, operating different types of businesses that range from street vending, salon and spaza shops. In terms of immigration statuses, some traders were undocumented (with expired passports or expired asylum permits) while others were documented (with valid asylum permits or other temporary residence permits). For those who were documented, most of them were using Asylum-seeker permits which are temporary while only one trader had a permanent residence permit and a South African Identity document. There are some complexities regarding documentation of migrants. Amid and Kriger (2014) pointed out that the Department of Home Affairs (DHA) has actively worked to limit documentation by employing a variety of administrative procedures that pose barriers that makes it exceedingly difficult for migrants to obtain documentation that they require. For example, with the Zimbabwean Dispensation Permits, one has to produce an offer letter of employment in order to be eligible for such permit, and many informal migrant traders cannot produce such employment offer letters.

Table 4.1 below shows the demographic characteristics of the participants.

Table 4.1 Demographic Characteristics of Participants

PARTICIPANT	GENDER	AGE	NATIONALITY	LANGUAGE	EDUCATIONAL BACHGROUND	IMMIGRATION STATUS	TYPE OF BUSINESS OPERATION
1	F	24	Malawi	Chewa	Tertiary	Undocumented	Tailor
2	F	45	Zimbabwe	Shona	Secondary	Documented	Street Vendor
3	M	43	Mozambique	Tsonga	Secondary	Undocumented	Ice-cream seller
4	F	26	Ethiopia	Amhari	Secondary	Documented	Spaza shop
5	M	42	Uganda	Luganda	Secondary	Documented	Street Vendor
6	M	42	Ethiopia	Amhari	Secondary	Documented	Spaza shop
7	F	29	Zimbabwe	Shona	Tertiary	Undocumented	Mobile Canteen
8	F	38	Nigeria	Yoruba	Secondary	Documented	Salon
9	M	41	Burundi	Kirundi	Secondary	Undocumented	Vendor
10	F	33	Nigeria	Yoruba	Secondary	Documented	Spaza shop
11	M	29	Malawi	Chewa	Secondary	Undocumented	Food Stall
12	F	32	Mozambique	Tsonga	Secondary	Undocumented	Food Stall
13	M	40	Zimbabwe	Shona	Tertiary	Documented	Zim Products
14	M	23	Malawi	Chewa	Secondary	Documented	Children'sToys
15	F	29	Cameroon	Bakwari	Secondary	Undocumented	Salon

From the data presented on Table 4.1, the gender distribution of African informal migrant traders was balanced. There were both male (7) and female (8) migrants engaging in informal trading businesses. The age range shows that the youngest participant was 23 years old whereas the oldest was 45 years old. Eight African countries were represented in the study. Of all the fifteen participants, twelve achieved secondary level in school and only three achieved tertiary level (Bcom Accounting, Diploma in Education and Diploma in Electrical engineering qualifications respectively). These results are consistent with Peberdy's (2016) research findings which indicated that over 90% of the interviewed traders had attained secondary education. The results

also confirmed the notion of Blaauw (2011) that participants in informal economy achieved a much lower level of educational attainment.

Profile of Participants

In this study, six participants were single; three of these had children and the other three did not have children. Among the three that did not have children; two of them stayed alone while one stayed with her brother. Of the three who were single and had children; two of them were divorcees (one man and one woman) while the third one was a widow. Among these three single participants with children, two of them were women who had one child each, but the children were left back home. The third participant with children was a man and is staying with his three children. He reported that his wife left him because of poverty. Nine of the participants were married; five were men and four were women.

All of the women were staying with their families, that is, husband and children. The women provided for the children, in support of their husbands. Among the men, three were staying with their wives and children, two left their wives and children at their home countries. One of the men who had left his wife and children at his home country had now married another wife here in South Africa.

From the above findings, it can be noted that families were more resilient and stick together through hardships. This is consistent with Zeintgraf and Chinchilla (2012) who argue that despite the physical distances between them, many transnational parents use regular contact as the glue that keeps their families together. This is done through regular phone calls and sending remittances home to support their families. On the other hand, families can also be disrupted as a result of migration. For example, in the case of Participant 5 who married a South African wife here, yet he left his first wife and child back at his home country. Disruption may be in form of a divided attention that has to be given to both wives. Nevertheless, the participant still sent remittances home and maintained regular contact with his first wife and child, which kept them together.

In terms of their circumstances back at their home countries, 10 participants were economic migrants and two of these came to join their husbands who were already working in South Africa. Two other participants initially came to their relatives who were here in South Africa with the intention of furthering their education; however it was not a success. Therefore, they resorted to engaging in informal trading for survival. Three other participants left their countries because of civil war; two of these escaped from serious civil war (Burundi and Uganda respectively), in which they witnessed their parents and siblings being shot dead. Even though these two managed to escape with their lives, they were still not at peace because they did not know what happened to their other family members. Although, almost half of the participants stayed with their families here in South Africa, 14 sent remittances home to their parents and other family members. The ability to send remittances home constituted the notion of the financial capital within the sustainable livelihoods approach. It is only one participant out of the 15, who mentioned that he did not send any remittances home because his family was killed in a civil war in Burundi. He also did not know if there were any other members who managed to escape because his father and brother were shot dead.

The length of their years of trading varied. There were eight participants who had been trading between two to four years. Three participants had been trading between four and half years to eight years. Lastly the remaining four participants had been trading for 10 years and above. From the above findings, there is a demonstration that, in terms of educational levels of participants, even if migrants may have degrees, the circumstances at their home countries cannot enable them to secure jobs, hence they engage in informal trading in South Africa. However, due to their considerable levels of education, most migrant traders may be able to improve their circumstances at their home countries. For example, Participant 5 managed to open a tuckshop for his wife and family in Uganda, Participant 2, 8 and 10 were running some small building projects back home while Participants 3 and 7 intend to go back home and start small businesses there. This is supported by Velde (2005) who affirms that a pool of educated nationals abroad can act as a source for diaspora investment back into the home country.

4.3 Factors that contributed to informal migrant traders to come to South Africa

There were various factors that influenced some African informal migrant traders to migrate from their home countries to South Africa. The push factors are unpleasant factors that forced people to run away from their countries such as economic hardships and political instability. The pull factors are those that drew people to come to South Africa and these include perceived job and business opportunities (Pauw & Petrus, 2003), as well as joining the relatives that were already working in the country. In this study, the factors that led the African informal migrant traders to migrate to South Africa are discussed below:

- **Economic Hardships**

In the current study, seven participants reported that they migrated from their home countries due to economic hardships. Life was hard, they were struggling to survive. Four of the participants could not get job opportunities for a long time and they did not have any means of survival. Two participants were working but the salary was extremely low such that they could no longer afford to cater for all basic needs required in the house. Participant 2 pointed out that her decision to come to South Africa was triggered by the worsening of the situation as she went without getting a salary for almost three months. Below is her response:

> *Participant 2: "I was working in a supermarket (TM) and the money was no longer enough. Sometimes we would spend 3 weeks without getting paid. Many people quit, I tried to endure for a little while until there was a time that I spent 3 full months without getting paid. That's when I decided to come to South Africa to look for a job."*

There were economic recessions in their countries where some companies were closing down. One participant was operating a business in his home country but it was no longer productive and the currency used in the country kept on losing value. The findings in this study are supported by findings in Pauw and Petrus's (2003) study which revealed that the reasons for the presence of non-South African street traders were economic and business motives.

- **Perceived Better Opportunities**

Seven participants came in search of job and business opportunities, as they perceived South Africa to be full of these opportunities. Three of the fifteen participants came in search of educational opportunities. Five participants got disappointed because what they found when they arrived in South Africa was the opposite of what they had expected. Three participants had hoped to start successful businesses that would boom in no time, while five expected to secure highly paying employment that would enable them to build mansions back home and to live better lives together with their families. Below are some participants' responses:

> *Participant 12: "I came here looking for a job. I got a job but it was paying very little amount of money. So I quit the job and started selling simbas, sweets and cigarettes".*

In addition, two participants also had hoped to proceed with their education but they found that the real situation in South Africa was different from the one which they had anticipated**.** This was consistent with Pauw and Petrus (2003) who pointed out that many foreigners from Africa came to South Africa in the hope of starting a new life because they regard South Africa as a land of opportunities. Migration is largely driven by income differences (Ruyssen & Rayp, 2014) between the home and the host countries hence people migrate in search for better income through job or business opportunities.

Job Opportunities

Of the seven participants who experienced economic hardships in their home countries; five of them came in search of job opportunities (Participants 1, 2, 3, 12 and14). Four of these managed to get jobs, and the fifth one was participant 7 who ended up searching for a job even if she initially wanted to start a business and things did not go as she had planned, while Participant 1 came searching for a job but when she could not secure one, she went into business with the help of her brother; who was already working here in South Africa. Two participants (1 and 11) went into business initially. The five participants who secured jobs in South Africa worked for some time until they realised that the money was too little. They decided to work for themselves through informally trading various goods. This was consistent with the study by Crush and

Williams (2005) which showed that immigrants are employed in jobs in which they are underpaid.

Business Opportunities

Only two of the seven participants came primarily with the plan to start a business immediately (Participants 7 and 11), but it was only Participant 11 who managed to start in business primarily. Participant 1 also managed to go straight into business although she initially came to find a job.

> *Participant 7: "I came here last year in 2017 with the mind of a business. I didn't come here to work. I wanted to sell shoes but it did not work well as planned so I ended up selling Kotas (Spathlo)".*

In understanding the perceived business and job opportunities, it can be highlighted that many participants experienced disappointments when they arrived in South Africa because the opportunities that were perceived to be rampant, they were not there. The low-level jobs that they managed to secure were paying very low wages which in turn made them quit and start their own businesses. Even though the businesses seemed to be doing better than working for others, these traders were still facing the realities of the hardships that existed in a country that was perceived to be full of economic breakthroughs. Participant 1 shared that:

> *Participant 1: "…sometimes business gets so low such that I can just come to sit, no customers place orders and at the end of the day, rent is needed whether I worked or not."*

Educational Opportunities

Three participants came to South Africa initially in search of educational opportunities. One of these was the only one who managed to proceed with his education because he came under a scholarship to study at a local South African university. The other two had relatives (sister and aunt respectively) who were having businesses here in South Africa and they intended to get help from these relatives in furthering their studies, however, this was not a success. One participant mentioned that her aunt was not keen to assist her to go to college, instead, organised a job for her in a hair salon where she worked until she started her own hair salon business. The other one

indicated that she struggled to get enrolled at any of the nearby local schools, and she ended up working in her sister's shop until she took over the shop when her sister migrated to the United States of America.

- **Political Instability/ Civil War**

In this study, three participants (5, 6 and 9) reported that they were driven from their countries by civil war. Participant 5 was from Uganda, 6 from Ethiopia and 9 from Burundi. Two participants; 5 and 9 indicated that the war in their countries was so severe such that both witnessed their family members being shot dead. Participant 5 mentioned that his brother was jailed for seven years for political reasons while his father was killed in the war. Participant 9 also articulated that both his father and his brothers were shot dead and he had to escape. This confirms Sidzatane's (2011) findings which found that some of the reasons for the foreign traders' migration to South Africa were civil wars, political instability and lack of employment opportunities. Consistent with Ruyssen and Rayp's (2014) study which revealed that the role played by conflicts in the home country and relative freedom in the host country can lead to migration, this study also found that political instability is another factor that influenced some participants to migrate to South Africa.

> *Participant 9: "I left my country in 1996 because of civil war…When I went to Zimbabwe I got arrested because I did not have a passport. They took me back to Zambia where I was jailed. I stayed in jail from 2001 to 2002. I was using a passport with a fake visa. When I got released from jail, I entered Namibia…Zambia…then Mozambique. The situation was not right in Mozambique, I did not get opportunities so I came here to South Africa. I came here in 2002. I was seeking safety for my life because the war in my country was very hot. They killed my father and my two brothers."*

He demonstrated bitterness that was deeply rooted in the effects of civil war in Burundi as he perceived himself as a person who was brilliant at school and had to leave only after completing Grade 11. He blamed civil war for the kind of life that he was living (as a vendor), as he strongly believed that he could have been someone of a high status in his life, even becoming a minister if it was not for the war. Although he was living with his wife here in South Africa, he mentioned that she deserted him because of poverty and he remained with his three children who looked up

to him, yet he cannot afford to send them to good schools. Participant 5 was also separated from his wife and child since he escaped from the war in his country; although they are still married and he sends remittances home, but they are living separate lives as he got married to another wife here in South Africa, and has a child with her. From all these experiences, it can be noted that civil war is a serious hindrance to social development as it robs people of their education and also breaks families through death or separation. Therefore, South Africa is indeed a place of refuge to many migrants. Even though the informal migrant traders experience hardships, they are still better, in comparison with the hardships they suffered in their home countries, hence they continue to endure. These findings also support Pauw and Petrus's (2003) findings which state that to other migrants, South Africa is a haven, a place of refuge from the political upheavals that occur in their countries of origin.

- **Joining Families already in South Africa**

Two participants (8 and 10) reported that their main reason for migrating was to join their husbands who were working in South Africa. They mentioned that they did not have any other intention to come to South Africa Participant 1 came to join her brother in South Africa, although her main purpose was to find a job. She did not struggle to start a business because her brother gave her a start-up capital to do her tailoring business. The other participant (Participant 4) came to join her sister who was running a spaza shop in South Africa, although her main intention was to go to school. Even though she could not proceed with her school, she started working in her sister's shop. When the sister got a job in the United States of America, she gave the spaza shop to Participant 4 who is now running it. Here is what Participant 4 from Ethiopia shared:

> *Participant 4: "This was my sister's business which she left for me when she went to America. I used to help her with the business when she was still here, but now it is mine as she gave me".*
>
> *Participant 1: "I was given money by my brother to start a business…My brother was working here in South Africa for a long time".*

Social capital is an important asset within the sustainable livelihood approach (Serrat, 2017). In form of social capital, the traders had their family support. It is beneficial to join family or friends who are already in the host country because it may alleviate financial constraints by provision of free resources such as housing, they may also, be of help in finding a job or business (Ruyssen et al, 2014). Participants 8 and 10 joined their husbands in South Africa while Participants 1 and 4 are running the businesses that they have because of their family members who supported them (brother and sister respectively). From this, it can be argued that family is significant support systems which can help migrants succeed in securing their survival strategies. Also, when siblings support or boost each other, it reduces the rate of dependency.

4.3.1. Participants' years in the trading business

The participants in this study had been trading for two years to 15 years. Eight participants had been trading informally between two and four years. Seven participants had more than four years in the informal trading business; three had been trading for four and half to eight years. The other four had more than eight years in informal trading businesses. The traders perceived that their businesses were growing and this growth was measured in terms of the number of tables that they used to display their products, size of stock, number of customers and variety of stock as they compared from when they started until now.

However, the researcher observed that there seemed to be a problem in terms of the growth of the businesses, because they are still operating at small corners and small spaces, even though there is perceived growth. The perception of the migrant traders is that there is improvement because they earn enough to keep the business running, pay the bills and afford basic commodities. Taking into consideration the seven participants mentioned above, who had been trading for over four years; they could have been operating larger businesses now, but most of them are still operating at a small scale. The main reason articulated by many is the lack of capital to grow their trading. Nevertheless, in general, businesses have ups and downs and it is just endurance that makes traders continue.

4.3.2. Reasons for Operating in Pretoria central

There were four main reasons why participants decided to operate their businesses in Pretoria central compared to other cities and locations. Firstly, Pretoria is a capital city, and there are many customers who are from a working class, hence six participants indicated that there is good market in Pretoria. This is consistent with Landau and Gindrey's (2008) argument that, home to Johannesburg and Pretoria, Gauteng is the centre of South Africa's trade and transport networks. These are the busiest cities in South Africa, hence, the centre for the trade industry. Mudi-Okorodudu (2009), asserts that the business of street trading in big urban cities cannot all be attributed to push factors but also to pull factors like the availability of buyers and personal relationship building. Berger (2006) also pointed out that large cities are centres of economic opportunity that come with population size and huge numbers of immigrants for networks of mutual support. Secondly; its proximity to where the traders reside is convenient; four participants stay in Pretoria and therefore there is no transport costs from where they stay to where they operate their businesses. It is part of a saving strategy, compared to a person who has to commute every day. Thirdly, two participants indicated that Pretoria is a peaceful place. Lastly; three other participants indicated that it is safe. This shows that Pretoria is a friendly and a favourable city to operate business. Although Johannesburg is the busiest city compared to Pretoria, it is extremely overcrowded and therefore has high rate of crime as pointed out in the following participants' responses:

> *Participant 3:* "*Pretoria is peaceful unlike Johannesburg. There are many open spaces here, it's not overcrowded. The rate of crime is relatively low, compared to other cities.*"
>
> *Participant 11: "I saw that Pretoria is safe to live with your family, unlike Johannesburg where there are many criminals."*

The participants indicated that cities that are in other provinces are not that busy, and business there is very low. Participant 5 mentioned that he once went to Mpumalanga but business was low and he had to come to Pretoria where he feels that he is guaranteed of a few rands every day. Participant 5 shared that:

Participant 5: **"***I was here since 2003. After 10 years they chased us here. The Metro-police took the stock saying they don't want anyone on the streets. I went to Mpumalanga and put something there to sell, the same stuff I am selling here. But no one was buying, but here many people are passing and they buy. I was there in Mpumalanga for two years***.** *I then came back here after hearing that people are selling again on the streets."*

4.4 Benefits of Trading in Pretoria central

4.4.1 Benefits of doing business with Suppliers

The study revealed that most of the participants stock their products from Tshwane Market which is the biggest green market in Pretoria, especially those who are in street vending selling fruits and vegetables. It was revealed that it is a big market and the only green market in Pretoria which sells fruits and vegetables in bulk and affordable prices. However, other traders also get deliveries from their suppliers while others stock at different places. The major benefits of doing business with suppliers as indicated in the participant' responses are low prices of products and a wide variety of choice of products. There is good service and good products that are fresh and of a good quality. Participant 7 shared that:

Participant 7: "We buy our stock at Tshwane Market. They sell their things in bulk, all the greens. It's a big market and you don't buy in cash, you use a tag. There is a bank hall where you will do like you are depositing money, and it goes into the tag. So when you go inside the market, you can take anything that you want using the tag. You cannot buy without a tag. To get the tag you should have an Id or Passport and a proof of residence. When we order potatoes, they always supply us with fresh potatoes. You can even stay the whole week without having problems of meeting the rotten ones. The prices are reasonable".

The other benefit that was revealed by one participant is that of freedom of expression, where the suppliers hire workers from different countries and the trader can be assisted by a person who speaks her own language. Most of the participants also indicated that since they order most of

their products at a big market in Marabastad, the transportation is quite cheaper. This entails that it is quite affordable and convenient to stock their goods from a place that is close to town, compared to having to stock from a different town. Sprague (2015) supports this by pointing out that it is cheaper when products are sourced locally, in terms of transportation, opportunity to buy what you need for that short period and also to get to the market faster.

4.4.2 Benefits of doing business with Customers

The major benefit that the traders are experiencing with their customers is loyalty. Nine participants indicated that most of their customers are loyal because they keep on coming back to buy from the traders. Five traders mentioned that they enjoy the appreciation that they get from their customers. They indicated that some customers even pay more money and some tell them to keep the change (as a tip), and the other appreciation is just in form of words of gratitude. Three participants mentioned that the other benefit they get is support, whereas two participants mentioned that some customers bring referrals to their businesses. From the above findings, it can be noted that it is not all customers who demonstrate resentment of migrant traders, because there are many local citizens who are friendly, supportive, loyal and appreciative of the hard work that these migrant traders do, in a bid to earn survival by means that are ethical and legal. Shane (2016) explains that small business owners have the ability to develop long-term, on-going relationships with their customers because they serve a smaller area, and this is one of the benefits that keep customers coming back. Maintaining a good relationship with customers is beneficial in that, apart from customer loyalty, there is also provision of referrals to the business by the customers, thereby benefiting the traders in an amazing way.

4.4.3 Benefits of doing business with fellow migrant traders

The benefits that the African informal migrant traders experience as they do their businesses with fellow migrant traders include that they share ideas, encourage each other, learn from each other and there is the aspect of brotherhood and sisterhood as they all came in search for greener pastures. Social capital in form of these relations is therefore important. Even though they came from different countries, they all have a common goal, to earn a living. Five participants indicated that they offer each other support through encouraging each other. Four participants

mentioned that they share ideas and they learn from each other. Two participants indicated that there is that brotherhood spirit which joins them together as people from other countries, doing businesses in a foreign land. Tlhabi (2015) argues that migrant business owners are popular because of their ability to network and collaborate. Networking is the factor that enables sharing of ideas and learning from each other as migrant traders.

4.4.4 Benefits of doing businesses with local traders

In doing their businesses with local traders, seven migrant traders indicated that some local traders are friendly and the former have an opportunity to learn local languages from the latter. Learning a local language gives the migrant traders a communication advantage such that when they communicate with their customers, they will not struggle. Competence in languages that are spoken in a community is essential in communicating with people as noted by Holmqvist and Gronroos (2012) that even consumers who are fluent in a second language may not always be happy to use it, and might look for possibilities to use their native language instead. Hence, it is an advantage to migrant traders if they learn local languages in order to understand each other with their customers.

> *Participant 7:* **"***Some are just friendly. They teach us their language which helps us to communicate with our customers."*

The finding above also confirms that of Crush, Tawodzera, McCordic and Ramachandran (2017) who argued that knowledge of a local language assists in communication with customers.

Two migrant traders revealed that some local traders are not jealous as they are actually happy to see them earning a living through legal activities. One migrant appreciates the fact that some local traders are selling the type of food that they also eat in her home country such as cow intestines, so she will not miss her country as the local traders make them feel like they are at their homes. Some of the migrant traders did not comment or say anything in terms of the benefits they get from local traders. This raises a question of rigidity, because even if local people may be perceived in a negative light in other aspects like animosity, but there are many other good qualities that can be appreciated, hence, having no positive comment at all can be considered as being one-sided.

4.4.5 Benefits of trading in South Africa

The major benefit that migrant traders gain as they operate their businesses in South Africa, compared to their home countries is economic advantage. Eight participants mentioned that their countries have got poor economies compared to South Africa which has a stable economy. The South African rand has more value compared to other currencies of other African countries. Some participants indicated that they get a variety of products while two participants appreciate a large customer base. In their home countries many people do not afford to buy goods from traders regularly and having few customers can contribute to the collapse of the business. For example, items such as clothes and food; many local citizens are always fond of food and clothes, compared to those from other countries who rarely buy new clothes nor takeaway foods due to lack of affordability. A few participants mentioned other factors such as; they get more turn-over of money, learn new languages and earn a living while only two think that it would have been better to do their businesses in their home countries if the economy there was better. One of the two strongly feels that if his home country is to get better, he will return to do business there. These findings on South Africa having an economic advantage are consistent with Burzynski's (2010) study which revealed that the main recurrent reason for trading in South Africa was the quest for better economic opportunities.

4.5. Initial Capital to Start their Businesses

Figure 4.1 below shows the participants' responses on how they raised their initial capital to start their businesses**.**

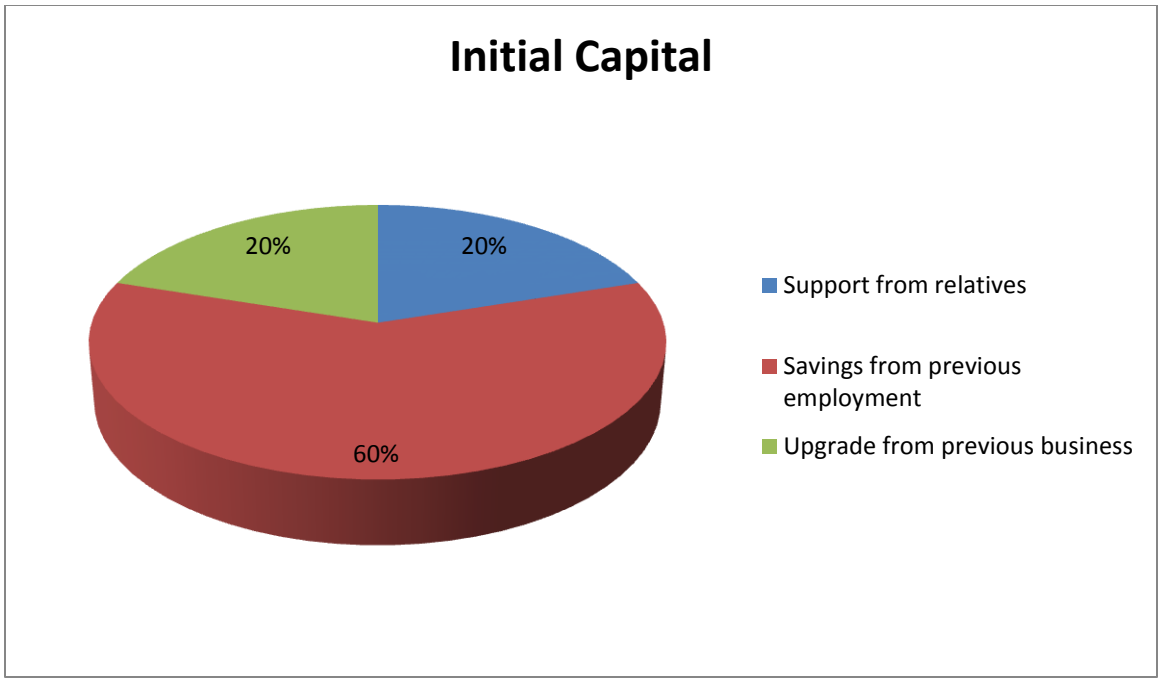


Figure 4.1 Initial Capital to start up a business

Figure 4.1 above shows that most of the participants (9) were working before they started their small businesses. They therefore used savings from their previous employment to start their businesses. This finding confirms that of Peberdy's (2016) study which revealed that personal savings were the main source of start-up capital for his participants' businesses. Three participants got support from their relatives whereas the other three were running other previous businesses before they started the current businesses.

4.6. One-Man Business/ Partnership

Thirteen of the participants are running a one-man business. Two participants are in partnerships (Participant 4 runs a family business while 14 is in partnership with his brother). The researcher was interested in finding out what are the advantages of one man business as compared to partnerships among the participants.

4.6.1. Advantages of One-Man Business

The advantages that were articulated by participants in this regard are that they can manage the business on their own which will help them to know every finer detail of the business. It was also mentioned that decision-making process is quite simpler, easier and quicker because they do not have to consult with another person on what should be done. There is free negotiation of prices with customers, meaning that if a customer comes with money that is not enough, a sole trader can simply negotiate with the customers so that they will not lose business, but if it is a partnership, no quick decision can be made without consulting with each other. Transparency was also pointed out as another advantage, in that one will be clear about everything, in terms of income, expenditure and profits.

> *Participant 7:* "*The advantage of a one-man business is that you make instant decisions as you don't have to consult anyone. It's easier to balance up your books when you are alone.*"

> *Participant 13:* "*It's a one-man business. When you are operating alone, you are able to make your own decisions; you don't have to consult or to wait for somebody. If you don't agree, that can lead to the collapse of the business because a partner may be having his own ideas that are different from mine, which he may want to implement, and by so doing, you can end up pulling in different directions and that can lead to the collapse of the business*"

The other advantage that came out from the interviews was that a sole trader will be free to maintain his or her own values in the business, rather than working with people who believe in different values. Participant 11 shared that other traders believe in traditional healers that they can give them medicine to make their businesses successful.

> *Participant 11: "…I only depend on God and I don't have anything dirty that I touch to make the business boom so I do the business on my own…"*

These findings support Steinkirchner's (2013) study which revealed that as a sole proprietor, your vision for your business will be uncompromised, you get the first and only say without

having to run your decision-making by other parties and you get personal comfort and flexible where you determine your own working hours.

4.6.2. Disadvantages of One-Man Business

The only disadvantage that was cited in this case was that there is no division of labour and this could make them to lose customers. For example, if a sole trader is going to stock some items, he has to close the shop or the stall until he comes back because there won't be anyone to remain in order to serve the customers. Participant 4 shared that:

> *Participant 4: "…like one goes to stock while another remains in the shop to cater for customers."*

As indicated above, it can be noted that there was an element of bias towards one-man type of business because they only came up with one disadvantage of sole trading. When the researcher kept probing to establish other possible disadvantages, they continued to cite the disadvantages of partnerships. However, what emanated from the responses most is that there is no trust, the traders are unable to trust any other person, hence; they do not prefer partnerships as they will always suspect that the person will be stealing. Wallace (2018) postulates that the disadvantages of sole proprietorship are that owners are fully liable; if business debts become overwhelming, the individual owner's finances will be impacted and also that the business continuity ends with the death or departure of the owner.

4.6.3. Advantages of Partnerships

A partnership is a business that is jointly owned by two or more people who intend to share the profits and losses of the business (Skripak, 2016). Of the 15 participants; only two participants are in partnership (Participants 4 and 14) and they shared their experiences of the benefits of partnerships. They indicated that there is sharing of duties, whereby, one can go for stocking while the other remains in the shop to serve customers. Below are the participants' responses:

> *Participant 4: "…I am in a family business and the advantage of a partnership is that people can share duties, like one goes to stock while another remains in the shop to cater for customers."*

Participant 14: "I am in partnership with my brother. Well, just because we are brothers, it's a family thing, we trust each other, we are always focused, we know what we want, we know our targets and we know that we have to focus"

Steinkirchner (2013) pointed out that some of the advantages of partnerships include that it can allow multiple sources of cash flow which will benefit your business during both start-up and growth phases and that selecting partners with different expertise can broaden the scope of your business.

4.6.4. Disadvantages of Partnerships

Many participants, mainly those who are sole traders, said that partnerships are very dangerous. It was mentioned that there is usually conflicts over money issues when it comes to partnerships. There is also lack of transparency and lack of trust. Many of them preferred to do business alone, even if it means they make mistakes, they saw that it is better for them to make their own mistakes and learn from them than to let other people temper with the business and jeopardise them from accomplishing their dreams. Below are the participants' responses:

Participant 2: "*Partnerships are complicated. The issues of money are difficult to handle, because one may think that they are bringing more money than another, so I rather do it on my own. When you do on your own, you know exactly when you do right and when you do wrong and you fix it yourself*".

Participant 12: "This is an individual business. A partnership is difficult because there will be lots of conflicts, and how will you share the profits? It's difficult, so I prefer to do my business alone".

4.7. Security of the Business

There are various complications as far as safety and security are concerned. Seven of the interviewed traders (Participant 1, 2, 10, 11, 12, 14 and 15) confirmed that their businesses are secure as they lock their stuff in places where there is tight security, e.g. locked garage or

building. Participant 10, who runs a spaza shop, has tightened her own security by installing closed circuit television (CCTV) cameras around the shop. This was after she had been a victim of attempted armed robbery.

Contrary to the above assertion, eight of the participants argued that the trading environment is not safe due to the unfortunate experiences they had with robbers as well as confiscation of goods by metro police. Participant 4 was robbed twice and all the money was stolen and Participant 6 reported of a neighbouring spaza shop owner who was killed recently in an armed robbery. Participant 5 experienced a daylight robbery where some robbers came and pointed at him with a knife as they demanded money. He also reported the recent death of the Ethiopian spaza shop owner.

> *Participant 5: "Here in South Africa, you can even die for R2 or R5. One day, there were three boys who came with a knife saying they want a cigarette. We fought, and other traders came from all sides, that's when they ran away. Last Thursday, there is a small tuckshop before the garage, they killed the guy who sells there. The small boys came and shot him around 7pm and he died same time. Here that's why I don't want too much stock."*

> *Participant 6: "Security is very bad here. Sometimes they rob, and last week they killed someone."*

Participants 3 and 9 do their business in an open space where there are no security guards hence they said their businesses are not secured. Participant 13 experienced a robbery in his previous business and all his money and his laptop were stolen. These findings are in consistent with those of Crush, Skinner and Stulgaitis (2017) which indicated that many migrant businesses are the main target for criminals who are well aware that cash is likely to be stored on the premises, due to the difficulties experienced by informal migrant traders in opening bank accounts.

4.8. Challenges experienced by African Informal Migrant Traders operating in Pretoria central

4.8.1 Challenges with Suppliers

Participants shared that they experience different challenges as they do their businesses with suppliers. Table 4.2 below illustrates the challenges as revealed from the participants' responses.

Table 4.2 Challenges with Suppliers

Challenge	Participants	Comment
High price of goods	1, 7 and 13	They still get profit although little.
Dishonesty	2 & 5	Mixing fresh fruits and putting rotten ones below the boxes
Unfavourable terms & conditions	2 & 5	They are not allowed to exchange damaged or rotten products. They are just told to choose another box while still in the shop, and not allowed to check for rotten ones.
Late delivery of goods	6	Trader had to call them several times to come to deliver.
Unsatisfactory products	10, 11, 15	Participant 10 had to return coke to supplier. She also had challenge with airtime refusing to recharge and had to call customer care to assist.
Corruption and nepotism	13	People who work in the shops in Zimbabwe keep stock for their relatives and it's difficult to secure enough stock as goods are scarce
Shortage of stock	14	The trader had to wait till the goods are in stock

Table 4.2 above shows the challenges that are experienced by participants as they run their businesses. It can be noted that these challenges are also experienced by local traders as they stock from the same suppliers. There is dishonesty in some suppliers as they mix rotten fruits with good ones. They put the rotten ones down and the fresh ones on top. There is also unfavourable terms and conditions where they are not allowed to open the boxes to check nor to exchange once they are out of the shop. Late delivery and unsatisfactory products is usually experienced by those operating spaza shops where they get used airtime sometimes and it becomes a challenge when they sell it to the customers like that. The participant who sells toys experiences shortage of stock sometimes when he is told that the new stock is not yet available from the manufacturers, and the customers will be in need of the products. It's only participant 14 who indicated that he managed to buy a car which he now uses when he goes to buy stock. Dawson (2018) affirms that smaller businesses often find themselves at a disadvantage when it comes to supplier relationships since the traders do not have the scale to create leverage and this can be avoided by choosing suppliers that operate on a similar scale to their own businesses although it is not often possible in reality. This means that traders who operate on a small scale often cannot find solutions of dealing with suppliers who operate at a large scale, for instance, if they find rotten fruits at the bottom of their boxes, they cannot do anything about it because the supplier has a non-refund policy.

4.8.2 Challenges with customers

Unrealistic Expectations

Participant 1 indicated that some customers have unrealistic expectations as they come with celebrity pictures for her to do the clothing design that suits her exactly like it suits the celebrity on the picture. Participant 8 also experiences the same when customers download a hairstyle of a celebrity from the internet and they want it to come out exactly the same as it is on the internet. They both said they advise their customers that people's bodies and heads are different, so if their bodies are different, she can advise the customer to take the design that would suit her own body.

Unreliable Customers

Participant 1 also mentioned that she used to get customers who would ask her to sow dresses and she would do it then when she is done, the customers were nowhere to be found, they would not come to collect their dresses. To deal with this, now she only makes clothes upon customers' orders and only if they pay deposits before she makes the dresses.

Untrustworthy Customers

Participant 4 talked about customers who steal in her spaza shop when she is busy with other customers. Other customers lie that they have given her the money for the items that they want to buy when they did not give her, and when they start arguing she just keeps quiet and let them take the items and she runs a loss. Participants 4 and 5 talked about customers who like to buy on credit. Participant 5 indicated that if you do not give them credit they will not come back so he has to give them. Participant 4 revealed that some take things on credit and they do not come back to pay and they go to support other people's businesses while they have not paid up their credit. This finding supports that of Crush et al (2017) which revealed that migrant informal traders are vulnerable to opportunistic and often violent crime in form of theft, robbery and assault.

Derogatory name-calling

Participant 4 and Participant 7 talked about customers who always remind them that this is not their country. They are referred to using derogatory names that are discriminative as they are always told to leave South Africa and go back to their countries. Hence, foreigners are given discriminatory names due to the resentment and hostility. Pauw and Petrus (2003) are of the view that these sentiments of hostility towards migrants may be linked to increased job insecurity by disenfranchised native citizens and a belief that refugees receive special support from the South African government. When asked about the challenges they experience in doing business with their customers, some of the responses are as follows;

> *Participant 4: "…Then other customers say, I am not from South Africa, I am taking their businesses. Some even call us names like "makula", but I just keep quiet to avoid problems because I just believe that South Africa is for all of us as Africans."*

Participant 7: "The customers usually if they hear that you are a foreigner, they have that ill-treatment and attitude that they want to give you, but not all of them, just some. Like they can speak in their language and call us 'makwerekwere.'"

Rude Customers

The common challenge that was mentioned by most of the participants is that of rude customers. Participant 6, 10, 12, 13 and 14 mentioned that some of the customers are rude and one has to keep quiet and treat them nicely because as they indicated, they need the customers' money.

Participant 10: "*…some are rude and some are nice, you just have to get used to them because you are the one who want money from them.*"

Participant 12: "Sometimes other customers come when they are drunk and they talk too much and are rude, but you don't have to be rude. You just have to understand people's characters and respond accordingly, because you are the one who needs their money".

Participants 11 and 12 are in food business and they complained about bad comments that some customers pass, like the food is not nice. It can also be noted that the challenge of rude customers is not uncommon as most business people; migrant or local, at some point they have to deal with difficult customers who are rude. It becomes a unique challenge if the rudeness is rooted in them being foreigners like the derogatory name-calling pointed out above whereas general rudeness can be considered common.

4.8.3 Challenges with fellow migrant traders

Competition and Mistrustfulness

There are two challenges that came out as far as fellow migrant traders are concerned and these are: competition and jealousy. Five participants indicated that they encounter fierce competition from fellow migrant traders who sell similar products. Participant 1 shared that she has to produce beautiful products at lower prices due to this competition. Participant 12 complained of other traders who sell pap and meat while making them too full in a plate for the same price that

they sell their standard pap and meat plates; for instance, the normal plate of pap and chicken costs R30 with only two pieces of chicken, a big one and a small one, but other traders end up increasing the pieces of chicken to three or four for the same R35 in order to get more customers and it challenges the business of other traders.

> *Participant 12:* "*Some put too much meat in their plates. The price for a plate may be the same, like us we say R30 for two pieces of chicken, then some make R30 for four pieces or three pieces of chicken. So it makes them to get many customers and it also makes customers not to buy from us***.**"

This finding is supported by Listra (2015) who stated that the underlying variables of competition in business are; price, quantity and quality. The main challenge is that there are too many traders selling the same products. This leads to jealousy when one's items are being bought and others' items are not. They actually tend to help each other only if they are not selling the same products or if they are not selling at sites that are too close to each other. But those that sell close to each other like the participants who operate food stalls at the Bosman rank for cross-border buses, mentioned that they are too many people at the same place selling the same type of food so they do not help each other with ideas. On a different note, another participant complained of some fellow migrant traders who conduct their businesses in ways that are unethical and it impacts negatively on other migrant businesses:

> Participant 15: "*There are some customers that our foreigner brothers from Nigerian or Cameroon, they were giving customers an idea that if you don't have money, they can do your hair and they take you to their house to sleep with you, that's how you will pay. So we come across such things, that customers come with short money, they tell you the hairstyle that they want, then they will give you short money. They think you understand, so us we end up fighting with customers because us we want our money, nothing else. To deal with that, you can ask the customer to give you her phone and you have to check that phone nicely so that they won't go to the police and tell lies.*"

4.8.4 Challenges with local traders

Two main challenges identified with local traders are competition and resentment. Usually, the competition leads to unrealistic pricing scales. There is also an element of resentment towards migrant traders especially by those local traders operating in the same proximity with migrant traders who seem to be doing well. However, competition among the traders can be beneficial to customers as prices usually go lower. Nevertheless, the business growth is affected as there would be lower profits.

Resentment

It was reported that some local traders resent migrant traders in that they to undermine the businesses of migrants. Gastrow (2019) noted that increased informal migrant businesses (like spaza shops in townships) has ignited anger amongst many South African *spaza* shopkeepers who resent having to compete against foreign nationals and allege that they engage in unlawful activities and unfair trading practices. Participant 2, a street vendor mentioned that there is a local trader who sells next to her, and when she sees local customers buying from her, she communicates with those customers in a local language telling them that they should not buy from the migrant because the migrant is not from South Africa but rather they should buy from her. The local trader did not know that this migrant trader can understand the local language because she just kept quiet, until the customers themselves answered the local saying that they have been buying from this migrant for a long time and they never had any problems with her. Participant 7 showed that there is resentment and discrimination in their business operations with local traders. Below is her assertion;

> *Participant 7: Local traders always want to remind us that this is their country. Even when we are buying from the market, they want to be given first preference. But at the market, that doesn't work because we only use tags to buy. However, we can see that sometimes the people who serve us, prefer to serve those with whom they communicate in the same language first. So if you can't speak their language you can stand in the queue forever.*

Another participant, 15, also said that in her hair salon business, they all stand outside the building to look for customers and she was told by other customers that some local hair stylists

were threatening them saying that they do not want to support their fellow South African counterparts but they always want to support the businesses of foreigners and they should stop doing that. From these assertions it means that some African informal migrant traders have experienced resentment from other local traders. Many black South Africans tend to generalise about African foreigners by assigning negative stereotypes to all foreigners, whether they are in South Africa legally or not (Pauw and Petrus, 2003). However, it should also be noted that not all traders in this study have experienced resentment; some like participant 1 clearly mentioned that she never had any problems with local traders.

Competition

Some participants reported that some local traders copy what they do. For instance, they would find migrant traders selling at a certain spot and selling certain stuff like coloured popcorns, chips, avocados and fruits; then a local comes to sell next to the migrant but only selling magwinya (fat cakes), then when the latter sees that the former's stock is moving, she also starts to sell the same stuff like coloured popcorns as the migrant and they ensure that they make their packets extremely full in order to gain a competitive advantage over the migrant.

> *Participant 2: "They see it as their own place alone and that our place is back home in our country. But when they see that you are selling on the road, they also come to sell next to you but at first they were shy. Like here, when I came to sell at this place, this place was empty, there was no one, I was the first one to be here and the one next to me found me here. You can even look at how she does her business, it's like she wants to take all my customers. See how she packs her popcorns (skopas)? She makes them very full. Now look at mine, they are not that full because I need to make a profit. But it seems she packs them that way so as to make customers buy from her, but I wonder if she would make profit if she is doing business that way."*

However, looking at this factor, it can be observed that competition in business has nothing to do with the fact that they are migrants, but it is common in all businesses even big shops especially if the traders are selling similar products. It is all a matter of finding ways and strategizing in order to survive in a hostile environment. On the other hand, the local traders may also be feeling the same, that if only these migrants were not in their country, they would not be fighting for

customers, and this all happens because the environment itself has got limited resources and opportunities. A study conducted by Pauw and (2003) revealed that some local traders expressed that foreign traders were taking away customers and their businesses were struggling because people tended to buy more from the migrant traders due to the fact that they sold cheaper products and had a greater variety of goods for sale. Nevertheless, healthy competition is very good because it pushes traders and service providers to always ensure that their products and services are of a good quality, thereby contributing to the economy of the country. Crush et al (2017) argue that it is necessary to deconstruct the problematic idea that migrant entrepreneurs pose a threat to South African owned spaza shops because these migrants contribute in various ways to the growth of the South African economy. Participant 13, after being asked about how he felt about his competitors, that is, a shop that was recently opened to offer the very same products that he had been selling for a long time, he had this to say;

> *Participant 13: "Yah, I like it. If such a big shop is selling the products that we sell, it means they are even marketing the products on our behalf. The more they sell, in large quantities, the more people become aware of our products and when they don't find something there, they come down to us. Like now, they don't have Orange crush (juice) those guys, but they are a bigger company so all the customers are coming down here from up there to buy orange crush from us. So I like competition, it makes you to work harder, to improve your service and to be efficient and effective. So I always like competition, it's good."*

4.8.5 Challenges with the community

The participants revealed mainly seven challenges that they are facing with the community of Pretoria central. Figure below illustrates the challenges faced by African informal migrant traders within the community which they operate. Figure 4.2 below illustrates the challenges experienced by the African informal migrant traders within the community in which they operate.

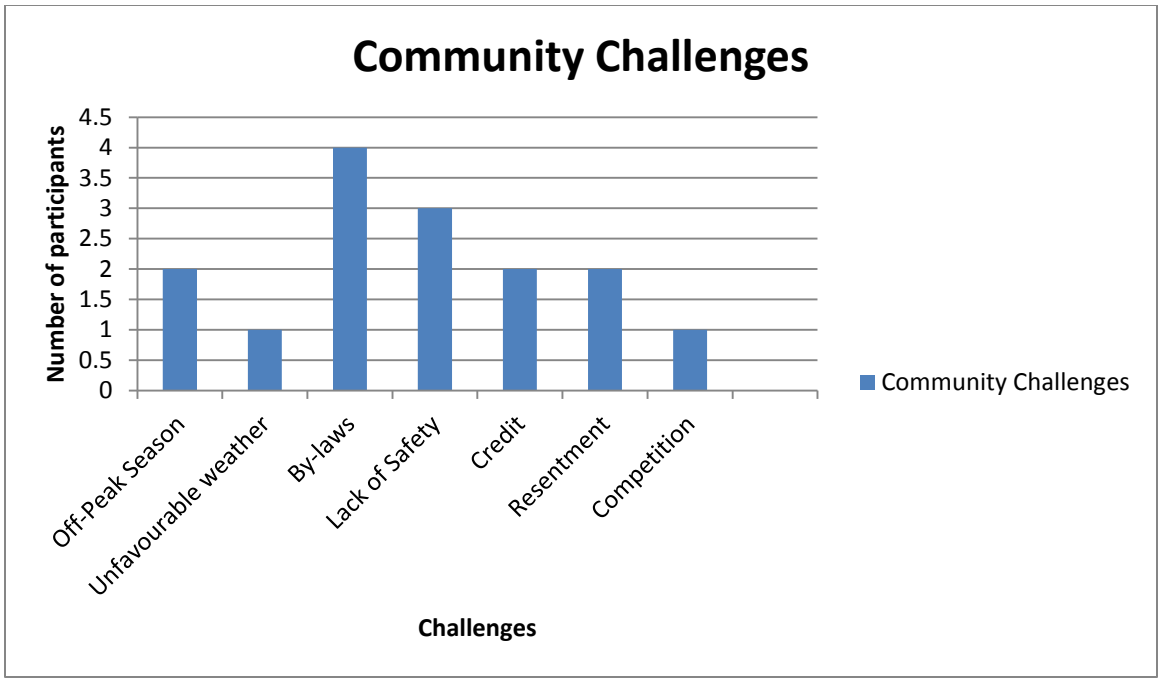


Figure 4.2 Challenges experienced within the community which they operate

Figure 4.2 above shows the challenges experienced by African informal migrant traders within the community in which they operate. The challenge of weather conditions affect both local and migrant traders who operate on the streets, like when it is raining they cannot continue selling and when it's too hot their products may get damaged by the sun. However, even though local traders are also affected to a certain extent, challenges such as off-peak season, strict by-laws, insecurity of migrant businesses, competition and resentment have greater impact on migrant traders' businesses. During off-peak seasons, it will be very quiet and there will be few customers who buy. This challenge affects migrant traders in that most of them do not own houses and rent will be needed whether there was business or not. Participant 1 shared that:

> *Participant 1:* "*Although this is common to all businesses, sometimes business gets so low such that I can just come to sit, no customers place orders and at the end of the day, rent is needed whether I worked or not. The business booms in summer season and during month-end. Sometimes I end up taking money which is not meant for that, to pay rent and continue operating.*"

In this regard, many local traders are at an advantage that even if business can be quiet, they own houses; hence they do not need to pay rent.

Municipal by-laws do not allow informal traders to operate without trading licences resulting in metro police confiscating goods and migrant traders cannot claim their goods due to fear of arrest for not possessing legal documents that permit them to live in South Africa. Key informant 2 from Department of Trade and Industry explained that very few migrants visit their office to regulate their businesses, whereas key informant 1 from Barekisi Forum explained the challenges that the forum experience with the municipality in trying to assist the informal traders. The key informants shared that:

> *Key Informant 2: "Most African informal migrant traders do not come to regulate their businesses due lack of information and also some are sceptical about visiting government departments because they do not have appropriate immigration documents".*
>
> *Key Informant 1: "The challenge is just the municipality; they don't want to come to the party. It affects all traders. Since 2015 we have been fighting for the by-laws to be changed but one department will be short when we are participating in those by-laws.*

And again, this kind of foreigners, how do they get licencing, it has been a question. Each time we go to by-laws, it's been a question, how do foreigners get licences? And the department doesn't know because it's not working together with the national department. And the national department is the home affairs. The home affairs must tell the municipality how they want foreigners to be licenced, because they are the ones who allow foreigners here, so they have to know how they have to be licenced, either Asylum or permit, they have to be specific. We all have the same challenges, the municipality is the challenge. Sometimes you can even find a foreigner having a licence, but the licence is for a dead person. The department of local economic development must know, these foreigners must be licenced this way and these locals must be licenced this way. They don't have a mechanism and they don't want to follow those mechanisms. In fact, they just want the police to act and to harass every informal trader."

Participant 15 noted that she has experienced discrimination as the police usually target foreigners when asking for trading licences and they do not usually ask local traders because they know that some foreigners do not have legal documents that allow them to stay in South Africa, thereby posing additional challenges to foreigners. This goes hand in hand with Crush et al (2017) who pointed out that the police in Limpopo province closed down six hundred informal migrant businesses, detained owners, and confiscated stock, imposed fines for trading without permits and verbally abused the owners during the 2012 operation hard stick. The same study also revealed that on paper, the municipal policies do not differentiate people according to their nationalities, but in practice the officials said that they are forced to discriminate because refugees have to produce documentation but South Africans do not have to. When Participant 15 was asked about the challenges that she experience within the community in which she operates, she said;

Participant 15: "What I have seen is that when the Metro police come, they come to us foreigners and ask for trading licence yet most of us we don't have. So they take your stock then you have to go and pay to get your stock back. But they don't usually ask from local traders. Then also those nyaope boys, if you don't lock your cupboards nicely they can come and steal. When you hear that the Metro is coming or the Immigration is coming, you have to run away and hide your things. They waste your time. When they

take you to the police station, trying to prove whether your asylum is original, all that time that they are wasting, you could have just run away and save time."

Migrant informal businesses are at risk due to the resentment and animosity that exist between local citizens and migrants, as some local citizens have a perception that the migrants come to take their jobs, businesses and money. Pauw and Petrus (2003) study revealed that some participants pointed out that migrant were taking away jobs in a country where there were limited job opportunities which should be available to South Africans only. Gordon (2016) sustains that public animosity towards refugees in South Africa has motivated anti-immigrant riots, violence and prejudice. In terms of competition, it is found in all businesses, but due to the fact that migrant traders are operating in a foreign land, some customers prefer to buy from their local traders and to support them more than migrant traders.

Migrant traders also experience challenges in accessing loans to grow their businesses and even to open bank accounts for saving purposes because they do not possess the appropriate documents needed to get funding. Most of the participants with documents are in possession of asylum seeker permits which are temporary and have limitations. Below is the response of participant 14 with regards to accessing loans:

Participant 14: "*We have big dreams but we can't afford, especially when you are a foreigner. Like getting loans, it's very difficult to get a loan when you are a foreigner. They don't trust us in terms of repaying the loan, because like my permit (Asylum), it's temporary, so it's difficult because it's not permanent."*

The above response is consistent with Crush et al (2017) who argue that refugee entrepreneurs have very limited access to start-up and other loans from formal banking institutions. The migrant traders in Peberdy's (2016) study also revealed that when they applied for loans they were rejected on the grounds that they were not South African, had incomplete documents, had insufficient guarantees or their businesses were not deemed viable. This is also supported by Crush et al (2017) who posit that opening bank accounts remain a challenge for refugees as banks remain distrustful of the various types of documentation issued by the Department of Home Affairs, viewing the asylum-seeker permit as less formal or secure than a South African

national identity card. However, it can also be noted that local traders also experience challenges pertaining to the access to funding. Key informant 1 shared that:

> Key Informant 1: "*...Don't hear anybody saying DTI this DTI that, there is no funding there. Because if I go there to look for funding, they will tell me I must go through a certain organisation which will cater for me, but you find that that organisation, it's just a person who is making money for himself using your name. Even myself, I have gone there many times, they tell me that I must go through an organisation, for what?*".

4.9. Reasons that make them to continue with the business

Participants indicated various reasons that make them to continue with their business. Participants 1, 6, 8, 11 and 13 indicated that passion for business drives them to continue with the business. Participants 1, 2, 9, 12, 5, 15 and 10 also mentioned that their businesses are their sources of income that give them a means of survival so they have to push themselves to continue. Participants 3, 4 and 11 enjoy being their own bosses, where there is flexibility where they can do whatever they want anytime they want without anyone telling them what to do.

4.10. Remittances

Apart from Participant 9, all the other participants send remittances home in form of groceries or money. They send to their parents, sisters and brothers and children. Participant 5 supports his wife back home. Some send twice a year while others send once in two months. The major beneficiaries of the participants' businesses are the family. The African informal migrant traders are able to support their immediate families through the businesses. They are also able to send remittances home. Some indicated that they send groceries while others send money to their families. Those that send groceries are from the neighbouring countries such as Zimbabwe. This shows that family is the cornerstone of every individual. The participants who send remittances home displayed a sense of joy and satisfaction that they are supporting their families back home. Some are sending food (groceries) and money while others are going to an extent of paying

school fees for children or other family members back home and this makes them happy and satisfied. This finding confirms the empirical findings of Joarder, Harris and Dockery (2017) which suggested that migrants' remittances play a significant role in stimulating the happiness of both the migrant and original household. However, Participant 9 is the only one who mentioned that he does not send any remittances because his home, father and brother were destroyed in 1996 during a civil war. He indicated that he is not even sure whether other family members managed to escape to other countries or were all killed in the civil war.

4.11. Perceived Growth of the business

Most of the participants view each of their businesses as if it is growing. The perceived growth is based on the number of tables that they use to display their products, size of stock, number of customers and variety of stock, comparing from when they started until now. However, the rate of growth is very small as nine of them revealed that they did not achieve anything since they started their businesses, apart from feeding their families, paying their bills and buying stock for the businesses to continue. A few participants said that they manage to build houses at home. Participant 2, 5, 8 and 13 indicated that they bought a house/ land back home. However, the growth of these businesses is threatened by the challenges discussed earlier in this chapter, challenges of accessing loans, lack of proper documentation, lack of security of migrant businesses and resentment by some local citizens. The fact that the growth is not that significant is shown when a trader has many years of trading but is still operating in that small space.

4.11.1. Number of Employees

The majority of the participants do not have any employees. Their businesses are too small such that they cannot afford to hire employees. They are able to manage the businesses on their own. Of all the fifteen participants, only two participants have one employee each. Participant 4 (from Ethiopia) operates a spaza shop and has one employee who is South African. Participant 6 (from Ethiopia) also operates a spaza shop and has one employee from Malawi, who helps him to serve customers and to pack the shelves while he is serving customers.

Participant: 4: "*I have one employee, a South African citizen. He assists with cleaning, packing and helping customers to show them where they can find what they want, and sometimes he also assists with selling.*"

Participant 6: "*It depends on whether it's busy or not. Currently I have one employee, who is from Malawi.*"

Of all the fifteen participants, only three participants are running their own spaza shops while the rest are operating in small spaces. These three who own spaza shops are not from Southern Africa but from Ethiopia and Nigeria. Two of these spaza shop owners have one employee each, compared to the rest of the participants who are doing everything by themselves due to the size of their businesses relatively. This finding supports Crush, Chikanda and Skinner's (2015) claim that businesses run by SADC entrepreneurs are smaller and seemingly less well capitalised compared to those of their non-SADC counterparts.

4.12. Sustainability and Profitability of business

In this study, nine participants indicated that their businesses are sustainable in that they are earning a living. They are able to pay up their bills, feed their families, send children to school and buy stock for the business to continue. The sustainability of all informal businesses is shaped by the challenges they encounter and the manner in which they are able to manage business risks effectively such as limited trading spaces, lack of access to loans and regulatory restrictions on business operations (Crush et al, 2017). In terms of profitability, other participants revealed that the profits are not consistent, as usual businesses fluctuate, but when it is a peak season, they are able to make considerable profits, thereby giving them the drive to continue with the businesses. 12 participants indicated that their businesses are making profits although they mentioned that the profits are seasonal and inconsistent. However, this claim cannot be validated as it is only a few of them who keep records of their sales every day. The rest just count the money that they accumulate on daily basis. This analysis is consistent with Burzynski's (2010) study which found that the accurate figures of participants' profits could not be revealed because the informal migrant traders do not keep record of their profits.

4.12.1. Future Projections

Five participants see themselves having bigger businesses. Four participants see themselves operating their own shops while three see themselves operating in larger spaces. Two participants see themselves going back to their home countries in five years' time operating businesses there. Two participants see themselves having employees, while the other two see themselves offering trainings of people who would want to learn the same businesses that they are doing. These findings confirm Burzynski (2010)'s study which also revealed that the traders seem to be business minded as they are striving to expand their business and move from small businesses to bigger businesses.

4.13. Membership of Associations or Unions

A few participants are members of the Barekisi Forum. Some of these few consider themselves as members but they are reluctant to attend the meetings. Participant 5 clarified that the main reason why he is reluctant to attend is that most of the time the committee leaders address people in a local language so those migrants who do not understand the local languages yet, come out of the meeting without understanding the discussion held in the meeting and they have to start asking other local members to explain what was being said. On the other hand, some participants like Participant 9 said that he attends all the meetings and the forum is very helpful in that if someone (fellow trader) dies, they are requested to voluntarily contribute a small amount like R50 each to assist, and it seems that the informal traders are very cooperative in this regard because they believe that they will also need help when they experience such difficult times. When asked about how traders can become members of Tshwane Barekisi Forum, the key informant shared that:

> *Key Informant 1:* "*To become a member is to have a table (to display your products such as fruits and vegetables, sweets or cigarettes) where you are selling. We can come and see your table, and if it's at the right place then you can join us. But to become a member doesn't mean that you got a licence. That's why we say, the home affairs must be there in our meetings.*"

Then those who are not members of the forum that represent traders, indicated that they have got their own associations consisting of people from their home countries (not necessarily traders) where they contribute money and help each other whenever there is a problem like a funeral of a relative. It can be argued that it may be beneficial to be a member of an association or any union that represents traders such that the traders may find support and assistance in any issues that have to do with trade. However, it seems most migrant traders are skeptical about joining the associations because of lack of understanding the procedures they have to undertake in order to become members and some are too reluctant to join as they think that it is only for local citizens, which is not the case. Demitropoules (2010) pointed out that membership in an industry association offers numerous benefits and will keep business on top of important, ever-changing issues, trends and legislation within their market place.

4.14. Help needed from government

Figure 4.3 below shows the help that the migrants require in order for their businesses to grow;

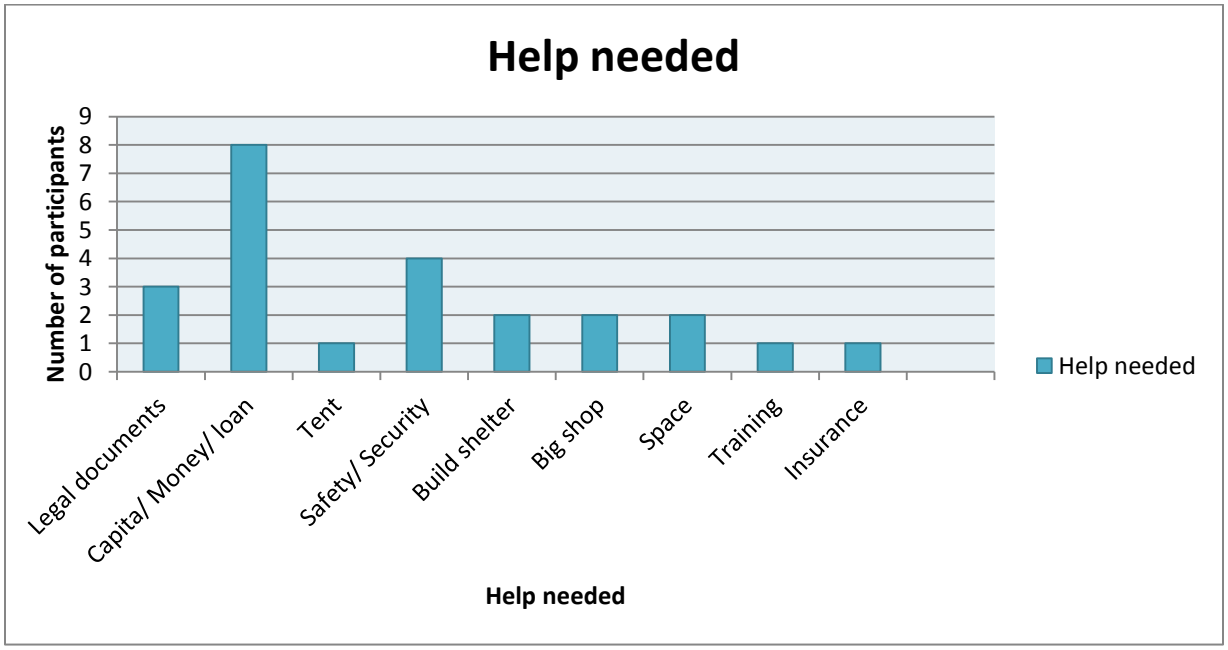


Figure 4.3 Help needed from the Government

As indicated in Figure 4.3 above, the highest number of participants (9) is in need of capital through access to loans in order to grow their businesses. Four participants are worried about the security of their businesses and they would need the government to assist them with some form of security since informal migrant businesses are targets of attack. Some participants indicated that they would need assistance in attaining legal documents and trading licences, shelter, big shops and large space for their business operations.

4.15. Conclusion

This chapter presented and discussed the research findings that emanated from the research objectives. The profile of participants was outlined. A discussion was done on the factors that led the African informal migrant traders to migrate to South Africa. The length of period that they have in the trading business was also examined. The reasons for operating their businesses in Pretoria central were also investigated. The benefits that they gain and the challenges that they face in operating their businesses in Pretoria central were examined. The perceived security and perceived growth of the migrant traders' businesses were also explored. The migrant traders' perceptions on the sustainability and profitability of their businesses were examined. Their abilities to send remittances to their home countries and other experiences were also discussed. The chapter concludes with the African informal traders' opinions with regards to the kind of help that they would wish from the government of South Africa. The next chapter is the last chapter; chapter 5 which will present a summary of the main findings, conclusions and recommendations.

CHAPTER FIVE

MAIN FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the main findings with regards to the secondary objectives of the study. The first objective of the study was to establish the benefits of African informal migrant traders in trading within the municipal boundaries of Pretoria CBD. The second objective was to explore the challenges experienced by these traders in operating in Pretoria central. The third objective was to establish these traders' views on the perceived growth, sustainability and profitability of the businesses. Lastly, the fourth objective was to investigate the African informal migrant traders' ideas on how the Tshwane municipality can assist them in improving their trading experiences. The chapter will also provide the recommendations for practice as well as recommendations for future studies. The conclusion of this chapter will mark the end of the whole research report.

5.2 Summary of the Main Findings

5.2.1 The benefits of African informal migrant traders in trading in Pretoria central

The study revealed that African informal migrant traders benefit from trading in Pretoria central in that the city is peaceful and safe, with low crime rate. Although, there are incidents where some participants reported of being robbed, the robberies are not many if we are to compare with other big cities like Johannesburg. Other cities like Mpumalanga, are reported to be very low in terms of business opportunities because they are not that busy, whereas the others that are busy are too overcrowded like Johannesburg, where there are too many informal traders scattered everywhere, which makes traders to sell their stuff at very low prices, thus compromising their profits. Pretoria on the other hand, offers that business advantage where it is both busy, but not too overcrowded, thereby, offering the informal traders a chance to get reasonable profits.

In doing business with their suppliers, most traders indicated that they stock at Tshwane Market in Marabastad and there is a variety of products at very cheap prices. In doing business with

customers, loyalty of customers came in as the major benefit. The migrant traders also get referrals from their customers and their customers offer them great support and appreciation. With fellow migrant traders, it was revealed that there is a brotherhood/ sisterhood relationship where they encourage each other, share ideas and learn from each other. It was also indicated that the benefits that migrants get from local traders are learning local languages that in turn help them in communicating with customers and that others are friendly. In general, trading in South Africa has benefited them economically in that the South African rand has more value compared to other currencies used in other African countries. Large customer base is another benefit of trading in a capital city of South Africa, compared to trading in their home countries where many people are struggling to survive due to the poor economy. In South Africa, actually many people migrate from their rural homes like Limpopo, to come to Gauteng in search for better business opportunities. This means that Pretoria is a favourable city when it comes to business.

5.2.2 The challenges experienced by African informal migrant traders operating in Pretoria central

The major challenge as revealed by the study is that most of the migrant traders are undocumented and this is the root cause of most of their challenges. The challenges they face in the community in which they operate are to do with municipal by-laws where they are operating in areas that are not demarcated for trade. Hence, confiscation of goods by police, make them unable to go claim their stock back, for fear of arrest. The issue of legal documents also affect them in accessing bank loans to boost their businesses. The lack of access to loans due to lack of appropriate documents is another challenge that hinders the considerable growth of their businesses This affects even those migrants with legal documents because most of the documented traders are using asylum-seeker permit. This type of permit has been reported to have many limitations because it is temporary, that is, renewable after every three to six months, and this makes banks to be hesitant to provide loans to these migrant traders, and in some cases, they even fail to open bank accounts. As a result, they keep cash with them always, a situation that attracts thieves and robbers.

There is animosity and resentment of migrant traders by some local customers and other local traders. It was reported that some use derogatory names when talking to the migrant traders and

the traders are often told to go back to their countries. The main reason for this animosity has been noted that it emanates from a context where there is lack of resources and opportunities, and there is a lot of struggle to survive and stiff competition over scarce resources, hence migrants are perceived to be taking these opportunities that are already limited, thus reducing the chance of locals to secure such opportunities. This animosity even goes to the extent of targeting migrant businesses, which causes lack of security of the migrant businesses. The migrant businesses lack security because they are perceived to be the first targets of attack in times of protests. On a sad note, during the period of this research, it was revealed that one migrant trader from Ethiopia was recently shot dead in his spaza shop by some robbers who wanted to rob the shop around 7pm. This makes migrant traders to operate in fear of attack.

The other challenge that they indicated is that of shortage of space, whereby if they go to their home countries to see their relatives, when they come back, they sometimes find their space occupied by other traders. This is a major challenge that was articulated by key informant 1, from Barekisi Forum that represents traders, as he has been so much involved in resolving disputes of that kind. The key informant 1 from Barekisi forum shared that:

> *Key Informant 1:* "*One problem which I have to solve now and again and it's persisting, is that when one trader, foreign trader wants to visit home, he will bring a person on that space saying he is my brother or sister. Then you will find out later that he wasn't a brother or sister, it was just a person from the same country, and the country is too big. When the person comes back from home, they start fighting for the same spot, the one who was left there doesn't want to go, the one who had visited home, wants to come back. And we end up saying that when someone wants to go home, we have to know, they must leave the space vacant so that when they come back, they can just come back and stock, rather than leaving a brother and sister and give us headache.*"

The root of the problem is that these traders operate their businesses in spaces that are not meant for trade because it seems to be a challenge for them to secure trading sites. Therefore, the spaces where they operate from are just temporary, in that they are contravening the municipal by-laws and they cannot claim that it's their space. They are just doing it to survive, until they are chased by the police.

5.2.3 The African Informal migrant traders' views on the perceived growth, sustainability and profitability of their businesses

On perceived growth of the businesses, most participants indicated that there is slight growth which they can measure with the number of tables that they use to display their products, number of customers, variety of products they sell and the size of the stock when they compare from when they started until now. For instance, some started with one table to display products, but now they display on three tables; others started with a small size of stock like sweets and cigarettes, but now they have got a wide variety of stock and they now added fruits, chips, popcorn and other items. They also now have regular customers, whom they managed to build good relations with, and these customers sometimes bring referrals; hence, they perceive their businesses as growing. Some participants were quite happy with their small businesses and they even claimed that they are doing better compared to when they were working for other people.

They also view their business as generating profits, because they consider the cost of their stock, selling prices, the expenses that they cover, the capital to buy stock that make the business to continue and excess money left to send remittances home and to do other things. However, this perceived growth and profit is something that sustains them only to afford the basic commodities to feed themselves and their families and to continue with the businesses. On the other hand, it is difficult to measure the actual profit that these traders make because most of them do not have records of books that show all their income expenditure and profits. Nevertheless, it is worth noting that other migrant traders actually are consistent with their records where they write every day, the total money that they make in a day in order to balance up their books. Apart from that, most of the participants have more than four years and some even over 10 years in the trading business but they are still operating at small spaces, meaning that growth is there in terms of the improvement in the size of stock but it's just a means of survival, otherwise they could have been operating shops, or in bigger spaces. The main stumbling block to the growth, sustainability and profitability of their businesses was reported to be lack of sufficient capital to buy large stock, and some losses of goods through confiscation of goods by the metro police.

5.2.4 African Informal migrant traders' ideas on how the Tshwane municipality can assist them in improving their trading experiences

The study revealed that some traders are of the view that the assistance that they would need from the government for their businesses to grow is; capital that will enable them to buy large stocks in order to ensure sustainability and profitability of the businesses. The participants indicated that they needed access to finance through bank loans, as this would enable them to buy large stock and even to legalise their businesses in order to avoid loss of goods during police raids. The majority of the participants indicated that they would need to be allowed access to loans so that they can have more capital to run proper and successful businesses. Some suggested that the government could assist by building shelter or stalls and properly allocate them as trading sites to informal traders who will be able to meet the requirements. The other form of help could be allocation of trading spaces so that they don't continue operating in spaces that are not allowed. The safety and security of migrant businesses is another issue that the migrants reported. They perceive that African informal migrant businesses are not secure as they are the targets of violent attacks; therefore, in their opinion, the government could assist by providing some mechanisms that ensure the safety of all informal businesses, including migrant businesses.

5.3 Recommendations

5.3.1 Recommendations for Practice

- **Department of Home Affairs**

➢ To make it easier for legal migrants to get business permits if they want to engage in business.

- Currently, some African informal migrant traders cannot afford the cost of applying for business permits, considering the income that they get from their small businesses and the expenses that they have, like accommodation, food and school fees for their children.

- **Department of Trade and Industry (DTI)**

- To encourage informal traders to register their small businesses.
- To conduct educational awareness campaigns on the process of registering their businesses. Most participants were not aware of the process and cost of registering their businesses and they just assume that the process is expensive and hectic.

- **City of Tshwane**

- To facilitate easy accessibility of Trading Licences for both migrant and local traders.
- To facilitate easy accessibility of trading sites or even to build trading stalls for traders
    - From the findings, it was highlighted by the key participants that the municipality only allocates trading sites that are not busy, while they do not want to allocate the busiest sites. This results in traders allocating themselves to sites that are busy thereby fighting with the metro police for contravening the by-laws.

- **African Informal Migrant Traders**

- To join trade unions or any associations that represents traders like Tshwane Barekisi Forum, in order for them to access information and to get help on any issues to do with trade.
- To aim to legalise their businesses to avoid losing stock during police raids.
- To aim to secure documents that will legalise their stay in South Africa.
- To work together with local traders, share ideas and learn from them especially, aspects such as local languages and culture, as this will help them in communicating with their customers and other community members better.

- **Local Traders**
    - To learn from some migrant traders who are more experienced in the trading business.
    - To improve their standard and accept healthy competition from migrants
    - To accept African migrant traders as fellow Africans.

5.3.2 Recommendations for future Studies

- This study was done with a small sample of only fifteen participants, and only eight African countries. A similar study could be conducted with a larger sample incorporating more African countries and more participants.

- This study focused on African informal migrant traders. Another study could be conducted to explore the local informal traders' experiences in doing businesses alongside African informal migrant traders.

- A study could also be conducted with the Tshwane municipality to investigate the problems caused by informal traders who operate without trading licences and to establish the procedures of how both local traders and migrant traders can secure trading licences.

- An investigation into the security of foreign owned businesses (formal or informal) can also be conducted.

5.4 Conclusion

The study revealed that African informal migrant traders experience some benefits and challenges of trading in South Africa. In terms of the benefits, they experience economic stability where they can run businesses which can afford them a living. Compared to their different home countries where the economies are poor, and where the businesses could have collapsed, their businesses here have got considerable number of customers who can afford to purchase their goods and support their businesses to keep it going. Due to a stable economy, they also get their products at affordable prices, get a wide range of goods and are able to get some returns in profit.

On the other hand, the African informal migrant traders experience some challenges that pose a threat to their businesses. Migrant businesses are not secure and the migrant traders are always

operating in fear, especially considering the previous robberies that some of them experienced and the recent death of an Ethiopian trader who was subject to a robbery of his spaza shop. The lack of legal documentation also makes them to operate at a loss sometimes especially when their goods get confiscated by the metro police and they cannot claim them due to fear of being arrested for not possessing legal documents. Lack of access to loans also hinders the growth of their businesses as many of them indicated that they would need more capital for them to run efficient businesses. Nevertheless, it seems as if most of the African informal migrant traders who participated in this study are earning a living through their businesses. They are able to pay their bills and to keep the businesses running. Some of them are even able to send remittances home, buy household furniture and a few even managed to build small houses in their villages back home.

By and large, capital is vital to any business. Most of the traders indicated that if they would get more capital they would operate their own shops or in bigger spaces and even be able to open other businesses to supplement the ones that they have. However, access to loans, lack of legal documents and lack of security remain barriers to reaching the maximum potential, in terms of growth, sustainability and profitability of their businesses.

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Appendix A: Ethical Clearance Certificate

SOCIAL WORK
THE SCHOOL OF HUMAN AND COMMUNITY DEVELOPMENT (SHCD)

DEPARTMENTAL HUMAN RESEARCH ETHICS COMMITTEE (SOCIAL WORK) CLEARANCE CERTIFICATE

PROTOCOL NUMBER: SW/18/07/38

PROJECT TITLE: Informal trading in South Africa: The experiences of African informal migrant traders operating in Pretoria Central

RESEARCHER/S: M Chiumira (1745997)

SCHOOL/DEPARTMENT: SHCD Social Work

DATE CONSIDERED: 26 July 2018

DECISION OF THE COMMITTEE: Approved

EXPIRY DATE: 30 November 2019

DATE: 02 September 2018 **CHAIRPERSON: Dr E Pretorius**

Cc: Supervisor: Ms M Nathane-Taulela

DECLARATION OF RESEARCHER(S)

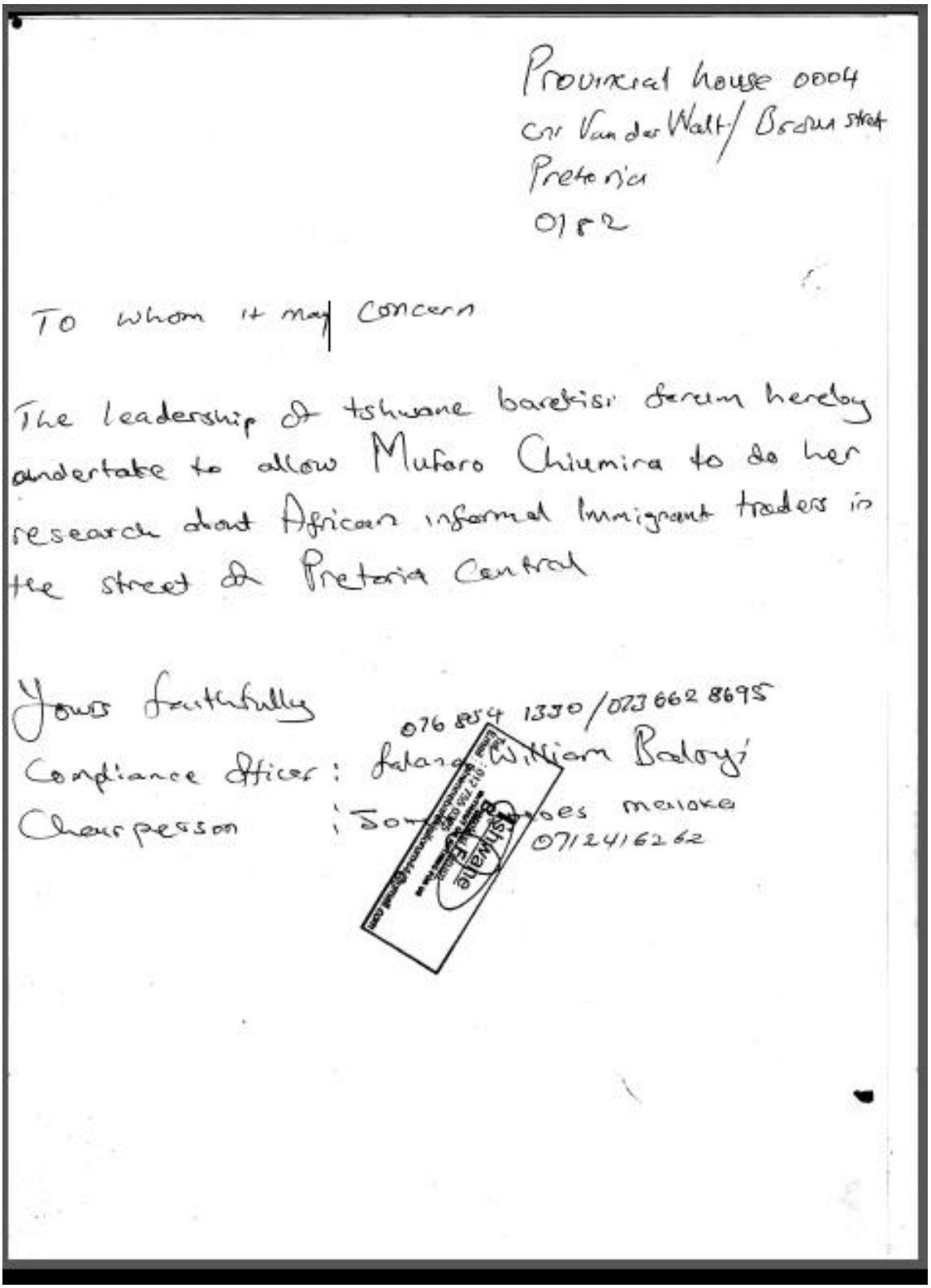
To be completed in **DUPLICATE** and **ONE COPY** returned to the Administrative Assistant, Room 8, Department of Social Work, Umthombo Building Basement.

I/We fully understand the conditions under which I am/we are authorised to carry out the abovementioned research and I/we guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I/we undertake to resubmit the protocol to the committee. **For Masters and PhD an annual progress report is required.**

SIGNATURE DATE 07/09/18

PLEASE QUOTE THE PROTOCOL NUMBER ON ALL ENQUIRIES

Appendix B: Permission Letter from Tshwane Barekisi Forum



Provincial house 0004
Cnr Van der Walt/ Bosman Street
Pretoria
0182

TO whom it may concern

The leadership of tshwane barekisi forum hereby undertake to allow Mufaro Chiumira to do her research about African informal Immigrant traders in the street of Pretoria Central

Yours faithfully

076 854 1330/073 662 8695

Compliance officer : Solomon William Baloyi

Chairperson : Solomon Moloes maloka
071 241 6262

Appendix C: Consent Forms

Informal Trading In South Africa: The Experiences of African Informal Migrant Traders Operating In Pretoria central

I hereby consent to participate in the research study. The purpose and procedures of the study have been explained to me.

I understand that:

- My participation in this study is voluntary and I may withdraw from the study without being disadvantaged in any way.
- I may choose not to answer any specific questions asked if I do not wish to do so.
- There are no foreseeable benefits or particular risks associated with participation in this study.
- My identity will be kept strictly confidential, and any information that may identify me, will be removed from the interview transcript.
- A copy of my interview transcript without any identifying information will be stored permanently in a locked cupboard and may be used for future research.
- I understand that my responses will be used in the write up of a Masters project and may also be presented in the conferences, book chapters, journal articles or books.

Name of Participant: _____

Date: _____

Signature: _____

CONSENT FORM FOR AUDIO-TAPING OF THE INTERVIEW

Informal Trading In South Africa: The Experiences of African Informal Migrant Traders Operating In Pretoria central

I hereby consent to tape-recording of the interview.

I understand that:

- The recording will be stored in a secure location (a locked cupboard or password-protected computer) with restricted access to the researcher and the research supervisor.
- The recording will be transcribed and any information that could identify me will be removed.
- When the data analysis and write-up of the research study is complete, the audio-recording of the interview will be kept for two years following any publications or for five years if no publications emanate from the study.
- The transcript with all the identifying information directly linked to me removed, will be stored permanently and may be used for future research.
- Direct quotes from my interview, without any information that could identify me may be cited in the research report or other write-ups of the research.

Name: _____

Date: _____

Signature: _____

Appendix D: Participant Information Sheet

Informal Trading In South Africa: The Experiences of African Informal Migrant Traders Operating In Pretoria central

Good Day

My name is Mufaro Chiumira, and I am a post graduate student registered for the degree M.A in Social Development at the University of the Witwatersrand. As part of the requirements for the degree, I am conducting research regarding the experiences of African informal migrant traders operating in Pretoria central. It is hoped that the information gathered could assist in providing an in-depth understanding of the experiences of African informal migrant traders, in relation to the perceived growth and sustainability of their businesses.

As an African migrant trader operating in Pretoria central (AND/OR) KEY informant in your department, you are ideally positioned to contribute to my research. I therefore, wish to invite you to participate in my study. If you accept my invitation, your participation would be entirely voluntary and you are free to withdraw at any time without penalty. There are no consequences or personal benefits of participating in this study. If you agree to take part, I would arrange to interview you at a time and place that is suitable for you. The interview will last approximately one hour. If you choose to participate, you may withdraw from the study at any time and you may also refuse to answer any questions that you feel uncomfortable with answering. If you decide to participate, I will ask your permission to tape record the interview. No-one other than the researcher and the supervisor will have access to the tapes. The tapes will be kept in a locked cabinet for two years following any publications or for six years if no publications emanate from the study. A copy of your interview transcript without any identifying information will be stored permanently in a locked cupboard and may be used for future research.

Please be assured that your name and personal details will be kept confidential and no identifying information will be included in the final research report. The results of the research may also be used for academic purposes (including books, journals and conference proceedings) and a summary of findings will be made available to participants on request.

Please contact me on 0783705174, or email on mufaro2014@gmail.com or my supervisor, Motlalepule Nathane-Taulela on 0117174471 or Motlalepule.Nathane-Taulela@wits.ac.za if you have any questions regarding my study.

If you have any concerns and complaints about the study, please contact Human Research Ethics Committee (non-medical): Jasper.Knight@wits.ac.za or telephone 0117171408 or Human Research Ethics Committeee (medical): peter.cleaton-jones1@wits.ac.za or telephone 0117172700.

Thank you for taking time to consider participating in this study.

Yours sincerely

Mufaro Chiumira

Appendix E: Interview Schedule

Section A

Demographic Information

1	**Gender**	Male	Female			
2	**Age Group**					
3	**Nationality**					
4	**Home Language**					
5	**Educational Level**	Primary School	Matric	Diploma	Bachelors	Honours
6	**Immigration Status**	Legal/ documented		Illegal/Undocumented		

Section B

Factors that led African informal migrant traders to migrate to South Africa

1. Briefly explain how you came to South Africa and the reasons that led you to come to this country?

2. How long have you been trading in South Africa?

3. What made you to operate your business in Pretoria central?

Benefits of Trading in Pretoria central

4. Briefly describe the kind of business that you operate?

5. Where do you get your supplies and explain why you do business with these suppliers in particular?

6. Explain the kind of relations that you have with local traders? How do you benefit from each other as traders?

7. Explain the kind of relations that you have with other African informal migrant traders? How do you benefit from each other as traders?

8. Explain in detail your positive trading experiences in South Africa, with reference to the following;

a). experiences with suppliers

b). experiences with customers

c). experiences with fellow migrant traders

d). experiences with local traders

e). experiences with other people apart from those mentioned above

f). In comparison with trading in your home country, how do you benefit from trading in South Africa?

g) In comparison with other South African cities, how has trading in Pretoria city been of a benefit to you and your business?

h) Explain, the lessons that you have learnt from all these experiences?

Challenges faced by African migrant traders operating in Pretoria central

9. How did you raise capital to start your business?

10. Is your business registered? If no, provide reasons why your business is not registered? If yes, explain the process you went through to register your business.

11. Do you operate in partnerships or one-man business?

12. How do you feel about the security of your business? Give reasons.

13. Describe in detail, the challenges that you face in running your business?

a. challenges with suppliers

b. challenges with customers

c. challenges with fellow migrant traders

d. challenges with local traders

d. challenges with the community in which you operate your business

e. other challenges

f. Explain, what have you learnt from all these challenges?

14. How do you deal with each challenge that you have mentioned above?

15. Explain what you think your business would need for it to be successful? Who do you think can be of assistance, how can they assist and why?

Perceived Growth, Sustainability and Profitability of the African informal migrants' businesses

16. In great detail, relate your whole experience from how you started your business until today?

17. How many employees do you have and what are their nationalities? Explain what made you to choose those nationalities?

18. Using your own assessment, explain how you view your business in terms of its growth and/or improvement and provide reasons why you see it as if it's growing OR not growing

19. In your opinion, explain whether your business is sustainable or not (are you able to maintain your business or not and provide reasons for your views)

20. How do you view your business in terms of profit-making, comparing from the time you started until today?

21. What makes you to continue with the trading business? Provide reasons for your answer.

22. Explain the significance of your business, in terms of how you are benefiting from it?

23. Explain your ability to send remittances home, and how often and on average how much are you able to send home?

24. Relate all your achievements that you have accomplished ever since you started trading in Pretoria?

25. Apart from you, who else benefits from your business and how do they benefit?

26. How does your business benefit the community in which you operate?

27. Where do you see yourself as a trader in five (5) years' time? Substantiate your answer.

28. Are you a member of an association that represents informal traders?

a) If yes, explain how you joined and how your membership has helped you?

b) If no, motivate why you are not part of an association for informal traders?

Recommendations

29. What advice would you give to other foreigners who want to start businesses or those struggling to sustain their businesses?

30. How can the SA government help, to boost African informal migrant traders operating in Pretoria and South Africa as a whole?