

COPING OR STRUGGLING: UNCOVERING UNDOCUMENTED ZIMBABWEAN  
MIGRANT'S FINANCIAL PRACTICES IN PRETORIA, SOUTH AFRICA.

By

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Thesis submitted in partial fulfillment of the requirements

Of The

MASTER OF ARTS

Degree

In

DEVELOPMENT STUDIES

At The

UNIVERSITY OF WITWATERSRAND  
DEPARTMENT OF SOCIOLOGY

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2016

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## DECLARATION

I Elizabeth Muza declare that **Coping or struggling: Uncovering undocumented Zimbabwean migrant's financial practice in Pretoria, South Africa, is** my own unaided work and I have given full acknowledgement of the sources referred to in this text.

**Elizabeth Muza**

.....day of .....2016

## **DEDICATION**

I dedicate this research to all undocumented immigrants across the world who struggle to gain acceptance and to live a dignified life free from discrimination in their host countries. My salutation goes to baby Aylan Kurdi who drowned attempting to reach the Greek island of Kos in search of a better life.

## ACKNOWLEDGEMENTS

My sincere appreciation goes to the following:

- My supervisor, Dr Obvious Katsaura for his support and meticulous guidance from the inception of this work to completion. Your constructive criticism and timely feedback are highly appreciated.
- My husband, Raphael Muza, for supporting me financially, taking care of the kids while I was busy with this research and also for listening to my stories and trying to help, although it was not your area.
- To my lovely boys, Sammy and David for your patience and support.
- Staff of the Department of Development Studies, particularly Ms Lerato Podile for her prompt and constant support whenever I needed assistance.
- The Zimbabwean migrants in Pretoria who participated in the study, who showed me the reality of being an invisible migrant in a foreign country. Thank you for valued support and time.
- My spiritual father, Apostle E.H Gutu for encouraging us to continue improving ourselves spiritually and academically. You always say Kaizen! Kaizen!
- Most importantly I want to thank God the Almighty, Adonai! Elohim! For your love and mercy upon my life! I say *Ebenezer-Mandisvitsa pano!*

As the list goes on and on, let me thank everyone who in one way or another made the accomplishment of this study achievable.

## **ABSTRACT**

*According to a report provided by Consortium for Refugees and Migrants in South Africa (CoRMSA, 2011), Zimbabwean migrants in South Africa are estimated to be between one and two million, although the actual figures remain elusive. Many of these migrants do not possess legal documentation (Tevera and Zinyama, 2002) and as a result, it is difficult for them to access financial services in the South African financial institutions, since these institutions require documentation such as valid passports with visas, proof of residence and salary slips. In light of this, undocumented migrants in South Africa are facing challenges in saving, borrowing, investing and remitting money back home. As a result, they are at risk as they may become vulnerable to loan sharks and conmen if they access financial services informally. In relation to that, the study investigates how undocumented migrants in South Africa access financial services and how this may affect their lives. The researcher found it important to conduct a first-hand investigation onto the strategies and experiences of undocumented self-employed Zimbabwean migrants who might be financially excluded in South Africa. Studying the experiences of undocumented migrants in South Africa is important as it allows for an exploration of their reactions and views about their financial exclusion or inclusion. It is also of paramount importance for us to comprehend how some people who are financially excluded worm their way into the social and economic milieu that are in large measure hostile to them. Thus the present study aims to ensure that the voices of undocumented immigrants who are financially excluded are equally heard in order for us to appreciate the harsh realities that confront them. The research focuses on undocumented self-employed Zimbabweans (street vendors, hairdressers and barber men) in the Pretoria Central Business District (CBD). The study draws on the concepts of Human Security and 'Alternative Economic Repertoires' to understand the strategies employed by undocumented Zimbabweans in South Africa in the face of financial exclusion and the insecurities that they encounter. The research follows a qualitative approach on the basis that qualitative research enables the researcher to construct meanings and interpret the behaviours of undocumented self-employed Zimbabwean migrants. In-depth interviews and participant observations were conducted in order to explore strategies in this regard. This enabled the researcher to deeply explore the experiences, views and feelings of these migrants.*

## TABLE OF CONTENTS

DECLARATION .....	II
DEDICATION .....	III
ACKNOWLEDGEMENTS .....	IV
ABSTRACT .....	V
<b>CHAPTER ONE : INTRODUCTION.....</b>	<b>1</b>
1.1. INTRODUCTION.....	1
1.2. DEFINITION OF "UNDOCUMENTED MIGRANT" .....	2
1.3. UNDERSTANDING FINANCIAL "INCLUSION" AND "EXCLUSION" .....	3
1.4. PROBLEM STATEMENT.....	4
1.5. RESEARCH QUESTIONS.....	5
1.5.1. Main question .....	5
1.5.2. Sub-questions.....	5
1.6. CHAPTER OUTLINE.....	5
<b>CHAPTER TWO: MIGRANTS AND THEIR MONEY: 'STATE OF THE ART'. .....</b>	<b>7</b>
2.1. INTRODUCTION.....	7
2.2. WHAT DO WE KNOW? .....	7
2.2.1. Financial exclusion of undocumented migrants in the developed world...7	
2.2.2. Financial exclusion of undocumented migrants in South Africa.....	10
2.3. WHAT DO WE NOT KNOW? .....	12
<b>CHAPTER THREE: UNDERSTANDING UNDOCUMENTED MIGRANTS' FINANCIAL PRACTICES THROUGH A HUMAN SECURITY LENS .....</b>	<b>14</b>
3.1. HUMAN SECURITY FRAMEWORK.....	14
3.2. "ALTERNATIVE ECONOMIC REPERTOIRES" APPROACH .....	19
<b>CHAPTER FOUR: RESEARCH METHODOLOGY .....</b>	<b>22</b>
4.1. INTRODUCTION.....	22
4.2. RESEARCH METHODOLOGY .....	22
4.3. RESEARCH TECHNIQUE .....	23
4.3.1. Sampling techniques .....	23
4.3.2. Data collection .....	24
4.3.3. Data Analysis.....	26
4.4. ETHICAL CONSIDERATIONS.....	27
4.4.1. Informed consent .....	27
4.4.2. Confidentiality .....	27
4.4.3. Limitations of the study .....	27
<b>CHAPTER FIVE: COPING WITH FINANCIAL EXCLUSION: CRAFTING OF SURVIVAL AND COPING TACTICS .....</b>	<b>29</b>
5.1. IRREGULARITY: UNDOCUMENTED MIGRANTS' 'FIEND' .....	29
5.2. STRATEGISING FOR BANKING INCLUSION.....	31
5.2.1. Migrants' money management: Alternative practices in the regulated and non-regulated sectors.....	32
5.2.2. Fragilities of strategies that migrants devised in the face of financial exclusion	53

<b>CHAPTER SIX: CONCLUSION.....</b>	<b>59</b>
<b>REFERENCES .....</b>	<b>61</b>
<b>APPENDIX 1: CONSENT FORM.....</b>	<b>72</b>
<b>APPENDIX 2: INTERVIEW GUIDE .....</b>	<b>73</b>

## CHAPTER ONE: INTRODUCTION

### 1.1. Introduction

The new South Africa has become a favourable destination for migrants who are being enticed by a relatively vibrant economy and constitutionally enshrined human rights protection framework that celebrates the values of acceptance, equity and respect (Adajai & Lazaridis, 2013). Migration to South Africa is also fuelled by the neo-liberalisation that has seen many migrants relocate to other countries in search of "greener pastures" (Nyamnjoh, 2006). In view of that, South Africa experienced an influx of foreigners in large numbers. Many migrated from neighbouring countries such as Zimbabwe, Mozambique and Malawi, with some coming from as far as Nigeria, Ethiopia and the Democratic Republic of Congo (DRC). Black *et al.* (2006:116) noted that "migration to South Africa is a well-established household poverty reduction strategy" for most poor families in Africa. For instance, the declining Zimbabwean economy has forced many people who were formally and informally employed to migrate to South Africa in large numbers (Tevera & Zinyama, 2002).

According to a report provided by the Consortium for Refugees and Migrants in South Africa (CoRMSA, 2011), Zimbabwean migrants in South Africa are estimated to be between one and two million, although the actual figures remain elusive. Many of these migrants do not possess legal documentation (Tevera & Zinyama, 2002) and as a result, it is difficult for them to access financial services in the South African financial institutions, since these institutions require documentation such as valid passports with visas, proof of residence and salary slips. In light of the above observations, undocumented migrants in South Africa are facing challenges in saving, borrowing, investing and remitting money back home. As a result, they are at risk as they may become vulnerable to loan sharks and conmen if they access financial services informally. Despite the reality of financial exclusion faced by undocumented migrants in South Africa, many studies have rather ignored this phenomenon and focused on issues of social exclusion and associated barriers to access to jobs, accommodation, health care and education (Bloch, 2008; Nyamnjoh, 2006; Vawda, 2010; Kapindu, 2011; Crush & Williams, 2005).



In relation to that, the research seeks to investigate how undocumented migrants in South Africa access financial services and how this may affect their lives. The researcher finds it important to conduct a first-hand investigation on the strategies and experiences of undocumented self-employed Zimbabwean migrants who might be financially excluded in South Africa. Studying the experiences of undocumented migrants in South Africa is important as it allows for the exploration of their reactions and views of their financial exclusion or inclusion. Thus the present study aims to ensure that the voices of undocumented immigrants who are financially excluded are equally heard.

The research focuses on undocumented self-employed Zimbabweans (street vendors, hairdressers and barber men) in the Pretoria Central Business District (CBD). The research focuses on Zimbabweans because there were assertions that Zimbabweans are the biggest group of immigrants in South Africa particularly in the Limpopo and Gauteng Provinces (Danso & McDonald, 2000; Harris, 2001; Muzondidya, 2008; Polzer, 2008). Pretoria City was chosen because it is located in a province with the highest levels of migrants (Banati, 2007; Udjo & Kembo, 2008; MiWORC, 2014) and it was also convenient for the researcher since she is staying in the city. While this research focuses on undocumented self-employed Zimbabweans migrants living in Pretoria, it is likely that the experiences of these immigrants largely reflect the experiences of the vast number of undocumented migrants in other parts of South Africa.

## **1.2. Definition of "undocumented migrant"**

The 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families defines "undocumented migrant" as any human being without a permit/visa legalising them to enter, to reside or to work in the country s/he sojourns. According to the 2002 Immigration Act of South Africa, an illegal immigrant is a foreigner who resides in South Africa in contravention of the Act. As a result, a foreigner who entered the country illegally or who continues to stay in South Africa after his visa expires or who is involved in activities beyond the scope of what is duly authorised by his permit, is an "illegal" or "irregular" migrant. This study employed the above definitions whenever referring to "undocumented", "irregular" or "unauthorised" migrants. The next

section discusses debates on the financial inclusion/exclusion of undocumented migrants.

### **1.3. Understanding financial "inclusion" and "exclusion"**

Of late, policy makers have considered financial inclusion as an aspect of development policy, especially in countries such as the United Kingdom, USA, and France among others. According to *The Microfinance Review* (2013) definition, financial inclusion is:

"a state in which everyone who can use them [financial services] has access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, with respect and dignity. Financial services are delivered by a range of providers, in a stable manner, competitive market to financially capable clients" (*The Microfinance Review*, 2013:1).

Initiatives for accessing, availing and usage of financial services by all participants within the economy have come from financial regulators, states and the banking industry and regulative measures have been put in place in most countries. According to Sarma & Pais (2014), in the United States of America, the Community Reinvestment Act of 1997, calls for all banks to offer credit services throughout their area of operation. The act also forbids these banks from targeting only the rich. In the United Kingdom, the government formed a "Financial Inclusion Task Force" in 2005, in order to supervise the enhancement of financial inclusion. In South Africa, the establishment of "Mzansi" (a low cost savings account) in 2005 by the South African Banking Association was intended to promote savings and improve the financial inclusion of the South African poor. In 2011, the Department of National Treasury came up with a policy document titled "A safer financial sector to serve South Africa better" (which is normally known by many as the 'Red Book' because of its colour), in which financial inclusion was for the first time named as a national policy objective (*Microfinance Review*, 2013).

On the other hand, with all these efforts taken by governments and the banking sector, financial exclusion is still an issue in many countries. Financial exclusion, according to Leyshon & Thrift (1995), involves those processes that serve to stop certain social

groups in a society from accessing financial services from formal financial institutions. According to Carbo *et al.* (2005), financial exclusion is generally the incapability of certain social groups in a society to access financial services. Conroy (2005) has defined financial exclusion as a practice that prevents certain social groups (the poor and the disadvantaged) from accessing formal financial services in their countries.

The above definitions of financial inclusion and financial exclusion both signify that financial exclusion occurs mostly to social groups that are poor, disadvantaged and marginalised. Financial exclusion and its effects have been of interest to scholars in countries like the United Kingdom, USA and France (Carbo *et al.*, 2005; Connolly & Hajaj, 2001; Barr, 2004; Kempson & Whyley, 1998; Collard *et al.*, 2001; Orozco, 2006). However, their studies fail to incorporate the voices of those who are affected in order to understand their lived realities. It is important to understand how some people who are financially excluded insert themselves into the social and economic contexts that are generally indifferent and hostile to their well-being. It is also essential to understand the impact of financial exclusion on their lives by taking their voices seriously. From the above observations, the following section sets out the research problem of this study.

#### **1.4. Problem statement**

Building inclusive financial systems for the poor and the marginalised is generally accepted in policy circles of the developed world. Of late, financial inclusion has been recognised as a development policy priority in several countries such as Britain, France, Canada and USA among others. Researchers on financial inclusion and exclusion in these countries conclude that undocumented migrants are struggling to access financial services (Sarma & Pais, 2011; Carbo *et al.*, 2005; Barr, 2004; Connolly & Hajaj, 2001; Kempson & Whyley, 1998; Collard *et al.*, 2001). However, in the South African context, there is a lack of deeper analysis of the consequences of financial exclusion on the everyday lives of undocumented immigrants as most of the existing literature has focused strongly on social exclusion as mentioned in the preceding section.

Understanding various strategies that undocumented migrants in South Africa employ in order to hedge against the risk of financial exclusion is crucial. This study seeks to examine the strategies employed by immigrants in accessing financial services. It thus aims to contribute to our understanding of the predicaments brought by financial exclusion on their survival.

## **1.5. Research questions**

### **1.5.1. Main question**

- How, and with what consequences, do undocumented self-employed Zimbabwean migrants in South Africa access financial services?

### **1.5.2. Sub-questions**

- a) What strategies, if any, do undocumented self-employed migrants deploy to access financial services in the face of exclusion?
- b) What are the insecurities they face in their quest to access financial services?

## **1.6. Chapter Outline**

The study is divided into six chapters. This chapter provides an introduction and background information on the study. It also introduces the statement of the problem as well as the research questions. The literature review is in chapter two and it serves to give an overview of financial inclusion/exclusion in the global context. The chapter also gives an understanding of how illegal migrants are being socially excluded with specific emphasis on social exclusion. A conceptual framework of the study is provided in Chapter three. The chapter serves to show how the concepts of Human Security and "Alternative Economic Repertoires" are employed to understand the strategies employed by undocumented Zimbabweans in South Africa in the face of financial exclusion and the insecurities that they encounter.

Chapter four covers the research methodology. It offers a narrative of how the research was conducted and offers justifications of the methods employed in the research. Chapter five identifies the various strategies engaged by undocumented Zimbabwean

migrants to counter financial exclusion. The chapter also analyses the insecurities they face while trying to negotiate their survival. The conclusion of this study is offered in chapter six.

## **CHAPTER TWO: MIGRANTS AND THEIR MONEY: 'STATE OF THE ART'.**

### **2.1. Introduction**

This chapter develops an analysis of the extent, nature and impact of financial exclusion on undocumented migrants both in South Africa and globally. Academic literature on financial exclusion of undocumented migrants is well developed, particularly in the developed world. The researcher noted that although studies on financial exclusion are plenty, these studies were failing to incorporate the voices of those who are financially excluded and they rarely, if at all, take seriously the coping mechanisms that are being deployed by those who are excluded to counter financial exclusion. Globally, research has been generally concentrated on a) those who are excluded (Collard *et al.*, 2001; Kempson *et al.*, 2000), b) the characteristics of those who are excluded (Datta, 2012; Rahim *et al.*, 2009) and c) how they are excluded (Rahim *et al.*, 2009; Kempson *et al.*, 2000). The existing literature on financial exclusion largely omits an appreciation of the voices of those who are affected and how they incorporate themselves into the economy in the face of exclusion. Furthermore, in South Africa, studies that attempt to tackle the effects of social exclusion of migrants seem to fail to fully incorporate the impact of financial exclusion on their lives as has been illustrated in chapter one. In the paragraphs below, I examine the recent developments in the financial exclusion of undocumented migrants both in South Africa and in the world.

### **2.2. What do we know?**

#### **2.2.1. Financial exclusion of undocumented migrants in the developed world**

This section discusses existing literature on the extent, nature, causes and impact of financial exclusion on undocumented migrants in the developed world.

#### ***Which social groups are financially excluded?***

Kempson *et al.* (2000) and Kempson & Whyley (1998, 1999a, 1999b) in their study of financial exclusion indicate that those who are financially excluded in the United Kingdom

are young or very old people, lone parents, single pensioners, people who are unemployed and migrants of African-Caribbean descent, and those from Pakistan and Bangladesh. The results of this study also show that these migrants did not have current accounts, insurance policies, savings, and investment products. Moreover, Rahim *et al.*, 2009, Datta (2007) and Mitton (2008) identified undocumented immigrants, refugees and asylum seekers as exposed to financial exclusion. This is because they face language barriers, discrimination and racism (*ibid*). In addition, Hersi's (2009) study shows that the majority of UK Muslims (from Pakistan, Bangladesh and Somalia) are financially excluded and they are at the margins of the financial services sector. Also, Orozco (2006) and Rhine & Green (2006)'s study shows that immigrants face difficulties in accessing financial services in the United States of America. In their argument, they pointed out that almost 50% of USA's migrant population suffers from financial exclusion.

### ***What are the causes of financial exclusion?***

Numerous studies have pointed to different causes of financial exclusion among immigrants. For instance, Rahim *et al.* (2009) pointed out that migrants' experiences of financial exclusion are attributed to the fact that they do not meet conditions to qualify for services. Moreover, some individuals do not afford the cost of services and in some instances; services are located far away from their areas of residence. Furthermore, Leyshon *et al.* (1995, 1997, 1998), in their studies have found out that the majority of financial institutions view low-income earners and disadvantaged people as too risky when it comes to loan repayments. Financial institutions avoid areas where these groups of people live. Immigrants are not exceptional since the majority of them are undocumented, refugees and asylum seekers who are earning low incomes (*ibid*).

Furthermore, Datta (2007) shows that migrants have the same characteristics with other financially excluded people particularly the low-income groups in their host communities. Kempson & Whyley (1999a)'s statistical modelling shows that low income earnings among African-Caribbeans are the main cause of financial exclusion, but for the Pakistanis and Bangladeshis, language barrier, cultural and religious beliefs have an important role to play. All these different forms of financial exclusion constitute a nexus of obstacles to access financial services by many people who are poor and marginalised.

From the financial service providers' side, a number of studies have identified their dissatisfaction with low-income communities. This creates both physical and psychological barriers in accessing financial services by communities that are affected (Pratt *et al.*, 1996a; Thrift & Leyshon, 1997; Kempson & Wheyley 1999a; 1999b). From the above literature, it is evident that immigrants are often at risk of not accessing financial services, thus being subject to financial exclusion.

### ***What are the effects of financial exclusion?***

To further examine the debates on financial exclusion of immigrants, numerous studies have identified the effects of being excluded from accessing financial services. For instance, Rahim *et al.* (2009), Atkinson (2006) and Collard & Kempson (2005) reported that migrants and other groups who are financially excluded might possibly encounter problems when remitting money, borrowing from secure sources, making their savings safe and may also pay additional and costly charges. Moreover, Kempson (1998) and Herbert & Kempson (1996) reported that, minority ethnic groups that were unlikely to save using formal means in the United Kingdom, like the African-Caribbeans, Pakistanis and Bangladeshis, were most likely to use informal ways. Herbert & Kempson (1996) also reported that migrants in the United Kingdom remit money to their families that are overseas and among them are those without bank accounts and some among this group often resort to using remittance or foreign exchange agencies whose fees are exorbitant.

Again, the European Commission's 2008 report on financial services provision and prevention of financial exclusion cited in Rahim *et al* (2008), noted that individuals who cannot access credit from formal financial institutions are tempted to use loan sharks or sub-prime lenders whose charges are very high with substandard terms and conditions. This may result in most people being more vulnerable to greater financial difficulties because of the terms and conditions that are being offered by some sub-prime lenders. Again, they reported that those who do not have access to borrow from formal financial institutions, tend to use informal means for example, they borrow from friends and family members, as well as illegal moneylenders who may intimidate them when they fail to meet repayment dates.



### **2.2.2. Financial exclusion of undocumented migrants in South Africa**

In South Africa, financial exclusion of undocumented migrants is understudied. Current studies mainly focus on social exclusion and this is going to be shown in the paragraphs below.

#### ***Social protection***

Social protection's main concern is to reduce vulnerability, manage the risk of low-income earners, and of families and communities with regard to basic consumption of social services. This is related to language barriers, access to public health services, public education and the fight against discrimination, racism, xenophobic attacks by citizens, risk of ignorance, struggle against hunger and for equal opportunities (Adjai & Lazaridis, 2013; Bloch, 2008; Nyamnjoh, 2006; Landau *et al.*, 2005; Kapindu, 2011).

Adjai & Lazaridis (2013), in their research investigated how foreign migrants are perceived in South Africa. They also investigated migrants' experiences of discrimination and exclusion. The racialisation of migrants from other African countries and the xenophobic sentiments in South Africa are about politics of access, that is, a fight for resources whether political, social or economic (Adjai & Lazaridis, 2013). Further to that, Bloch (2008) in her research on migrants that are living in Musina noted that there are extreme xenophobic attacks in South Africa. These attacks are directed against foreigners (other Africans in particular) and accompanied by extortion and victimisation of these immigrants by the law enforcement officers (Crush, 2001; Klaaren & Ramji, 2001; Landau *et al.*, 2005).

Further, Vawda (2010)'s investigated how religious, ethnic and national identities are an important factor for immigrants in their attempt to search for solutions to problems of adoption, integration and assimilation in South Africa. He concluded that their identities, particularly religious, are important factors, in solving the above-mentioned problems. In addition, Kapindu's (2011) study explores the social protection of Malawian migrants in Johannesburg. From his study, he concluded that undocumented Malawian migrants in Johannesburg are excluded from accessing public health and education services, formal

employment and from safety net grants (child protection grants, disability grants, and old age grants among others). He further stressed that Malawian migrants are being excluded from social protection in situations of desperate need, for example, when they are unemployed, homeless and hospitalised.

### ***Structural barriers***

Studies by Bloch (2008), Landau *et al.* (2005) and Levitt (2004) have shown that undocumented migrants face structural barriers in their host communities. These barriers include discriminatory laws, linguistic marginalisation, labour market discrimination and societal stereotypes. Bloch (2008) in her research investigates the impact of structural barriers on undocumented Zimbabwean migrants in South Africa on their lives. One of the barriers is the problem faced by migrants in assessing asylum seeker permits in South Africa. Landau *et al.*, (2005) indicated that the Department of Home Affairs has on some occasions refused to accept Zimbabweans' asylum applications. In addition, immigration officers sometimes use excessive force on migrants, thus engaging themselves in corrupt acts (taking bribes from migrants for their papers to be processed) and abusing the human rights of immigrants (Adjai & Lazaridis, 2013). As a result, some immigrants stay in South Africa illegally (Landau, 2005; CoRMSA, 2007).

Furthermore, black African foreigners are negatively perceived by most South African nationals (Danso & MacDonald, 2001). Migrants are being perceived by locals as competing for limited resources, public services such as schools and medical care, infrastructure and informal trade opportunities with South Africans who are already suffering (Harris, 2001; Nyamnjoh, 2006; Crush, 2008). According Bouillon (2001a), Sichone (2001) and Simone (2004), most South African nationals perceive black African migrants as involved in illegal dealings such as smuggling drugs and banking fraud. Nyamnjoh notes that migrants fall as prey because of "their blackness, by a society where skin colour served as an excuse for whole categories of discriminatory practises" (Nyamnjoh, 2006:49). Furthermore, Nyamnjoh's study shows how certain groups based upon race, gender, ethnicity and class have been identified as outsiders, strangers or aliens in South Africa (*ibid*).

### ***Economic and political protection***

Literature shows that the economy of South Africa, especially its mining, farming, construction and security sectors depends on the cheap and exploitable migrant labour mainly from the SADC region (Crush & Williams 2005; Nyamnjoh, 2006; Bloch, 2008). In most of these sectors, the rights of employees are being ignored, worker's conditions are precarious and employers pay their employees incomes that are below the minimum wage (Bloch, 2008; Rutherford & Addison, 2007). To add, because of their illegality, their employers take advantage of their desperation and exercise tremendous power over them (Nyamnjoh, 2006; Bloch, 2008; Rutherford & Addison, 2007). Moreover, these undocumented migrants are not in a position to make complaints. This is because for them to complain to the police, they can find themselves in jail or repatriated to their original countries (Bloch, 2008).

### ***Human rights framework***

In theory, the Human Rights Framework protects undocumented migrants, but in reality, they are falling outside the zone of protection (Bloch, 2008). Even though some migrants are forced by circumstances to stay illegal, the International Human Rights framework should protect them as human beings in spite of their citizenship status (*ibid*) and this principle is universal. Regardless of this, undocumented migrants in South Africa are defenceless; they are treated as aliens and are being persecuted for immigration law violations. Bosniak (2004:323) noted that such migrants "usually lack access to many, if not most, civil and labour rights and social benefits, and they are afraid to avail themselves of the rights they may enjoy for fear of exposure to immigration authorities". Grant (2005:7) noted that immigrants "are frequently subjected to unequal treatment and unequal opportunities, as well as discriminatory behaviour". This shows that in reality undocumented migrants' rights are hard and impossible to access.

### **2.3. What do we not know?**

From the above literature, it is clear that previous research has focused on financial exclusion of undocumented immigrants and other disadvantaged groups (Carbo *et al.*,

2005; Barr, 2004; Collard *et al*, 2001; Orozco, 2006; Kempson & Whyley, 1998; Connolly & Hajaj, 2001). However, these studies fail to incorporate the voices of those who are financially excluded. This is evidenced from the research questions they produce in their studies. For example most of the questions are to find out who is excluded from accessing financial services and why (Collard *et al*, 2001; Kempson *et al.*, 2000; Mitton, 2008). Other researchers concentrate on the number of people restricted, the characteristics of those who are excluded and the ways that they were excluded from financial services (Rahim *et al.*, 2009; Kempson *et al.*, 2000).

There is hardly any literature that takes seriously the strategies that are being adopted by undocumented migrants to confront financial exclusion. Also, the positions taken in the debates of financial exclusion of undocumented migrants often seem to mirror arguments made in Europe and other developed countries (Kempson & Whyley, 1998; Connolly & Hajaj, 2001; Collard *et al*, 2001; Orozco, 2006; Rhine & Green, 2006). However, there is little effort made to understand the effects of financial exclusion among undocumented migrants in the context of developing countries. This study aims to explore the effects of financial exclusion on undocumented migrants in the global south, in this case, South Africa.

In the paragraphs above, The researcher scrutinized the contents and shortfalls of existing literature on undocumented migrants and their financial exclusion in their host countries, in order to outline the research agenda. In the following chapters, the study attempt to unpack the strategies that are being employed by undocumented migrants in the face of financial exclusion and the upsetting impact that they may exert on the lives of these migrants.

## **CHAPTER THREE: UNDERSTANDING UNDOCUMENTED MIGRANTS' FINANCIAL PRACTICES THROUGH A HUMAN SECURITY LENS**

In order to understand the strategies devised by the undocumented migrants in Pretoria, this study is drawing from "Alternative Economic Repertoires" Approach. In understanding the insecurities these migrants face in their quest to access financial services in the face of exclusion in their host country, the researcher draws from the Human Security Approach. These two concepts are going to be explained in detail in the sections to follow.

### **3.1. Human Security Framework**

Human Security concept was developed by the United Nations Development Programme in the early 1990s after the cold war (UNDP, 1993 & 1994; Duffield, 2006) and later in the 2003 Commission on Human Security Report (CHS, 2003) and the United Nations Secretary General's Second Report on Human Security of 2012. The concept was backed by security studies scholars, other international organisations and a growing number of national governments seeking to focus on the welfare of individuals facing a broad range of threats that had been neglected by traditional security (national, military and territorial security). Since the end of the Cold War, the notion of security has been broadened to incorporate threats that are being encountered by individuals and communities such as poverty, social exclusion, population displacement, infectious diseases, environmental hazards and violence against vulnerable and marginalised groups (Duffield, 2006; Paris, 2001). Khong (2001:231) added that "... scholars and policymakers have anointed such issues as 'security' issues".

The 1994 UNDP Report supposed that Human Security as a concept consists of two complementary elements, that is "freedom from fear" (e.g. conflicts and threats from wars) and "freedom from want" (e.g. poverty, social exclusion and preventable diseases) (UNDP 1994:24). The report identifies seven categories of risks to human security, and these are economic security, food security, health security, environmental security, personal security, community security and political security (UNDP 1994:23-25; Paris

2001:2; King & Murray 2001:589). The concept of Human Security considers the rights of people as a key component of security (Fukuda-Parr 2003:1-13) and it prioritises the security of individuals, particularly their welfare, wellbeing and safety, rather than that of the state (Duffield, 2006:11; Paris, 2001; King & Murray, 2001). According to Axworthy (2000:19), Human Security as a concept "puts people first and recognises that their safety is integral to the promotion and maintenance of international peace and security".

The Commission on Human Security was established in 2001, comprising of a group of experts led by Professor Amartya Sen and Sadako Ogata (Duffield, 2006; Estrada-Tanck, 2013). A final report, "Human Security Now" was submitted by the Commission to the UN Secretary General in May 2003. The Commission's report defines the objectives of the Human Security approach as:

"... to protect the vital core of all human lives in ways that enhance human freedoms and human fulfilment. Human security means protecting fundamental freedoms- freedoms that are the essence of life. It means protecting people from critical and pervasive threats and situations. It means using processes that build on people's strengths and aspirations. It means creating political, social, environmental, economic, military and cultural systems that together give people the building blocks of survival, livelihood and dignity".(CHS 2003 in Estrada-Tanck, 2013: 153).

The United Nations Secretary General's Second Report on Human Security (2012), stresses that Human Security "makes no distinction between civil, political, economic, social and cultural rights and as a result addresses threats ... in a multidimensional and comprehensive manner" (UN Secretary general 2012: para. 26).

South Africa, in the post-apartheid era, followed suit and emphasised the need to shift from state security to a people-centred approach to security. Human Security policies that were adopted by the new regime was the 1994 White Paper on Intelligence and the 1994 Green paper on Safety and Security, supported by the White Paper on Safety and Security that was adopted in 1998. The regime also adopted a new set of laws to replace the apartheid regulations for immigration, and these are the 1998 Refugees Act and the 2002 Immigration Act. These legal frameworks, alongside the South African Constitution, provide the framework for the laws enacted by the new government in 1994 that regulates the security sector.

The South African Constitution of 1996 promotes the concept of Human Security as highlighted in the quote below:

"National Security must reflect the resolve of South Africans, as individuals and as a nation, to live as equals, to live in peace and harmony, to be free from fear and want and to seek a better life". (RSA, 1996: s198a).

It also portrays the Bill of Rights as the basis of the post-apartheid era government and provides important protection for political and civil rights and also for other rights such as economic, social and cultural rights. Furthermore, the constitution highlights that South Africa belongs to everyone residing in it and everyone's rights are protected by the Bill of Rights (chapter 2). In relation to that, the majority of human rights are formulated as belonging to "every person", apart from a few that belongs to citizens only, and the rights includes, voting, forming a political party, accessing a passport as well as following a career of your own choice (FIDH, 2008; Adajai & Lazaridis, 2013). The International Federation for Human Rights (FIDH) in 2008 contends that, all of the remaining rights apply to all, thus benefiting migrants, including undocumented migrants such as, equality

before the law, not to be discriminated, the right to freedom and security of the person, the right to human dignity and the freedom of expression.

This concurs with the International Human Rights Laws, International Covenant on Civil and Political Rights (ICCPR) and the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families that recognises the same human rights to everyone, including refugees, asylum-seekers and irregular migrants. For example, Article 2 of the International Convention on Civil and Political Rights asserts that:

"The States Parties to the present Covenant undertake to guarantee that the rights enunciated in the present Covenant will be exercised without discrimination of any kind as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status".

The General Assembly of the United Nations in 1990, implemented the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families to ascertain the rights of migrant workers and to make sure that those rights are protected and respected, although South Africa is yet to ratify the Convention.

The 1994 White Paper on Intelligence recognises that although traditional security has been giving emphasis on military threats, however, the international security's post-cold war agenda focuses on a number of issues namely political, economic, military, social, religious, technological, ethnic and ethical factors that shapes global security (RSA, 1994). In the same year, the Green Paper on Safety and Security acknowledges the importance of accountability in policing and societal involvement in issues of safety and protection (RSA, 1994). These ideas were implemented in the 1998 White Paper on Safety and Security.

Moreover, South Africa through its regulatory framework for market conduct and consumer protection in the financial services has followed suit in promoting the concept of Human Security by introducing a number of laws to protect consumers. These include



the Financial Advisory and Intermediaries Service Act (2002), the Financial Services Ombuds Schemes Act (2004), the National Credit Act (2005) and the Consumer Protection Act (2011). In addition, the government of South Africa through the Department of National Treasury followed suit in protecting individuals from financial insecurity. The Department of National Treasury came up with policies that safeguard the financial sector and that protect its citizens from financial insecurity. "A safer financial sector to serve South Africa better" is one of the policy documents that the National Treasury came up with in 2011. In this policy document financial inclusion was clearly named as a national policy goal. This policy document set out National Treasury's four main goals and these are financial stability, consumer protection and market conduct, expanding access through financial inclusion and lastly combating financial crime. This policy document also makes it clear that these goals exist to support wider societal objectives:

"The financial service sector touches the life of each and every South African. It enables economic growth, job creation, the building of vital infrastructure and sustainable development for South Africa and her people" (page 1).

The South African Banking Association also promotes the concept of Human Security by establishing "Mzansi Account" (a low cost savings account) in 2005 that was intended to promote savings, and improve financial inclusion particularly for the unbanked and the poor.

As shown in the discussion above, Human Security is mainly about "freedom from want" and "freedom from fear", that is, freedom from risks and threats. In relation to that, I applied the Human Security Approach in this study to analyse the findings of field research conducted and drew conclusions against the theoretical framework of Human Security in South Africa as discussed.

### 3.2. "Alternative Economic Repertoires" Approach

The researcher uses the "Alternative Economic Repertoires" Approach to analyse the strategies (financial activities) that undocumented migrants in Pretoria engage in order to sustain themselves in the face of financial exclusion. According to Datta (2012), this concept was coined to understand how households devised creative ways of surviving the repercussions of neo-liberal restructuring and financial crisis across the world. Researches that emerged from the developing world since the 1980s particularly documents the adverse impact of neo-liberal restructuring upon poorer and disadvantaged households (Datta, 2012; Mohan 2000). The reforms exacerbate unemployment, inequality and poverty among the poor. In responding to the economic and social repercussions of neoliberal restructuring, those who were affected adopt positive "income-maximising" and negative "consumption-minimising" strategies (Datta, 2012). They achieved positive "income-maximising" strategies through the generation of additional sources of earnings and negative "consumption-minimising" strategies by relying on the reduction of expenditure on food and utilities (Datta *et al*, 2007a). In addition, the research on post-socialist economies demonstrates how the hardship caused by economic and social transformation in Europe have led to the crafting of alternative market and non-market repertoires, regulated and non-regulated economic practices by marginalised groups as they seek to cope with the transition (Piiirainen, 1997). The strategies employed by the marginalised households range from formal and informal work as well as activities undertaken in the "black" or "grey" economies (Datta, 2012). They employ these strategies as they seek to domesticate neo-liberalism.

In South Africa, marginalised and disadvantaged migrants also come up with different repertoires in order to counter social exclusion (discrimination, xenophobia and other vulnerabilities) particularly in the post-apartheid era. Hobsbawm (1992), Malkki (1995) and Appadurai (1998) argued that most accounts of discrimination and xenophobic violence in the world seem to focus on neoliberal restructuring as a primary driver. Bond *et al* (2011) has also argued that xenophobic attacks are eventually the effect of economic decline and uneven development due to structural adjustment programmes and deindustrialization (see also Tshitereke, 1999; Harris, 2002). These researchers pointed out that the ruling party's policies (that are neo-liberally driven) have led to high

levels of unemployment and as a result the livelihoods of people became more precarious than before and competition over employment and accommodation have reached extreme levels. In relation to that, immigrants become scapegoats, because they are wrongly perceived as threats to jobs, housing, education and health care, criminals, spreaders of diseases, accept low wages, consume resources and involved in illegal activities like drug dealing and banking fraud (Morris, 1998; Bouillon, 2001a; Sichone, 2001; Simone, 2004; Landau, 2004; Crush & Pendleton, 2007). Also Landau (2007) pointed that in Johannesburg; foreign street-vendors have been repeatedly subject to verbal abuse and violence by their local rivals. The citizens of South Africa feel that the government should prioritise its own citizens for employment to a greater extent than it does at the moment. Some South Africans perceive African migrants as *makwerekwere* (“babblers”)(Sichone, 2001) and as outsiders, aliens and strangers (Nyamnjoh, 2006).

According to Marxist or political economy perspectives, neo-liberal policy and structural adjustment undermine livelihoods and incite brutal competition over scarce resources such as jobs and housing. Looking at xenophobic attacks that have been occurred in South Africa in the past decade, I tend to agree that the Marxist perspective is correct to assert that xenophobic attacks are a response to neo-liberalism that is due to economic decline and high levels of unemployment and inequality among black South Africans. Also, Sichone (2008: 257) argued that xenophobic violence in South Africa was a result of globalisation as he writes:

“Xenophobia has been defined as one among several possible forms of reaction generated by anomic situations in the societies of modern states. The new South Africa is a good candidate for a society in a condition of anomie ... and we should therefore not be surprised to find unusual levels of moral confusion among the citizenry.”

Likewise, Francis Nyamnjoh (2006:1) claims that:

“the accelerated flows of capital, goods, electronic information and migration induced by globalization have exacerbated insecurities and anxieties, bringing about an obsession with citizenship and belonging and the re-actualization of boundaries through xenophobia.”

Due to the repercussions caused by neo-liberal restructuring and structuring adjustments (i.e. economic decline and inequality) that lead to xenophobic violence, some migrants in South Africa negotiated their forms of exclusion and informality through different kinds of repertoires, such as changing their style of dressing, have fake Identity Documents (IDs) and get married to South Africans as a way of gaining acceptance among the South Africans (Hungwe, 2013). Migrants use fake or forged identity books in order to survive in South Africa. Most of the IDs are anecdotal, or being stolen from or lost by South Africans (*ibid*). This concurs with Vasta (2008:3) who claimed that migrants may come up with 'innovative identities and cultures of resistances around papers and documentation as they seek to escape the power of the state's gaze by becoming invisible'. Some migrants marry South Africans as a way to gain citizenship and access accommodation (Van Nieuwenhuyze, 2009; Lancee, 2012b). Migrants also use a certain dress code to disguise their identity (Muzondidya, 2008; Broeders, 2009) for example they wear brand clothing like Nike, Puma, Adidas and Billabong (Hungwe, 2013). One of the tactics used by foreigners is 'keeping to yourself' as a strategy. This strategy is related to Barry's (1998) argument on social isolation where an individual chooses to be isolated because he/she fears to be negatively evaluated and discriminated. These tactics involves avoiding public spaces and staying away from South Africans (Hungwe, 2013).

While the concept of “Alternative Economic Repertoires” was formerly confined to tactics employed by households to domesticate neo-liberalism, under this study the concept was used to analyse the strategies engaged by undocumented self-employed migrants in negotiating the complex financial landscape they encounter in their host country. In this research, the participants' ability to develop repertoires to cope with financial exclusion was crucially shaped by the assets or capital that was at their disposal (Nee & Sanders, 2001) for example social networks. The coping mechanism employed by undocumented migrants ranged from formal and informal to market and non-market activities as they seek to engender financial inclusion.

## **CHAPTER FOUR: RESEARCH METHODOLOGY**

### **4.1. Introduction**

This chapter presents the methodology that was used by the researcher in conducting the research. It discusses the research methodology, data collection procedures, data analysis process, ethical issues as well as limitations of the study. A total of fifteen undocumented self-employed Zimbabwean migrants were interviewed in this study and this figure constitutes ten hair dressers and five street traders. All of the respondents were conducting their businesses in Pretoria Central Business District. In terms of their ages, they range from 23 years to 40 years, and most of the respondents were relatively young and were in their mid-twenties. Regarding gender, a large number of respondents were females and they constitute 80% of the respondents. In terms of their family life, all of respondents had children. Strikingly, the overwhelming majority of the respondents indicated that their children are staying in Zimbabwe under the guidance of their parents and other relatives.

### **4.2. Research methodology**

In this study, the researcher employed a qualitative research approach. This was the best approach to employ in this research because the research involves an in-depth understanding of a particular subject area and the way undocumented immigrants perceive it. Babbie & Mouton (2001) and Hennink & Hutter (2011) have observed that qualitative research gives a more in-depth description and understanding of events or actions that takes place rather than just presenting a phenomenon. Respondents are allowed to express their feelings or opinions in their own words. That is why Lincoln & Guba (1985) conclude that the purpose of a qualitative study is to gather enough information that lead to the in-depth understanding of the subject area. Although a qualitative approach has the disadvantage of being time consuming in collecting data and analysing it, the researcher chose this method, as it was the best method to conduct a study, which requires gaining an in-depth insight of undocumented migrants' lived experiences.

This study was exploratory. According to Cavana *et al.*, (2001:108) "an exploratory study is undertaken when little is known about a situation at hand, when there is no information available on how similar problems or issues have been resolved in the past". In this case, a research was undertaken because a problem has not been clearly defined. According to Saunders *et al.*, (1997) exploratory research is seen as a means of seeking new insights, asking questions and assessing a phenomenon in a new light.

### **4.3. Research technique**

This section presents the techniques that were used by the researcher in conducting the study. It discusses the sampling techniques, data collection techniques and data analysis process.

#### **4.3.1. Sampling techniques**

This study was conducted using a small but focused sample of fifteen undocumented self-employed Zimbabwean migrants in Pretoria. The sample size was limited to fifteen because of time and financial constraints. Data was collected over a period of two months (July-August 2015). In order to come up with a sample, the researcher adopted the snowball sampling method. This technique is frequently used when the elements of the population have specific characteristics or knowledge, but they are not easy to locate and contact (Cavana *et al.*, 2001). In this study, the subjects were undocumented self-employed (street traders, hairdressers and barber men) Zimbabwean migrants in Pretoria CBD. It was not easy to locate this particular group because in Pretoria, street traders, hairdressers and barber men consist of people from different countries (South Africa, Zimbabwe, Mozambique, Nigeria etc.), and among those from Zimbabwe some are holders of Zimbabwe Special Dispensation Permits (ZSP). In this case, new subjects were selected based on recommendations and information provided by the initial subjects. In other words, the first respondent referred a friend, and a friend referred a friend. Thus, snowball sampling relies on referrals from informants to generate additional informants, accumulating more informants as the study proceeds (Adam *et al.*, 2007). The researcher found it easier and more convenient for undocumented self-employed

Zimbabwean migrants to identify each other than to use other techniques and face the challenge of identifying subjects.

Whilst the technique reduced research costs, one of its limitations was that respondents were referring the researcher to additional subjects who hold similar views to themselves, thus limiting the generalisability of the research findings (Cavana *et al.*, 2001). In realising that, the researcher selected participants using purposive sampling where subjects were selected in a strategic way, making sure that the subjects selected were relevant to the research questions that were being posed (Bryman, 2012). According to Patton (1990), purposive sampling entails that subjects are selected because of some characteristics of the sample, which we would already have in mind. In the case of this research, the researcher was already have in mind a specific group of people who were exposed to financial exclusion in South Africa. The main advantage of purposive sampling in this research was that it allows the researcher to get to the target sample quickly (de Vaus, 2002).

#### **4.3.2. Data collection**

The research, as indicated earlier, was based on in-depth individual interviews in order to explore strategies deployed by undocumented self-employed migrants in Pretoria, and perceptions they have on financial exclusion. In-depth interviews seek to deeply explore experiences, views, feelings and perceptions of undocumented self-employed street traders, hairdressers and barber men. Again, in-depth interviews provided the researcher with opportunities for probing, asking follow-up questions and allow for interaction between the researcher and participants (Kothari, 2004). The respondents tend to appreciate the seriousness of the researcher and the study when a researcher contacts them in person, as compared to them receiving a questionnaire from the mail (*ibid*). The researcher used open-ended questions as these allowed the respondents to give in-depth and rich details about their experiences and opinion (Bernard, 1994). However, Adam *et al.*, 2007 have argued that the method is expensive in collecting data and also in analysing it.

According to Yin (1994), a pilot interview is crucial because it helps the researcher to improve his or her procedures and identify potential study design defects. In relation to that, the researcher found it important to conduct at least three pilot interviews in order to test the interview questions for clarity, content and completeness (Gorelick, 2000). Subsequent to pilot interviews, the researcher conducted a detailed analysis of the interview questions. The feedback from these interviews helped the researcher to validate the substance of the questions.

The researcher started the actual interviews with a street trader who is situated at corner Bloed and Bosman Street. This was because the street trader (interviewee) was known to the researcher. Since the researcher used snowballing as a sampling technique, this woman referred the researcher to two other self-employed undocumented migrants situated in Pretoria central. These two migrants also referred the researcher to other undocumented migrants, and this continued until the target was reached. Interviews were scheduled in advance and each one of them lasted for approximately forty minutes. Interviews were open-ended to allow for free-flowing dialogue (Gorelick, 2000). In order to establish relationships with the interviewees, at the beginning of each interview, the researcher gave respondents a consent form to read and sign before the interview commenced. In the consent form, the researcher gave assurance of the confidential handling of responses. The researcher conducted the interviews in two languages, that is English and Shona. This was because some interviewees were not fluent in English and preferred to use their mother language. The researcher is fluent in both languages.

All interviews were tape-recorded and each participant was asked for permission to tape record the interview. Brief hand written notes were taken during the interview sessions. The researcher conducted all interviews. Interviews were conducted in a setting that ensured confidentiality and it was the participants who selected the setting. Minors under the age of 18 were not allowed to participate in this study and participation was entirely voluntary. The researcher also informed the participants that they were not going to incur any direct financial costs in participating in this study and they were also not going to be paid for participating. The researcher indicated to the participants that she was going to utilise their precious time during the time of interviews.



### 4.3.3. Data Analysis

Since qualitative data analysis is a non-statistical procedure that analyses the meaning of people's words and behaviours (Cavana *et al.*, 2001), there is no natural split between data collection and analysis. Therefore, as the researcher was gathering data, she was also been analysing it. The data was captured using digital voice recorder and written notes. All the audiotapes and field notes were marked with date and time for easy analysis. The researcher employed thematic content analysis to analyse data. Thematic content analysis utilizes a series of qualitative analysis techniques such as content analysis, discourse or conversational analysis and semiotic analysis. In this study, the researcher employed content analysis to analyse data from in-depth interviews. According to Braun & Clarke (2006:79), thematic content analysis is "a qualitative analytic method for: identifying, analysing and reporting patterns (themes) within data. It minimally *organises* and *describes* your data set in detail. However, frequently it goes further than this, and *interprets* various aspects of the research topic".

I began by writing down or translating all the recorded interviews and written notes into text. I studied the text on interviews and noted down any ideas and themes that I came across. I double read each sentence in the text, jotted down any additional ideas, and classified the information into categories, thus open-coding (Thomas, 2006). I identified patterns or themes within the categories. Hayes (2000:56), identifies themes as "recurrent ideas or topics which are detected in the scripts being analysed, they actually come up in more than one occasion in a particular set of data". Emerging themes were grouped together in a meaningful or systematic way. The themes helped the researcher to summarise the findings.

In this research, the researcher was using direct quotations from interviewees to illustrate particular findings. I was also paying particular attention to context; by paying attention to the broader socio-economic environment of the undocumented migrants in order to understand their financial situation. While collecting data and analysing it, I kept in mind my obligation to conduct my research ethically.

#### **4.4. Ethical considerations**

This section discusses ethical issues and limitations of the study that the researcher considered. The researcher was aware that ethical considerations should at all times guide the conduct of this study. Voluntary participation, informed consent and confidentiality were three basic ethical considerations that I respected during the duration of the research.

##### **4.4.1. Informed consent**

The researcher was aware that necessary ethical clearance was supposed to be granted from the University of Witwatersrand's Ethics Committee. With the approval from this committee, informed consent forms were given to all respondents as part of the ethics requirements. Informed consent forms were therefore important as they helped to ensure that people's freedom and rights were not violated by the researcher. In addition, participants were granted the liberty to choose to be involved in the research.

##### **4.4.2. Confidentiality**

The researcher respected the confidentiality, anonymity and privacy of the participants. No actual names or identities were used on the tapes, and transcripts, instead, pseudonyms were used to ensure anonymity of the respondents. Given the sensitive nature of the enquiry as it involves individuals who are illegal migrants, maximum confidentiality was maintained with the respondents. Interviews were conducted at the participant's work place at scheduled times depending on individual's preferences. This is because most of these people were undocumented migrants who were afraid of being detained or deported by the police. Transcripts of interviews and tapes used for audio recording were destroyed after the submission of the dissertation to the University.

##### **4.4.3. Limitations of the study**

The researcher's ability to collect data depends on gaining access to its source. Saunders *et al.*, (1997), said that gaining physical access may sometimes be difficult

especially when organisations and individuals are not willing and prepared to participate in voluntary activities due to time constraints. Individuals will find it difficult to co-operate especially when they are afraid or feel embarrassed in disclosing their status, or if they have doubts about the credibility and competence of the researcher. In this study, the researcher was fully aware of the sensitivity of the research since the participants did not have legal papers that allowed them to stay in South Africa. To interview illegal migrants was difficult since they were afraid to disclose their status in fear of their immigration status (they were afraid of being detained by the police and deported back to Zimbabwe). In such scenarios, where such fears were exhibited, the researcher guaranteed the respondents of the confidentiality of their responses and directed their attention to the confidentiality clause in the letter from the University of Witwatersrand's Ethics Committee.

Another limitation was that the researcher focused on undocumented street vendors, hairdressers and barber men while excluding other undocumented migrants like security guards, bar and restaurant workers, construction and farm workers. This was due to financial constraints considering the fact that it was a self-sponsored study. Street vendors, hairdressers and barber men were chosen by the researcher due to easy accessibility in a bid to reduce costs. The research was going to have more impact if all undocumented immigrants across Pretoria were to be deeply explored.

## **CHAPTER FIVE: COPING WITH FINANCIAL EXCLUSION: CRAFTING OF SURVIVAL AND COPING TACTICS**

This inquiry has discovered that people who experience financial exclusion may encounter difficulties when it comes to accessing financial services, which is, gathering and keeping savings safe, borrowing from secure institutions, paying additional and costly charges for services and avoiding over-indebtedness (Rahim *et al*, 2009). In relation to that, the purpose of this chapter is to analyse the insecurities that undocumented Zimbabweans migrants face in their quest to access financial services and to give a broad outline of the various strategies that are being employed by these migrants in accessing financial services in the face of exclusion in their host country. The chapter also looks at the insecurities that they may encounter when employing these strategies.

### **5.1. Irregularity: undocumented migrants' 'fiend'**

"...It is not easy to be illegal in South Africa. Since I came here in 2007 up to now I am illegal, I am tired of it my sister" (Vincent)

Diversely labelled as "illegal", or "undocumented", the undocumented migrant population is high in the Republic of South Africa (Nyamnjoh, 2006; CoRMSA, 2011; Adjai & Lazaridis, 2013). These migrants comprise men and women who have been smuggled in the country without papers, individuals who have contravened the terms and conditions of their visas (e.g. overstaying) as well as those who decided to remain in the country after their applications for asylum were turned down (Waller, 2006; Bloch, 2008; FIDH, 2008). This concurs with the findings of this study where all of the respondents had arrived in South Africa without proper documentation and in some cases had had their application for asylum rejected. To illustrate the dynamic nature of illegality, one of the respondents Chiedza stated that:

"Since I came to South Africa in 2005, I do not have an asylum or a permit. I tried to apply one time but it was rejected. When I think about it I cry

because I can't do anything. Even going to the hospital they charge me a lot of money..."

Another respondent Rati, who had relocated to South Africa in 2009, could recall the destabilising impact that illegality had had upon her life, she said:

"... It's not nice, we are illegal here. If Home Affairs [Department] realised that we are here, it's over. We can't even open bank accounts because we are illegal. We are not safe and secure at all".

The above narratives reflect the impact of not having proper documentation on invisible migrants. This concurs with other studies which have noted the escalation of both internal and external controls on migrants and migration programmes such as tight border controls, the use of biometric technologies and the closer monitoring of migrants the moment they entered their host country (Broeders & Engbersen, 2007; Vasta, 2008; Bloch, 2008; Adjai & Lazaridis, 2013; Hungwe, 2013). On the other hand, both external and internal controls are dependent upon the "paper regimes" that are common in advanced economies (Vasta, 2008). These "paper regimes", consisting of different documents such as national identity cards, passports and asylums, are crucial in the construction of national identity and belonging (Datta, 2012). Nevertheless, they are also important in actively marginalising those who are believed to be "irregular", "undocumented" or "aliens" (*ibid*). This is the case with undocumented self-employed Zimbabwean migrants in Pretoria.

The study reveals that, besides the insecurities that undocumented migrants face due to their migration status (as discussed in chapter 2) such as xenophobic attacks, lack of access to basic education and health facilities, exploitation in the labour market and being arrested, detained and deported, undocumented migrants are also vulnerable to financial exclusion. These migrants face difficulties in opening bank accounts due to identification requirements. All of the respondents indicated that they failed to open bank accounts due to the fact that they were unable to provide identification, proof of income and proof of residence, thus, strictly limiting their access to financial services. This is due

to the fact that in the Republic of South Africa, all registered banks stick to international anti-laundering and anti-terrorism laws that require one to have particulars such as an ID or passport with a valid permit, proof of residence, proof of employment and photos.

However, these requirements expose undocumented self-employed migrants to financial exclusion since they do not have legal papers and proof of employment. This concurs with Rahim *et al* (2009); they argued that, these requirements for migrants to provide identification can also obstruct their likelihood of gaining access to financial services. They further argued that it is a challenge for migrant workers to provide proof of residence since they often rent rooms or beds in multiple occupancy houses where they are unlikely to have their names on utility bills (*ibid*). Atkinson (1998) refers the inability to access financial services as related to social exclusion in consumption. Since the legality of the undocumented migrants under study was questionable, they had no access to financial services because of the reasons provided above. Being unable to obtain credit from banks or other mainstream financial providers, saving from reliable service providers and remitting funds using regulated financial institutions forced these migrants to use intermediaries or sub-prime lenders who charge higher rates and unregulated financial institutions which are not secure. As a result, by opting for such alternatives these migrants are more vulnerable to greater financial difficulties. These alternatives and the financial difficulties that illegal migrants face are going to be discussed in detail in the following chapter.

## **5.2. Strategising for banking inclusion**

Most strikingly, all the respondents in this research were aware of the formal channels of accessing financial services and were also aware that they do not qualify for these services because of their immigration status. The discussion below considers how illegal migrants have to deal with the obstacles that surround banking access. They deal with these obstacles through the crafting of various tactics and use of local and transnational capitals and these include human and social assets in the form of bonding (Datta, 2012). As such they use both informal means such as family and friends networks, stokvels, mobile banking (bicycle men), and semi-formal means such as Muku.com (a

remittance company) in order to have access to savings, credits, investments and remittances. Organised in two sections, the chapter begins by analysing informal related practices that undocumented migrants employ and those that they derive from the semi-formal sector. The second section investigates the insecurities that these activities entail on the livelihoods of undocumented self-employed migrants in Pretoria.

### **5.2.1. Migrants' money management: Alternative practices in the regulated and non-regulated sectors**

Researchers like Rutherford (1999, 2002) and Collins *et al* (2009) have noted that people who are financially excluded have the ability to manage their finances outside the formal banking system, particularly in the global south. This research also notes the diverse ways in which households manoeuvre or manage their finances through savings, borrowing, investing and remitting, utilising different strategies and institutions (Rutherford, 2002). It is important to note that such cash flow management highlights the relationship or connection between credit, savings, investment and remittances. Being financially excluded leads to high levels of insecurity and risk as discussed in chapter two. Undocumented Zimbabwean migrants in Pretoria tried to address these insecurities via different devices as discussed in the paragraphs below.

This research discovered that informal savings and borrowing practices were undertaken on an individual basis and these include saving cash at home, converting local currency into foreign currency or on a one-on one basis (e.g. reciprocal borrowing, borrowing from money lenders, handing savings over to money managers) and also on mutual basis in Rotating Savings and Credit Clubs (ROSCAs) known as *stokvels* in South Africa (Datta, 2012; Kempson, 1998; Rutherford, 2002; Kempson & Finney, 2009). The above-mentioned 'alternative' practices were played out in different financial places and were organised through different financial organisations and these include informal financial services that were provided by un-regulated market providers (money lenders and saving managers) as well as non-regulated non-market providers (e.g. family and friends). Leyshon & Thrift (1995) came up with a typology of retail financial services which distinguishes between regulated and non-regulated and market and non-market financial services as shown in table (6.1) below. Leyshon & Thrift (1995) and Ruthven (2002)

argued that, such activities and instruments mirror various types of relations within families and communities and varying levels of reciprocity, trust and obligation.

Table 6.1: Leyshon & Thrift 1995's typology of retail financial services

	Regulated	Unregulated
Market	(a) Regulated market services -Banks, insurance companies, building societies	(b) Unregulated market services -Money lenders, pawnbrokers, loan sharks, saving managers
Non-Market	(c) Regulated non-market services -Social funds, credit unions, community development banks, micro-finance organisations	(d) Unregulated non-market services -Family/friendship networks, informal savings clubs (burial societies, Christmas savings clubs), ROSCAs.

Source: Adapted by Datta (2012:119)

### Savings

Savings refers to the ability of an individual to set aside money for the purpose of future use. It is important to promote the development of a savings and asset-building culture in order to provide personal safety-nets in a risky society, because through savings, people may become independent throughout their life time (Collard *et al*, 2003). Savings also provide people with security if things go wrong and comfort in old age (*ibid*). The propensity to save money in the form of cash was documented in both advanced and developing economies, and is particularly common among financially excluded low-income groups, who store their savings as change in containers, piggy banks, or 'mud banks', in different envelopes each set aside for specific expenses as well as sewn into petticoats (Datta, 2012; see also Rutherford 2002; Collard *et al*, 2003; Kempson & Finney, 2009). This was also noted in this research and this shows that undocumented



migrants who are financially excluded are not passive people but they have to deal with the hindrances that prevent them from accessing banking services which are particularly revolving around their illegal migration status.

In this study, all of the respondents believed that savings are important for security, for their future and also for them to be able to send money back to their relatives in Zimbabwe. This finding concurs with (OFT, 1999) who argued that among ethnic minority consumers [this group includes undocumented migrants], savings were considered as a hedge against future problems, to help children's future needs and for planned events such as weddings and to visit their home country. Although they considered savings to be important, however, because of their illicit status that hindered them to use the regulated market services, they were forced to use unregulated market services such as saving managers and unregulated non-market savings such as family and friends and group saving known as *stokvels* (Kempson *et al*, 2000; Datta, 2012). These repertoires were driven by the fact that to open a bank account, one requires having the necessary documentation (e.g. an ID or a valid passport with a valid visa, proof of address and sometimes a payslip) (Rahim *et al.*, 2009; Datta, 2007; Mitton, 2008). This was also elaborated by Marko, who worked as a hair dresser, he stated that he was once having an asylum permit and was able to open an account with FNB bank but since the asylum permit has expired and his account has been closed. He asserted that "it's discrimination". Monica also stated the importance of having documents when one needs to open an account, she said:

"We came up with these ways as foreigners. Most of us we cannot access the banks to get bank accounts. So we have come up with these ways of saving money because as a foreigner it's not easy to open a bank account without a permit. Vanoda [they want a] permit."

### **Stokvels/ Group Savings**

As part of coping mechanisms, the research revealed that all of the respondents use *stokvels* as one of the means when saving their money. Hungwe (2013) noted a

similar strategy that was used by migrants and she stated that the money that was invested functioned as social security. *Stokvels* are informal, voluntary group pooling funds for the purpose of helping any contributor in a financial need (Schulze, 1996; Verhoef, 2001). It is also a way of saving in the form of saving *stokvels*, groceries, funeral policies among others (Verhoef, 2001). The origins of *stokvels* (traditional community-based savings groups), can be traced as back as at the beginning of the 19th century where British settlers in the Eastern Cape would rotate cattle auctions to the locals who would pool resources to trade livestock, known as stock fairs or “*stokvels*” (1)(2). Since then, *stokvels* have existed as groups of people bound by a common cause, such as friends, family or colleagues, pooling financial resources for the benefit of the group. Saving *stokvels* are also known as Rotating Savings and Credit Associations (ROSCA'S) in other countries (Datta, 2012; Leyshon & Thrift, 1995). Members would receive a lump sum on a rotational basis, daily, weekly, fortnightly, monthly or yearly depending on the type of the club. In most of these savings clubs, members are free to use the money for any purpose.

This study discovered that the most popular type of *stokvel* is the 'savings *stokvel*' of which all of the respondents were in this type of *stokvel*. Five of them belonged to the one for groceries. None of the respondents were in a funeral *stokvel*. The undocumented migrants under study were using ethnic ties to get ahead. Participants in the *stokvel* club were all Zimbabweans of the same trading (street traders and hairdressers). The respondents stated that they participated in these revolving savings clubs where some pay monthly contributions of R1000 and others weekly subscriptions of between R200 and R500. They keep the money for future use and the money also functioned as social security. A key informant of mine, Monica, told me that she was in two *stokvels* that is one for cash, and another for groceries. In the *stokvel* for cash she explained to me that she participated in three of them. In one of them the group was sharing money after a period of a year, the second one was on a monthly basis and the third one was on a weekly basis. Table 6.2 below reveals how these groups operated.

The study also found out that one of the mechanisms that undocumented migrants employ to deal with exclusion and mistrust is to come up with *stokvels* that consists of a group of friends because trust is the most important ingredient. As a group they have to know each other and to know that each member is going to pay his/her contribution and that they are going to continue subscribing after they have had their pay-out. Chiedza participates in a *stokvel* with a total of twelve members. They contribute R500 every week and the club comprises of Zimbabweans only who are all hairdressers. She states that in their group trust is central and they do not include other nationals because they do not trust them and they fear that they may run away with their money (Hungwe, 2013). She also states that one of their members is the one who is keeping the money and they share the money after every six months. When asked how she keeps the money she was not sure but what she said is:

"She is very faithful and honest. It's now a very long time working with her. She has a book and every time we give our money to her she writes your name and amount and we sign. We have learnt to be more sceptical like when it comes to money. We only give to the person that we know that in the event of us not having our money back we can get something from her".

Chiedza also explained that their *stokvel* is also a borrowing *stokvel* which loans money to its members at a monthly interest rate of 10% and non-members at a monthly interest rate of 30%,

"We give chimbadzu [high interest rates] of 10% to members and 30% to non-members. If you are not a member and you borrow R100 we charge you 30% and you pay it at R130 after a month".

In this way, they were able to share the interest accrued among themselves after every six months. This strategy of saving money through a *stokvel* helped them a lot when it comes to going home, sending money home and buying groceries and household goods. One of the respondents Rati says, "These *stokvels* are helping me a lot in saving money to go home. I will be able to buy groceries, pay my kid's school fees and buy some

clothes for her". This tallies with Datta's (2012) observation that cash saving through group-based informal saving clubs are important for migrants when it comes to go home.

Table 6.2 structure of the stokvels that some of the respondents were in.

	Weekly		Monthly		Yearly	
	Amount	Members	Amount	Members	Amount	Members
Monica	R500	4	R1000	4	R1000	4
Chiedza	R500	12	-	-	-	-
Rati	-	-	R500	4	-	-
Brenda	R300	4	-	-	-	-
Nomsa	-	-	R1000	10	-	-
Marko	R1000	-	-	-	-	-

### **Mobile Banking (Saving Managers)**

As part of coping mechanisms, several undocumented migrants under study save their money through saving managers, that is handing over their money to money managers for safe keeping (Datta, 2012). These money managers are of Nigerian origin and the respondents named them mobile banks. Mobile banking is a popular tactic that was being used by undocumented migrants especially street traders and hairdressers based in Pretoria CBD. These mobile banks move around the CBD collecting money from their clients on a daily basis. They collect as little as R20 up to R200. It depends with the client's options and affordability that determines one's contributions. If one is affording R20 every day, what it means is you will be depositing R20 everyday including Sundays and the charges will be R20 per month. The same with those who afford to deposit any other amount that is above R20, the amount that you deposit on daily basis is equivalent to one's monthly charge. These mobile banks give their clients a card with the client's name that shows their membership, and on the other side that is where the banker signs each time when his clients make a deposit. These bankers have a book where they keep the records of their members' contributions, and each time a member makes a deposit they are asked to sign in the book.

**Figure 1: An example of a Mobile bank card**



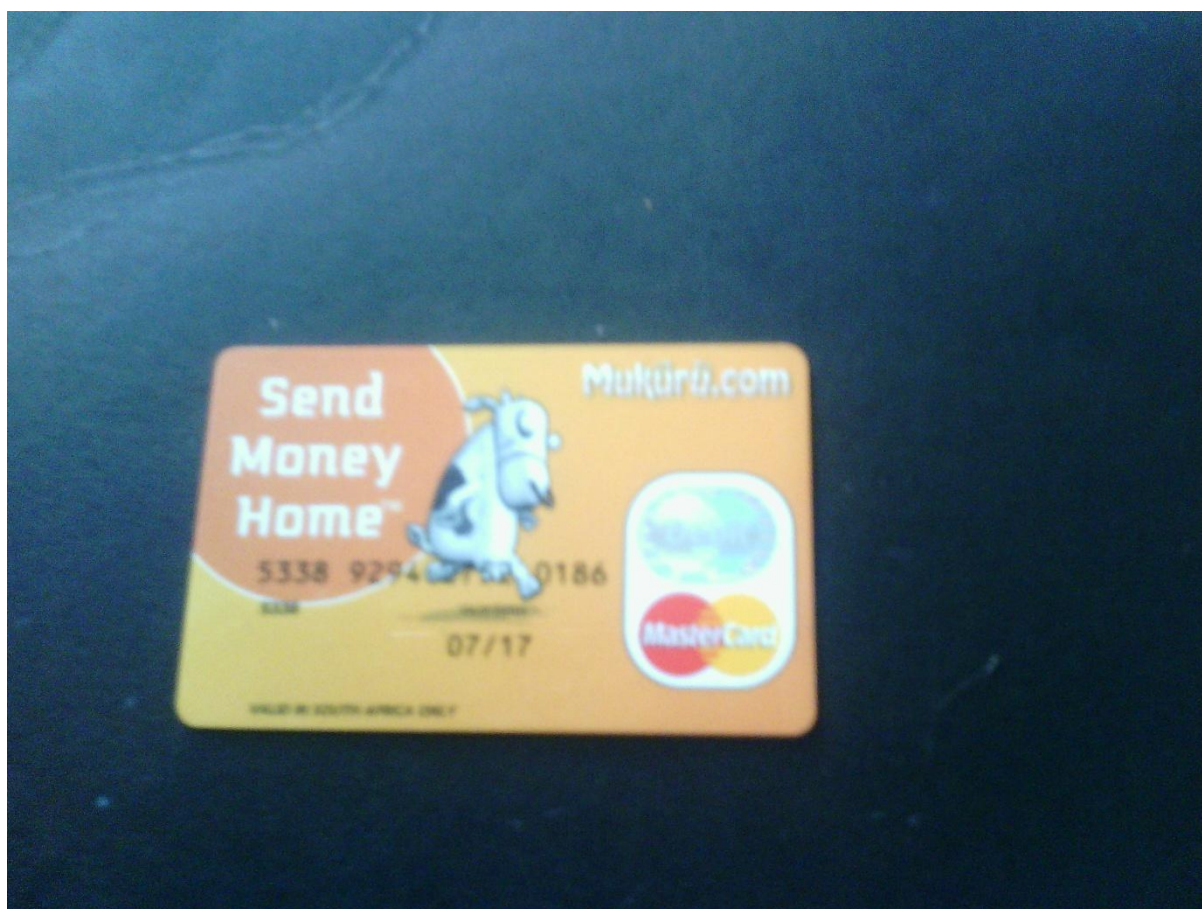
When it comes to withdrawals, clients withdraw the money anytime they wish. One of the respondents, Varaidzo, told me that she joined these mobile banks two years ago and she claimed that the guys are very honest and trustworthy and 'When I want my money they give me' she asserted. This research also revealed that the clients withdraw money whenever they wish to. If they want to keep the money in these mobile banking, they can do so even up to more than a year. One of the respondents, Rudo claimed that she is a member of Communication Trading Enterprise CC for three years and she said, 'I contribute R50 on a daily basis and my monthly charge is R50'. When asked where the guys are keeping their money she was not sure and state that what matters is trust, 'I was doing business with him for the past three years and I haven't had any problem with him'. However, the research revealed that all of the respondents who are saving money through these mobile banks do not know the banks' physical address, their land lines or whether they are registered with the Banking Association of South African (BASA). Even

though there is trust, but in the event of the death of the banker or mistrust, these migrants do not have any means to recover their money. In South Africa, legitimate professionals should be registered and licensed, provide their clients with physical address and able to explain clearly what they are doing and where they are keeping clients' money. It is also critical for clients to fully understand their bankers, including what type it is, what the risks associated with it, and the banker's criminal background in order to avoid or reduce risks. The study also reveals that there is lack of proper documentation. The clients have a card and the banker a book. In the event that the book is lost or torn, it means no records are available anywhere. Another challenge is these migrants are undocumented, they do not have access to professional advisers, and they only rely on friends, family and co-workers for advice.

### **Mukuru.com Account**

In this study, five of the respondents also use *Mukuru.com* account to save their money. The account belongs to *Mukuru.com* also known as Inter-Africa Bureau de Change. *Mukuru.com* provides its customers with a debit card, which they call *Mukuru* money card and also a reference number. One of the requirements is for one to have a valid passport even without a visa or to have an asylum or a South African ID. This research also revealed that with the *Mukuru* money card, the customers can receive their salaries if they are working, swipe at retailers when shopping, withdrew cash at ATMs anytime, send money to Zimbabwe from South Africa, buy airtime directly from their mobile phone and also save money. The card is for free, customers must deposit R100 at Standard Bank and R50 is activation fee. Their monthly fee is R25.

**Figure 2: Mukuru.com money card**



Varaidzo, one of the respondents explained that *Mukuru.com* has an account with Standard Bank. This one big account contains sub accounts for its clients. She goes on to explain that when clients deposit their money it goes in this one big account. Each client has his/her reference number which they use as an account number and the number appears on their debit cards. She also explained that when the account is not active for three month, *Mukuru.com* will close it. When asked of the advantages of using *Mukuru.com*, Varaidzo said 'my money is safe and their charges are low, R25 per month'. Another respondent Nyarie revealed that although the money is safe under *Mukuru.com* the problem is that:

"The bank doesn't know me because the account is under *Mukuru.com*. If anything bad happens, I don't know where to go and report. In fact I don't understand in full how it operates".

Other respondents were arguing that they were using the facility because they have no other better options. They revealed that the facility is expensive since the withdraws from standard bank ATMs cost them R8.50 per each withdrawal and from other banks it will cost R14, 50. Any balance inquiry made at Standard Bank will cost R2.65 and from any other bank it will cost R3.85. The research further revealed that if a client gets cash back at a point of sale it will cost him/her R4.50. *Mukuru.com* clients do not have access to internet banking and cell phone banking, although these two methods are free of charge. These findings shows that undocumented migrants in South Africa are living in permanent insecurity as was also observed by the International Federation for Human Rights (FIDH) in their research that was conducted in 2008 as explained in chapter three.

### ***Investments***

Investing is the act of committing money or capital with an endeavour expecting to obtain an additional income or profit. In South Africa, the Department of National Treasury launched the RSA Retail Savings Bonds in 2004, in order to cater for the poor and the low income groups. There are two types of bonds that they offer, and these are the existing fixed interest option and a new inflation linked bond that is protected against inflation. The retail bond is being bought starting from as little as R1000 and it carries no commission or service fees and it is simple, secure, easily accessible and affordable. The National Treasury offers these features in order to encourage household to start long-term savings. According to the Department of National Treasury, these bonds encourage personal economic empowerment since they provide an alternative investment instrument that is safe and secure. The bonds are available to all South African citizens and permanent residents with a valid ID number and South African bank account.

However, invisible migrants are not eligible for these instruments no matter how long they have stayed in South Africa. Since street traders and hairdressers under study are invisible, they do not qualify for this privilege and other instruments in the legal market. For this reason most of the respondents are not investing, only a few, 40% are investing with what is called *Kipi mydeposit* investment facility.



According to *Kipi mydeposit's* website and the information that this research gets from the participants, *Kipi mydeposit* is a *stokvel* that started in Russia in 1995 and was introduced in South Africa in the year 2013. This service was designed for those who have dreams and wish to fulfil them. It is a community of different people with the same goal of fulfilling their goals and these goals range from buying a car, buying a house, paying school fees and even paying *lobola* (dowry). The clients have different dreams but they are all in one community and helping one another in fulfilling their dreams.

### **How Kipi mydeposit works**

Chiedza one of my key informant, states that *Kipi* is a facility based on buying dreams and it's an e-investment that is it is an online investment. When its clients want to buy a dream, the system asks them for a financial value for their dream to be fulfilled and the amount they have to donate towards that dream. The system will then show them an estimated timeframe for their dreams to be fulfilled. After that, the system requests them to transfer the amount that they are donating to a fellow community member. The money will go towards fulfilling another community member's dream or will be kept by another community member as cash in hand until the time came to fulfil someone's dreams. To avoid fraud, a community member whose account is being used to keep another member's funds, his/her donation is not supposed to be less than the depositor's donation. If he/she is going to use the depositor's money which is less than his donation he is going to be disqualified and lose his donation which is higher than what he spends. For this reason, the respondents have a feeling that their money is safe.

The research revealed that, when one donates R1000, he/she will earn R20 000 after twelve to eighteen months, and if he/she donates R10 000, he/she will earn R200 000 after twelve to eighteen months, and when one donates R100 000 he/she will earn R2 000 000 after twelve to eighteen months. The minimum donation that one can make is R100 and maximum is 119 000. The timeframe to get your pay out depends with an individual. It was revealed that one can request for his/her pay out as early as after four months.

Spiwe a hairdresser and also one of the participants had something to say about the charges that the community charge. She explained that when one joined the community with R 1000, his/her charges will be R100 joining fee and R360 for bit coins. The value for bit coins is pegged at USD and it varies from time to time depending on the exchange rate on the market. When asked the purpose of buying the bit coins she said, "I am not sure. But I think it is for keeping our money. It's not a charge, it's just money to pay for those people who are keeping the records for us". This shows that, although these migrants are resourceful, and knows when and how to manoeuvre in their host country (Hungwe, 2013), they are not well informed in some of the activities that they engage in. The lack of information is a major factor preventing undocumented migrants from protecting themselves from risks.

Monica, one of the respondents is also a member of *Kipi mydeposit* club. She invested R1 000 with *Kipi* in January 2015. Her dream is to go back to school and do a diploma in hairdressing, so the money that she is going to get from the investments will be going towards her school fees. She states that when one wants to make a donation, the system will give him/her an account number where they deposit the money. The system also asks the client's email address where the club will update them of their investments. Chiedza, one of my key informants, is also a member of *Kipi mydeposit*, she says:

"I have invested R7000. The investments I did them like they are two. The first one it was for R2000 and I am going to collect it when its R40 000 and it will be after sixteen months. The second one is for R5000 and I did it for short term and I am going to collect it when its R15 000 and it will be after six months".

This research revealed that none of the participants has yet received their pay-outs since all of them joined the community in 2015 and were still waiting for their funds to mature. The research also revealed that the biggest challenge that these migrants face is of following up their money after they make a deposit when the account holder fails to acknowledge their receipt:

"The thing is, the problem is sometimes when you send the money to one of the members of the community, that member is supposed to respond or to acknowledge the receipt of the money. So if that person doesn't mark or doesn't say I receive your money it means that they won't [*Kipi mydeposit*] acknowledge that you have deposited the money in the system" (Monica).

When asked on how they do the follow up in such a scenario, she says:

"For like lately, they have put phone numbers so that when you deposit the money to someone you can communicate with him, telling him that I have been assigned to send money into your account. Then that person is supposed to be close to the internet and stuff so that they can mark as soon as you deposit the money. So of let it has been improved".

This highlights the various ways in which undocumented migrants manage their funds utilising a variety of devices and institutions (Ruthford, 2002). However, such operations of a 'mini-economy' in poor communities may lead to high levels of insecurity and risk (Datta, 2012). For instance, in this study, all of the participants who invested their money with *Kipi* do not have an idea of who really is the owner of *Kipi*, where its Head Offices are, their physical address in South Africa, and whether it is registered with Financial Services Board or not. Although the participants claim that many people have benefited from this community, of which some of them are their friends, the problem is it is an online investment. If anything happens, they do not have anywhere to report and to make matters worse; they do not have anyone to point finger on.

### ***Borrowing***

The issue of access to credits is important to the low-income groups and the poor in South Africa. A lack of access to possible ways of borrowing could at times possibly force people to employ informal routes which are sometimes risky (Datta, 2012). This is true of the undocumented migrants in Pretoria, who because of being excluded from borrowing from the formal sector because of their immigration status; opt to borrow from families

and friends and moneylenders. The bulk of the credit transactions undertaken by migrants under study were based on reciprocal interest free lending ( e.g. from family/friends) and to a lesser extent from interest bearing loans acquired from unregulated market service providers (e.g. unregistered money lenders). This finding is supported by wider research, which states that these practices are in fact likely to be underreported because they are invisible ways of managing cash flows and covering deficits and also because of small amounts of funds involved (Dreze *et al*, 1997; Rutherford, 1999; Ruthven, 2002). Although the predominance of these strategies was undeniably shaped by migrants' exclusion from both regulated market services and regulated non-market services as elaborated in chapter 3, they were also embedded within wider social relations and the mobilisation of multifaceted networks that connects them to families, friends, co-nationals and broader migrant communities situated in South Africa, back home and across the world (Nee & Sanders 2001; Ruthven, 2002; Muzvidziwa, 2010).

### **Don't borrow but live within your means as a strategy**

Not borrowing and 'live within your means' is one of the strategies that is being used by most undocumented migrants in order to survive financial exclusion in Pretoria. 'Living within your means' was the regular phrase that most respondents use to describe how they are surviving financially. Nomsa, one of the respondents stated that since she does not qualify to borrow money from the banks, she decided not to borrow at all, but to be satisfied with the money that she is earning. This is attributed to the fact that if she borrows she may end up borrowing from the *Mashonisa* (loan sharks). This concurs with Hungwe's (2013) findings where she states that migrants preferred to live within their means by buying clothes through lay-by and ate pap with cabbage time and again. Some respondents like Rudo do not like 'being a burden' to their relatives, and even to friends although she resorted to the same people during terrible financial situations. She argued that within families, conflicts are most likely the results of borrowing money and failing to pay back, especially from family members. As a result, she does not borrow money but tries to live within her means. Marko, a hairdresser argued:

"I am greatly affected when it comes to borrowing. I can't get a loan from the bank because I don't have legal papers and I am not working. And to make matters worse, no one is willing to give me credits. I end up not bothering myself to borrow. What is important *kugutsikana nezvaunazvo* [be satisfied with what you have]"

This illustration shows that migrants are greatly affected when it comes to borrowing while in their host country. However, living within one's means was a difficult task for other participants since this means that they were not supposed to borrow even when an emergency comes. For instance, some participants were indicating that they are forced to borrow because of the emergencies that may come their way, for example a child may get sick, and a relative may die or any other plight. This may end up forcing them to borrow in order to solve the problems that may come when they are not prepared financially (Kempson & Whyley 1999a; Kempson *at al.*, 2000). In such situations, respondents' stated that they borrow from friends and relatives, *stokvels*/saving clubs and/or from mobile banks (bicycle men).

### **Friends and relatives**

One of the alternative repertoires utilised by irregular migrants under study when it comes to borrowing is the use of friends and relatives. A number of undocumented migrants believe in kinship and social networks when it comes to borrowing (Datta, 2012; Hungwe, 2013)) and these arrangements reflect various types of relations within families, friends and migrant communities. The research reveals that relatives, co-nationals and friends are the core source of help when one is in crisis. Most illegal migrants under study have a perception that friends and relatives are better than *Mashonisas* (loan sharks) when it comes to borrowing,

"I prefer to ask my friends and relatives to borrow me money when I am in a financial crisis than mashonisas. Friends and relatives do not charge me interest rate" (Chiedza).

Other migrants prefer to borrow from friends and not from relatives. For instance, one of the respondents, Spiwe, said that her 'policy' is not to borrow money from relatives,

"A friend is better when it comes to solve my financial problems because they don't judge me or negatively evaluated me as compared to relatives".

The use of friends and relatives is particularly important in facilitating undocumented migrants' access to credits given that their access to formal channels is far secure (as elaborated in chapter 2). The use of different repertoires shows that undocumented migrants are resourceful, know when and how to domesticate financial exclusion in their host country. The study also reveals that the use of friends and relatives as a coping mechanism is based on migrants' social status and history.

### **Mobile banking and stokvel/saving clubs**

Under this study some migrants make use of unregulated market service providers such as mobile banks and unregulated non-market service providers such as *stokvels* when it comes to borrowing money. They employ these coping mechanisms in times of crisis to avoid strong reliance on family members, colleagues or *mashonisas*. When asked about interest rates charged by *stokvels*, the responses that were given ranges from 10% to 30% per month. The study revealed that a member of a *stokvel* is charged 10% of the value of the amount borrowed and non-members 30% per month. The loan is supposed to be paid back after three to four months if one is a member and after a month if not a member. Mobile banks do not charge any interest rate and the money being borrowed must be paid after a month. Mobile banks only lend money to members and the amount of a loan is not supposed to exceed the borrower's contributions.

### **Remitting**

There are two different types of remittances that are, domestic or internal remittances and international remittances. Domestic remittances are remittances that occur within the boundaries of a state and are as a result of internal migration and international remittances are wages earned abroad (Gumede, 2010). Countries apply different

definitions of migrant remittances but the most accepted and cited definition in the literature explain migrant remittances as transfer of funds and goods from diasporas to relatives and friends in their country of origin (Tevera & Zinyama, 2002; Mazuru, 2014).

As it is widely recognised that remittances have the ability to improve the standards of living and uplift the quality of life of the recipients (Taylor, 1999; Kothari, 2002; Mazuru, 2014), in the case of undocumented migrants in Pretoria, these remittances are mainly sent through semi-formal and informal channels such as money transfer companies (Mukuru.com and Kawena), transfer brokers (cross-border bus drivers and *amalayitshas* -cross-border taxi drivers) and family and friends (Kaldor & Kostovicova, 2008; Tevera & Zinyama, 2002; Mazuru, 2014). These migrants end up opting for these means when sending money back home because they face difficulties in opening bank accounts because of their immigration status (Atkinson, 2006). The research also reveals that these migrants opt for informal means because they do not have bank accounts, of high transaction costs and proper documentation that formal institutions require (Makina, 2010; Adepoju 2006: 43).

All the respondents in this study had close family members in Zimbabwe and this includes in some cases their children and they admit that at one point they remitted money and goods to Zimbabwe. This was corroborated by Bloch's (2008) findings where she cited that, "Zimbabweans in South Africa are active transnational actors including economically through remittances and other non-monetary kinds of support" (Bloch, 2008:13). She further argued that migration is on its own a household livelihood survival strategy that brings with it an obligation to send remittances to families in Zimbabwe (*ibid*). The different strategies that were being utilised by the undocumented migrants under study are going to be discussed in the paragraphs to follow.

### **Mukuru.com**

The study revealed that all of the respondents use *Mukuru.com* as one of the means to send money to Zimbabwe. Zimbabweans living in the UK who were looking for an innovative and simple way to transfer money to Zimbabwe established *Mukuru.com* in

2004. The research participants claimed that *Mukuru.com* is one of the easiest and affordable ways to send money back to Zimbabwe:

"I prefer to send money to Zimbabwe through *Mukuru.com*, and its safe, easy and affordable" (Vincent).

"*Mukuru.com* is the method that I use to send money to my parents who are in Zimbabwe. Its same time delivery and they collect the money there and there" (Rati).

"...the facility is really convenient to me. I just need to use my cell phone or to call them or to visit one of their branches to make a payment. I can also pay at PEP or at Pick & Pay. I know my money is secure that is why I use *Mukuru.com*"(Monica).

This shows that, *Mukuru.com* is clearly preferred and trusted by undocumented migrants in South Africa because of its convenience. The findings corresponds Manase (2013) and Mazuru (2014) who posits that Zimbabweans who are in United Kingdom and South Africa prefer to send money to Zimbabwe using *Mukuru.com* respectively. These findings demonstrate that although undocumented migrants are at greater risk when employing informal financial services, they are secure when using *Mukuru.com*. This shows that not all of the repertoires employed by undocumented migrants are a threat to their livelihoods.

The research revealed that both the sender and the receiver do not need to have a bank account to send money and to receive the money respectively. In order to open an account, the sender is required to,

1. Sign up with *Mukuru.com* as a new user (passport; proof of income; and proof of residence is required when signing up). They require a passport even without a visa.
2. The sender is supposed to choose on whether the receiver will collect the money in USDs or Rands when they collect their cash.



3. Choose the bank and branch the sender wants the receiver to collect their cash. They can only receive the money through Commercial Bank of Zimbabwe (CBZ) or Central Africa Building Society (CABS).

After the sender sends the money, cash collection is immediately available at local bank branches in Zimbabwe as vouchers are sent by SMS. *Mukuru* requires the sender to provide it with full details of the receiver from the name and surname, the Zimbabwe phone number and the person's identify number such that the receiver will be able to withdraw the money. Brenda, one of my key informant pointed out that once one is registered, he/she is an official user. Users can call up *Mukuru.com* offices at any time and place orders for money to be transferred to Zimbabwe,

"An SMS will be sent to your cellphone with the *Mukuru.com* bank account details, where you can deposit your order at the nearest FNB office. After you deposit the money, an SMS will be sent to the receiver in Zimbabwe with instructions on how to collect the cash that you have sent" she explained.

With regard to the costs, the research revealed that *Mukuru.com* charges 10% of the total amount being sent. This means for example, if one sends R1000, *Mukuru.com* charges R100 which is 10%. The costs are on the sender's bill not on the receiver's and these costs are being paid together with the money being sent. The maximum daily limit is R3000. This method is also popularly used by Zimbabwean migrants in the United Kingdom and Botswana (Kaldor & Kostovicova, 2008; Manase, 2013).

## **Kawena**

This research also revealed that undocumented migrants use *Kawena* Distributors Pvt Ltd when sending money back to Zimbabwe. A deal between a South African distribution firm *Kawena* Distributors and Zimbabwe's biggest retail operator, OK Zimbabwe was entered and the deal enables expatriate Zimbabweans to pay for groceries for their relatives back home. *Kawena* Distributors Pvt Ltd was primarily established to serve Mozambicans who are working in South Africa through distribution services to Mozambique. It has now broadened its operations to allow payments to be made in South Africa either for cash or for groceries that will then be obtained from OK Zimbabwe's outlets.

Through *Kawena*, migrants remit money, groceries, and furniture and building materials. This means that when the remitter decides to buy groceries or furniture for his/her relatives in Zimbabwe, he/she can put the money towards the purchase of these groceries at any OK Zimbabwe or Borne Marche supermarket in Zimbabwe. Under the distribution deal between these two companies, Zimbabwean expatriates in South Africa make a payment at a *Kawena* outlet in South Africa and the money is electronically credited to the recipient's card in Zimbabwe. Beneficiaries in Zimbabwe can then use their cards to purchase goods at any OK retail outlet across the country or collect it as cash. The process is free of charge, OK Zimbabwe only asks customers to buy groceries of at least \$5 dollars in the shop if they want to collect cash. One can send a minimum of R200 and a maximum of R3000 per day.

One of the respondents, Chiedza mentioned that it's easier now for them when it comes to send money or groceries to Zimbabwe. Before, it was not easy for them when it comes to send money and goods to Zimbabwe. She stated that before *Mukuru.com* and *Kawena* they used to send money and groceries by bus drivers and *amalayitshas*,

"...they are very expensive [bus drivers and *amalayitshas*] and you are not guaranteed that your money or goods are going to arrive safely. I lost a lot of money through these *amalayitshas*. It's now better with these new online transfers. Our money is safe and they are cheap".

Thus the research revealed how undocumented migrants are at risk by being targeted by informal institutions and exposed to higher charges. Thus Dymski (2006) argued that financial exclusion is being transformed into financial exploitation.

This study also revealed that *Kawena* only requires the sender to have a passport or a Zimbabwean ID, driver's licence or an asylum for one to be able to send money through its facility. This is convenient for undocumented migrants since most of them have a passport or Zimbabwean ID. It also requires the sender to provide it with full details of the receiver from the name and surname, the Zimbabwe phone number and the person's identify number such that the receiver will be able to withdrew the money or buy the

groceries they wish. The sender send an SMS, or an WhatsApp text or make a phone call to the receiver informing him/her that the money has been send, then the receiver will then be able to go and collect cash or buy groceries at any OK Zimbabwe outlets:

"It's very easy and reliable and very cheap, and efficient, because I can actually decide at any time that I want to send money home and my mother can get the money as soon as I send it" says Rudo.

Another respondent, Monica, has also found the process very useful. "It is fast, cheap and very efficient and safe," she stated.

According to Kaldor & Kostovicova (2008), some money transfer companies could be regarded as a form of economic dissidence in creating space in intolerant regimes. This is because individuals and these companies use their global links to break out of the constraints imposed by authoritarian or repressive regimes (*ibid*). The research revealed that although *Mukuru.com* and *Kawena* are registered companies, to some extent they may be regarded as economic dissidence since they contravene international anti-laundering and anti-terrorism laws by registering migrants without proper documentation.

### **Bus drivers/Amalayitshas and the use of friends and relatives**

The study reveals that social networks also influence the channels through which remittances are sent to the country of origin (Tevera & Chikanda, 2008; Mazuru, 2014). Strong social ties between undocumented migrants and their family members and friends helps to provide the links that are required by an individual when sending money (*ibid*). The migrants under study also use social ties when sending money back home.

The study revealed that some migrants also make use of bus drivers, haulage trucks or *amalayitshas* to send groceries and money back home (Mazuru, 2014). Spiwe pointed out that despite the delays and loss of money and goods associated with the bus and truck drivers, she is still using them because they are suitable for her since she has some of her relatives who live in the rural areas:

"The money agents are mainly based in towns. When it comes to sending money to my mother who stays in Gokwe I use buses and *amalayitshas* and sometimes when my friends are going home I give them the money".

The research also revealed that some of the participants under study also make use of friends and relatives when it comes to sending money back to Zimbabwe. They pointed out that although it is not easy to recover their money when it is lost, they use these social networks because they are free of charge. These mechanisms are also made possible by a high level of trust that exists between these migrants and their agents such as friends, *amalayitshas* and bus drivers.

### **5.2.2. Fragilities of strategies that migrants devised in the face of financial exclusion**

The various coping mechanisms employed by undocumented migrants in Pretoria have been discussed in detail in the sections above. Although the strategies employed by undocumented migrants allow them to access financial services, some of these strategies were not without attendant risks. The discussion above revealed that some of the mechanisms that they use in accessing financial services for instance the use of bicycle men, *stokvels*, *Kipi mydeposit* and sending money by taxi drivers or bus drivers are not secure because if a misfortune occurs these migrants will most likely be unable to recover their monies.

The study reveals that, on saving through *stokvels*, receiving contribution from other members can be a challenge. This sometimes is due to lack of money that can eliminate a member's ability to keep their commitments. Monica states that:

"The challenges might be that sometimes one of the members might have problems that they need to attend to. Maybe they need to leave the country and go back home. In such a case we have hiccups".

She explains that even though at the end members recover their money after a member become settled, this disturbs other members' plans. Although some *stokvels* have a constitution that states how they are going to operate, it is always the case that when a member fails to contribute or passes away it disturbs the plans of other members. Some of the challenges that causes members to fail to contribute are emergencies that occur back home (e.g. death and sickness of a close relative), members' stuff being taken by the metro police and sometimes low business. Brenda states that one of the biggest challenges that they face is of metro police:

"Our challenge is when the police are moving around town taking our goods and business becomes low. But in such a case we understand each other as vendors and postpone our contributions".

Marko one of the hairdressers was complaining of the nature of his business that when the business is low, some of the members will fail to meet their obligations and:

"It's boring and disturbs your plans. We pay a lot of rent here at the saloon and also at home. We end up being affected when a member fails to pay in time".

Another problem that *stokvel* members face is of the rotations they do. Funds are not always available when needed since members must wait for their turn. This is the challenge Nomsa face. She is in a *stokvel* of ten members and they contribute R1000 every month. What this means is that she gets her contributions after nine months. The challenge that she face is when the emergencies came (e.g. the child get sick) she cannot claim the money unless one of the members agree to swap payment times with her. She says "It's unlike a bank where I can withdraw my money anytime that I need it".

The research also revealed that one of the problems is on how to keep the money when a member gets his/her pay-out. Vincent, a hairdresser is also a member of a *stokvel*. He gets his contributions at the end of every month. He cited that since he does not

have a bank account, it is a challenge to him when he gets his pay-out. He said that sometimes he sends the money back home to his wife but:

"They are not keeping the money. They are using it. If they keep it they keep it in the house and it's rare because of the household needs".

He said he is afraid of keeping the money in the house here in South Africa because there is no security 'robbers may come and steal the money, you know South Africa' he claimed. These findings concurs with a wider range of researchers who argued that savings kept in the form of cash at home are vulnerable to theft, and people who save informally (the means mentioned above) do not benefit from interest rates and tax advantages as compared to people with savings accounts (Kempson 1998; Kempson *et al*, 2005).

The study also reveals that one of the repercussions undocumented migrants face is being denied to borrow from regulated financial institutions. This leads them to borrow from moneylenders where they charge high interest rates and where the terms and conditions may be inferior (Kempson *et al*, 2000; Collard & Kempson, 2005; Anderloni & Carluccio, 2006; Corr, 2006;). These high interest rates can lead to further financial damage and uncontrollable levels of debt among the migrants (Herbert & Hopwood-Road, 2006), in this case the 30% that is being charged by *stokvels*.

As stressed in the above section, some migrants like Rudo considers borrowing from relatives as 'being a burden' and she continues to argue that conflicts may occur when one fails to pay back the money. This finding concurs with Rogaly *et al.* (1999) who argued that 'relational capital' that is being accessed through networks of friends and kin is 'double-edged' since it can leads to quarrels with friends and family. Other mechanisms (e.g. 'living within your means'), point directly towards social isolation which may affect one's emotions and it is an indicator of social exclusion (Atkinson, 2006). This evidenced that undocumented migrants in Pretoria are at risky and are vulnerable when it comes to borrowing.

The findings generally show that to a greater extent, undocumented self-employed migrants in Pretoria are vulnerable, insecure and at risk when it comes to accessing financial services. As shown in chapter 3, both the international and South African ideologies guiding human security and human rights principles hold that every person is equal both in dignity and rights. Any form of discrimination emanating from languages, cultures, ethnicity or origins among other elements is unlawful. For instance, the South African Constitution of 1996 promotes the concept of Human Security as it guarantees every person the right to live as equals, to live in peace and harmony and to be free from fear and want and also to seek a better life. Further to that, the constitution highlights that, South Africa belongs to everyone residing in it and everyone's rights are protected by the Bill of Rights (chapter 2). In relation to that, the majority of human rights are formulated as belonging to 'every person', apart from a few that belongs to citizens only, as highlighted in section 3, and these rights includes, voting, forming a political party, accessing a passport as well as following a career of your own choice. This concurs with the International Human Rights Laws, International Covenant on Civil and Political Rights and the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families that recognises the same human rights to everyone, including irregular migrants and other migrants such as refugees and asylum-seekers.

However, both the international and South African human rights laws seem to be questionable when applied to the case of irregular migrants, when it comes to accessing financial services, particularly in South Africa. In reality, the above-mentioned rights are limited to self-employed undocumented migrants in Pretoria. This study reveals that being undocumented on its own is a threat or risk when it comes to accessing financial services in South Africa. Even though the law stated that everyone has a right to be free from fear and want and to live in peace and harmony, this is not true for invisible migrants when it comes to accessing financial services in South Africa. The South African Banks requires them to produce identifications in the form of IDs or Passports with valid visas or asylums. Putting focus on migrants' status, asking them to present their legal papers e.g. valid passports with visas when opening a bank account and the regular suspicion against them automatically affect their lives.

This study reveals that, as a result, the migrants under study, stay in South Africa illegally and find it hard to access financial services in the formal sector. These migrants are in a "limbo", that is they are forced to stay illegally, and because of inadequate documentation they are financially excluded. This shows that in reality undocumented migrants' rights are hard and impossible to access in South Africa (FIDH, 2008).

In addition, as mentioned in chapter 3, the government of South Africa through the Department of National Treasury also follow suite in promoting Human Security approach by protecting individuals from financial insecurity. It came up with policies that safeguard the financial sector and that protects its citizens from financial insecurity, and these policies includes financial stability, consumer protection and market conduct, expanding access through financial inclusion and lastly combating financial crime. In addition, South African Banking Association also promotes the concept of Human Security by establishing "Mzansi Account" (a low cost savings account) in 2005 that was intended to promote savings, and improve financial inclusion particularly for the unbanked and the poor. However, the inclusiveness that is available does not warranty access to financial services by the undocumented migrants. This research reveals that irregular migrants under study find it hard when accessing financial services even though the financial sector came up with policies to promote financial inclusion and safer financial sector. These policies are meant for South African citizens, and for migrants with proper documentation. Irregular migrants are excluded because of their status and they are vulnerable and at risk. The researcher found out that because of being financially excluded they end up accessing financial services from the informal sector which is unsafe and a threat to their lives. From the research's findings, invisible migrants in Pretoria are losing their money in the informal sector. This demonstrates that, in practice, there are insufficient mechanisms to realise and protect the rights of undocumented migrants when it comes to access financial services in South Africa.

Undeniably, "despite the theoretical universality of human rights law, in reality characteristics such as nationality or legal status can significantly affect the extent of rights an individual is actually accorded" (McAdam, 2007:12). Undocumented migrants, who according to FIDH (2008) represent approximately half a million people, are among the most vulnerable groups and do not have adequate legal protection to safeguard their



rights. In relation to that, in theory, undocumented self-employed migrants in Pretoria are protected by the Human Rights Framework and other international and local laws, but in reality, these migrants are falling outside some protection. Even though these migrants are forced by circumstances to stay illegal, it is the obligation of the International Human Rights framework to protect them as human beings in spite of their citizenship status (Bloch, 2008) and this principle is universal. Regardless of this, the undocumented migrants under study are defenceless; they are treated as 'aliens', and are being mistreated because of their illegality.

In addition, to guarantee the human security and rights of invisible immigrants is one of the biggest challenges for South Africa both in theory and in practice (FIDH, 2008). In theoretical terms (in measuring the applicability of human rights to undocumented migrants) and in principal, the status of irregular migrants is one of the most extreme examples of vulnerability, and human insecurity in South Africa. Certainly, human security of invisible immigrants brings into conflict the law and the reality. Although the law addresses issues of rights, in reality issues like financial exclusion, discrimination, inequality, vulnerability and similar threats are frequently being experienced by undocumented migrants under study (as discussed in chapter two, five and six). Policies and legislation depicts a world of light and hope, however in reality the irregular migrants are experiencing a different world of human rights violation and prejudice. Indeed, the human security of irregular migrants constitutes a point of intersection where the law and reality seem to come into conflict: equity, citizenship and worldwide human rights seem to crash with evidence of exclusion, discrimination, inequality, vulnerability and risk frequently faced by people with an undocumented migratory status.

The present chapter discusses the different coping mechanisms that are being employed by undocumented migrants in Pretoria. It also analyses the insecurities that they may face in trying to negotiate financial exclusion. The following chapter is the conclusion of this study.

## CHAPTER SIX: CONCLUSION

The central aim of this study was to examine how undocumented migrants in South Africa tap into financial services of the country and the extent to which this affects their lives. The study contends that although there are numerous studies that have focused on issues of financial exclusion among the poor and the marginalised in general, these studies have not inserted the voices of those who are affected in order to appreciate the harsh realities that confront them. For this reason, the study underscores the point that it is of paramount importance for us to comprehend how people who are financially excluded worm their way into the social and economic milieu that are in large measure hostile to them.

The study further demonstrates that undocumented migrants face difficulties in accessing financial services in the South African financial institutions, and thus extremely vulnerable to financial exclusion as discussed in the preceding chapter. This is attributed to the fact that these institutions stick to international anti-laundering and anti-terrorism policies that requires documentation such as valid passports with visas, proof of residence and salary slips. In light of this, undocumented Zimbabwean migrants in South Africa are facing challenges in saving, borrowing, investing and remitting money back to Zimbabwe since they do not have these documents. As a result, these undocumented migrants mostly fall back on informal financial services in order to counter socio-economic exclusion. These informal activities involve the use of social networks with other Zimbabweans, reliance on friends and kins, the use of money managers, group savings and cross-border bus drivers and taxi drivers. This exposes migrants to risks and insecurities that require proper financial protection measures to edge against. The research also demonstrates the importance of the "mini-economies" in the lives of undocumented migrants something Frits Bouman termed the "penny-economy" in his study on informal finance (see Datta, 2012). These "mini-economies" allow undocumented migrants to access financial services in the face of exclusion.

The study further reveals that although the South African constitution and the International Human Rights laws recognises the economic and social rights of

undocumented migrants, in practice these migrants have little or no access to these rights. Accordingly, the rights of undocumented migrants in South Africa remains theoretical, since most of them are not respected and implemented. The researcher tends to agree with DeWind's argument that there is need to put effort into a human rights approach that would "strengthen protections for both refugees and other forced migrants" (2007: 383). Undoubtedly, there is need to explore a wider and more inclusive approach to human rights to ensure that undocumented migrants are not exploited and are able to access social and financial protection in their host country.

Focusing primarily on undocumented Zimbabwean self-employed migrants residing in Pretoria, the study through employing "Alternative Economic Repertoires" approach, attempts to explore the repertoire of strategies this category of migrants employ to stave off the impact and risks of financial exclusion. Given the vulnerability of undocumented self-employed migrants when accessing financial services, the employment of Human Security concept was helpful. It makes transparent these kinds of widespread threats and risks to irregular migrants' human rights when it comes to accessing financial services in South Africa. In addition, the application of Human Security Approach helped the researcher to examine the humane insecurities that undocumented migrants face when accessing financial services an area that creates novel questions for human security and human rights of invisible migrants in South Africa. The framework helped the researcher to identify gaps in the infrastructure of protection that expose undocumented migrants to significant human security threats while trying to access financial services in South Africa.

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## Appendix 1: CONSENT FORM

**Name of Researcher:** Elizabeth Muza

**Title of study:** Coping or struggling: Uncovering undocumented Zimbabwean migrant's financial practices in Pretoria, South Africa.

**Institution:** University of Witwatersrand (Department of Sociology)

### 1. CONSENT TO PARTICIPATE IN RESEARCH

I, \_\_\_\_\_ hereby consent to participate in research on \_\_\_\_\_.

I understand that my participation in this study is entirely voluntary, and I am not forced to do so. I also understand that I can withdraw my participation at any point should I not wish to continue, and this will not in any way have consequences of any kind. I understand that there are no predictable risks of physical injury associated with my participation in this study. I also understand that participating in this study will not benefit me either materially or financially. I understand that every effort will be made by the researcher to ensure confidentiality of my comments and identity in this study. I also understand that the researcher is going to use pseudonym to ensure anonymity of my real name.

.....

Signature of participant

.....

Date

### 2. CONSENT FOR AUDIO RECODING

I hereby agree to the audio recording of my participation in the study.

.....

Signature of participant

.....

Date

## Appendix 2: INTERVIEW GUIDE

I'd like to start by having you briefly describe on the constraints (if any) that you are facing when you try to save, borrow, invest and remit money in the formal South African financial system (e.g. registered banks). *(Note to interviewer: I may need to probe to gather information that I need)*

### On Savings

From these constraints that you are facing I want to understand if you are able to save money here in South Africa *(Note to interviewer: If so, probe: 'tell me how are you saving your money', 'are there any benefits (interest) from the savings' 'how do you access your savings')*

Can you describe your views and feelings (i.e. do you feel comfortable, relaxed or vulnerable) when using this method/s. *(Note to interviewer: From the answers given, probe: 'tell me why you feel comfortable/ vulnerable depends with the answer that the respondent gives)*

Can you tell me about the advantages and disadvantages of using this method? *(The impact it has on your life).*

Can you tell me about any other means; your colleagues use to save money beside this method?

### On Remittances

From these constraints that you are facing I want to understand if you are able to remit money to:

1. Your relatives or friends who are here in South Africa e.g. one who is in another city. *(Note to interviewer: If so, probe: 'tell me how you are remitting the money'*

*'how much are you charged for the services'*

*'how long does it take for the money to reach the intended recipients'*

*'what happens if your money fails to reach the intended recipients in time'*

*'what happens if it fails to reach them at all' )*

2. Your relatives or friends who are outside South Africa e.g. to those who are in Zimbabwe. *(Note to interviewer: If so, probe: 'tell me how you are remitting the money' 'how much are you charged for the services' 'how long does it take for the money to*



*reach the intended recipients' 'what happens if your money fails to reach the intended recipients in time' 'what happens if it fails to reach them at all' )*

Can you describe your perception (views) and feelings (i.e. do you feel comfortable, relaxed or vulnerable) when using this method/s. *(Note to interviewer: From the answers given, probe: 'tell me why you feel comfortable/ vulnerable depends with the answer that the respondent gives)*

Can you tell me about the advantages and disadvantages of using this method? (The impact it has on your life).

Can you tell me about any other means; your colleagues use to remit money beside this method?

### **On borrowing**

From these constraints that you are facing I want to understand if you are able to borrow money here in South Africa. *(Note to interviewer: If so, probe: ' tell me how you borrow' 'are there any charges when using this method' 'how do you repay' 'what happens if you fail to repay the money')*

Can you describe your perception (views) and feelings (i.e. do you feel comfortable, relaxed or vulnerable) when using this method/s. *(Note to interviewer: From the answers given, probe: ' tell me why you feel comfortable/ vulnerable depends with the answer that the respondent gives)*

Can you tell me about the advantages and disadvantages of using this method? (The impact it has on your life).

Can you tell me about any other means; your colleagues use to borrow money beside this method?

### **On investing, (Explain the meaning of investments)**

From these constraints that you are facing I want to understand if you are able to invest money here in South Africa. *(Note to interviewer: If so, probe: ' tell me how you invest.)*

Can you describe your perception (views) and feelings (i.e. do you feel comfortable, relaxed or vulnerable) when using this method/s. *(Note to interviewer: From the answers given, probe: ' tell me why you feel comfortable/ vulnerable depends with the answer that the respondent gives)*

Can you tell me about the advantages and disadvantages of using this method? (The impact it has on your life).

Can you tell me about any other means, your colleagues use to invest money beside this method?

Is there any other information that you feel you want to share with me that emanate from this discussion? (*Note to interviewer: If so, I may need to probe to gather information that I need.*)

Do you have anyone in the same situation that you want to referee me to?

**Thank you for your participation**