# Street trading and the experience of migration: the role of street trading in migrants' lives



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## PRESENTATION OF THE RESEARCH PROJECT

- From street trading to non-national street traders: a shift in the focus of the research
  - First intentions: connexions between street traders and formal retailers
  - Difficulties encountered: feasibility concerns, defining the area where to work, observing relations with formal retailers (methodology).
  - First observations led me to change my perspective, focusing on non-national street traders

#### • Research guideline

- Which role does street trading play in migrants' life in South Africa and, beyond, in their broader itineraries?
- The core hypothesis: street trading has an ambivalent place in their lives, between « here » and « now », and « there » and « afterwards ».
- Aim: identifying specific issues and uncertainties they face, and thus identifying research gaps (for further research) and defining areas of possible intervention for potential stakeholders.

## **AREAS AND POPULATION TARGETED**

## • Inner city of Pretoria:

- O Two streets selected randomly → X street: 6 traders; Y street: 14 street traders; + 2 former street traders (Y street; Marabastad)
- Limits: small areas; distribution of traders is not representative

## • Informants (street traders):

DF	SC	Tanz	Ugan	Moz	Nig	Cam	Ethi	Beni n	Rwa nda	Zim
3		3	4	1	2	3	1	1	1	3

### • Informants (non street traders):

- People occupying the streets (car guards, houseguards, hawkers and street hairstylists, customers, street traders' partners / employees / informal helpers, people working in nearby shops)
- Professionals: JRS, LED, LHR, Tshwane Informal Trading Forum.

## Methodology and ethical concerns

## • Research techniques:

- Choice of informants and the « snowball » technique
- Informal talks (with street traders and people around them)
- Participant observation
- Formal interviews

## • The research process as an exchange:

- Professionals interested in research findings.
- Street traders: legitimacy and recognition; talking about their experience; getting information or help.

## • Ethical concerns:

Protecting the informants (street traders and professionals)
Applied research and ethics

## Going South: the migrants' journey to South Africa

Street traders' main activity back home:							
Studying or trying to study	Working as an employee	Own- account worker	Not working nor studying	Undetermi ned			
4 street traders	4 street traders	9 street traders	3 street traders	2 street traders			
-ST9, trying to study medicine - FST2, trying to study languages and literature - ST13, studying accounting - ST15, studying medical biochemistry	- ST4 as a financial admin -ST16 and ST1 in NGOs - ST8 in a « big company »	-ST7 and FST1 were involved in importing / selling goods - ST2 was selling in the streets - ST3, ST11, ST14, ST19, ST18, ST20 had their own shop or workshop (welder, mechanic)	-ST5 supported by her husband -ST10 -ST17 (left Mozambique very early)	-ST12 had undertaken several jobs (formal, informal) - I do not know what ST6 was doing			

## **Deciding to travel to South Africa**

## 2 main situations:

- Getting the information from an acquaintance, a friend or a relative who had stayed or was staying in South Africa: 12 street traders.
  - ST5's elder sister was staying in South Africa and ST5 was sometimes visiting her. She started to go to South Africa on a regular basis, although temporarily. In 2005 she decided to settle down in SA.
  - ST2 was selling radios in the street in Uganda. His business partner had a brother who was living in South Africa at that time, and the latter told ST2 about the country.

#### • A personal initiative

- This is the case for those who said they fled their country (ST4, FST1, ST16, FST2): emergency situation, no contacts in South Africa.
- \* This is the case for other street traders who relied on information conveyed by the media or rumors: ST9, ST18, ST17, ST10.

## **Reasons and intentions**

#### **REASONS**

#### **INTENTIONS**

#### • Economic and career opportunities

- Not making enough money back home / economic context disadvantaging: ST11, ST5, ST6, ST4
- A strategy to accumulate more money. South Africa as a « hunting ground » (F. B Nyamjoh): ST12, ST13, ST17, ST8, ST18 etc.
- ➔ Improving one's livelihood + that of relatives

#### Political reasons

- Fleeing conflicts , political turmoil or social unrest: FST1, FST2, ST16, ST4.
- Seeking more freedom and rights: ST20
- Individual reasons:
  - Fleeing painful situations (ST1, ST3) or traumatic events in personal life (ST5)
  - Joining loved ones: ST8, ST4's wife
- For the sake of experience: ST7, ST12, ST19

- Precise intention regarding work: ST12 (drugs), ST14 (mechanic), ST15 (hospital or university)
- Precise intention regarding studies: ST10, ST13 (accounting), ST8 (followed a two-year courses upon her arrival) and her nephew (agricultural studies)
- Starting a business: ST1
- No precise project / intentions: the majority. « looking for money », « finding a job ».

## The journey to and arrival in South Africa

- Means of transport: bus / truck (majority), plane (ST8, ST7, ST12)
- South Africa as the first destination (majority) or as one of the countries in which one stopped (ST18, ST9)
   CASE STUDY: ST9's journey towards SA
- Pretoria as first destination?
  - Depends on contacts, border crossed, personal preferences / what they heard about the various cities.
  - Some arrived directly in Pretoria: ST8, ST7, ST14, ST5...
  - Others first settled in other cities: ST9 (Durban, JHB), ST17, ST4 (JHB), ST20.

#### Date of arrival

Date	Trader
1994	ST17
2001	ST4, FST2
2003	ST2, ST6, FST1, ST6, ST9
2004	ST1
2005	ST5, ST8,
2006	ST11, ST18
2007	ST3
2008	ST16, ST20
2009	ST7, ST10, ST13, ST14, ST15, ST19
2010	ST10

## Street traders' legal status in SA

- 14 street traders currently hold an asylum seeker permit (section 22), which many have been holding for years.
- ST9 and ST16 are currently recognized as refugees
- ST1 says he holds a working permit
- ST4 and FST2 have obtained permanent residence
- 11 street traders have shifted from one status to another: from asylum seeker to refugee (ST4, FST2, ST16, ST9), from refugee to permanent residence (FST2, ST4), from visitor to asylum seeker (ST12, ST7, ST3, ST19) or to working permit (ST1), from study permit to asylum seeker (ST8).
- Using the asylum seeker route as a means to secure one's stay in South Africa?
- Being cautious with such findings

THE ROLE OF STREET TRADING IN EVERYDAY LIFE IN SOUTH AFRICA

**CONTENT:** 

1/ THE ECONOMIC ROLE OF STREET TRADING: MAKING A LIVING IN A FOREIGN LAND

2/ THE SOCIAL ROLE OF STREET TRADING: A SENSE OF BELONGING?

## **Becoming a street trader**

#### Entering street trading as a viable alternative

- Some street traders did not manage to find a job: ST15, ST16. Others did not try to, feeling they would not find anything (the majority).
  - South Africans as feeling threatened by « foreigners », xenophobia
  - Asylum seeker and refugee permits give the right to work and study, but noone wants to hire someone who is « temporary » + the asylum seeker permits does not look official enough.
- Some street traders found a job but either it was not satisfying, either the company closed: ST1, ST7 and ST9 in security companies, ST19, FST2, ST18
- Some street traders are / were planning to study, and either it did not work (ST10), either they have not started yet (ST13, ST8's nephew)

 The learning process: How did street traders learn how to run their current business?

- Someone back home, or someone they met during their journey, taught them: ST18, ST11
- Someone in South Africa hired them and / or showed them: the majority

## CASE STUDIES: the Zimbabwean ladies; the Ugandan traders; ST4.

• They imitated other street traders: ST8, ST7, FST2, ST14.

#### **CASE STUDY: ST7**

#### **Goods sold**

- Some traders have « double businesses», like ST8 and ST11

- Some traders have several businesses: ST1, FST2

Good solds	Street traders
Soft goods	14 street traders + FST2
Fruits and/or veggies	5 traders
Public phone	9 traders
Miscellaneous	1 trader
Clothes/belts	2 traders
Cosmetics	2 traders
Salon / barber	2 traders
Shoe repairing/clothes mending	3 traders
DVDs	4 traders
Grocery	FST1



## Partners, employees, informal helpers

- PARTNERS: a person with whom the street trader collaborates on an equal footing. ST4, ST16 and their wives.
- EMPLOYEES: a person whom the trader hired in order to help him / her, either when he is not present at the stall (days off, or when he / she has gone to buy stock etc), or when he is present. ST8, ST7, ST5, ST2
- INFORMAL HELPERS: traders getting help informally from either other street traders, other people in the streets (car guards, house gards etc), regular customers even, from friends they call when needed, etc.

CASE STUDY: ST1's business.

## Buying stock and equipment

#### • Fruits and veggies: street traders all buy stock in Marabastad.

- Street traders go several times per week, depending on the stock left.
- Transport: taxi (6R) to go there, taxi or bakkie (60R but they share) to bring the goods back, trolley (15R).
- Issues and strategies: products have to be fresh; prices fluctuate in Marabastad so one has to check several suppliers before buying; calculating the profit you are to make, street traders' prices can vary; costly in terms of time and money.

#### • Soft goods:

- Several suppliers: Marabastad (ST1, ST4); retail and wholesale shops in the CBD (ST10, ST11, ST3, ST20, ST16); retail and wholesale shops in Johannesburg (ST9).
- However most street traders use different suppliers
- Issues and strategies: calculating the profit, checking different suppliers, selling unique products, knowing which products are quickly sold out, calculating the cost of buying supplies (transport). Only the more entrepreneurial traders?
- However their prices do not vary that much. Few differences between traders.



## **Buying stock and equipment**

#### • Airtime

- Debut investment: the phone
- Going to the bank in order to buy airtime

#### • Shoe repair, clothes mending, hairdressers' and barber shop

- Debut investment: tools and equipment. Costly. Then buying further equipment on a regular basis (shampoo, glue, soles, hairpieces...).
- Equipment bought in shops in the CBD, close to their trading spaces.
- O Prices examples: shaving 10 / 15 / 20 R; up to 200 / 300 R for hair extensions; between 20 and 75 R for having one's shoes repaired → more profit with providing services than with selling goods, but more costly to start such an activity.

## Accountancy

Profit	Other « income » sources	Expenses
	- Several businesses or being involved in several activities, like ST5's employee.	business, including trading
- Less than 100R a day:	-Relying on relatives' incomes (ST6, ST8)	- Money remittances:
ST11, ST6 - Between 100 and 250R:	- Financial help: ST4 and the JRS	sending money back home (on a regular basis; when they can afford it; on
ST5, ST17, ST18, ST3, ST7, ST10	- Micro saving associations EXAMPLE: the Cameroonians	special occasions) - The rest can be saved, if
- Over 250R: ST7 and ST5 occasionnally, ST4, ST8.	- Borrowing money from acquaintances (ST11)	any (in order to bring back home, to invest in other activities / in real estate).



 $\circ$  Current legislation and the non-nationals' actual right to obtain a license. So why do so many of them do not hold licenses?

#### $\circ$ The implementation of legislation:

\* Refusing to issue licenses for the CBD

Actual discriminations?

#### o Getting the right information:

Some traders think they do not need a license to provide services (ST7, ST18)

✤ Others think they cannot get a license because they are not South Africans (ST6, ST10).

**\*** Others know they can obtain licenses but they insist on administrative failures and discriminations (ST1, ST20)

## Licensing

#### $\circ~$ Some street traders dot wish to obtain a license as:

- \* They do not wish to stay in South Africa (ST7, ST19, etc)
- **\*** They do not wish to keep on selling in the streets (ST14, ST13, ST10, etc)

#### $\circ~$ Strategies in order to face difficulties in the occupation of space:

- Subletting and partnerships: using a SA citizen to obtain a permit (ST1, ST2), having a South African business partner (ST16). The cost of subletting?
- Having a small stall in order to be able to remove it when the Metro Police comes (like ST9 and ST18 for the cigarettes)
- \* Choosing the place where to trade according to what one knows of the presence of the Metro Police and frequency of controls, like ST7, ST9 and ST14

## Street businesses as social places

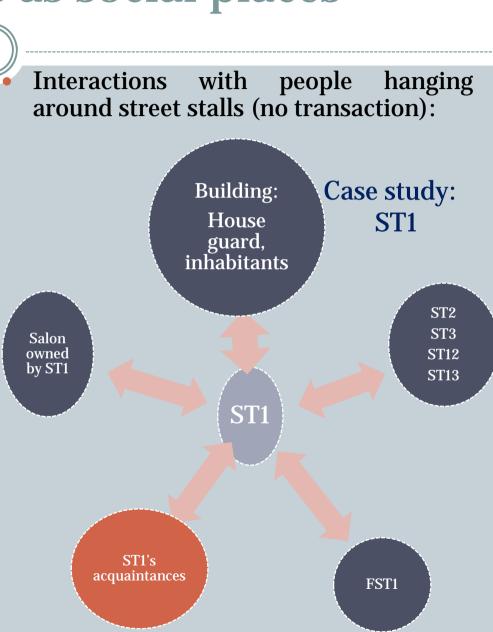
 Interactions with customers (transaction):

#### • Anonymous customers:

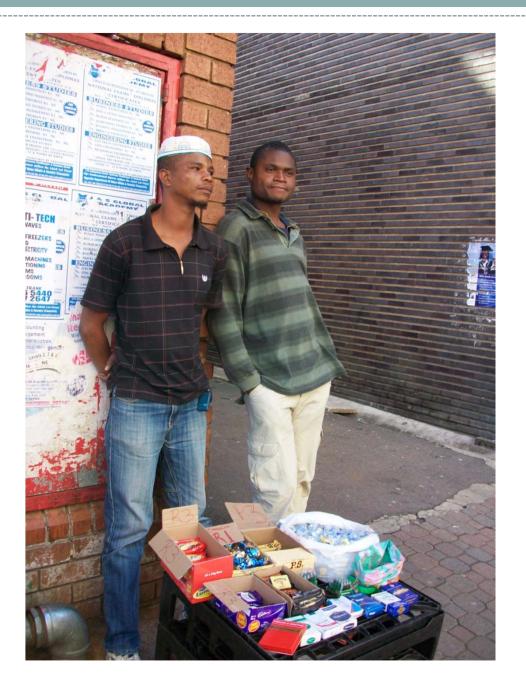
- Traffic and supply relationships: passer-bys, people living in nearby flats or working in nearby shops and who need specific goods.
- Brief interactions aiming at completing a transaction

#### • Regular customers:

- From supply relationships to personalized interactions
- Longer interactions, superficial knowledge of the other, trust (credit) and loyalty
- Commercial strategy + means to broaden one's social network



A street trader and a car guard: hanging around the stalls



## Street trading, xenophobia and integration

- Most street traders feel vulnerable to crime and xenophobia as they operate in public spaces and are visible as « foreigners ». They feel that xenophobia is one of the main issues they have to deal with daily (ST5, ST2 who had been attacked, fears regarding the upcoming World Cup...). The Kwere Kwere tag.
- However, street trading also provides migrants with opportunities to adapt and feel part of a new environmennt it can foster integration as:
  - It broadens one's social network and allows them to mix up with people including South African citizens.
  - Street traders often learnt to speak English, South African languages as well as specific local expressions thanks to their activity (ex: ST17, ST4, ST1...). This allows them to be less visible as « foreigners », to communicate more easily with South Africans and to run their businesses more efficiently.
  - Street stalls can function as landmarks for newcomers or for fellow nationals. They are places where people from the same country (or not) can meet and exchange ideas and information, and places where newcomers can be hosted.

#### CASE STUDIES: ST8, her nephew and the two Zimbabweans; ST7 and R.

# An ambivalent activity: people in transit?

REPLACING STREET TRADING IN BROADER MIGRANTS' ITINERARIES

## A transitional activity

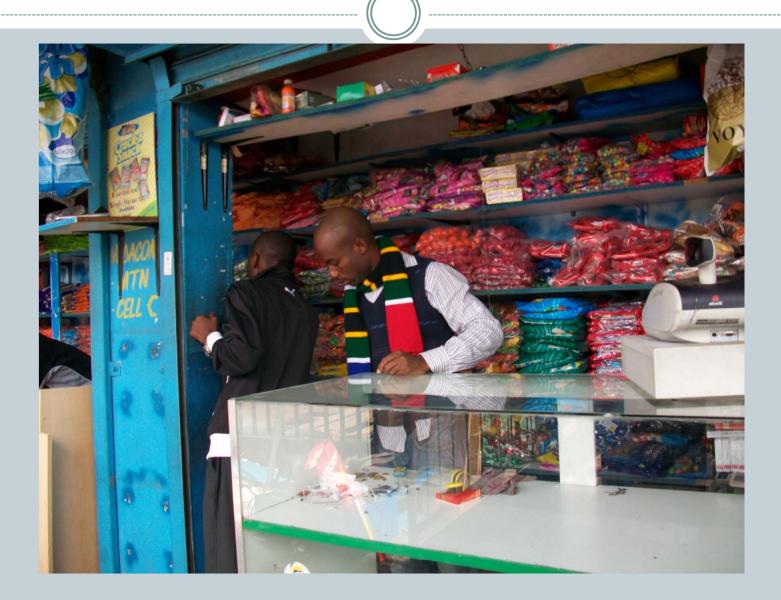
#### A transition towards bigger businesses

- Street entrepreneurs: CASE STUDIES: ST1, ST4
- From the streets to « formal » shops CASE STUDIES: FST1, FST2
- Those street traders consider themselves as business-minded, trying to expand and diversify their activity, to acquire other trading places, to move from street trading towards bigger businesses. Street trading is a stepping stone towards more lucrative activities. It is thus transitional.

# Street trading as non project-driven

- Street trading however is not always part of an entrepreneurial project. No precise project or intentions regarding trading. Street trading as non project-driven hence seen as temporary and transitional.
- For some street traders: street trading fills a gap in their stay in SA, result of failures.
   EXAMPLES: ST9, ST14, ST10, ST19, ST13 and ST8's nephew, ST12.
- Others state they are doing it as a result of a lack of alternatives (« better than nothing »). They do not see street trading as a relevant activity. They also might want to go back home and thus do not commit themselves to such an activity.
   EXAMPLES: ST5, ST6, ST11.

## From street trading to formal shops



## **Relation to their host country**

If street trading is often transitional, it is also because of the street traders' intentions regarding South Africa: do they want to stay? For how long?

Some traders know they are in South Africa for very little time. Explicit project: staying a few months or a few years.

EXAMPLE: ST7, ST12.

- Some traders might have planned to stay in South Africa but the difficulties encountered have led them to consider to shorten their stay if their situation does not improve: ST15, ST10, ST14, ST19.
- Others might have planned to remain some time in South Africa and might be acting according to this initial plan (ST5, ST11, ST20, ST8 or ST18). However, this does not mean they intend to settle permanently in South Africa.
- Other traders seem to be settled in South Africa (see legal status, family life, size and improvement of the business), like FST2, ST17, ST1. But even then it does not mean they wish to stay permanently.
- ST4 was the only one to say that he intended to stay permanently.
- → Street traders as on the move?

## A close link with their home country

- Money remittances and money flows
- Returns to home country (ST5, ST17).
  - Patterns of circular migration, especially in Southern Africa
  - Issue: asylum seekers, refugees and the impossibility of going back without losing the benefit of their title?
- Investing back home: ST17, ST3, FST2.
- Having businesses running back home: ST7, ST20

## Being here, dreaming about somewhere else

• Many street traders express the intention to go back home after a while, whether it be soon or in the future.

• Coming back soon: ST7, ST3, ST11 (though he lacks the money), ST19...

EXAMPLE: ST7 and his intentions when back home

• Coming back when they have accumulated enough money: ST18, ST8...

#### EXAMPLE: ST8 and her intentions.

• Coming back in the future (vague intention): ST17, FST2... EXAMPLE: ST17 and his intentions.

- South Africa as a stepping stone towards other countries
  - Some traders say they intend to travel to another destination from South Africa
    - **×** Either in order to experience the « western world » (ST8, ST7, ST1, ST11, ST13)
    - **×** Either in order to earn even more money to support their loves ones (ST5, ST18)
  - But in most cases their projects are vague + it does not mean they do not want to settle down in their home country eventually (no contradiction)

## CONCLUSION

- Street trading has an ambivalent role in migrants` lives: making a living and adapting « here » and « now », and thinking about « there » and / or « afterwards ». An inbetween activity corresponding to in-between, shifting situations. Street trading coexist and is intertwined with a variety of intentions, expectations and possibilities.
- Identifying specific uncertainties (imposed or chosen) and issues to tackle:
  - Uncertainties regarding their legal status: street traders do not hold permits which are suited to their situations and intentions.
  - Uncertainties regarding their trading spaces and trading rights
  - Uncertainties regarding their livelihoods and that of their relatives: street trading as an activity characterized by fluctuations
  - Uncertainties (and even anxieties) regarding their adaptation / integration in their host country, although street businesses do provide them with a social platform.
  - Uncertainties as it is a transitional activity. As most street traders do not plan to remain in South Africa nor to keep selling in the streets, they need to picture themselves doing something else or somewhere else. They need to anticipate, according to their intentions and projects for the future.

## **Research and policy gaps**

#### **Research gaps**

## A policy gap?

- A wider research (qualitative and quantitative) should be undertaken, aiming at more representativeness and covering wider areas.
- A focus on nationalities? Differences and commonalities between nationalities, specificities if any.
- Potential discriminations nonnationals have to face.
- The competition between South Africans and non-nationals.
- Categorizing "the Other": how do nonnationals picture South Africans, how do South Africans see non-nationals, and how do non-nationals see other non-nationals?

- Thinking immigration and local economic development
  - The immigration issue should be taken into account in all policy fields, including local economic development (and street trading legal and policy framework).
  - Promoting a positive vision of immigration (recognizing its contribution to the South African economy) + "mainstreaming the immigration issue through all policy arenas" (L. Landau).

#### • From research to advocacy:

• How can we minimize the uncertainties they face in order to improve foreign street traders' participation to the South African urban, "informal" economy? How can we improve their contribution to the urban economy, especially when they are often temporary, transitional, or in various uncertain situations?

## **Recommendations and possible interventions**

#### • A relevant policy framework

- The reality of low-skilled migrants flows and policy denial. Recognizing that lowskilled migrants from other parts of the continent will keep on coming, for intricate and complex reasons, and that they contribute positively to the local economy, is the first step towards a positive vision of immigration and towards integration.
- An alternative for the asylum seeker/refugee route?

#### Improving awareness among professionals and civil society

- Making people aware of migrants` rights and obligations (including in the policymaking field and among potential employers)
- Targeting xenophobia

#### • The role of street traders association

- Street traders associations as platforms for exchanging information, formulating propositions and recommendations, negotiating rights and by-laws...
- The under representation of non-nationals in the Tshwane Informal Trading Forum: fears, prejudices and competition.
- Promoting non-national traders` participation to street traders` associations

## **Recommendations and possible interventions**

#### • Minimizing discriminations?

- A study should be undertaken on potential discriminations in the allocation of space.
- An incentive for more transparency and equity in the allocation process?

#### • Improving newcomers` integration

• We have seen how languages function as integration / exclusion tools in daily life and in running informal businesses. Language trainings could be organized by NGOs for example, or by other stakeholders.

#### • Taking into account non project-driven street trading

- This implies changing stakeholders` mindset regarding street trading as a necessary stage towards SMEs and formal businesses. All street traders do not have such entrepreneurial intentions however they still exist and they still have to be taken into account.
- Looking at other alternatives than the allocation of formal trading spaces and small shops, and at other perspectives than formalization? This is important for both national and non-national street traders.