

MIGRANTS making their way in the burgeoning informal economy are here to stay, and that's better for the country than policymakers acknowledge, a new book argues.

Mean Streets is the pointedly ironic title of a new book on what is doubtless the mainstream migrant experience in cities like Cape Town where, for all the opportunities not available in Kinshasa, Harare or Mogadishu, life is at once rewarding and perilous.

There's a good living to be made for those who make the effort – and migrants have a well-earned reputation for hard work and resourcefulness – but success can be costly too.

Mean Streets, edited by Jonathan Crush, Abel Chikanda and Caroline Skinner – and published jointly by the Southern African Migration Programme, UCT's African Centre for Cities and the International Development Research Centre – opens with a telling account of a 2012 police campaign in Limpopo.

It was launched ostensibly to arrest criminals and tackle illicit activities in the province.

In practice, the editors write, "this crusade... targeted small informal businesses run by migrants and refugees".

Six hundred businesses were closed down, the stock confiscated, and the owners detained and showered with fines and verbal abuse.

Some appealed and won their case in the Supreme Court – but the environment of hostility in which these and other migrants across the country function was underscored by the fact this appeal was opposed by all three tiers of government.

The campaign, the appeal and the official response reflect essential characteristics of the migrant experience: the resilience of migrants in exploiting opportunities against the odds, not least formal state actions that implicitly lend credence to the popular xenophobic and, now and then, lethal fallacy that foreigners are parasitic and by their presence deny jobs or opportunities to South Africans.

Crush, Chikanda and Skinner write: "A central premise of the hostility towards 'foreigners' in South Africa is that they 'steal' jobs from South Africans."

A 2010 survey suggested 60 percent of South Africans subscribed to this view.

The authors (besides the first chapter written by the three editors, *Mean Streets* features the work of 22 other contributing researchers) cite a range of studies that reveal a pattern of migrant business owners creating jobs for South Africans through direct hire.

Also, far from being "disconnected from the formal economy", migrant entrepreneurs, like their non-migrant counterparts, were "integrally linked to the formal economy and contribute to it significantly" through sourcing goods and services and paying VAT.

Furthermore, successful migrant businesses were good for poor consumers, too – through their aggressive price competitiveness, offering a greater variety of goods in flexible quantities (being prepared to sell a single egg instead of a box, say, or a small plastic pouch of sugar instead of a kilogram packet), and offering credit, particularly to pensioners.

Yet, perversely, policymaking, far

from stimulating and seeking to exploit the benefits of migrant entrepreneurialism, actively discourages migrant participation in the economy.

The book examines the 2013 draft Licensing of Businesses Bill and the associated 2014 National Informal Business Upliftment Strategy and finds both wanting.

The bill, the writers argue, "would result in large-scale criminalisation of current informal activities, both South African and migrant-owned".

Crush, Chikanda and Skinner conclude their introductory chapter by noting that *Mean Streets* "powerfully demonstrates... that some of the most dedicated and resourceful entrepreneurs in the South African informal economy are migrants to the country" and that while "under any other circumstances, they would probably be lauded as exemplars of small-scale and micro-entrepreneurship"... the state and many citizens "view their activities as undesirable simply because of their national origins".

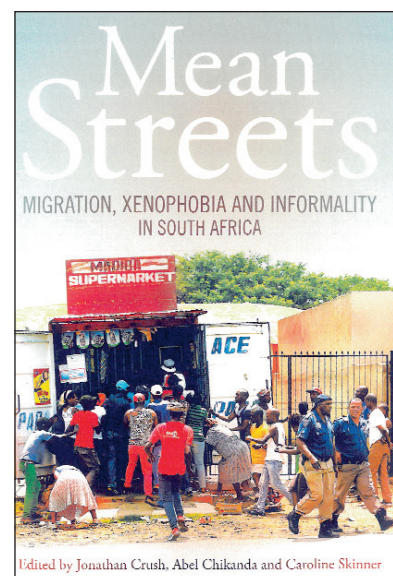
Consequently, "harassment, extortion and bribery... are some of the daily costs of doing business" for entrepreneurs who "face constant security threats and enjoy minimal protection from the police", have to contend with often hostile municipal regulations and lack of infrastructure and battle to gain access to skills training or financial services.

"As a result, migrant entrepreneurs are unable to utilise their entrepreneurial skills and experience fully and grow their businesses, and thus contribute to the economy in an optimal fashion."

These are circumstances, *Mean Streets* asserts, that call for much more creative policymaking.

On one hand, the state and the public had to accept that "neither the informal economy nor migrants will go away" and attempts to remove either "will simply force their activities underground, but only for a period, generating significant hardship in the process".

On the other hand, it would be smarter for South Africa to focus instead on making it easier for all people to engage in the informal economy, to actively encourage skills transfers between migrants and South Africans, and to nurture an integrated informal sector that would be better able to generate jobs and economic activity.



COVER: *Mean Streets* is edited by Jonathan Crush, Abel Chikanda and Caroline Skinner

Industrious migrants are an opportunity for SA

A new book argues proposed legislation on foreign businesses needs to be a lot more creative, writes **Michael Morris**



RAMPAGE: Stalls of informal traders in Greenmarket Square are looted in the aftermath of a protest in the city in 2013. Traders are a key part of the city's important informal sector. PICTURE: MATTHEW JORDAAN

City's informal sector vital to reducing poverty

MICHAEL MORRIS

THE SCALE of Cape Town's informal economy – and its impact on poverty reduction – is significant.

The city's latest Economic Performance Indicators for Cape Town report showed that between April and June last year, 161 000 individuals (11.3 percent of the total workforce) were employed in the informal sector.

It is estimated that without informal sector income, the poverty rate in the city would be 25.1 percent. Once its income contribution is taken into account, the poverty rate is reduced to 20.6 percent.

Garrett Bloor, mayoral committee member for tourism, events and

economic development, noted: "One cannot overestimate the impact of informal sector income on otherwise impoverished households. The 4.5 percentage-point reduction in Cape Town's poverty rate is equivalent to pulling 186 000 individuals out of poverty. Although the aggregate contribution from this sector to GDP may be small, the aggregate improvement in well-being is large."

While almost 40 percent of informal sector workers were employed in the wholesale and retail business sector, a significant proportion were also engaged in manufacturing (10.2 percent), construction (13.1 percent), financial services (10.9 percent) and community services (16.9 percent).

Bloor said if the informal sector was viewed as a conventional economic sector and based on a conservative estimate of about 10 percent of the workforce, it would be the fifth largest employing sector in the city, just below manufacturing (11.96 percent) and above the construction sector (9.52 percent).

"The informal economy is represented by a diverse array of economic activities – including financial services, health care, retail in food and beverages, recycling, maintenance and repair of motor vehicles, and the repair of personal and household goods, to mention just a few options."

Classifying economic activity in Cape Town using standard

industrial classification codes showed that where 41 of the 44 categories were represented in the formal economy, 37 were represented in the informal sector.

"When we look at the bigger picture and at the economy in its entirety, these numbers are testimony to the importance of the informal sector as a source of employment." The city was committed to "creating a more conducive environment for informal trading" as there were "many more opportunities for us to make this an even more lucrative sector".

With this in mind, the city's economic development department was "conducting round-table discussions with informal traders to

work with them in finding solutions to their areas of concern".

The city's Small Business Support Office, established to promote entrepreneurship and business-driven job placements, helped business people find the most appropriate support service from a network of over 90 business development organisations, including financiers.

Bloor said: "The value of this service is that it enables entrepreneurs to avoid having to waste energy, money and time approaching the wrong support organisations and service providers or paying for services that are sometimes freely available or partly subsidised."

Hate to be catty, Brian, but your circus sure is painting the town red

AN OPEN letter to Brian Boswell:

Dear Brian,
I have been meaning to write to you for years to thank you for helping make my childhood such a happy one. Back then, of course, you were known as Boswell Wilkie Circus. Now you are simply Brian Boswell's Circus.

Did you feed Wilkie to the lions? I hope so. Never liked the man. Never met him, of course, but in this country that's no reason not to hate someone.

I have fond memories of going to the circus in Durban with my family. Dad would buy a ticket and then, once inside, he'd use his diving knife to cut a hole in the canvas at the back of the stands.

The rest of us would wriggle through and go straight to the front. In those days nobody argued with a white man. Especially not if he was carrying a six-pack of Black Label and a nine-inch serrated blade capable of cutting a shark's head off. Those were the days, my friend.

How I loved to watch the elephant jumping through flaming hoops. Maybe they were flaming elephant jumping through hoops. My memory isn't what it used to be.

The clowns were my best, especially the black ones who would run into the arena and pretend to be shot by other clowns dressed as policemen.



Either way, it got a big laugh from the crowd. I also clearly remember an act involving a pony and two women dressed in very tight... no, wait. That was something I saw on the internet last week.

If it wasn't for you, I would have had to go to a game reserve if I wanted to see animals. Animals, needless to say, that dozed under trees or loitered gormlessly around waterholes doing no tricks at all.

If you were in charge of the Kruger Park or Hluhluwe-Imfolozi, things would be very different. I, for one, would be far more inclined to go on game drives if the springboks put on a display of synchronised prinking, the hippos played water polo with the crocodiles and the wildebeest were trained to trot in circles with jackals on their backs.

I would also like to thank you for unleashing the hit squad when those six tigers escaped recently from your



FERAL: Tigers make terrible pets, seemingly wishing to be alone in the bush somewhere. PICTURE: EPA

Natal Zoological Gardens and Lion Park.

Tigers make terrible pets and even worse circus animals. They simply refuse to do tricks and will bite your child in half without provocation. Did you know they have Indian blood in them?

You claim that someone removed

the locks from their cages – someone who wanted to steal them. Sure, we have some of the dumbest burglars on the planet, but how do you have to be to try to steal six tigers?

This isn't an episode of *The Hangover*. Perhaps they were animal rights activists, but I doubt it because even our tree-hugging,

lentil-eating perverts know this is a country where shots are fired first and questions asked later.

I have a theory. One of your trained chimps, or maybe even a marsupial of sorts, fashioned a crude duplicate key and sprang the cats late on a moonless night. He or she was obviously on

someone or something's payroll. But, I am reluctant to speculate.

By the way, congratulations on keeping this under wraps for at least a month. A lot of people might think there is something wrong with gunning down six escaped tigers.

Obviously there was a leak. Perhaps one of the people involved in the operation was a double agent for the Tamil Tigers or Tiger Brands or even Tiger Woods. There's a whole network out there.

The report I read said, "The first five were destroyed on the night of December 7 after being found milling around staff quarters." That's the problem with tigers. They're either clawing your face off or milling about. Bastards.

Three days later, the sixth tiger was shot dead "in thick bush" on a neighbouring farm. He deserved to die because he was pretending to be a wild tiger who just wanted to be left alone. At least the others had the decency to make an obvious point of wanting to eat the staff.

As you made it clear to the prying, tiger-loving media, "It would not have been safe to dart them." Of course it wouldn't have been. What if a dart had missed and hit a policeman who was about to stop an armed robbery?

He would have fallen asleep and the baddies would have escaped. This doesn't explain why so many cops in our charge offices appear to

be tranquillised.

Another report quoted you as saying, "I am not a canned hunter, nor am I in the business of tiger bones". There is no indication that the reporter had asked if you were. I'm sure you're familiar with the expression: "The lady doth protest too much". I don't know what it means, but it's the only one I know.

So the tigers were being prepared for export to a zoo in the "Far East". These days, the Far East is three blocks down, take a right and second left. You also said the zoo wanted a dozen, but you didn't have that many.

"The dealers gathered six of them to go," you said. You talk like a tiger lord. Or the manager of a Chinese take-away.

I like that. You don't mince your words. Tigers are nice, minced. That's what I've heard, anyway. Apparently Ezemvelo KZN Wildlife is investigating the massacre. What extraordinary luck. Their investigation should be wrapped up within a decade or so, and the outcome will be that all of your tigers, dead or alive, should first be offered to the king of the Zulus before being shipped off to China.

Finally, best of luck with your breeding programme. I hear you already have a liger – a cross between a lion and a tiger. Looking forward to seeing your giraffa and zebrocerous.