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Abstract

This paper presents the findings of a qualitative research that was conducted to find out the impact of coronavirus (COVID-19) pandemic on the informal sector in Zimbabwe. Given the health scare and crisis induced by COVID-19, the government of Zimbabwe like many other governments across the world enforced a lockdown. The lockdown measures affected various businesses in different magnitude. This paper interrogates the effects of COVID-19 lockdown on informal traders such as vendors, taxi operators, welders, carpenters, illegal forex dealers and cobblers in Bulawayo and Masvingo cities of Zimbabwe. Purposive sampling was used to identify the respondents from selected high-density suburbs. Data was collected using in-depth interviews. The paper revealed that COVID-19 lockdown measures had a negative impact on the informal traders’ livelihoods. The article notes that the impact of COVID-19 lockdown in Zimbabwe was worsened by several factors among them, short notice in proclaiming enforcement of lockdown and the country’s dire state of the economy. While this research gives a description of how the informal sector revenue declined drastically following proclamation of lockdown measures, the article also offers the steps that can be taken to
rebuild the informal sector. Key among these steps, is the government’s intervention to capacitate the needy families.

1.0 Introduction

Given the volatile economy in Zimbabwe, the informal sector has become the only hope for many citizens. This study explores the impact of COVID-19 pandemic on the informal sector. The research focused on informal traders in Bulawayo and Masvingo urban areas of Zimbabwe. While the outbreak of COVID-19 threatened the global economies on a larger scale, there is need to interrogate the effect of the pandemic on the livelihoods of those people in the informal sector. It must be noted that because of high rate of unemployment in Zimbabwe, many people engage in small businesses of all sorts. They sell anything that can make them earn a living ranging from wild fruits, grain, clothes, vegetables, groceries, among others. Due to its complexity in nature the informal sector accommodates various people who engage in a range of businesses. This article interrogates the extent at which the informal sector was affected by COVID-19 lockdown in Zimbabwe. Before proceeding to the methodology and findings of this research there is need to consider what other researchers have revealed about the informal sector businesses.

2.0 Literature Review

According to Devev et al (2006:3) Informal sector is used to describe the range of subsistence activities of the urban poor. In the same vein, Kroon (2006) states that informal sector refers to an inherent part of small, medium, and micro enterprises that are diverse in nature and unregistered. Nieman (2009) alludes that informal traders can be found in all over the world. Informal traders are usually necessitated by unfavourable economic conditions, a low growth rate and large-scale unemployment. For Castells and Portes (1989) the informal sector reflects the shift towards unregulated production and the advent of precarious low paid survival-driven endeavour for those excluded from the formal economy. Nieman (2009) notes that regulations and finances are some of the reasons that prevent informal traders to operate formally and force them into the informal places. He goes further to highlight that in many countries, the informal sector is the last desperate attempt of individuals to escape from the trap of poverty and to provide in their own housing, nutritional, educational and health requirements (Nieman,2009:72). For the purposes of this research we will define the informal sector as a range of indigenous small businesses including those doing vending, carpentry, car washes, cobbler’s, pirate taxes, illegal forex dealers, among others.
2.1 Growth of the Informal Sector in Zimbabwe

In the case of Zimbabwe, the volatile economy has resulted in the rapid expansion of the informal sector. The growth of the informal sector was necessitated by an increase of rural to urban migration as well as the rapid shrinking of the formal economy. ZEPARU and BAZ (2014) reiterates that the rise of the informal sector in Zimbabwe is largely due to high rural to urban migration. People leave their rural homes in large numbers to towns in search for employment and better living conditions. However, due to scarcity of jobs in the formal market these people end up employing themselves in the informal market. Brand (1986) argues that the experience of poverty and the need to support families through the provision of supplementary income was the main reason why people joined the informal sector. ZEPARU and BAZ (2014) reveal that in Zimbabwe there is a problem of low wages and salaries in the formal sector. This coupled with increase in termination of employment has pushed individuals to join the informal sector.

For Sethuraman (1997) the informal sector is the only holding ground for rural migrants before finding wage employment elsewhere. While this view explains the increase of rural to urban migration in many developing countries, this perspective is also buttressed by the report published by ZEPARU and BAZ (2014). The report reveals that an informal sector usually emerges when the formal market fails to cater for everyone. In addition to this, Stark (1991) notes that there is a relationship between the migration of labour and the informal sector. He postulates that high rural to urban migration is directly influenced by family needs for a better economic status. Also, rural to urban migration has been a common phenomenon which has been exacerbated by declining non-farm activities in rural areas particularly during the hyperinflationary periods (ZEPARU and BAZ, 2014).

In the case of Zimbabwe, there are scholars that have argued that Zimbabwe’s economic woes and subsequent increase of the informal sector can be traced to the adoption of Economic Structural Adjustment Program. Lee and Viuvarelli (2004) argue that there is a relationship between Structural Adjustment Policies of the 1980s and 1990s and the growth of the informal sector. Their argument is that when Zimbabwean government adopted the economic structural adjustment program it reduced public spending. This resulted in the choking and subsequent closure of essential sectors of the economy. As a result, many people were rendered jobless. These people decided to join the informal market to earn a living. In the same vein, Zhou and Pindiriri (2015:1) assert that in Zimbabwe, informal sector activities increased during the country’s economic structural adjustment programme and the recent economic and political crisis. While Zhou and Pindiriri (2015) concur with Lee and
Viuvarelli (2004), it is critical to note that for Zhou and Pindiriri (2015) the problem of informal sector in Zimbabwe goes beyond the economic structural adjustment program. They also cite political instability as one of the major reasons behind the shrinking of formal employment opportunities. Also, the free fall of the Zimbabwean currency has eroded away the power of workers’ salaries and wages resulting in many people seeking to find ways of supplementing their income. Given that the larger population of Zimbabweans are in the unregulated informal sector, it implies that there may be severe consequences in people’s health and livelihoods once the sector is disturbed by disasters such as COVID-19, hence this research.

2.2 Informal Sector Activities and the Status of Health Sector in Zimbabwe

Following the outbreak of coronavirus, a health disaster was looming globally. The informal sector became the major target and could have been a breeding zone of the virus given its unrestricted informal nature. This called for strict measures from the authorities to save lives. UNDP (2020) notes that since the onset of the COVID-19 pandemic, the government of Zimbabwe has instituted a number of policy, institutional and operational measures to combat the pandemic and ameliorate its effects, especially on the poor and vulnerable members of society. The government’s response is founded on the following principles: limiting human-to-human transmission, including to health personnel; early identification, isolation and care for patients; risk communication and community engagement; narrowing knowledge gaps in disease transmission, prevention and treatment; and minimizing social and economic impact (UNDP, 2020).

The need to proclaim a COVID-19 lockdown was also necessitated by the poor health status prevailing in Zimbabwe. UNDP (2020) says that Zimbabwe’s health sector is fragile and under-resourced, both in terms of financial and human resources. UNDP (2020) asserts that there are 1.6 physicians and 7.2 nurses for every 10,000 people in Zimbabwe. This is against World Health Organisation recommendations of 4.45 doctors, nurses, and midwives (health workers) per 1000 population needed to meet the Sustainable Development Goals (SDGs). In addition, the UNDP (2020) notes that regular strikes in the health sector, by doctors and nurses, due to low wages and poor working conditions have further compromised the quality of health care in Zimbabwe. Further to that, Zimbabwe’s health sector is in shambles as it has inadequacies in all the six World Health Organisation health system building blocks, namely: human resources, medical products, vaccines and technology including infrastructure, health financing, health information, service delivery, leadership and governance that are prerequisites for a functional health delivery system (UNDP 2020,4). Considering this and
given that the informal sector is characterised by unregistered entities it is difficult to control informal sector activities during periods of disasters like COVID-19. Also, given that the informal sector is sprouting everywhere across Zimbabwe, some of the traders cannot adhere to health regulations given by the authorities. This makes it difficult to control the spread of diseases if the informal sector is operational. Thus, a lockdown was proclaimed by the government. However, while a lockdown was necessary, its effects on people’s livelihoods need to be investigated. The next section focuses on methodology used for this research.

3.0 Methodology

This research employed the use of qualitative research approach. Respondents for this study were identified through purposive sampling in selected suburbs of Masvingo and Bulawayo high density areas. The choice of high-density suburbs was in line with the fact that these are areas believed to be homes to many people with low income as compared to those residing in leafy suburbs of towns. This is informed by scholars like Castells and Portes 1989; Stark 1991 and Nieman 2009, that informal trading is survival driven and mostly conducted by people with low income. More so, due to high volumes of population in high density suburbs, there are more informal businesses conducted in high density areas as compared to low density suburbs. The research targeted vendors, cobbler, illegal forex dealers, taxi operators, carpenters, and welders. Data was collected using in-depth interviews.

4.0 Findings and Discussion

Informal Traders’ Profile and Characteristics

For the purposes of this research 80 informal traders were studied. From these 40 were sampled from Masvingo urban and another 40 were sampled from Bulawayo urban. The age groups of the respondents ranged from 21 to 72 years. On average their household size had 5 people. Among the household members who are above the age of 18, an average of 3 are not employed. Respondents had an average experience of 9 years in the informal sector. The breakdown of the respondents is as follows: 58% are vendors selling vegetables, 12% selling clothes, 10% selling groceries, 8% are in transport business, 6% are illegal forex dealers, 4% are welders and carpenters and 2% are cobbler. From these, more than 50% of the informal traders indicated that they have never been formally employed in their lives. Some of the informal traders as old as 40 years have never been employed in the formal sector. Vending is their only source of income. They use the proceeds to buy food, pay rentals, send children to school, and cater for all human needs.
4.1 Informal Sector Revenue Before and after COVID-19 Lockdown

To assess the effects of COVID-19 lockdown measures on revenue, the informal traders were asked about the amount they used to get per day before and during the COVID-19 lockdown period. To this all the informal traders revealed that they experienced a decline in daily cash sales. On average, vendors indicated that before the lockdown they used to get an income ranging from ZW$200 to ZW$400 on a good day. During the lockdown, the figures declined drastically to an average of ZW$20 and ZW$50 a day. This implies that revenue declined by more than 70%. Apparently, during the lockdown vendors only served their neighbours who are their regular customers. The bulk of their customers who were buying from them during the normal days before COVID-19 were also locked down in their residential places. While vendors were removed from their usual vending points in business centres as way of combatting the spread of the virus, they revealed that this impacted negatively to their businesses. It came out that most of their customers who visited them at business centres during the normal days were coming for other services offered by business centres and then get attracted to vendors’ goods. As a result, the new vending places which vendors established at the gates of their homes have not attracted as many customers as in business centres. This is attributed to various factors including that people were discouraged to move around during the strict lockdown period. Also, many houses are not located near busy roads or in strategic points where many potential customers pass. In this regard, this paper reveals that COVID-19 lockdown measures resulted in the downfall of the informal sector revenue. While vendors used to serve the whole community operating from business centres, COVID-19 lockdown reduced them from serving the entire community to serve only neighbours of each vendor.

It came out that those selling second-hand clothes were the worst affected. They revealed that their business collapsed completely. The collapse of their sector is attributed to that second-hand clothes were deemed to be spreading the virus. Most of these second-hand clothes are from the developed countries in Asia and Europe where coronavirus killed thousands of people before spreading to Africa. To Africans, this initially created a perception that second-hand clothes could spread the virus to the local people. Because of this, the usual customers shunned second-hand clothes. In spite of this perception, this article noted that many people could not afford to buy clothes during the COVID-19 lockdown period because of incapacitation. Buying clothes was perceived as a luxury. Given that all businesses had closed; the supposed buyers of clothes were also locked at their places.
The taxi operators were not spared. Their revenue declined to 0% due to that people were no longer travelling. Further to that, the government of Zimbabwe banned taxis’ operations during the lockdown period. This rendered those involved in transport business destitute. In the same vein, most of the illegal forex dealers also recorded a sharp decline in revenue as they could not access their usual places in the city centre where customers meet them. Cobblers indicated that their suffering increased following the closure of schools because of the virus. It came out that when schools are open, a higher number of parents take the school shoes for their children regularly to the cobblers. Also, the less movement of people meant that shoes were no longer exposed to damages.

4.2 Impact of COVID-19 Lockdown on Poverty levels

To determine the impact of lockdown on informal traders and their families, respondents were asked about their capacity to continue buying necessities needed for the general wellbeing of a family. It came out that COVID-19 lockdown resulted in the deepening of poverty levels at household level. 94% of the studied informal traders indicated that they no longer afford to live their old normal life. Only 6% revealed that they can still afford a similar type of life. However, these respondents indicated that they have other sources of income that are not related to informal trading.

To assess the level of poverty at household level, we also asked informal traders about their eating habits before and after lockdown enforcement. It came out that most families have substituted bread in their diet. Where families used to have bread and tea as their breakfast before the lockdown, they revealed that they no longer afford this. Instead, they now eat porridge and sadza as their regular meals. This article notes that at the community level, poverty levels have deepened to an extent that informal traders’ sometimes skip breakfast and have lunch or supper only as a means of surviving. This is also attributed to skyrocketing prices of basic commodities in shops. In this regard, this research affirms that COVID-19 lockdown impacted negatively to the families of informal traders. While Stark (1991) notes that people migrate from rural areas to urban areas due to family needs and the need for a better economic status, this paper reveals that people’s only hope to earn a living was destroyed by COVID-19 induced lockdown.

At the household level, COVID-19 lockdown forced the informal traders to drop beef and chicken from their diet. 92% of the studied informal traders indicated that they no longer afford to buy beef and chicken for relish. Their priority is now accessing roller meal which is also expensive for people who are not generating any sound income. It came out that from the basic goods that a normal family requires, there are now certain goods that are more basic
than others. The lifesaving items such as roller meal are the ones that people prioritise. In Masvingo urban, the deepening poverty levels is also indicated by an increase of Tsunga vegetable cultivation. The researcher observed that pieces of land that were previously not considered for planting vegetables started to be utilised during COVID-19 lockdown. The dominating type of vegetable is Tsunga, a vegetable that matures very early than other types of vegetables. Respondents revealed that they prefer planting Tsunga because it rescues them from hunger in a short space of time as compared to covo and others. To this end, the increase of area under Tsunga cultivation during COVID-19 lockdown period is an indicator of deepening poverty levels induced by the lockdown measures.

4.3 Impact of COVID-19 Lockdown on Accessibility of Goods and Services

I also asked the informal traders about the accessibility of goods and other services essential in their business during the lockdown period. It came out that the lockdown measures affected the informal sector in various negative ways. 100% of the vendors selling vegetables in both Masvingo and Bulawayo cities highlighted they faced some restrictions in accessing vegetable market which is in the central business district. Before the lockdown they used to go to the vegetable market frequently to access fresh produce from the farms. The failure to access the market resulted in shortage of vegetables for resale. While vendors had an opportunity to sell from their houses, it came out that goods were not accessible for them to buy and resale. As a result, they had nothing to sell even from their homes. Illegal forex dealers revealed that their customers could not see them for the purposes of exchanging money. More so, welders and carpenters were also negatively affected. They could not move around houses in fear of spreading COVID-19. Cobblers revealed that their services are only essential when people are moving. They revealed that most of their customers only know their workplaces and could not locate them anymore during lockdown. It came out that the security details also conducted routine patrols enforcing the lockdown. This ensured that everyone stayed at home and there was always little or no movement. This rendered goods and services inaccessible to most families.

4.4 The Birth of a New Wave of Informal Dealers During Lockdown Period

Given that vegetables are regularly eaten by many people in Zimbabwe, I asked the vendors about what their customers resorted to during the crisis. It came out that the lockdown resulted in the collapse of the known informal sector but promoted a new wave of informal dealers which emerged during the lockdown period. The emergence of a new informal dealers at a time when government had restricted the previous one goes in line with the view of Kistruck et al (2015) that informal entrepreneurship always sits outside the formal rules of the game but within the norms, values, and beliefs of informal institutions. The new form of
vendors that emerged during the lockdown period countering government efforts used vehicles to sell their products. This type of vending was practised by those individuals with cars. These vendors could load their stuff and drive to highways and business centres where they would park and sell from vehicles. They targeted busy areas during the peak period around sunset or when shops had closed. While the old vendors were known for displaying their wares under sheds, the new vendors could display their wares on their cars and sell from the vehicle. This was done as part of their security reasons to drive away quickly whenever police emerge. These types of vendors were common in areas like Pumula South, Pumula North, Cowdry park and Emakhandeni among other suburbs of Bulawayo. The rise of new form of vendors had a negative impact to regular vendors who remained stationed at their homes while new vendors offered services.

4.5 Vandalism of the Informal Traders’ Vending stalls

The vendors indicated that lockdown measures resulted in vandalism of their sheds in business centres. The destruction of their property happened as Urban councils also outlawed vending in certain areas of the cities. In Bulawayo 5th avenue, a popular vending site was demolished while Chitima market, a biggest vending site was also shut down in Masvingo. Informal traders revealed that city authorities destroyed the sheds and equipment at a time when vendors were locked in their houses. There were reports that in some business centres people uprooted the poles supporting the vendors sheds for firewood purposes. This added more misery and amounts to loss of livelihoods for informal traders. While some vendors were buying vegetables for resale from the market in town, others revealed that they had gardens in their local areas. These vegetable gardens were also affected by COVID-19. The lockdown period imposed hunger to many people in communities to an extent that there was a sharp increase in demand of vegetables. This, however, resulted in an increase in theft of vegetables in local gardens. For example, vendors in Rujeko suburb of Masvingo and Pumula of Bulawayo indicated that their vegetables were being stolen during the first 21 days of COVID-19 lockdown in April 2020. This was attributed to hunger and starvation faced by many households at a time when all businesses were at stand still.

4.6 Psychological and Physiological Impact of COVID-19 Lockdown on Informal Traders

The outbreak of coronavirus left the informal sector in deep confusion and stress. All the studied informal traders were not sure about the future of their businesses during the lockdown period. This article reveals that COVID-19 brought fear and uncertainty to both business and social life of the informal traders. This came in various ways. First, the nature of
the virus and how lockdown measures were implemented caused the citizens to lose hope. More so, the rise of COVID-19 cases in Europe, America and South Africa gave people sleepless nights in Zimbabwe. It came out that informal traders like many other people in Zimbabwe have relatives and friends living outside the country. Also, those selling second-hand clothes and illegal forex dealers conduct business with people who frequently cross the borders. These groups of people started to panic upon hearing the news that the virus was claiming more lives in developed nations while still advancing to Sub-Saharan Africa. To this end, Sarah, (not real name) a vendor in Pumula suburb of Bulawayo had this to say, “sesihlalela evalweni thina lamaborder asevaliwe asazi kumbe sizakwanisa ukuphinda siyewoda” (we now live in fear and borders are closed we do not know if we will be able to restock again). This implies that vendors lost hope of continuing in business. The situation was also worsened by the fact that countries like South Africa and Botswana where most Zimbabweans buy commodities for resale had closed their borders to fight against COVID-19. As Nieman (2009) argues that informal trading is done by people as a last resort, this research points out that the situation became so hopeless and dire in the informal sector. Other respondents revealed that they lost weight due stress and uncertainty imposed by COVID-19. Those taking various tablets for chronic diseases also cited a challenge in accessing their tablets in the city centre as well as pain of taking them in empty stomachs. More so, informal traders lived in fear of catching the virus. All the interviewed respondents revealed that they were unsettled during the first days of the lockdown period. It came out that whenever a family member developed flu like symptoms it could unsettle all family members at home. Due to this, people lived in fear and were not comfortable to move to shops or to accept visitors getting to their houses. Children were sanctioned from playing outside the gates with their friends. This affected the well-being of both the young and old. In view of UNDP (2020) report that Zimbabwe’s health sector is in a poor state, the respondents pointed out that they had no hope of surviving once they caught the virus. When combined all these issues reflect a frustrated and distressed atmosphere imposed by the virus.

4.7 Increase in Domestic Violence Cases
As a result of the lockdown, informal traders indicated that there is an increase in misunderstandings within families. Given that COVID-19 lockdown reunited family members who were used to spending most of their time away from each other, the likelihood of misunderstandings rising within families increased. Interviewed informal traders indicated that misunderstandings at home were worsened by anxiety and frustration imposed by COVID-19 and regulation measures. It came out that several families experienced violence of
different nature during the lockdown period. These include psychological, emotional, physical, and sexual abuse. An increase in cases of domestic violence during the lockdown period was also confirmed by *The Chronicle* of 9 May 2020. Citing the Zimbabwe Gender Commission report, *The Chronicle* dated 9 May 2020 reported that domestic violence cases shot up to 1,200 during the month of April only. This was the first month of lockdown. This is a high figure compared to the average of 500 monthly cases which were recorded in months before lockdown was introduced. These statistics show that there was an increase of over 100% domestic violence cases during the first month of COVID-19 lockdown.

5.1 Conclusions
This article concludes that COVID-19 lockdown had negative consequences on the informal traders as well as their families. It was revealed that revenue declined drastically, services and goods became inaccessible and there was a spread of anxiety, uncertainty, and frustration among the informal traders. This affected the physiology, psychology, and well-being of families. While scholars such as Sethuraman (1997) believe that people migrate from rural areas to start self-employment activities in urban areas, this article notes that COVID-19 crippled the efforts of citizens to earn a living on their own. As a result of COVID-19 lockdown measures, poverty levels continue to deepen unabated in urban areas. The paper emphasised that informal traders’ families face hunger, poverty, and starvation because of the COVID-19 induced lockdown. To this effect, there is urgent need to rescue the troubled families. Given that scholars like Zhou and Pindiriri (2015) have argued that Zimbabwe’s unemployment rate has reached alarming levels due to shrinking of the formal sector, this research notes that the informal sector which for decades has remained as the people’s only source of hope in Zimbabwe have been destroyed by the coronavirus. This calls for assistance from the government, non-governmental organisations, churches and well-wishers to capacitiate the informal businesspeople under the new normal conditions imposed by COVID-19 pandemic.

5.2 Recommendations
- To document all the informal traders and their families to determine their size and the effect of the pandemic.
- Educate the informal traders about health disasters like COVID-19 and new safe ways of conducting business under the conditions imposed by the pandemic.
- Regulate the operations of the informal sector.
- Restrict the informal traders to specific controlled places in town.
- To give food handouts to the needy families while putting in place sustainable projects for them to earn a living.
- To give grants to the informal sector so that those that collapsed can be resuscitated.
- Establish new markets in residential areas to decongest the CBDs.
- To formalise the informal sector so that they can operate under the dictates of the government.
- To support the growth of formal sector in the country so that a limited number of people can remain outside the formal sector.
- Those in the formal sector must be adequately remunerated so that they leave the sector for the jobless people only.

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