

A CRITIQUE OF THE SOCIO-ECONOMIC IMPACT OF THE LOCKDOWN MEASURES ON THE INFORMAL SECTOR: A CASE OF GWANDA URBAN IN ZIMBABWE.

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Abstract

The measures of curbing the COVID-19 pandemic have landed a heavy blow on the informal sector in Zimbabwe. Informal businesses are a crucial factor in the economies of many countries in Africa. The main purpose of this report is to give a critique of the socio-economic impact of the COVID-19 lockdown measures on the informal sector in Gwanda urban in the Matabeleland South region of Zimbabwe. The study was principally qualitative in nature. Purposive sampling was used to select a sample of sixty participants. Telephone interviews and observations were the instruments. The findings were that most informal workplaces in Gwanda urban were still closed because of the lockdowns at the time of this research. The lockdowns reduced the spread of the COVID-19 pandemic but at a cost. The most vulnerable families were exposed to poverty and access to health care was reduced. The majority of residents were struggling to pay rentals, electricity and water bills. The conclusion was that the lockdowns impacted negatively and positively on the informal sector. It was recommended that informal trade should be regulated by departments which deal with commerce and industry whilst a readjustment of national and municipal powers that regulate informal trade is needed.

Key words: *Lockdown measures, socio-economic impact, critique, informal sector, measures.*

1. Introduction

The procedures of halting the COVID-19 epidemic have landed a heavy blow on the informal sector at international, regional and national levels. According to Gumbu, (2020), the COVID -19 pandemic has posed live threats and also a severe economic shock. The informal markets around the world at all levels have not been secure. Gwanda urban in Zimbabwe is a case in point. Hence, the main goal of this article was to give a critique of the socio-economic impact of the COVID-19 lockdown measures on the informal sector in Gwanda urban.

1.2 Background of the study

Zimbabwe's economic collapse and political mayhem emerged around 2000, (Gumbu, 2020). It is the widespread and forceful land reform program which then crippled the agricultural sector which was the spine of the economy. The above scholar further postulates that the imposition of sanctions by the US and the EU in 2003 and 2004 further strained the already fragile economy. Consequently, Zimbabwe continues to face poor governance, corruption, a high level of unemployment, drought and shortage of essential commodities (Gumbu, 2020). Hence, it became a fertile ground for the flourishing of the informal sector and the shrinking of formal employment. On this aspect, Gumbu (2020) also posits that the manufacturing, textile and clothing industries collapsed. Of late, almost 90% of Zimbabweans work in the informal sector, such as trading and self-employment.

It is important to note that the International Monetary Fund, (2018) argues that Africa possesses the most significant informal economy. Similarly, the majority of Zimbabweans' livelihoods depend on the informal sector. This is in line with Mupedziswa, (2001) cited by Saunyama, (2020) who says,

“The informal sector, once derided as an exclusive presence for an uneducated and unskilled individual, (sic) with no prospects of gaining a job in the informal sector (sic) has become a life line for a growing number of Zimbabweans, from retrenched professionals and highly skilled workers to retirees and others entering the job market for the first time...”

Therefore, one can say the informal sector in Gwanda urban has become the life blood of its economy as it is now the chief employer and possibly an engine of the nation’s industrious capability.

According to Gumbu, (2020), the negative economic impact rises instantaneously as the countries scramble to curb the deadly disease COVID-19. Against this backdrop, the mitigation procedures imposed by some countries have, however, left some communities and families in a difficult situation (Gumbu, 2020). Zimbabwe is one of the African countries that embarked on robust measures to curb the disease. For example, it issued a ruling that people must stay at home. It is quite disheartening to note that no meaningful policies, tax relief, or financial bailout were put in place to protect the marginalized and informal traders’ livelihoods.

According to Tivenga, (2021: 237) “Since the start of the Covid-19 pandemic, most of the countries have been imposing lockdowns after lockdowns as a way of reducing the spread of the virus. Some of the restrictions at some point confined people in their homes with very minimal outdoor movement”. Zimbabwe has been on a national lockdown since 30 March 2020 (Gukurume and Marjoke, 2020). The lockdown was initially supposed to last for 21 days, but it has been extended several times. In fact, what happened is that in mid-May a further extension which is unspecified was announced. Some mobility restrictions were lessened with the second lockdown extension, however, unfortunately, informal businesses remained largely closed, except for some fruit and vegetable markets. The formal markets were not allowed to operate except those that sell food stuffs. The same unfavorable conditions even applied to the third lockdown. Still, mobility into town continued to be restricted and thus impacted negatively on the flow of customers. It is estimated that a percentage which is well above ninety percent work in the informal sector, and many live from hand to mouth.

Towards the end of 2020 the restrictions were lifted although temporarily because of the COVID -19 cases which had gone down. Shumba, Mswazie and Mpofu, (2021) posit that beginning of January 2021 the decreed lockdown banned all gatherings including churches with funeral gatherings reduced to not more than 30 people for thirty days. The correct wearing of masks, social distancing, hand sanitization and temperature checks were to be meticulously enforced and offenders being prosecuted. More so, only essential services were to remain open such as hospitals, pharmacies and supermarket with only essential staff allowed to come to work. The services could only open at 8 am and close at 3pm subject to curfew that started at 6pm and ended at 6am. Despite all these stiff lockdowns the situation even worsened to the extent that by 19 January 2021 new cases were 783, deaths 53. Cumulative cases 28675, recoveries 18110 deaths 825.

Given such an unanticipated scenario, Gwanda urban was affected by such a ruling. Movement into town continued to be controlled and thus impacted inversely on the movement of customers into town. In Gwanda urban, the Zimbabwe United Passengers' Company (ZUPCO) buses and commuters were the ones given the authority to transport people to and from town or even into locations. Only workers attending to essential services, having legal travel passes were allowed to go to work. That being the case, the implication is that the majority of Zimbabweans who work in the informal sector and live from hand to mouth were automatically left out.

In addition to this, some Zimbabweans in Gwanda urban who are formally employed are indirectly involved in informal part-time jobs to supplement the low salaries. For instance, some are cross border traders. Most of these cross-border traders used to go to South Africa, Zambia and Botswana before the announcement of the lockdowns. The majority of the Zimbabweans are living below the poverty datum line and require urgent food assistance. So, the question is; what is the socio-economic impact of the COVID-19 lockdown measures on the informal traders in Gwanda urban?

In the preceding section I have examined the background of the study in line with the critique of the socio-economic impact of the lockdown measures on the informal sector focusing on Gwanda urban. In the next segment I scrutinize the statement of the problem.

2. Statement of the problem

The measures of halting the COVID-19 pandemic have strongly impacted on the informal sector at international, regional and national levels. Bouey (2020) cited by Gumbu (2020), reveals that informal businesses are the engine of the economy in most countries. Like what happens in any pandemic hit area, the lowest-paid workers and informal traders are likely to be adversely affected economically. The informal traders are affected because they are neither able to work remotely or possess savings to cater for an economic downturn. Most African governments usually shut down informal markets by force during global pandemics. Since Gwanda urban is in Africa, the main question is what is the socio-economic impact of the COVID-19 lockdown measures on the informal sector of Gwanda urban?

3. Methodology

In this article, I used the qualitative research method. The qualitative research is based on an interpretive paradigm. Interpretive approaches to research have the purpose of understanding the world of human experience (Cohen and Manion, 1994:36). This suggests that reality is socially constructed as propounded by Mertens (2005:12). Creswell, (2010:38) asserts that the interpretive researcher relies on the participants' views of the situation under study and takes cognizance of the impact on the research of their own experiences. Creswell, (2010:38) goes on to say that, the interpretive researcher mostly relies on qualitative data collection methods and analysis, or a combination of qualitative and quantitative methods. In this study, I used qualitative methods to adequately describe or interpret a situation in relation to the critique of the socio-economic impact of the COVID-19 lockdown measures on the informal sector in Gwanda urban.

Purposive sampling was used to select participants of the study. The method was useful in making sure that I excluded people who did not fit the requirements of the study. A sample of sixty participants was chosen from Gwanda urban. Informed consent was

sought from the participants used. In this research article a case study research design was applied.

Telephone interviews were used to interact with ten informal traders from Gwanda urban. This instrument assisted me to uncover rich descriptive data on the personal experiences of the participants. Information gathered through the telephone interviews could move the innovation process from general topics to more specific insights. The interviews were used so that the participants would stay focused on the topic under discussion. The other advantage of using telephone interviews was that I was able to interview the participants without endangering myself from contracting the COVID-19 disease. This created a free environment which allowed the participants to reveal their inner most feelings and experience without any hesitation.

Along with this, the other instrument that was used is the non-participant and participant observation. This instrument was used to observe fifty participants. According to Johnson and Christensen, (2008:211), observation "...is the watching of behavior patterns of people in certain situations to obtain the phenomenon of interest..." In using participant observation when critically analyzing the socio-economic impact of the COVID-19 lockdown measures, I was able to learn more on the activities of informal traders in Gwanda urban in their natural setting through observing and being involved in their practices.

Having outlined the research methodology, the next section examines the socio-economic impact of the lockdown measures due to the COVID-19 pandemic on the informal sector in Gwanda urban.

4. Discussion of findings

4.1 The socio-economic impact of the lockdown measures due to COVID-19 on the informal sector in Gwanda urban

This section showcases the socio-economic impact of the COVID-19 lockdown measures on the informal sector in Gwanda urban in Zimbabwe. In this section, it shall be shown that the informal sector in Gwanda urban has been heavily affected.

Firstly, from my observations in Gwanda urban, I noted that most informal workplaces in the town are still closed as the government has set up some minimum requirements for a workplace to open. The workplaces have to meet the recommended health requirement stipulated by the World Health Organization (WHO). The flea market places have been demolished by the local authorities since they were not at par with the set pre-requisites. Most of the informal traders could not meet the requirements recommended by Zimbabwean authorities in line with the set WHO standards. Over-congested informal markets in Gwanda urban were not up to the expected sanitary standards and were potential avenues in spreading the COVID-19 epidemic, hence the justification of their demolition.

To make matters worse, from the observations, I noted with deep concern that in high density suburbs like Garikayi-Hlalanikuhle, Spitzkorp Extension and Jahunda, the underprivileged who were informal traders were heavily affected. The most vulnerable families were further exposed to poverty and their access to health care reduced. I have also realized that in some informal traders' families, they were resorting to missed meals. Some would have two meals a day or even reduce the quantity of meals they eat. Basically, after five months of no income, most informal traders in Gwanda town are stuck in absolute poverty. To add insult to injury, there is hunger and malnutrition since sources of income of the informal traders have been stopped. What I noted in Gwanda urban is in line with Evans, (2020) cited by Gumbu, (2020), who points out that the economic impacts of COVID-19 lockdown have a drastic effect on the well-being of communities and families.

From the telephone interviews I found out that the informal traders in Gwanda urban face dual contests both on supply and demand. For instance, one of the interviewees said, "Due to lockdown measures, as informal traders we have no option except to stay at home with our children as schools are closed and movement is restricted. Moreover, the supply chain is profoundly affected, resulting in lack of intermediate goods".

Thus, the informal traders in Gwanda urban were having challenges since there was a sudden loss of revenue and demand for informal traders and Small and Medium Enterprises (SMEs).

In addition to this, one of the local vendors selling second hand clothes from Mozambique said,

“Due to this lockdown, my sales have drastically gone down. Before the lockdown, I used to get at least a customer per day but now it is not the case. At times when I try to sell my items some customers shun them saying, ‘We are afraid of buying your second-hand clothes since some come from China, hence they could be having Corona virus from China’. So, I no longer get a lot of finances as I used to do before the COVID-19 pandemic”.

From the observations I had in Gwanda town, I noticed that there was an impromptu announcement of the lockdown. Such a stance gave the majority of vendors in Phakama, Geneva, Spitzkorp Extension and Marriage high density suburbs too short a period to organize their savings and stock up food. That is why during the COVID-19 lockdown some of the vendors did not have enough food.

What I observed was supported by one of the vendors who said,

“As informal traders the short notice of the lockdowns affected us since we had little time to save and stock our food. At the moment, we cannot afford to be at home and not work, whilst going out to work exposes us to police violence and potentially contracting the Corona virus. Therefore, we are really in a difficult situation as informal traders since we are not sure of what to do. We are in a socio-economic dilemma since we are not sure of the fate of our future in the informal sector”.

From the above information, I realized that the COVID-19 lockdown measures impacted heavily on the informal traders within Gwanda urban.

Another interviewee from Mount Cazalet low density suburb said,

“At a certain time, the government promised to avail an informal sector fund to cushion us vendors so that we survive during the lockdown. However, it is quite painful that we have not received any fund so far. Our difficulty situation as vendors has been exacerbated by the critical shortage of mealie meal in Gwanda urban. Even if we get the mealie meal, the prices are too high, beyond our meager pockets. So, these lockdowns are heavily impacting on us as vendors”.

From the above sentiments I concluded that the lockdown measures were adversely affecting the vendors in Gwanda urban.

What I got from this interviewee was supported by the observations I had at shops like Choppies, OK Bazaar, Zapalala and Mukoko in Gwanda urban. For instance, I pathetically observed long queues for basic commodities for many hours in crowded places, whilst being exposed to the risk of Corona virus infection. They even resorted to buying mealie meal at high costs on the black market exposing themselves to the COVID-19 disease. As a result, one is justified to conclude that the people in Gwanda urban, just like any other Zimbabwean citizen, have been socially and economically negatively affected by the COVID-19 pandemic lockdown measures.

According to one of the interviewees staying at Garikayi-Hlalanikuhle high density suburb,

“Due to COVID-19 lockdown measures, the majority of informal traders are struggling to pay rentals, electricity and water bills in areas like Phakama, Garikayi-Hlalanikuhle, and Marriage. This was worsened by the fact that the Gwanda authorities destroyed some illegal structures of the informal traders as a measure of containing COVID-19 disease without first considering the consequences as far as the livelihoods of vendors are concerned. In Gwanda town, the flea markets have been destroyed. A close analysis of all this shows that many informal traders in Gwanda urban are likely not to resume their businesses after the COVID-19 era”.

Hence, one can say that the COVID-19 lockdown measures have heavily impacted on the informal traders in Gwanda urban.

From the observations, I also noted that Gwanda urban is more of a service provider and a tertiary industrial town since nurses, technicians and teachers are trained. Due to the COVID-19 lockdown measures, the tertiary education site, Joshua Mqabuko Nkomo Polytechnic, has been locked down. The closure of such a site has reduced the number of customers to the informal traders in town since the informal traders used to sell various commodities to students from the Teacher Education and Technical Faculties. Some vendors were offering accommodation to the students for a fee. Therefore, due to COVID-19 lockdown measures, the informal traders' finances have gone down due to customer deficit brought about by the lockdown measures.

A certain informal trader from Jacaranda low density suburb said,

“It shall be a struggle for informal traders from Gwanda town to rebuild networks with their former links as the supply chain has been disrupted by the COVID-19 lockdown measures. The majority of informal traders, due to their strength and financial capacity, lack adequate knowledge to lighten the shocks, flexible resilience of withholding shocks”.

What I got from the above interviewee was confirmed by another interviewee from Joshua Mqabuko Nkomo Polytechnic Old Site who said,

“A number of informal traders in Gwanda urban are required to adopt the latest strategies and technology as well as digitalization as far as business management is concerned even at informal level. They do not have personal protective equipment (PPEs), such as hand sanitizers and masks, because of their irregular and insecure incomes. In fewer instances where we have these, they are not adequate”.

Therefore, one can say that the COVID-19 lockdown measures in Gwanda urban have adversely affected the informal sector within Gwanda urban.

From the observations I had, I noticed that Gwanda urban is a stoppage town between Beitbridge and Bulawayo, thereby offering fertile ground for informal traders to market their items. However, with the dawn of the COVID-19 lockdown measures, all cross border and intercity transport was affected, hence negatively impacting on the informal traders.

What I got from the above observation was supported by one of the informal traders who used to sell food items to cross borders at Engen Garage in Gwanda urban. According to that vendor,

“These lockdown measures have heavily affected me financially because currently there is no cross border and intercity transport between Beitbridge and Bulawayo, which normally afforded me an opportunity to sell food items to the passengers in transit. All that was helping me a lot, but now I am now in financial difficulties since I no longer have that opportunity”.

Hence, from the above remarks I concluded that the COVID-19 lockdown measures negatively impacted on the informal traders who used to sell items to cross borders at the Engen Garage.

One of the interviewees also pointed out that,

“As informal traders in Gwanda Urban, we used to order fresh products like potatoes and bananas from Manicaland province, but now with the banning of the intercity travel, it is now problematic to source such products. Honestly, we are really in a difficult position as informal traders”.

The interviewee’s remarks above are clear evidence that the informal sector was hard hit by the COVID-19 lockdown measures.

Although the COVID-19 lockdown had a negative impact on the informal sector as shown above, it is equally important to note that it had also a positive impact on the informal traders in Gwanda urban. For example, from the observations I had in various suburbs in Gwanda urban, fresh vegetable markets have been allowed to operate if they were

adhering to WHO stipulations. At Nare shopping Centre, some informal traders got places to operate from. The informal traders' organizations also embarked on a massive program to mobilize resources. In line with this, some informal traders received materials such as sanitizers and masks in Gwanda urban. However, some informal traders did not benefit from this program. Moreover, the demand for fresh produce has dropped because of reduced travel and decreased human traffic since it is difficult for Zimbabweans to travel without authentic clearance due to COVID-19 lockdown measures.

Above all, I observed that in Gwanda urban, just like what is happening in other towns in Zimbabwe, at 3 pm the formal shops will be closed due to the latest lockdown regulations. That being the case, I noted that some informal traders take advantage of this and operate behind the scenes in their homes selling what is sold in the formal shops. More so, even when the formal shops are still open before 3 pm, some informal traders sell their items in their respective homes. Some customers, instead of boarding commuter omnibuses to and from town, they prefer to get the same product from the nearest source, that is the informal traders' market (home). What is happening in Gwanda urban is almost in line with what was posited by Gumbu, (2020) who says, "Some informal traders have resorted to operating from their home raising hygienic concerns which might contribute to the outbreak of the COVID-19 pandemic". I also noticed that some vendors in Gwanda Urban even sell their food stuffs to the gold panners who are called Makorokoza in local usage, in the surrounding mines of Gwanda Urban.

The foregoing section shows that the COVID-19 lockdown though largely negative, had some positive outcomes on the informal sector within Gwanda urban. In the next section the conclusions to this research article will be scrutinized.

5. Conclusions

Judging from what happened in Gwanda urban as a result of the COVID-19 lockdown measures, I was able to come up with the following conclusions:

- Firstly, I concluded that the Zimbabwean government made use of the COVID-19 opportunity to have reforms in the informal markets without warning or consulting the informal traders whose stalls were demolished. In Zimbabwe the informal trade is regulated by municipal law enforcement agents who use impromptu, martial and violent tactics to regulate informal trade.
- What happened in Gwanda urban shows that numerous civil society actors have confirmed that both the COVID-19 disease and the government measures impacted heavily on informal workers who lost their sources of livelihood due to lockdowns.
- The COVID-19 lockdown measures impacted negatively on informal traders in Gwanda urban since there was a sudden loss of revenue and demand for informal traders' services. In high density suburbs like Garikayi-Hlalanikuhle, Spitzkorp Extension and Jahunda, the underprivileged who were informal traders were heavily affected. The most vulnerable families were further exposed to poverty and their access to health care reduced. In actual fact the destructions of the so called illegal vending structures in the midst of Gwanda town have culminated in a number of informal traders being more vulnerable and their level of poverty sky rocketing.
- The demand for fresh products in Gwanda Urban dropped because of reduced travel and decreased human traffic since one could not travel to areas like Manicaland province to order fresh fruits and vegetable products without authentic clearance due to COVID-19 lockdowns.
- Although the COVID-19 lockdown measures have left some bleeding wounds on informal traders, however, on a positive note they have helped greatly in curbing the spread of the disease since there were now restricted movements due to the lockdowns.

- Some informal traders in Gwanda urban took advantage of this COVID-19 lockdown measures and operated behind the scenes in their homes, selling what is sold in the formal shops. More so, when the formal shops were still open before 3 pm, some informal traders sold some basic commodities in their respective homes.
- A number of informal traders in Gwanda urban are required to adopt the latest strategies and technology as well as digitalization in as far as business management is concerned even at informal level. Informal traders do not have personal protective equipment (PPEs), such as hand sanitizers and masks, because of their irregular and insecure incomes. In fewer instances where we have these, they are not adequate.
- The Gwanda authorities destroyed some illegal structures of the informal traders as a measure of containing COVID-19 without first considering the consequences as far as the livelihoods of informal traders are concerned. A close analysis of all this shows that many informal traders in Gwanda urban are likely not to resume their businesses after the COVID-19 era since their sources of income have been adversely affected socially and economically.
- It shall be a struggle for informal traders from Gwanda town to rebuild networks with their former links as the supply chain has been disrupted by the COVID-19 lockdown

In the foregoing section the conclusions of the research article have been spelt out. In the next segment the recommendations to the research article will be examined.

6. Recommendations

- Since in Zimbabwe informal trade is controlled by municipal law enforcement agents who use impromptu, martial and violent tactics to control informal trade, there is great need for rearrangement of both national and municipal powers in charge of regulating informal trade in Zimbabwe.
- The informal trade in Zimbabwe should be regulated by the departments that deal with industry and commerce, since informal trade is a commercial enterprise and not criminal activity.

- The informal traders should continue to have their fresh vegetable markets to operate if they are adhering to WHO stipulations to curb the spread of the COVID-19 pandemic.
- The informal traders' organizations are implored to continue embarking on a massive program to mobilize resources like masks and sanitizers to curb the spread of the COVID-19 disease.
- Informal traders in Gwanda urban are required to adopt the latest strategies and technology as well as digitalization as far as business management is concerned even at informal level.
- The government of Zimbabwe should develop long-term resolutions for a future epidemic to lessen the hostile effects on informal traders' livelihoods. In actual fact, the government should not have a one-size-fits-all tactic when dealing with such aspects.
- The government of Zimbabwe is also encouraged to be proactive in dealing with hostile effects on the informal sectors. An incentive is vital to cushion the informal economy in Zimbabwe. Those in power should find techniques supporting the informal traders in a fair and non-politicized manner.

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