Guest Editor's note: Mythologies of Migrants in the Informal Sector

On a recent visit to Washington DC, I had an animated discussion with a taxi driver who was an avid supporter of Donald Trump. The driver was not the stereotypical white, middle-aged, small-town, working-class, non-college-educated, angry voter who put Trump in the White House. Rather, he was a former television producer and poet from India who had immigrated to the US in the 1990s, and was adamant that Trump would stop the "flood of illegal aliens" into the country. His vigorous defence of Trump was a surprise, as was his buy-in to Trump's anti-immigrant discourse of threat. There are few issues in the contemporary world that generate so much uninformed debate and misinformation as immigration (Blinder, 2015; de Haas, 2008; Hellwig and Sinno, 2017; Valentino et al., 2013). In a recent three-volume study on the mythologies of migration, Arcarazo and Wiesbrock (2015) argue that there are three foundational and intertwined myths structuring citizen reactions and government responses to established and new migration flows. The first myth is that sovereign territories and local labour markets are being "swamped" by migrants to the detriment of citizens. The second is that all migration is driven by poverty in countries of origin. And the third is that migration is economically negative for receiving countries. These myths, and variants thereof, are present in public and policy responses to migrants running informal-sector businesses in South Africa (Crush and Ramachandran, 2015).

The swamping myth is particularly evident in the numbers game popular with South African politicians, government officials and the media. In a briefing to an Ad Hoc Parliamentary Committee on the work of the Inter-Ministerial Committee on Migration (IMC) in 2015, for example, Minister Jeff Radebe observed that "a heavy influx of foreign nationals has led to migration laws not being adhered to due to border management laxity." As a result, "it was very clear [to the Minister at least] that in townships and in villages foreign nationals were dominating" (PMG, 2015). Here, in just a few words, he performed the common linguistic trick of juxtaposing migration, unlawful entry, and the disadvantaging of South Africans. As if to emphasise that there could be no other outcome from migration, he also asserted that there were 5-6 million migrants in the country, representing 10% of the population (NA, 2015: 5.4). A local current affairs television programme, Carte Blanche, later claimed that there were as many as 6 million Malawians in South Africa, representing one-third of that country's population (Africa Check, 2017). Others have implausibly claimed that there are 800,000 Nigerians in South

Africa. Statistics South Africa (SSA) is thus currently trying to work out why Census 2011 recorded a total of 2,188,872 foreign-born people in the country while the 2016 Community Survey recorded only 1,578,541 (SSA, 2016:25). The implication that the foreign-born population might conceivably be declining does not, as the SSA admits, "conform to expected outcomes" (SSA, 2016).

Similar hyperbole has clouded the issue of the number of asylum-seekers in the country. The UNHCR (2016: 44) controversially claimed in 2015 that the number of asylum-seekers in South Africa at the end of 2014 was 1,057,600. South Africa, according to the UNHCR, therefore hosted more asylum-seekers than any other country in the world, and more than double the number in Germany in second place (UNHCR, 2016: 44). In its next annual report on forced displacement, however, the UNHCR (2017: 45) noted that there had been a "sharp reduction" from 1.1 million to 218,300 asylum-seekers at the end of 2016. It would have much more helpful to admit that the 2015 figure was a mistake and that South Africa was never, in fact, host to the largest number of asylum-seekers (Stupart, 2016). Regrettably, the claim and the numbers became part of government's case for abandoning the rights-based post-apartheid model of refugee protection and its replacement with the draconian proposals of the recent Refugees Amendment Act (*Cape Times*, 2016). The White Paper on International Migration admits that the number is actually less than 100,000 but still goes on to endorse and justify the new exclusionary approach. The damage has been done, with fake numbers and the authority of the UNHCR used to support the myth of swamping with extremely detrimental implications for refugee protection.

The second foundational myth is that poverty is the root cause of all migration. This is the myth that collapses the many complex and varied causes of migration into one and homogenises all migrants into a single impoverished category. This myth expresses itself in various ways in South African policy discourse. For example, politicians regularly claim that South Africa is a destination for migrants from poverty-stricken Africa, conveniently overlooking that many countries are growing much faster economically than South Africa and that the South African economy and job creation in the country are major beneficiaries of investment in Africa. The motives of migrants coming to South Africa from the rest of Africa are extremely diverse and, in general, it is not the poorest who migrate. Even if we grant that poverty is a root cause of some migration from neighbouring countries like Zimbabwe, Mozambique and Lesotho, it does not follow that migrants are desperate and

faceless victims. They are, in the main, highly motivated individuals with extraordinary degrees of ingenuity, tenacity and resilience.

The homogenising and (mis)naming of migrants is a regular South African pastime. There are the derogatory epithets that are used on the streets and in communities to insult non-South Africans to their faces. As one Zimbabwean cited in a paper in this special issue commented: “The children learn it from their parents. They call us *makwerekwere*. Do you know even small kids can call you *makwerekwere*? Is that not xenophobic?” However, there are other, only slightly more sanitised, homogenising labels that erase diversity and emphasise exclusion in policy discussion. In the 1990s, the apartheid-era term “aliens” was used by politicians and the media to describe all migrants. This term was replaced in the 2002 Immigration Act, but by an equally alienating term: the “foreigner.” The terms “foreigner” and “illegal foreigner” are now common currency, courtesy of the Act, and are used incessantly to draw a sharp distinction between those who belong in South Africa and all those (non-South African-born) who supposedly do not. Government also frequently divides migrants into just two categories: economic migrants (said to constitute 90% of the population) and refugees (the other 10%). An associated claim repeated in the White Paper, for which there is also no proof, is that 90% of refugees are really economic migrants.

The third foundational myth relates to the supposed negative economic impacts of migrants on receiving countries. This myth has consistently been undermined by research evidence that points to the positive impacts of migration and migrant entrepreneurship on host economies (Kloosterman and Rath, 2003; Fairlie and Lofstrom, 2015). In the South African case, this mythology takes on a particular inflection: that is, that migrants are “stealing our jobs”; a claim with superficial plausibility given the high rates of unemployment in the country. However, past surveys have shown that the proportion of South Africans who have actually lost a job to a migrant is relatively low. And the calculus fails to take into account the economic advantages to South Africans from hiring migrants and, by extension, the benefits to the state in increased tax revenues. The negative economic impacts argument has crystallised in recent years around opposition to the activities of asylum-seekers and refugees in the informal sector, whose right to establish and operate businesses in the informal economy has nevertheless been upheld by the courts (Crush et al., 2015; Rogerson, 2016). The IMC, for example, maintains that migrants are “dominating trade in certain sectors such as consumable goods in informal settlements which has had a negative

impact on unemployed and low skilled South Africans" (NA, 2015). The IMC ignores the positive economic impacts of refugee and migrant informal entrepreneurship including job creation for South Africans, profits for local retailers and wholesalers, licensing fees paid to municipalities, cheaper goods for poor consumers, and rent paid to South African property owners (Basardien et al., 2014; Jinnah, 2010; Peberdy, 2016, 2017; Radipere, 2012; Tawodzera et al., 2015). Indeed, South Africans have been publicly condemned by government ministers for renting their properties to refugee and migrant entrepreneurs (NA, 2015: 7.17).

The papers in this special issue on migrant entrepreneurship (and the projects on which they are based) test all three foundational migration myths. First, they examine claims that South Africa and, by extension, the South African informal sector is being "swamped" by "foreigners." Gauteng is generally reckoned to be the province with the largest number of migrants. SSA (2016) calculates that the province had 801,308 non-South African-born residents in 2016 or 6% of the total population. In most other provinces, the proportion is 1-3%. A survey of the Gauteng informal sector found that over 80% of small businesses in the informal sector were still owned by South Africans (Peberdy, 2015). Certainly, there are more migrants in the informal sector in 2017 than there were in 2000 or 2010 and there are more migrant than South African entrepreneurs in parts of some cities (and vice-versa in other areas). Because refugees, asylum-seekers and other migrants are shut out of sectors of the formal labour market (as they have been in the security industry, or because employers will not accept Section 22 and 24 permits as bona fide legal entitlements to work), the numbers working informally have inevitably swelled. Working in the tough and unrelenting environment of the informal sector is not necessarily the first choice of the many migrants and refugees who are more than qualified for formal employment.

Second, these papers provide a more nuanced and humanised picture of so-called foreigners and their activities in the informal sector than is suggested by the notion that they are all desperate survivalists fleeing poverty and strife in other African countries. While a significant number of refugees say that they work in the informal sector because they cannot get formal-sector jobs, many also exhibit strong entrepreneurial characteristics, orientation and ambition. This emerges both in their attitudinal profile of suitability for running their own businesses and in the innovative business strategies that they have developed. Perhaps most surprisingly, given the blanketing clouds of myth, refugees are far more likely than their South African counterparts to want to

contribute to the development of South Africa through running an informal business. As the two papers in this collection focused on informal cross-border traders clearly show, there is also significant entrepreneurial orientation amongst these primarily female informal sector participants. Like their less mobile counterparts, cross-border traders working the transportation corridors between Harare, Maputo and Johannesburg are dedicated and enterprising individuals with high levels of motivation.

Third, the papers in this collection take issue with the predominantly negative stereotyping of migrant entrepreneurs to justify and promote harsher sanctions against them. National, provincial and local level campaigns by the police and army – with telling names such as Operation Fiela ('sweep' in English), Hardstick and Clean Sweep – aim to create city environments swept of informal entrepreneurship by migrants and refugees. However, in case such "operations" are viewed (as they were by the courts) as cynical and unconstitutional, it also seems necessary to target informal entrepreneurs with the most negative language possible. The IMC, for example, asserts that the impact of foreign national domination "is compounded by business models used by migrants to discourage competition such as forming monopolies, evading taxes, avoiding customs and selling illegal and expired goods" (NA, 2015). Or again, the previous Minister of Home Affairs pointed to the seriousness of "the dynamics of migration, crime, drugs, prostitution, fraud and unfair labour practices" (Gigaba, 2017). The most efficient, and misleading, way to highlight the supposedly negative impact of migrant and refugee entrepreneurship is to directly associate it with criminality. The papers in this collection instead show that crime is a very real business challenge for refugee and migrant entrepreneurs. Their many positive economic contributions are made despite, not because of, crime.

In addition to replicating the foundational mythology of migration, South Africa has several of its own homegrown myths about migrant entrepreneurs in the informal sector. First, there is the myth, articulated by the Minister of Small Business Development, that refugees enjoy a competitive advantage over South Africans because trading and vending is ingrained and instinctual. She claimed in an interview that foreign spaza shop owners are "better at running shops than the local owners – they have a great network system. And also that's how they live. From the moment they are born, they are introduced to trade. Their mothers, uncles – everyone trades. They start at an early age…How are they able to make it when our people can't? It is because they know business. It is in their blood" (Zwane, 2014). Only a small proportion of

the refugees and other migrant business owners interviewed for these studies had experience running an informal sector enterprise before they came to South Africa, however. The success of refugees and migrants in the informal economy is not because entrepreneurship is innate, as the minister claimed, but rather a function of hard work, innovation and competitive business strategies. The tools of the trade were acquired on site.

The second homegrown myth is that South Africans are bad informal entrepreneurs unable to compete with the "foreigner." Many South Africans have decided to opt out of the spaza business because it requires less work and is more remunerative to rent their property to refugees and other migrants. That said, there is still stiff competition in the informal economy between South Africans and non-South Africans, as there is between South Africans and other South Africans and between non-South Africans of one nationality and another (Piper and Charman, 2016). There is also evidence that antagonism towards refugee business owners is stoked by South African trader associations who would rather not compete openly and fairly. However, as the papers in this collection demonstrate, South Africans are certainly not incompetent or incapable of competing. They, too, have their own competitive strategies and carve out market niches, especially within the informal food economy, where they operate with success.

Third, there is the myth that the post-2008 upsurge in violent attacks against migrant-owned businesses in the informal sector is purely the work of fringe criminal elements. According to the IMC, "the main causes of the violent attacks (are) criminal actions that started with stealing of goods from foreign owned spaza shops by South African criminals who are often drug addicts" (NA, 2015). This is certainly called into question by the large crowds, including many parents and children, that surround refugee and migrant-owned shops during episodes of collective looting. Whenever there is a particularly vicious flare-up, or after a spate of looting and murder, government ministers and Cabinet are quick to proclaim that crime, not xenophobia, is the driver (Misago, 2016). Indeed, there has been a persistent strain of xenophobia denialism ever since former president Thabo Mbeki proclaimed in 2008 that South Africans were not xenophobic. Most recently, the IMC has vigorously denied the existence of xenophobia in the country: "South Africans (are) not xenophobic; no evidence was found to indicate that South Africans were xenophobic" (NA, 2015). The IMC has clearly not acquainted itself with the large body of attitudinal research that proves precisely the opposite (Crush et al., 2013; Gordon, 2016, 2017). As the paper

in this collection on Zimbabweans in the informal sector suggests, migrants themselves have no hesitation in naming xenophobia for what it is. They say South Africans are the owners of xenophobia, refer to violence against their small businesses as "the xenophobia", and recount numerous harrowing incidents that are either triggered by xenophobia or, as in the case of service delivery protests against government, quickly turn xenophobic.

Finally, there is the argument that xenophobia is not a factor because violence and vulnerability to crime comes equally to all who work in the informal sector. The suggestion here is that South Africans and non-South Africans are equally vulnerable and to single out violence against the latter is to ignore the identical plight faced by South Africans. Some statistical evidence on relative vulnerability has been advanced in support of this argument (Piper and Charman, 2016). The paper in this collection on business risk presents alternative evidence. While it is true that South Africans in the informal sector are not immune from crimes such as robbery and looting, the prevalence is significantly higher amongst refugees and in different parts of the country. Many refugees in towns in Limpopo had started businesses in large cities but moved to what they assumed would be a safer operating environment after the levels of violence and xenophobia became overwhelming. It is safer, but it is certainly not safe.

South Africa is the process of a major overhaul of its migration and refugee protection systems. In the case of migration for work, there are some grounds for optimism in the recognition that South Africa is integrated into, and benefits from, a regional SADC economy. The White Paper on International Migration contains proposals for a streamlined skills-based immigration policy and a system of work and trading permits for SADC citizens. In the case of cross-border traders, the proposed system seems unnecessarily bureaucratic unless the intention is to try to control numbers through quotas. This is unworkable and it would be far simpler to allow visitors to the country to both buy and sell goods. Whether proposals to issue quota-based permits to migrants from other SADC countries will ever see the light of day is questionable given the current upsurge in public complaints, now supported by the unions, that migrants are taking jobs from South Africans. However, it is the proposals for restructuring South Africa's post-apartheid refugee protection regime that are likely to have the most far-reaching impact on livelihoods in the informal economy. As the first paper in this special issue argues, the intention is to make South Africa undesirable by moving from an urban integration towards a border encampment model, denying asylum-

seekers their current right to pursue a livelihood while waiting for a hearing, and ensuring that no refugee ever qualifies for permanent residence, no matter how long they have been in the country. The proposed changes rest on the shaky foundation of myth.

This issue is a contribution to the ongoing task of testing anti-migration mythologies with fact. It comprises a selection of papers from three projects implemented by the Southern African Migration Programme (SAMP) (see also www.samponline.org): (a) the Growing Informal Cities project, an IDRC-funded partnership between the African Centre for Cities (ACC), the Gauteng City Regional Observatory (GCRO), Eduardo Mondlane University and Queen's University; (b) the Migrants in Countries in Crisis (MICIC) project between the University of the Western Cape, the University of Limpopo, the Balsillie School of International Affairs, the International Centre for Migration Policy Development and the International Migration Institute at Oxford University; and (c) the UNHCR-funded Refugee Economic Impacts project, a partnership between researchers at the Universities of Cape Town, Limpopo and Western Cape and the International Migration Research Centre.

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