

Gendered Inequalities in the Informal Economy in Masvingo Urban of Zimbabwe

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Abstract

This paper focuses on the gendered inequalities in the informal economy of Zimbabwe with specific reference to Masvingo urban in Zimbabwe. The informal economy in Zimbabwe is made up of unregistered and unrecorded statistics and therefore is not registered, supported or regulated by the Government. Women trading in the informal economy have little or no access to organised markets, credit institutions, formal education and training institutions, public services and amenities. Qualitative research methodology was used for the research. A case study research of Masvingo urban in Zimbabwe was used, while data was collected using key informant interviews, semi-structured interviews, observations and documentary search. The findings of the study indicates that women in the informal economy are affected by environmental, political, economic, social and personal constraints. Women are concentrated in this sector due to the value system in the society; fewer skills required for the jobs in this sector, technological advancement, and the traditional roles assigned to them. The study concludes that gender-sensitive macro-economic policies are an important enabler to address gender inequalities in the informal economy as they shape the economic environment for women's empowerment. The study recommends that local authorities should come up gender-responsive policies to enable women to operate in an environment that has decent infrastructure for vending, free from police and sexual harassment and adequate security.

Keywords: Informal economy; Gender inequality; Vendors; Policy; Market place; Gender-responsive.



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1. Introduction

The informal economy is a key contributor to the provision of essential products and services, and employment generation (Chen, 2006). Informal economy businesses are also essential to the competitiveness of formal organisations and regional economies, through their involvement in supply chains and strategic networks (Blunch *et al.*, 2001; Jones *et al.*, 2006). These trends are integral to contemporary neo-liberal capitalism and globalisation, as large multi-national enterprises strategise to save costs and maximise return on investments, through the use of cheaper inputs and more flexible employment arrangements, often brokered by smaller informal businesses and agents (Jones *et al.*, 2006; Kar and Marjit, 2009).

The situation of women in the informal economy was brought to international attention in the Nairobi Forward-Looking Strategies for the Advancement of Women. These Strategies called for governments to recognise the importance of improving conditions and structures of the informal sector for national industrial development and the role of women in it. This is to be done by providing women access to credit, training facilities, marketing opportunities and technological guidance. In this context particular attention should be devoted to the informal sector since it is a major employment outlet for a considerable number of women both in rural and urban areas. Accordingly, given the current economic crisis in Zimbabwe, there is a tremendous shift and emphasis into the informal economy as it continues to absorb a bigger number of unemployed people. In Zimbabwe the major driving force for the spread of the informal economy is unemployment. The informal economy accommodates even the highly educated citizens of the country. However, the formal economy does not have the capacity to absorb thousands of University graduates that are churned out on a yearly basis. The formal unemployment rate is estimated at about 90% because of de-industrialisation and loss of jobs (ZIMCODD, 2015).

The informal economy of Zimbabwe has suffered from a negative image yet it possesses many positive characteristics and has a vital role to play in contributing to renewed economic growth of the country. Informal economy activities conserve scarce foreign currency, require very little capital to create jobs, rely primarily on family savings, often provide their own skill at no cost to the government, and are a prime training ground for future African entrepreneurs. The informal economy offers an unmatched potential as a source of new jobs for the expanding labour force, while the self-employed and small-scale enterprises represent the major part of business activity. They fulfil key functions in support of agriculture and other local production providing people with a wide range of cheaper goods and services.

Studying informal economic activities in contemporary Zimbabwe unpacks the forces and connections between the local and the global and in the process casts informality not only in a particular historical conjuncture, but also a specific geographical context. Geographical specificity is important in that at the local level the policy instruments and laws of the state play a role in shaping the trajectory and patterns of individual survival strategies. Important in the case of Zimbabwe is the general economic and political crises since the late 1990s. Most countries suffered a crisis of social reproduction during this period and the situation in Zimbabwe should be understood within this

broader context. Though the country has been lurching from crisis to crisis and the local people engaging in informal economic activities shaped by local conditions, other countries have gone through similar socio-economic and in some cases political trajectories.

The informal sector in Zimbabwe contributes immensely to the country's Gross Domestic Product (GDP). According to the Zimbabwe Policy Analysis and Research Unit (ZEPARU) and Bankers Association of Zimbabwe (BAZ) (2014) the nature and characteristics of the informal sector include; ease of entry; reliance on indigenous resources; family ownership of enterprises; small-scale of operations and adapted technology; capacity to generate new jobs; paucity of data on informal sector operations; skills acquired outside the formal education system and unregulated and competitive markets; and largely having little access to government services.

2. Literature Review and Theoretical Framework

Studies on the characteristics, participants, causes, and nature of the informal economy have over time been synthesised into three main theories by informal economy scholars (Chen, 2006;2012; Williams *et al.*, 2012). While the marginal or modernisation theories primarily attribute the informal economy to survival and marginal activity, the neoliberal and legal schools point to state regulation for explanation, and structuralist theories, including post-colonialism attribute the phenomenon to the nature of modern capitalism. Though discussed and sometimes studied in isolation, in reality, the complexity of the informal economy phenomenon is best understood by appreciating and drawing on all these theories in a complementary fashion. For the purpose of this study, the marginalisation theory will be adopted in order to understand the gendered inequalities in the informal economy.

2.1. Marginalisation Theory

The marginalisation theory holds that the self-employed operating in the informal sector are predominantly marginalised populations (Barbour and Llanes, 2013; Brill, 2011; Dellot, 2012; Katungi *et al.*, 2006). This applies when considering both where such self-employment in the informal economy takes place as well as to the type of self-employed people engaged in such endeavour. From this perspective, self-employed people participating in the informal economy are concentrated in deprived areas. The self-employed are viewed as more likely to operate in the informal economy when they live in deprived urban neighbourhoods (Barbour and Llanes, 2013; Brill, 2011; Dellot, 2012; Katungi *et al.*, 2006), peripheral rural regions, poorer nations (Schneider and Williams, 2013) and poorer regions of the global economy (ILO, 2012; Williams and Nadin, 2013). It is similarly the case when discussing which groups of the self-employed participate in the informal economy. The marginalisation theory views the self-employed operating in the informal economy as predominantly marginalised populations. For example, some scholars assert that the self-employed who display a greater propensity to participate in the informal economy are those with greater financial difficulties and/or lower-income groups (Barbour and Llanes, 2013; Brill, 2011; Katungi *et al.*, 2006) and women rather than men (ILO, 2013).

According to Chen (2006) the so called 'marginalists' contend that the informal economy is nothing more than a survival sector for excess labour that the formal economy is unable to absorb. The informal economy is therefore often conceived as a marginal economy that is only able to cater for subsistence levels of economic activities and income (Blunch *et al.*, 2001). According to this school of thought, the informal economy is residual and will eventually become formalised with economic development rather than grow. However, later observations demonstrate that this might not necessarily be the case. Explaining informality solely from a macro-level perspective falls short of other possible and significant influences on the drivers and decisions on informal economy participation. Evidence suggests more technologically advanced and better organised economic activities that are far from marginal, take place in the informal economy (Jones *et al.*, 2006; Kar and Marjit, 2009). Supporting these observations, other studies show that institutional norms and exigencies, group interests as well as social stratification could provide further and alternative explanations to informal economy participation other than subsistence motives (Karunakaran and Balasubramaniam, 2012; Webb *et al.*, 2013).

2.2 Defining the Informal Economy

The concept of informal sector is difficult to define precisely. Most often, it is defined negatively, by pointing out the absence of characteristics that belong to 'formal' activities of special significance. There are labour market characteristics like security and regularity of work, better earnings, existence of non-wage and long term benefits, protective legislations and union protection. The informal economy has been defined in a variety of ways (Bruton *et al.*, 2012). It is fraught with terminologies from early studies by anthropologists, sociologists and economists such as: 'underground', 'black', 'hidden', 'irregular', and 'criminal' (Gërkhani, 2004; Henry and Sills, 2006). The literature tends to use the terms 'sector' and 'economy' interchangeably and popularly defines the sector to include businesses that are characterised by partial or non-compliance to business, tax and employment regulations, but produce and sell legal goods and services (Godfrey, 2011; Hart, 2006; Williams, 2006). The notion of the informal economy also encompasses informal employment arrangements by formal businesses, including precarious work that is often characterised by low wages (below minimum wage in some cases), uncertainty, and insecurity, lack of protection and explicit contract, and lack of, or limited access to exercise union and working rights (ILO, 2012).

Hart (1971) first introduced the term 'informal economy' in anthropological research on income earning strategies among poor people in Accra, Ghana. Hart (1973) work marked the beginning of the Third World dual economy theory that differentiated regular and permanent paid labour from small self-employed labour. Permanent paid labour is characterised by irregular wage regimes that fall into the informal economy category. The informal

economy is also characterised by more or less subsistence economic activities, low levels of technology and low levels of bureaucracy unlike the advanced formal economy resulting from foreign influence (Blunch *et al.*, 2001; Hart, 1973). Off-the-books transactions, low levels of productivity, low income, and under-employment are other features (Blunch *et al.*, 2001; Chen, 2006). Early theorising described the informal economy as a transient economic phenomenon of less developed economies that was destined to disappear when development catches up with those economies. Unlike the formal economy, the informal economy is not properly registered, recorded or enumerated, with businesses operating off-the-books and failing to pay taxes or comply with labour and employment laws (Chen, 2006; Gërkhani, 2004). Atypical resources and management practices are two other defining characteristics of businesses operating in the informal economy (Blunch *et al.*, 2001; Godfrey, 2011).

In developing economies, the informal economy has increased in size from about 37% of gross domestic product (GDP) in the 1990s to approximately 50% by 2010 (Charmes, 2012). In developing economies informal economy employment provides livelihood for many, out of the reported informal economy working populations, 70% in Sub-Saharan Africa; 60% in Latin America; and 59% in Asia are self-employed/owner labour, while informal jobs constitute 30% to 40% of wage employment. If agriculture is included in the estimation, informal employment constitutes about 90% of the economy in these regions (Schneider, 2011). The informal economy has a growing and disguised character in developed economies (Blunch *et al.*, 2001; Chen, 2006;2012), and accounted for an average of about 16% of GDP of developed countries in 2012 (Schneider, 2012). In advanced economies, the importance of the informal economy as an employment alternative is often highlighted during world economic and financial crises when the informal economy acts as a buffer for jobs, allowing labour to move between the informal and formal economy (Horn, 2009; Schneider, 2012).

The informal economy now includes more technologically-advanced and sophisticated informal activities undertaken at home or in small manufacturing and service operations, unlike 'traditional' jobs such as hawking that marginalist arguments usually portray (Blunch *et al.*, 2001). This observation further suggests that the informal economy may have assumed many new and sophisticated forms, and provides a pointer to potential new understandings of the phenomenon. Modern day international trade and economic discourse that advocates trade liberalisation, openness, lower tariff, and non-tariff barriers is pushing this institutional agenda further by increasing domestic competition and promoting informal economy participation in developing countries (Breman, 2009; Verick, 2006). Informal economy involves micro and small enterprises, many of which are found in homes, farms, streets, small rooms or shops. The informal economy is made up of unregistered and unrecorded statistics and thus not registered, supported or regulated by Government. Informal traders have little or no access to organised markets, credit institutions, formal education and training institutions, public services and amenities. They are compelled by policy constraints and societal prejudices to operate outside the legal framework (ZIMCODD, 2015).

3. Gender Inequalities in the Informal Sector

Although women are found engaged in all the activities contributing to the family welfare, they are not considered as workers. Women work from dawn to dusk but in 'manpower' planning statistics this is not considered as employment. Here, undoubtedly the question arises as to why does woman's work go unaccounted, unrecognised, unaccepted and underpaid? According to economists, statisticians, planners and policy makers, activities performed by women in the informal economy lack official visibility in statistics. This happens due to negative attitude towards women prevailing in the society which induces a lower status for women and which has to be overcome by giving them equal weight, recognition and extra care with full respect. If this gender bias goes on, it will become a big hurdle towards human development.

The deplorable working conditions, the intensive, invisible, unaccounted and undervalued work done by women are a fact of life. It is agreeable that the substantial part of informal sector employment is casual in nature. With respect to women the larger proportions remain at the bottom of the ladder with very little scope for improvement in pay and work status. Most of these women work as casual labourers in agriculture, construction, brick making, or own account workers in weaving, basket making, vending fish or vegetables, poultry and livestock rearing, garment making, food processing, and fish processing.

Contrary to the formal sector, women are over-represented in the informal economy. They make more than 60 per cent in the informal economy in developing countries (Chen, 2001). The informal sector is the primary source of employment for salaried women, in the form of self-employment (selling directly to consumer), contract labour (producing for another organisation regularly), casual labour (working on and off for other organisations) or contributing family members. The most prevalent forms of work are as street vendors or home-based producers (i.e. without leaving the confines of a home for production). However, despite women being over-represented in the informal sector, gender disparities are still rampant. Chen (2001) infers from existing data that: (i) fewer women than men 'hire' labour; i.e. women are employees rather than employers; (ii) wages are lower in the informal sector as compared to the formal sector; and within the informal sector, women earn on average a lower wage than men, with the gender-wage-gap being greater than in the formal sector; (iii) women are more visible in the 'lower-value-added' activities of the informal economy; (iv) the most invisible informal workers, namely the home-based producers contribute the most to global trade as they form a significant share of the workforce in key export industries involving manual tasks or labour intensive operations; and (v) the outsourcing of goods and services of the formal sector to the informal economy is increasing.

Why is it that even though the informal economy offers a lower wage than the formal sector, without any of the typical advantages of the formal sector such as regular labour contract, health insurance, workers' benefits, pension

schemes etc. women are more attracted to it? [Chen \(2001\)](#) argues that it is mainly because women are less able than men to compete in labour, capital and product markets because they have relatively low levels of education and skills or are less likely to own property or have market 'know-how' and women's time and mobility are constrained by social and cultural norms that assign the responsibility for social reproduction to women and discourage investment in women's education and training. As a result, women workers in the informal sector are easily hired, fired, cheapened and exploited. In many countries, especially African countries, the majority of street vendors are women: 88% in Ghana, 68% in South Africa, and 63% in Kenya. Only in a few countries where cultural norms restrict women's economic activities do women account for 10% or less of street vendors ([Mitullah, 2003](#)). According to the Food and Agricultural Organisation ([FAO, 2007](#)), women are more likely to be in the informal sector than men for a combination of factors including greater household responsibility, unrecognised or low levels of skills and education, decreasing household incomes and occasionally their desire for greater autonomy and flexibility.

What is the role of government policy or regulation then in promoting the livelihood possibilities of women in the informal economy? An examination of the economics and management literature reveals that few authors offer any kind of recommendations for policy makers, and those who do so make very general ones ([Ramani et al., 2013](#)). Before the 21st century most of the gender literature on the economic participation of women consisted of feminist critiques of patriarchy and capitalism. It described how women are victimised and exploited by men, markets and the forces of international capitalism. While this literature is still growing and continuing to provide insight, a new stream of literature is also emerging. The latter takes 'patriarchy' and 'capitalism' as societal parameters that cannot be wished away in the short run and focuses on exploring new strategies for women's empowerment given local constraints which may be diverse and of differing magnitudes ([Hughes et al., 2012](#)). This new stream of literature has been influenced by experiments in governance such as government-financed training programmes to enhance women's financial literacy, the promotion of women's presence in ministries, management boards of firms that improve women's participation in decision-making and regulations that enable women to own properties, land and capital to enhance their credit worthiness and access to finance ([Amine and Staub, 2009](#); [Bushell, 2008](#)). These changes have also been triggered by social entrepreneurs and social movements. For instance, in Latin America, the national domestic workers movement has succeeded in obtaining a recognised status for live-in maids as external workers. This legal recognition has led to their inclusion in the current labour legislation through which they have acquired specific rights including the minimum wage, paid vacations, pension, maternity leave and severance pay ([Blofield, 2012](#)).

3.1. Gender Dimension in the Vending Sector

Four basic factors which have been responsible for women employment in the informal economy are:

- (a) Permanent and growing inadequacy of the income of the primary bread winner.
- (b) Temporary fall in the income of the family due to exceptional or accidental circumstances such as sickness and premature incapacity of the primary earning member.
- (c) The death of the primary bread winner.
- (d) A women's desire for economic independence or securing a higher standard of living for the family.

3.2. Feminisation of Poverty

[Skalli \(2001\)](#) propounds that the burden of poverty is unfairly shared by men and women regardless of age, skills or marital status. Women experience poverty differently both qualitatively and quantitatively from men ([Sweetman, 2002](#)). Poverty among women accentuates from many economic, social and cultural factors that reinforce each other to produce conditions of exclusion [Skalli \(2001\)](#). This has resulted in a tendency termed 'feminisation of poverty' where women are becoming poorer in society. The term 'feminisation of poverty' gained momentum in the USA around the 1970s and it referred to the fast rising number of households headed by low-income women and their children ([Chant, 2003](#)). In this vicious poverty cycle women and children are the most affected. [Musiolek \(2002\)](#) notes that one key leading factor to the feminisation of poverty is the position of women on the labour market which is attributed by the gender-based discrimination on the labour market. Global tendencies propose that women are more concentrated in lower income industries than men. This is because of a variety of patterns of discrimination, which include severe and negative segregation that affects female careers limiting their chances of a professional rise and the restricting remuneration that negatively affects the quality of their professional life. [Chant \(2003\)](#) adds other factors contributing to the feminisation of poverty. These include gender disparities in rights, entitlement, capabilities, gender differentiated impact of neo-liberal restructuring, informalisation and feminisation of labour and erosion of kin-based support networks through migration. [Chant \(2003\)](#) also adds that other reasons likely to make women poorer than men are constraints on socio-economic mobility caused by cultural, legal and labour market barriers and heavier work burdens including house chores, child care and lower earnings. ([Skalli, 2001](#)) strongly agrees with [Chant \(2003\)](#) and notes that the patriarchal structure of society lowers the position and status of women and denies them equal access and opportunities to education, employment, ownership and control over resources. Oppression has been in existence throughout history and that it has become internalised in the norms of behaviour in most societies. Women from poorer sections of the society have common characteristics and these are as:

- (i) High rates of illiteracy,
- (ii) Lack of skill and professional training, absence of on-the-job training facilities and prevalent social attitudes towards their employment, and

(iii) Cycle of exploitation and underpayment

Such conditions of poverty have affected women's social and economic development.

What are the links between being a woman, working in the informal sector, and being poor? There is an overlap between working in the informal economy and being poor: a higher percentage of people working in the informal sector, relative to the formal sector, are poor. This overlap is even greater for women than for men. However, there is no simple relationship between working in the informal economy and being poor or working in the formal economy and escaping poverty. Informal workers typically lack the social protection afforded to formal paid workers, such as worker benefits and health insurance, and typically work under irregular and casual contracts. However, the precise relationship between informal employment and the intensity of poverty appears only when informal workers are disaggregated by sub-sectors of the economy, status of employment (such as employer, self-employed, worker), and gender.

Furthermore, there is need to understand why women are over-represented in the informal sector and why women are concentrated in certain segments within the informal sector. Many observers argue that women are less able than men to compete in labour, capital, and product markets because they have relatively low levels of education and skills or are less likely to own property or have market know-how. Women's time and mobility are constrained by social and cultural norms that assign the responsibility for social reproduction to women and discourage investment in women's education and training.

4. Research Design and Methodology

This section presents the research design and methodology used for conducting the empirical study. Qualitative research methodology was chosen because the investigation involved an in-depth study of entities such as the Bindura Municipality, legal, institutional, and policy issues. Qualitative research was used to examine the attitudes, feelings and motivations of the respondents. Qualitative research was most suitable for exploring the complexity of power struggles in ensuring gender equality in local governance in Zimbabwe since it allowed the researcher to gain insights into participants' views and interactions. Purposive sampling was used in this study. The use of purposive sampling was based on the research questions and guided by theoretical principles aiming at maximum variation which captured the diversity of the population and strengthen the exploratory power of the study (Bryman, 1997). In this study, the sample was continuously refined until it was seen to provide adequate understanding of the processes and problems associated with gender inequalities in the informal economy and making meaningful comparisons between the diverse actors involved in local governance.

Key informant interviews, observation and documentary search were used to collect data. Smith (2000) states that key informant interviews provide the researcher with a 'direct personal contact' with the respondent who is asked questions relating to the research problem and serve as a qualitative technique to solicit first-hand information, or primary source. The technique facilitates the collection of valuable information from knowledgeable members of society. Observations were critical aspect of the data collection process. It also afforded the opportunity to collect a wide range of context-specific information that is fundamental to qualitative research. At least four hours were spent observing the daily activities and actual behaviours of participants (Bryman, 2012). Observations were made about space, objects, actors, acts, activities, event, time, goals, and feelings. Furthermore, the role that particular actors or agents such as employees played in the relationships, practices and interactions was of particular interest and were probed. This data collection technique was pivotal to the entire data collection process partly because it provided the platform for creating rapport and some level of trust among participants thereby facilitating the negotiation of the others. Documentary search was used to obtain information and discourse among regulators, scholars, and the larger society on the operations of informal economy and businesses. These documentary data were collected to provide some background with which to make sense of observed practices and other evidence. It was meant to provide some history of the operations and regulation of informal businesses in Zimbabwe. Documentary search also constituted council minutes, reports, policies, newspapers, books and administrative instruments such as the Constitution of Zimbabwe and relevant Acts of Parliament.

5. Data Presentation and Analysis

5.1. Benefits of the Informal Economy

The respondents showed that the informal economy had offered them a better alternative to provide for their households. Through the informal economy families are being fed, educated and fended for. The following sub-themes emerged from this theme:

5.1.1. Livelihood

The informal economy provided the platform for the respondents to earn a living. According to Luebker (2008) the informal economy has become the main source of livelihoods for many Zimbabweans. Their different enterprises were the main source of income and for most respondents the only source of income providing the means to meet the household necessities. Household necessities covered by the income included food, rentals, utility (water and electricity) bills, school fees and medical care.

5.1.2. Survival

For most respondents the informal economy was the means of survival, which was their only source of living. For a few, it was supplemented by their husbands' income. Most women agreed that they were struggling to make

ends meet but life is better for them because they were working for themselves. This verifies what Luebker (2008) asserts that many activities in the informal economy are for survival and the income is inadequate to meet the everyday needs.

Despite all the struggles in earning the money at least the women were able to feed their families. In another case, a respondent remarked that being in the informal economy had awarded her the chance to impart survival and practical skills to her children even if they failed in the mainstream education they had backup in their lives.

5.1.3. Social Support Networks

Respondents identified support systems as being critical in their lives. For most women their nuclear family played a fundamental role in supporting them. The older children played a significant role in the household. It was apparent that the older children help with household chores, looking after the younger children and in other cases they helped in the enterprise. The married women pointed out that their husbands also formed part of their support network giving them moral and physical support. Most women acknowledged that they received much support from their family of origin. Support offered comprised of finances, food, motivation and general advice. This finding supports (Skalli, 2001) view that in times of difficulty and need it is the family network that is usually expected to provide necessary support to the member in need. Friends, neighbours, customers, church members, work colleagues and community members were also cited by the respondents as sources of support.

5.1.4. Lack of Registration of Enterprises

It was apparent in the findings that none of the respondents was registered with any organisation. This was an indication that not one of their enterprises was registered, which is typical of most informal enterprises. (Luebker, 2008) mentions that informal workers are unaware of organisations that represent their interests. The informal sector refers to being outside the reach of different levels and mechanisms of official governance. It refers to those enterprises that are not registered and legally outside the tax net. The informal economy refers to economic activities outside the world's regular, stable and protected employment and legally regulated enterprises.

5.2. Challenges Faced in the Informal Economy

All the respondents disclosed that they encounter many challenges in their lives, which were work related and personal. The common challenges identified were related to health, economics, place of operation and credit system.

5.2.1. Social and Personal Problems

The most frequently mentioned social problem affecting informal sector workers interviewed was theft. Usually this was mentioned in relation to the lack of adequate provision for storage - particularly where tools and capital equipment were concerned. Inadequate transport, poor sanitation and water facilities as well as harassment by police of unlicensed operators were also identified as problems experienced in the workplace. On the personal side, poor health or physical disability constituted a problem affecting the work of a number of respondents. Several fringe workers linked the difficulties experienced in carrying out their work to lack of appropriate living accommodation.

The respondents acknowledged that they faced health challenges in their respective enterprises despite their different enterprises. The most common challenge cited with regards to health was stress caused by work-related problems such as difficult customers who do not pay on time, and working or standing for long hours. Physical strain was also identified as a health challenge. Most women admit that the bulk of the work they were involved with required physical strength and this resulted in back-aches, muscle tensions and chest pains.

5.2.2. Economic

The main economic challenges cited by the respondents were the current economic situation in Zimbabwe, capital constraints, and the liquidity crises which have affected business. Respondents alluded that business was low because customers were not earning much and some considered the services and goods offered as non-necessities. Respondents' views on the economic challenges included the following: Capital investment was a great challenge in that the respondents lacked financial resources to expand and invest in their enterprises. As a result their businesses were stagnant and in some cases regressing. The liquidity crises was also a big challenge. Most customers were using ecocash while the suppliers required hard cash either in bond notes or in US\$. Blunch *et al.* (2001) argues that financial capital investments in the informal sector tend to be low and relatively scarce. The other challenge mentioned in this regard is competition in the different industries. Some respondents remarked that there is too much supply of some goods and too many people involved in the industry. Canagarajah and Sethiraman (2001) point out that competition in the informal economy arises because there are few entry barriers, and this competition has also kept the income of those involved at the minimum, most of which being essentially returns to their own labour.

It was observed that the vending enterprise is affected by the social, political and economic developments in Zimbabwe. Economic downturns have a big impact on vendors' earnings. The research found that during the Inclusive Government era from 2009-2013, vendors enjoyed huge profits from their sale of items on the streets. This reflects the linkages between the sector and availability of money on the market. The liquidity crunch that affected the country from late 2013 saw the vendors reporting drastic drop in consumer demand. The retrenchments that characterised the job market in the last half of 2015 following the landmark Supreme Court ruling allowing employers to terminate employee contracts on three months' notice also saw an increase in competition as the newly unemployed turned to vending for income.

5.2.3. Environmental Problems

Sixty-nine of the unregistered respondents (46%) spoke of the problems experienced in their work because of weather conditions and 42% made specific reference to the lack of adequate shelter. Fringe workers in particular spoke of the hardships they experienced because of their vulnerability to rain, sun, wind and dust, and the inadequacy of operating in an open-air, unsheltered workplace. Closely linked to this was the problem of storage, noted particularly by those who make their living by selling cooked food, meat and fruit and vegetables. A further problem noted by a number of respondents was theft and the lack of security of tools, completed items and capital equipment.

Working at home and from home was not the ideal situation for the respondents. They indicated that they wanted to have a normal business place of operation. Blunch *et al.* (2001) mentioned that the working and workplace conditions in the informal sector are also often a cause for concern as legislated standards and regulations are generally not applied. Working conditions in the informal economy are unstable, unsafe, and poor both in remuneration and occupational health and safety. Most women used their homes as business places. This had some disadvantages for them such as their products or services were not well marketed, their enterprises were not growing, work and personal life became difficult to separate.

Informal economy workers who paid rentals accounted for 20 % of the respondents. The rental paid varied from \$US 30 per month. Payment of rentals entitled the workers to store their materials, articles and working equipment in the shops at night. This need for storage space in close proximity to their workplace was an obvious priority for these workers and posed a particular problem for a number of non-rent paying informal economy operators who had to make arrangements with shop owners to store goods, carry their goods home with them, hide them in the area of the workplace or take them to the nearby hostels.

5.2.4. Police and Sexual Harassment

Street vendors in particular are exposed to harassment by the municipal police as well as the ZRP. Their wares are confiscated on the basis that they will be operating from undesignated places. At times when their wares are confiscated, they fail to recover them from the police. They also lose their wares during forced relocations where the law enforcement agents destroy vending stalls. At times they are forced to pay the police some bribes while they also suffer a lot of injustices once they are arrested. Some vendors shared that they have always been detained without any trial within the constitutionally required timeframe of 48 hours (Section 50 of Zimbabwe's Constitution). On the issue of sexual harassment, one women vendor in Mucheke suburb said that:

Municipal Police and the Zimbabwe Republic Police (ZRP) treat us women in a manner that takes away all our dignity because they touch us from anywhere as they try to forcefully take away our wares or arrest us. In some cases our clothes get torn in public from these incidences because as women we would also try to defend ourselves.

5.2.5. Political Interference

Politics seem to affect the vending enterprise the same way across all the targeted areas. Vendors are often taken for a ride by politicians who cause divisions amongst them by tasking some vendors to be political activists and mobilise others to support a certain political party. Most respondents indicated that when the nation draws towards elections, they will be forced to attend community political meetings (rallies) and spend hours away from their livelihoods source that is vending. Most vendors indicated that such actions negatively affect their businesses. One respondent indicated that:

The issue of politics is too much here in Masvingo. For you to get a vending stall, you need to be aligned to the ZANU PF party. Every Wednesday we attend political meetings. You have to attend these meetings for you not to lose your vending stall.

5.3. Characteristics of Masvingo Urban Informal Sector

5.3.1. Informal Sector Experience

Termination of previous employment is closely linked with entrance into informal sector activity. Most of the people interviewed (57%) indicated that they had been led to engage in their present activities because they could not find employment in the formal sector. Poverty was mentioned as the other reason with (25%) of the respondents indicating the need to support their families through the provision of supplementary sources of income. Other reasons for entry into the informal economy were low wages, family problems, instructions given by the ancestral spirits (in the case of herbalists), the influence of others and poor health. From this analysis of reasons given for leaving formal sector employment and engaging in informal sector activities, it is apparent that the lack of meaningful alternative employment options coupled with the inability of most respondents to meet their basic needs led to the drift into small scale, informal economy activities. In some cases the need to supplement low wages in the formal economy was a direct factor in the choice of job in that self-employment provided a preferable alternative to low-paid jobs in the domestic and agricultural sectors. Some responses also suggested that for some informal economy operators current activities were an extension of past secondary income-producing efforts which had taken on increased importance on the loss of a 'formal' job. Respondents differed greatly in terms of their length of experience in their current activities from one day to thirty years.

5.3.2. Workplace

Most of the workplaces in Masvingo urban are located on the pavements or along the side of footpaths that the town link with residential areas such as Mucheke and Majange and also commercial areas of the town. The popularity of these footpaths for the informal sector operations is derived from their location and the fact that they are a transit for many urban workers in the formal sector who travel into the city centre daily. People interviewed in the Magaba survey represented four different types of locations. (Distribution of the respondents by location is indicated at the end of each section).

(1) *Mucheke*-Covered market stalls established by the municipal authorities. The area is fenced and tables are provided. Stalls are allocated to registered vendors who pay a weekly rent of US\$5 per week.

(2) *Shop Pavements*-Most of the people working on shop pavements in Masvingo urban were either engaged in production activities (e.g. making and selling canvas bags, belts, shoes, watches and bracelets).

(3) *Roadside*-These people sell their wares and carry out their production and repair activities in the open spaces and along the major thoroughfares in the residential and industrial areas. The majority of these own no capital and are engaged in either selling fruits, vegetables or cooked food, or in simple production and repair activities. None of the people in these workplaces pay any rent for their workplace.

5.3.3. Type of Activities

Informal economy activities carried out in Masvingo urban as investigated in this survey fall into three main categories classed as 'legitimate' in Hart (1973) scheme. Access to information regarding illegitimate informal sector operations is always difficult, so that no attempt was made to explore such areas as prostitution, beer brewing and gambling. All the activities investigated were sedentary and were identified by a specified workplace as already indicated. The workplaces investigated in Masvingo urban were the sites of three different types of activities: a) small-scale production enterprises, b) petty trading and small-scale distribution activities, and c) maintenance and repair services. A number of respondents were engaged in more than one kind of activity.

a) Small-Scale Production Enterprises

A total of 50 respondents were engaged in some type of small-scale productive enterprise. A limited range of products were found. There was a tendency for people engaged in similar activities to be clustered in the same area. The only production workers to pay rent for their workplaces were 12 respondents with sewing machines who used the verandas of shops, and carpenters who worked in makeshift wooden structures adjacent to some of the shops. For the rest, production activities were carried out by fringe workers on the open stretches of land along footpath.

b) Repair and Maintenance Activities

Seventeen respondents were found to be engaged in a limited range of repair and maintenance activities, 5 as shoe repairers, and all of them 'fringe' workers in terms of the classification schema developed earlier.

c) *Petty trading*. A total of 45 respondents were engaged in petty trading and small-scale distribution activities, in addition to 35 stall holders at Mucheke market. Most of these activities related to the sale of clothing, food and other provisions. Most of these trading occupations were carried out at roadside workplaces.

5.3.4. Use of Outdated Vending Policies

Most of respondents indicated that they were unaware of the existence of by-laws, and have no access to them, while others know but choose to ignore them. This was made worse by the lack of effective street vendors associations to expose vendors to policies and regulations and to lobby for the review of policies, by-laws and integration of vending activities in urban development. Local Authorities in Zimbabwe are a major obstacle to the development of informal sector activities. Most of them use out-dated restrictive policies, by-laws and regulations originally intended to control and regulate the growth of indigenous enterprises. The restrictions make vending principally illegal, and view vendors as responsible making cities dirty, obstructing traffic and therefore a public nuisance. The policies do not provide for any street trading within the Central Business District (CBD). Most street trading activities that take place within the CBD have no legal provisions. The policies do not appreciate the role of street vending in an urban economy.

6. Conclusion

Macro-economic policies can be important enablers of gender equality, as they shape the economic environment for women's empowerment. There is need for a gender-responsive macro-economic policy supports social infrastructure (e.g. childcare and health services), a monetary policy that channels credit to women in agriculture and micro/small enterprises; a fiscal space that provides access to social protection; and the voice of organisations representing women in macro-economic decision-making (United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), 2015). All these factors can improve women's access to decent incomes in the informal sector and facilitate their transition from the informal to the formal economy. Different regulatory mechanisms can provide women with better working conditions, as well as facilitating their transition from the informal to the formal economy (ILO, 2013). These measures remove the barriers that women face when they try to access work opportunities and improve their working conditions. For example, public policies and laws often neglect or even penalise the self-employed in the informal economy (e.g. street vendors, home-based workers and waste pickers) and their income-earning activities. These workers face myriad problems – including harassment, abuse and

the confiscation of their goods – which lead to instability and insecurity in their income and livelihoods, and loss of property. Women entrepreneurs often find themselves operating micro-enterprises in the informal economy. Women's entrepreneurship and the sustainability of their enterprises can be encouraged through enabling legal frameworks, the provision of business skills development training, and improved access to finance and the ownership of capital equipment (ILO, 2012). Technological innovations in financial services, such as mobile money-transfer services, can facilitate access to finance at a low cost to women entrepreneurs without any collateral. The financial inclusion of women through macroeconomic tools, such as asset-based reserve requirements, development banking, and loan guarantees, can also help to empower women (ILO, 2012).

Education is an important asset for women as it provides them with a range of positive outcomes, including a greater awareness of their rights, a greater participation in decision-making, a reduced probability of early marriage and childbearing, and access to better employment opportunities (United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), 2015). Globally, about 91 per cent of women in the informal economy are illiterate or have finished only primary education, while women having completed secondary and higher education are less likely to be engaged in this work. Education has the potential of reducing the likelihood that women will work in the informal economy – but this, of course, is also contingent upon the availability and quality of jobs available in the labour market.

A significant number of informal sector operators in Masvingo urban earn a reasonable livelihood from their work, are committed to their enterprise, and have every intention of continuing and expanding it, even if other employment options were open to them. The informal sector is not solely constituted by those who would prefer to work elsewhere. Personal independence, higher income and prestige appear to be more attainable in a situation of self-employment than in the highly competitive formal sector economic structures.

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