Migration and Tourism: The Challenges of Zimbabwean Diaspora in South Africa

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Abstract

There is a widely held view among South Africans that migrants pose a threat in terms of employment opportunities and that authorities are unable to curb the growth of foreign population in the country. Hence, the outcry against foreigners, who are being attacked and harassed almost on a daily basis and sometimes killed. This study was intended to investigate the challenges the Zimbabwean diaspora community is facing in South Africa, which might help South African government to formulate well-targeted migration policies. A survey was conducted in South Africa to obtain quantitative data from a stratified sample of 50 members of the Zimbabwean diaspora community; and a purposive sample of 20 key Zimbabwean informants was used to obtain qualitative data for this study. The results of descriptive analysis indicated that though the Zimbabwean diaspora community is seemingly helping South Africa to address the unemployment problem in all sectors of the economy including the tourism industry, they have challenges ranging from struggling to obtain the required official documents to being regularly subjected to xenophobia. South African government should do more to protect the diaspora against xenophobic attacks and to educate the public about the potential contribution towards the country’s socio-economic development by the diaspora.

Keywords: Zimbabwean Diaspora, challenges, South Africa

Introduction

The word diaspora means the spread of any people from their original homeland, who are associated with issues of transnationalism and globalization (Reis, 2004). Diaspora is distinguished from other patterns of migration across time and space, and constituted by three core elements (Brubaker, 2005), namely, dispersion across or within state borders; orientation to a homeland as a source of value, identity and loyalty; and boundary maintenance, involving the preservation of a distinctive identity vis-a-vis a host society over an extended period of time (Kearney, 1995). The key characteristic of diaspora is the strong sense of connection (with claim to natural right to return) to homeland maintained through cultural business practices and ways of life practiced in host countries and their home countries. Diaspora communities are characterised by a profoundly different articulation of territory and belonging; they have both transnational and sub-national links, as well as non-national identities and aspirations; and encompass political refugees, alien residents, guest workers, expellees, ethnic and racial minorities in countries other than their original homeland (Shuval, 2000).

The issue of migration is highly controversial. Immigration of talented people is viewed as a curse for developing countries for, at the national level, uncontrolled immigration tends to be accompanied with negative consequences which include strained infrastructure, resource
repletion, governing problems, overcrowding, inequality, health problems (e.g., communicable diseases including HIV and Cholera), social problems and crime (Kale, 2008). Reasons for this include limited economic opportunities, political instability, poor environment and natural resource quality, unfavourable socio-cultural settings, and poor socio-economic resource distribution. On the other hand, migrants may contribute towards the economic growth and economic development of the country of destination in the different sectors such as the tourism industry. The economic importance of tourism to a destination cannot be overemphasised; for it extends well beyond core hospitality and transportation sectors. Tourism Economics can offer a solution to the economic growth and economic development of both the sending and receiving nations in terms of tourism-generated sales, production, employment, wages, and taxes.

There are two models that can be used to explain the migration phenomenon. One focuses on the availability of investment opportunities in countries of origin. It argues that it is the interaction among factors that creates the conditions for investment (Galetto, 2011). This model identifies four key factors, which are: the earning capacity of the migrant and the amount of money remitted; a minimum level of local development; suitable investment opportunities; and intra-household arrangements that facilitate the adoption of new investment opportunities. Each of these factors is in turn influenced by a set of sub-factors in countries of origin and destination. The second model is the psycho-social model, which focuses more on the decision making of the potential entrepreneur investor, arguing that there are three specific categories likely to impact on the motivation for someone to engage financially, socially and emotionally (Nielsen & Riddle, 2007). The model takes into account cultural and structural variables that might affect motivations to invest. These two models help to identify the factors that interact and impact on diaspora entrepreneurial engagement. Other important variables include those that take into account the reasons for leaving the country of origin; the opportunities for creating wealth and raising capital in the country of destination; the facilitating role of diaspora organisations; the degree of personal and community identification with; or alienation from, the political system of the country of origin; and financial and other incentives for investment put in place by origin governments (Nielsen & Riddle, 2008; Riddle, Brinkerhoff & Nielsen, 2008).

Zimbabwe’s recent economic and political crisis (2000 to 2015) triggered a wave of emigration of an estimated 3-4 million people (Pasura, 2008). Between 2000 and 2008 the country’s macroeconomic situation was characterized by declining output, hyperinflation and rising unemployment. According to the Zimbabwean Medium Term Plan (MTP) (2010), the country experienced a cumulative economic decline estimated at 50.3 percent. The official inflation peaked at 231 million percent in July 2008 rendering the local currency worthless. The country’s formal sector employees declined from 1.1 million to 990 000 between 1993 and 2004; and that Zimbabwe’s poverty index declined from 0.654 in 1990 to 0.513 in 2005 (United Nations, 2010). Zimbabwe’s worsening economic and political situation resulted in increased emigration of both skilled and unskilled labour which in turn resulted in significant inflows of remittances to the country. South Africa is believed to have the majority of Zimbabwe’s emigrants estimated at between 1 and 3 million, the UK and Botswana are believed to have attracted about 500 000 and 400 000, respectively (Bracking & Sachikonye, 2006).

In general, researchers are of the view that immigration may provide crucial advantages to a country (Williamson, 2005; Head & Reis, 1998; Tapinos, 2000; Morawska, 2004) and contribute to the development of the country’s culture and artistic expression (say, in terms of music and dance). In South Africa, just like in any other country, however, the existence of immigrants is associated with a number of perceptions as well as the pressure on poor local people because of competition for limited resources (Jonathan, 2001; Crush, 2008; Nyamnjoh, 2006; Whitaker & Giersch, 2015) that exists especially in townships. Many South
Africans believe that illegal immigrants, largely from the neighbouring states including Zimbabwe (CDE, 2006), are swamping their country. Sinclair (1999:46) argued that there is a widely held view among the South Africans that ‘migrants pose a real threat in terms of employment opportunities’, and that, authorities are unable to effectively curb the growth of foreign population in the country. Hence, the outcry against foreigners, who are being attacked and harassed almost on a regular basis, and sometimes killed. According to Polzer (2008), Zimbabwean population in South Africa makes up the South Africa’s largest group of foreign migrants; their numbers are estimated conservatively to range from one to three million (Makina, 2009).

Statement of Problem

Despite increasing recognition of the importance of the issues concerning migrants to be reckoned with, there have been few substantive attempts to address the complexities of the diaspora among scholars (e.g., Vertovec & Cohen, 1999; Pessar & Mahler, 2003; Koser, 2003; Reis, 2004; De Haas, 2005; Shain & Barth, 2003; Wayland, 2004; Brinkerhoff, 2006). Hence, currently, South African government does not have adequate and reliable data concerning all issues of Zimbabwean immigrants such as the levels of entry, numbers, demographics or location let alone the challenges and problems the Zimbabwean diaspora community is facing in the country, which would help it to formulate well-targeted migration policies. This study therefore was an attempt to fill this gap by investigating the challenges this community is facing in South Africa and thereafter recommend the necessary solutions to them.

Theoretical framework and literature review

Theoretical framework

Migration is triggered by push factors, which are experienced negative state of affairs within the country of departure, and pull factors, which attract the migrant to the country of destiny, mostly based on perceptions of the so-called ‘greener pastures’ of the other side of the ‘fog’. These factors are suggested by economic, sociological, political and linkages theories which are discussed below.

Sociological and political theories

The Giddensian’s structuration theory states that agency, structure, the duality of structure, institutions, the dialectic of control, and time and space relations affect migration (Thapa & Conway, 1983; Halfacree, 1995; Giddens, 1984; Massey et al., 1993; Wolfel, 2004). People desire to find a location that satisfies their needs and values (Moon, 1995), and the reason for the move (e.g., joining family) may bring about an unintended consequence of the migration, say, employment, which may trigger more migration as people migrate to find better employment.

World systems theory assumes that migration alters the social, cultural, economic, and institutional conditions in both countries of origin and destination. Mabogunje (1970) stressed the importance of feedback mechanisms, through which information about the migrants’ reception and progress at the destination is transmitted back to the place of origin. Favourable information would then encourage further migration and lead to situations of almost organized migratory flows from particular villages (or countries) to particular cities (or countries). Figure explains international migration.
Economic theories

The *neoclassical economic theory* states that individuals decide to migrate because a cost-benefit calculation (Tang, 2005) leads them to expect a positive net return (usually monetary) from movement. It predicts that labour and capital flow in opposite directions, which causes migration drain on the origin country, the capital flow being accompanied by high-skilled labour migration. This can initiate a long-term international migration flows. Subsequently, if remittances or return migration causes increased inequality in the sending society, emigration leads to more emigration.

Economies in developed nations are dualistic in nature with a primary market of secure, well-remunerated work and a secondary market of low-wage work. The *segmented labour-market theory* argues that immigrants are needed to work in the 'secondary labour market' because a nation's citizens considered the jobs too demeaning and unpleasant to fill. The theory assumes that international labour migration stems from labour demands in the labour-intensive segment of modern industrial societies (Piore, 1979; Massey, et al., 1993) – where the jobs at the bottom of the labour market are usually found in the secondary segment (Piore, 1979). The distribution of immigrants among the different economic activities is conditioned by several factors. These may include sectoral composition of the economies, the immigrants' skills, the reservation wages of the foreign population compared to those of the native population, behaviour of entrepreneurs, population size and unemployment rates of the destination region, as well as geographic distance (Orłowski, 2000; Boeri & Brücker, 2001; Alecke, et al., 2001).

The *new economics of migration theory* argues that households seek to minimize risk in terms of production, unemployment, wages, market opportunities, insurance, credit, etcetera, that their family faces in the place of origin (Stark & Levhari, 1982: Taylor, et al., 2003). One way of reducing the risk of insufficient household income is labour migration of a family member.
**Relative deprivation theory** states that individuals or households migrate not only to maximize absolute income but also to improve their position compared to other relevant reference groups (Stark, 1984, 1991; Stark & Bloom, 1985; Massey, 1990; Stark & Taylor, 1991; Massey et al., 1993). One of the ways of increasing the financial wellbeing of families is for one of the members to migrate to higher earning income countries and after stabilising financially, he or she remits money back home (Taylor, 1999). The incentive to emigrate is higher in societies, which experience higher levels of economic inequality (Stark & Taylor, 1989) and is stronger for the poorest individuals compared to the richest. The influx of international remittances to migrant households can increase intracommunity inequality and feelings of relative deprivation among nonmigrants, which may contribute to a ‘culture of migration’, in which migrating becomes the norm (Massey, 1990).

**Linkages or Network Theories**

The *socio-economic geographic unifying transnationalism theory* postulates that for a business to be well established within the diaspora community there is a need to consider the social, economic, geographic, unifying and transnational issues. For example, according to the gravity theory, distance is viewed as a factor moderating the spatial interactions between regions, which include population flows (Stewart, 1941; Zipf, 1946; Isard, 1960). At the beginning, migration starts as an individual affair, but after it has proved to be beneficial, the kin and communities may give support to it. After accumulation of some new things in the host country, remitting starts and the lives of people in the country of origin begin to change. If this process were continuously repeated, migrants would commence networking, and from these networks, people form diaspora communities depending on the social interests. Those interested in businesses start making business communities, which if allowed to grow, translate into transnational businesses.

**Literature review**

**Causes of migration**

The issue of migration may be attributed to dynamic and complex processes that characterise migration and development, varying across time and space (Ammassari & Black, 2001). Economic and demographic, political, social and cultural, and environmental push factors and pull factors interact to cause people move (Adepoju, 2010; Block, 2005; United Nations, 2003). According to Kapur (2001) and Kinnunen (2005), these factors are caused by a mismatch between the rapid population growth and the available resources, low requisite technology and capacity to create employment and jobs at the origin. Table 1 provides a summary of the causes of migration.

<table>
<thead>
<tr>
<th>Classification</th>
<th>Push Factors</th>
<th>Pull Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic and demographic</td>
<td>Human poverty, Unemployment, Low wages, High fertility rates, Lack of basic health and education (accessibility, affordability and quality)</td>
<td>Possibilities for employment and other income generating activities, Better standards of living, Perceived opportunities for personal and professional growth</td>
</tr>
</tbody>
</table>
Political Conflict, Insecurity, Violence, Poor governance, Corruption and human rights abuses, Personal security, safety and political freedom

Social and cultural Discrimination on the basis of ethnicity, religion, gender or caste, Family reunion, Freedom from ethnic/social discrimination

Environmental Harvest failure, Resource depletion, Natural and man-made disasters, Less incidence of environmental degradation (natural and artificial), Better management of and facilities for environmental disasters (sic)

Source: Adepoju (2010)

Types of migration and diaspora-return linkages

Crush (2000) observed a highly formalised and regulated contract system to the mines and farms and that migration involves informal, unregulated or clandestine movements across borders. Many people in a diaspora lead a dual life, socially and economically by maintaining families, land and other resources at their traditional home while engaging in similar albeit more lucrative activities in the country of destination (Guarnizo, et al., 2003; Vertovec, 1999). Residential separation is obligatory as women stay behind to retain ownership (Tsietsi, 1998), a strategy that enables families to maintain an extended structure in the face of losses due to migration, and to maximize economic returns simultaneously from home and destination areas (Oucho, 1990). Findley (1997) asserted that dual residence is partly the reason why families are able to help their migrant members establish themselves in new destinations by financing their journeys through loans from other family members, cooperatives and religious brother hoods, and loans that must be recouped soon after arrival. Adepoju (2000) stated that dual-residence strategy also explains why some immigrants pursue their enterprises so aggressively and often successfully at the destination, to the consternation and envy of local population. Through retaining close and supportive relations with the diaspora, families ensure that they will share in whatever benefits the migrants attain from their mobility. According to Adepoju (2001), migration is an important coping mechanism for the survival of families, which decide who should migrate, where and how they should migrate, thereby ensuring an intergenerational flow of migrant remittances. Some route remittances via official channels but some via unofficial channels to avoid transaction costs, transfer risks and problematic legal status of migrants (Kok, et al., 2006). Migrants can acquire skills and save capital, which can be productively invested in ventures back home to boost local productivity; and some returnees can participate actively in the political process and introduce modern technology to farming or local structures.

Challenges of diaspora communities

According to the literature, immigrants face the following challenges:

- **Exploitation.** Large-scale clandestine movements of people provide trans-border criminal networks with accomplices and easy prey (Wa Kabwe-Segatti & Landau, 2008). The condition of illegality pushes migrants into a criminalised and lawless underground, where they suffer a variety of forms of unacceptable treatment. They expose themselves to risks and exploitation by smugglers and government officials during their passage across the border. In addition, immigrants are usually subjected to horrible working in
conditions and at rates that are far below domestic labour standards (Human rights Watch, 2006). Refugees in particular often move to towns and cities where they become ‘invisible’ and then become vulnerable to exploitation, harassment and expulsion (Zlotnik, 2003).

- **Accommodation.** Some immigrants experience difficulties procuring adequate shelter, and risk their lives in overcrowded, dilapidated and dangerous squats (Centre on Housing Rights and Evictions, 2005).

- **Lack of Police protection.** Lacking recourse to police protection, many immigrants are victimised by local crime syndicates. According to Madsen (2004), on the streets of Johannesburg, undocumented migrants may find themselves, somewhat perversely, trapped, with little potential or funds to return home and a variety of debts or responsibilities to local gangsters.

- **Xenophobia.** Immigrants become targets of violent attacks by local vigilante groups, ostensibly attempting to preserve South African jobs and entitlements (Webb, 1998; Oelofse and Gifford, 2001).

- **Corruption.** Immigrants are normally exposed to corruption brought about by regulatory intervention. Frye & Shleifer (1997) suggest two possible explanations for this association: Firstly, corruption is part of an exchange between firms and bureaucrats in which a firm pays a bribe in return for less intrusive regulation. Secondly, corruption is associated with predatory regulatory practices, where government consists of the larger number of independent democrats pursuing their own interests, such as taking bribes, with no regard for the impact of their actions on private sector activity (Bourguignon, Jacquet & Boris, 2007). According to Magocha (2010), the former is organised within the state so that it promotes selected private sector activity.

  - At the Mozambique, Lesotho and Zimbabwe borders, under-capacity, poor institutional incentive structures, and migrants’ illegal vulnerability combine to create a situation highly susceptible to corruption and extra-legality (Coplan, 2001; Landau et al., 2005; Colyn, 2006; Ambrosini, 2006). Police officials systematically exploit undocumented migrants as readily available and easily exploitable sources of cash (Human Rights Watch, 1998; Altbecker, 2006).

- **Culture and discrimination.** Moran, Harris & Moran (2007) pointed out that culture is often considered the driving force behind human behaviour everywhere and is a complex system of interrelated parts that must be understood holistically (Verma, 1997). Influencing people from a certain culture to accept a business is a process that would depend on one’s source of power, which could be legitimate, persuasive, network, information, expertise or referent. This needs training, education and strong interaction as well as a positive business approach.

- **Language.** The necessity of learning foreign languages should be to widen the scope of employment and employability. For example, Green and MacKinnon (2001) found that English-mother tongue immigrants were less likely to become employers over the life cycle than the natives were (see also Rassool, 2006; Mshomba, 2000; Mutasa, 2006).

- **Other challenges.** These include:

  - prolonged detention or ill-treatment, enslavement, rape and murder; racism, victimization and criminal trafficking;
  - being afraid or unable to seek protection and relief from the authorities of countries of origin, transit or destination;
  - children being banned from classrooms or denied their fundamental rights;
  - denied labour protection, due process guarantees, personal security and healthcare; gender based violence, HIV transmission (GMG, 2010), etc.
Government policy

It is implicit that effective migration management is necessary (IOM, 2006) to avoid serious consequences for the wellbeing of states and migrants, which include potential destabilizing effects on national and regional security, and jeopardizing inter-relations as well as tensions between host communities and migrants (Adepoju, 1998). Hence, countries put various strategies in place to assist with the socio-economic integration of migrants. The issues confronting policy-makers in South Africa are similar to those of North America (see Bernstein, 2011) and Mexico.

The country is trying to address the inconsistencies and uncertainty that have surrounded immigration policy in South Africa since 1994 (Buthelezi, 2000). The 90-day free visa and twelve-month special dispensation permit gave Zimbabweans the right to enter or legally live and work in the country. There is also a moratorium on deportations (Polzer, 2009). Furthermore, a Combating of Trafficking in Persons Act was enacted, which provides for tough penalties for offenders to reduce trafficking of workers who are a potential prey for exploitation and abusive practices.

Methodology

Both primary and secondary data were used in this study. A cross-sectional survey was undertaken in South Africa on a random stratified sample of 50 members of the Zimbabwean Diaspora community, and a semi-structured questionnaire was used to collect quantitative data from the border towns of South Africa (i.e., Messina, Mafikeng and Nelspruit) and from the cities of Johannesburg and Cape Town. The sample size was determined by using formula, \( n = \frac{z^2_{\alpha/2}pq}{\epsilon^2} \) where \( n \)= sample size, \( z^2_{\alpha/2} \) corresponds to the 95% confidence interval giving rise to the value of 1.962 and the \( \epsilon \) =0.05 or 5%, probability of success, \( p=0.05 \) and probability of failure, \( q=1-p = 0.95 \). Purposive sampling and snowballing were also used to select 20 key Zimbabwean informants to be interviewed in detail. The sample size of 20 was reached by applying the saturation point principle. Sources of secondary data included International Organisation for Migration (IOM), Home Affairs of Zimbabwe and South Africa, Department of Industry and Trade of Zimbabwe and South Africa. Descriptive analysis was done, which involved summarising the quantitative data into frequency tables (i.e., frequencies and percentages) as well as categorisation of the qualitative data into trends, patterns and themes.
Results

Key concepts

Table 2 shows that, on average, Zimbabwean entrepreneurs employ two South Africans and about four Zimbabweans, making a ratio of almost 2 Zimbabwean employees to every one South African employee. It was also found that, on average, the businesses make a turnover of about R292 230 per annum, and pay between 10 and 70 percent (i.e., 41.15%) of the wage bill to the South African employees.

Table 2: Descriptive statistics

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of SA Employees</td>
<td>47</td>
<td>1</td>
<td>30</td>
<td>2.46</td>
<td>1.85</td>
</tr>
<tr>
<td>No of Z Employees</td>
<td>48</td>
<td>1</td>
<td>40</td>
<td>3.70</td>
<td>2.48</td>
</tr>
<tr>
<td>Business size</td>
<td>48</td>
<td>2.00</td>
<td>43.00</td>
<td>6.88</td>
<td>6.54</td>
</tr>
<tr>
<td>Profit</td>
<td>40</td>
<td>35 00</td>
<td>720 000</td>
<td>158.13</td>
<td>189 702</td>
</tr>
<tr>
<td>Costs</td>
<td>40</td>
<td>5 000</td>
<td>509 000</td>
<td>141.45</td>
<td>158 423</td>
</tr>
<tr>
<td>Capital</td>
<td>27</td>
<td>1 000</td>
<td>800 000</td>
<td>139.72</td>
<td>233 161</td>
</tr>
<tr>
<td>Investment</td>
<td>20</td>
<td>5 000</td>
<td>250 000</td>
<td>75.600</td>
<td>65 989</td>
</tr>
<tr>
<td>Wage bill</td>
<td>39</td>
<td>140 000</td>
<td>440 000</td>
<td>162.051</td>
<td>54 637</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>37</td>
<td>11 500</td>
<td>1 000 000</td>
<td>292.230</td>
<td>306 759</td>
</tr>
</tbody>
</table>

More Zimbabweans are employed than South Africans possibly because (1), Zimbabwean employees are mostly family members, relatives and friends, who provide relatively cheap labour and most of their needs are catered for by the business owners and (2) the Zimbabwean employees tend to be vulnerable and relatively in a desperate situation.

Types of business

The highest percentages were for ‘services’ (40%), retail (22%), production, and manufacturing (18%). Services rendered by the businesses included construction, transportation, education, etcetera. In the manufacturing industry, furniture (14%) had the highest percentage due to the fact that most of the furniture companies in Zimbabwe closed down during the times of economic hardships and Zimbabwean people had to rely on imports from South Africa. In the service and trade industries, education (12%), ICT (12%), food/catering (10%) and clothing (10%) were predominant.

Challenges

The Zimbabwean diaspora is facing a lot of different challenges. These challenges are discussed briefly below.

Remittances

Availability and flexibility of the medium of sending money to Zimbabwe is a big challenge as the cost is high. Of the 50 respondents, 61.3 percent reported that they paid between 5 to 10 percent per every R1 000 transmitted to Zimbabwe. The most popular mode of transferring funds from South Africa to Zimbabwe is through Western Union, followed by MoneyGram. Traditional ways (e.g., sending money through a bus driver) are still in use. These help when goods are also sent at the same time to Zimbabwe.

Official documents
Eight-five (85) percent of the respondents migrated to South Africa with proper documentation, which legalised their stay in South Africa. Generally, Zimbabweans are not free to engage in a variety of investments because they are not sure of their residence status in South Africa as most of their documents last for 5 years without a guarantee of renewal. This makes them unable to make long-term business investments in South Africa.

Some respondents attributed their illegal acts (e.g., border jumping) to lack of support from their Zimbabwean government, friends and relatives, who did not help them enough to possess the requirements of visa application and facilitate their move to South Africa. ‘Border jumping’ lacks security from the border protection authorities. As a result, thousands of people may have died in the hands of the *Maguma-gumas* (Zimbabwean or South African gangs) who are always in the bushes (e.g., between the Limpopo and Musina) waiting for victims. *Maguma-gumas* normally operate along the railway line from the border into Musina and other pathways. Some immigrants are robbed, raped and/or killed. These results support the findings of GMG (2010).

**Corruption**

About half of the respondents complained about the conduct of some South African police officials and officials of the Home Affairs Department, claiming that they suggest to illegal immigrants to ‘make a plan’, meaning to ‘give a bribe’ for them not to be deported. Sometimes, the officials give them fake permits (e.g., to open a bank account in South Africa). Zimbabweans are asked to put a forty-ninth page (i.e., any amount of money between R50 and R100) in the Zimbabwean passport when crossing the border. Some locals living in the border towns sell letters to Zimbabweans as proofs of residence.

Most Zimbabwean businesses are unlicensed because of the complicated requirements for registering a business, and as a result, the owners bribe government officials to be able to run their businesses. Some respondents (especially those who sell on the street) complained that during routine raids in the city or patrols, metro police rip them off their profits by asking for bribes. These results corroborate those of Frye & Shleifer (1997), Coplan (2001) and Landau, et al. (2005).

**Capital**

Generally, foreigners do not have collateral securities in South Africa to use to borrow money from the bank, and most of them cannot save because they do not have bank accounts in the country. A respondent said, ‘life is difficult in South Africa and back home in Zimbabwe; money is too little and not enough to save for business equipment and operations’ - considering other financial obligations like accommodation rentals in South Africa and sending remittances to relatives and friends who are in critical financial and product shortages in Zimbabwe. Seventy-six percent of the respondents ran their businesses using personal savings (45%), formal or bank loans (12%), informal loans (8%), group savings (6%) and loans from micro-finance institutions (4%). Informal money markets charge excessive interests for loans, which go up to more than 50% per month.

**Sources of resources**

The respondents save or obtained money to invest from the following sources:

- Boot strapping (i.e., a self-sustaining process that proceeds without external help). This is most common within low capital requiring businesses.
- Part time jobs in South Africa, such as working as a house cleaner, after work and on weekends.
• Employment. ‘I worked first in South Africa, then I saved money’, one respondent said.
• Early retirement package
• Gifts and Well Wishers – such as churches in Zimbabwe, grants from NGOs, and relatives living in other countries like UK and Australia.

Currency

Exchanging the Zimbabwean dollar for the South African rand is not easy for some of the South African banks no longer include the Zimbabwean dollar (ZWD$) in their foreign exchange list. At the black market, the exchange rate is ZWD$1 billion to less than R50.00, which is too little.

Registration of business

Most Zimbabweans come to South Africa penniless; therefore registering a business is so difficult that they end up operating illegal businesses - thinking that, at some stage in the future, they would have money to sort out their businesses' legal matters.

Confiscating stock

Due to illegal trading, the metro police confiscate stock without notice. One respondent said, ‘Sometimes, the metro police are very disruptive; they take stock from our businesses, pile it up in their places, and they do not give the stock back to us after the cases have been resolved.’

Language and communication

Lack of local language speaking ability is a big challenge, such that, the moment customers realise that the shop owner cannot speak their language, they stop buying from his or her shop. In order to solve this problem, Zimbabweans employ a local person to sell their products. This result supports that of Green and MacKinnon (2001).

Segregation

According to the affirmative action policy of South Africa, foreign owned companies are the last to be considered to be awarded a tender. A participant in the qualitative research argued that despite the fact that a local person does not have proper skills, he or she ends up winning a bid simply because he or she is a citizen of South Africa. He claimed, ‘even if they do not have the capacity to deliver the job properly, because they have the green book (i.e., South African identity document) they will get what they want by entitlement.’

Unfavourable Financial and Banking Regulations

Banks and other financial intermediaries are too strict on their requirements for residence status documents, and this pushes the Zimbabweans to think of wrong-doing. A participant said, ‘The micro-financier wanted a business permit and collateral which I did not have and I had to cheat using someone else’s documents in order to achieve my business objectives.’ ‘There is a lot of bureaucratic red tape in the South African trade industry department’, claimed another.

Participants also believed that there are some inconsistencies in the regulatory framework, making some of the regulations not easy to follow and apply under the Zimbabwean small businesses circumstances.
Competition

Out of the 50 respondents, 62 percent found it difficult to compete with the local businesses. The locals did not want to compete with foreigners in business to the extent that sometimes, they triggered xenophobia purposely to bring about chaos to threaten them. ‘Migration is a continuous process and people with different business ideas are coming into South Africa increasing the competition amongst the businesses’, a participant said.

Barriers to market penetration and insufficient business threshold

According to the respondents, in South Africa, customers are selective and discriminatory towards Zimbabwean businesses. Some respondents (30%) said that it is difficult to convince customers to trust their businesses that the businesses are genuine and can therefore supply them with proper goods and services. A participant claimed that there is resentment by the locals towards foreign businesses; the locals think that foreigners are taking businesses from them; and sometimes, instigate raids, theft, seizures, and xenophobic attacks against them. These results corroborate the findings of Jonathan (2001), Crush (2008), Nyamnjoh (2006), Whitaker and Giersch (2015), etcetera.

Business premises and accommodation

Getting proper buildings for business is difficult. Sometimes, when Zimbabweans get business premises, the premises are very expensive and/or below standards in terms of government’s requirements. As a result (in support of the Centre on Housing Rights and Evictions (2005)’s finding), some Zimbabweans resort to living in cheap residential areas or squatter camps.

Cross-border trading permits

Both South African and Zimbabwean trading permits are not easy to get due to governments’ protectionism policies. A large number of respondents (63%) proposed that the governments should lessen these restrictions so that the Zimbabwean diaspora can trade freely between the two countries. The Beitbridge border between Zimbabwe and South Africa is the busiest inland port in Sub-Sahara Africa. This port is critical to the economic tourism success of both Zimbabwe and South Africa. There is therefore a need for greater co-operation between the two governments which should help to look into ways of reducing clearing times for both people and goods. If people could move swiftly, this could result in increased regional tourism, especially for Zimbabweans when they travel back home for holiday in August and December. Increased travelling between Zimbabwe and South Africa would result in increased spending or consumption which will boost the local regional economy.

Lack of networks

In general, the participants argued that, in South Africa, having a broad client base to support business activities is not easy due to a number of factors including quality, pricing and consistency in production.

Skills

The respondents raised a concern about human resources capacity and skills in South Africa, which are necessary to sustain their businesses. Well-qualified South Africans prefer to work for well-established business companies, so, Zimbabwean entrepreneurs are
Unfortunately forced to employ existing unemployed South Africans despite their lack of skills.

**High taxation**

Some participants queried the tax brackets of South Africa, saying that they are too high; they erode all their profits. They also argued that additional costs imposed on operations and high costs for things like fuel, toll fees and rentals worsened the situation.

**Xenophobia**

Xenophobic attacks create lack of cooperation and unity between the Zimbabwean entrepreneurs and locals. The locals think that Zimbabweans are displacing them from what belongs to them. This causes tension and pushes the locals to, sometimes, protest and loot from their businesses. A participant said, ‘Looting is very popular here in South Africa; if the people hate you, even if you are selling the cheapest goods on earth, they will still steal and loot from your shop. This act needs to be controlled by the government’. These results corroborate those of Webb (1998) and Oelofse & Gifford (2001).

**Other challenges**

These include the following:

- The documentation needed by the South African banks for Zimbabweans to open up bank accounts.
- There is little consultation with the Zimbabwean diaspora community from the South African Government, which limits the potential of the diaspora, for example, in developing economic tourism. Currently, there is no formal engagement between the government and diaspora communities.
- Trade channels are a challenge. For example, the Beitbridge border between Zimbabwe and South Africa is too busy, and so, it takes many hours for someone to clear and cross it.

**Comments on the new migration policy**

In general, the participants argued that the new South African policies, which regularise the movements between South Africa and Zimbabwe, are a positive shift towards a rational, coherent and regionally beneficial migration management approach. While the free visa and special dispensation permit alone are clearly insufficient to achieve the broader policy aims, these challenges would be much more difficult to tackle without an effective implementation of the permit. The new migration dispensation enables South Africa to measure the volumes and impacts of migration more effectively, and is even likely to facilitate Zimbabweans’ going back home rather than continuing staying in South Africa. The reason for this is that, at the moment, people can return to Zimbabwe for short time periods to test the stability and economic opportunities of the country without fearing to lose their ability to earn a livelihood in South Africa. Previously, some migrants who felt threatened by being deported and a lack of legal options for movement would be more likely to stay in South Africa, despite experiencing extreme hardships (since returning to Zimbabwe without having livelihood alternatives was too risky). Furthermore, back home, Zimbabweans can gradually invest the money earned in South Africa in re-establishing and developing a livelihood in Zimbabwe, which is compatible to the literature. These assertions are compatible with the literature.

In summary, the new migration policy has contributed to:
• Enabling improved enforcement of labour standards for all in South Africa by reducing the dual labour market in which some employers hire undocumented migrants at lower wages and labour standards than those accorded to South Africans who may be unionised and knowledgeable of the basic conditions of employment;
• Increasing the ability of Zimbabweans to be self-sufficient and reduce their need for humanitarian support in South Africa;
• Increasing the ability of Zimbabweans to productively contribute to the South African economy by utilizing their skills in the formal labour market and through entrepreneurialism. The size of the South African economy and the opportunities that it presents in different sectors including tourism provides a learning ground for foreigners. Contacts and relationships between South Africans and Zimbabweans are key for people and businesses to excel;
• Enabling more effective border control, law enforcement and anti-corruption initiatives; and
• Facilitating a re-construction of Zimbabwe, relieving pressure on the asylum system and facilitating the provision of humanitarian assistance to the vulnerable.

Conclusion and recommendations

Zimbabwean diaspora community is facing a lot of challenges, which include: required official documents, corruption, capital, currency, registration of business, stock confiscation, language and communication, segregation, unfavourable financial & banking regulations, competition, barriers to market penetration and insufficient business threshold, lack of proper business premises and accommodation, getting cross-border trading permits, lack of networks, skills, high taxation and low profits, xenophobia, etcetera.

It is justifiable that migration has to be controlled to avoid a myriad of problems to South Africa. Nevertheless, South African government should endeavour to simplify traveling between Zimbabwe and South Africa, promote the Zimbabwean small businesses and protect the Zimbabwean diaspora against xenophobic attacks. South Africa needs to be proactive enough so that it can harness the potentials of the diaspora, and the public should be educated about the potential positive contributions to the South African economy by the businesses. Employing more Zimbabweans than South Africans by Zimbabwean entrepreneurs might be contributing to the ill feelings of the South African public about the Zimbabwean Diaspora. This therefore calls for a re-think on the side of the Zimbabweans to try to employ relatively more South Africans.

The issue of the high costs of remitting money to Zimbabwe should be addressed. This can result in increased remittances especially in the formal channels. The ease of getting the funds in Zimbabwe is the biggest factor in choice of mode to use and the amount sent. Different incentives or approaches to increase the smooth flow of funds between South Africa and Zimbabwe should be found. For example, government can provide tax incentives for diaspora investments. In addition, banks should find ways of advancing funds to Zimbabwean small businesses. Policy re-formulation is necessary to formally increase participation of the diaspora in the development of South Africa’s tourism. The South African government needs to consider the basic needs of the diaspora community, which include political, economic, social, technological and legal needs. This kind of involvement will assist in bridging the gap between the expectations of the government and the diaspora itself. With right migration policies put in place together with an enabling environment, skills transfer between the two countries can also be enhanced for the betterment of the regional economy.
There is a need for greater co-operation between South Africa government and Zimbabwean government. The co-operation should look at ways of reducing clearing times for both people and goods at the Beitbridge border. This can result in increased regional tourism.

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