Xenophobic Violence and Globalisation Discourses for Contemporary South Africa

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Abstract: This paper takes cognizance that the causes of xenophobic violence in the second economy of South Africa remain contested. Moreover, there exists an assortment of interpretations regarding the causes of xenophobic violence including but not limited to: general hatred, poverty, unemployment and inequality inter alia. Over and above these observations, this paper edifies that perhaps the nature of the second economy and its market structure could engage the prevailing discourses on the probable instigations of xenophobic violence in South Africa particularly amongst street traders. It further alludes that Africa, and its disintegrated nature, is not perfectly poised to respond to globalisation requirement notwithstanding its resource rich nature inter alia. It observes that the informal economy within which street trading operates is pigeonholed by the perfectly competitive market structure. That is, there is free entry and exit into the market, homogenous goods and services, perfect knowledge about the market price and a paucity of government intervention to influence the market price. Thus, fellow foreign nationals who have resources and robust business acumen as opposed to local indigent sprouting entrepreneurs that have been historically alienated and marginalised in many ways begin to dominate the informal economy. Understandably, the former would gain competitive edge over the latter given their proven ability to manoeuvre through the informal economy and its convenient market structure that allows complete freedom of entry and exit. Additionally, the paucity of government intervention to protect, influence and regulate the informal economy of South Africa creates an attractive business space for the ingenious, resourced and competitive foreign entrepreneurs to deluge local street trading. Consequently, the informal street businesses of the foreign nationals continue to flourish thereby creating a possibility for local street traders to develop envy, jealousy and eventually hatred. Therefore, anger and frustration begins to develop amid local street traders resulting in xenophobic attacks, violence and looting. In light of the aforesaid, this paper conceptually posits that the informal economy and its unregulated nature give impetus to xenophobic violence between foreign and local street traders. It concludes that general hatred, unemployment, poverty and inequality could not be the only reasons of xenophobic violence. The informal economy and its market structure coupled by its miscellaneous nature inter alia engender xenophobic violence and mayhem within the informal sector.

Keywords: Perfect competition, Informal economy, Street trading, Xenophobic violence

1. Introduction

This paper edifies that the possible causes of xenophobic violence in the second economy of South Africa engenders contestations amidst a multiplicity of scholars (Hjerm, 2007; Duffield, 2008; Nyamnjoh, 2010; Charman & Piper, 2012; Crush & Ramachandran, 2014). There's an existing assortment of interpretations regarding the causes of xenophobic violence that include general hatred, poverty, unemployment and inequality. Furthermore, poverty, unemployment and food security *inter alia* are frequently cited as the main factors that ignite a xenophobic mind-set amongst indigent street traders and participants of the informal economy. The paper posits that the informal economy and its unregulated, assorted and miscellaneous nature creates an

attractive business space for the continuous inflow and outflow of entrepreneurs from foreign countries who are assumed to have a robust business acumen, skills, expertise and experience in the informal business world as opposed to local entrepreneurs. That is, South Africans have been isolated and alienated from the mainstream economy and exposed to the "work for the boss mentality" which could justify their frozen mind set and their inability to successfully participate in entrepreneurial endeavours (Crush & Ramachandran, 2014). However, this does not mean that all South Africans are not successful in entrepreneurship; a select minority makes it through the initial stages of a business lifecycle. Conversely, a large proportion of informal start-up enterprises in South Africa fail within the first few years of operation, what else could justify this dismal failure?

The paper contributes that the market structure within which street trading operates is the one creating an enabling environment for competitive foreign nationals to inundate the informal sector and eventually muscle out local street traders. Understandably, local street traders would begin to develop envy and jealously in that regard, that would lead to a xenophobic mind-set, mayhem and violence amongst street traders (Liedholm & Mead, 2010). Nonetheless, this paper is organised in the following sections: the first section explores various contestations of xenophobia in South Africa; subsequently, it highlights the divergent perceptions regarding the instigations of xenophobic violence and attacks. The second section conceptualizes street trading in South Africa; this is based on key issues such as unemployment and poverty inter alia, that forced people to participate in informal trading. The third section entails differences between the South African and foreign street traders.

2. Contestations of Xenophobia in South Africa

The contestations of xenophobic violence in South Africa have intensive amongst scholars given divergent perspectives and ideological points of departure. This could be due to the fact that currently, there is a robust contestation on whether or not the recent violent attacks in the informal sector are referred to as xenophobic and/or afrophobic. The former encompasses violence that is predominantly targeted towards foreign national across the globe despite their country of origin (Klaaren, 2010; Liedholm & Mead, 2010; Crush & Ramachandran, 2014; Timeline, 2015). Conversely, afrophobic violence is more often than not regarded as violence and a sense of disapproval that is mainly targeted towards foreign nationals in the African context. However, looking back to recent experiences in South Africa's informal economy, the "labelling" of the violent occurrences that took place in mainly amongst street traders does not deserve to be referred to as xenophobic. Understandably, African foreign nationals are the ones who were mostly affected as opposed to foreign nationals from other European states.

Klaaren (2010) articulated that most explanations about xenophobia highlighted factors that include border anxieties, lack of service delivery as well as poverty. Understandably, when resources are scares admits a situation where foreign nationals appear

to be leading the informal economy – jealousy, envy and hatred could possibly develop thereby creating room for violent attacks in the informal economy. Subsequently, the unregulated nature of the informal economy could possibly give birth to a xenophobic mind-set amongst local traders (Klaaren, 2010). It is for the aforesaid reasons that the paper suggests that the informal economy, its unregulation and market structure be considered, amongst other factors, as the possible instigations of xenophobic violence in South Africa.

In the South African context, theories of xenophobia over the last years have included: a focus on South Africa's divisive and exclusionary apartheid past; economic and resource strain; poor service delivery and the failure of the post-apartheid project; and poor immigration policy and strategy (Duffield, 2008). Most of these concerns are still perpetuating the xenophobic violence in the current dispensation of democracy in South Africa. Given the skewed distribution of the benefits of its own relative economic success after its advent of democracy, South Africa was regarded as having a plethora of migrants. According to Timeline (2015), South Africa is perceived as the Africa's most industrialised country; and it is for that reason that the country attracts thousands of foreign nationals every year, seeking refuge and socio-economic emancipation inter alia.

South Africa is believed to be inundated with disaffected nationals who, in conjunction with the state, direct the resentment against immigrants and ethnic minorities as the easiest and most obvious targets, whom are often projected as the cause of social ills (Nyamnjoh, 2007). Consequently, linking migration and belonging to crime and increasingly to terrorism, makes certain kinds of mobility by certain kinds of people from certain kinds of places a most contentious political issue within many states, with no exception of South Africa (Nyamnjoh, 2007). Moreover, unreliable laws and regulations could be one amongst the factors that contributes to the act of the perceived xenophobic violence and attacks in South Africa. It is therefore believed that in South Africa, the law holds a responsibility for the acts of violence that encompasses the killing, looting and other acts of demolition inter alia. In some other cases, a view regarding violence, attacks and looting in South Africa derives from the common perception that black South African are xenophobic. According to Klaaren (2010), it is unfortunate that little or no legal justice was served; for instance, 11 May 2009 report suggest that after the 2008 violence, not a single conviction of violence has been made, of the 68 cases placed on the court roll, where 35 have been withdrawn, 11 not found guilty and only six resulted in guilty findings.

3. Juxtaposing Local and Foreign Street Traders in South Africa

Generally, street traders are either people who tried to find employment and did not manage, some were working and their organisation or company closed, some planning to study and that did not work. There are so many reasons that perpetuated the practice of street trading. In some other case it is a matter of survival and improving the living standard of the disadvantaged. The propelling practice of street trading is due to an attraction of economic growth and opportunity of a certain country that cascade down to cities and townships. Hence, there is a mixture of local and foreign street trading in the same location. However, the definition of foreign street traders could be considered in the context of the immigrant's struggle pertaining socio-economic deliverance as well as hassle for economic opportunities (Crush & Ramachandran, 2014). Mudi-Okorodudu (n.d.), conceptualize immigrant street trade as the meeting point of the immigrants struggle for social and economic emancipation and the locals struggle for economic realisation. From this meeting point, this could result in social conflicts that have much impact on violent disintegration in a form of xenophobic violence in South Africa (Mudi-Okorodudu, n.d.).

The most common problems confronting the refugee groups is the slow pace of processing applications for asylum that renders asylum seekers vulnerable and unable to seek work or right to education (Crush & Ramanchandran, 2009; Klaaren, 2010; Jearey-Graham & Böhmke, 2013). Subsequently, finding job is perceived as a pressing need in most developing countries due to the fact that income becomes a pivotal aspect towards accessing basic needs that encapsulate housing, education inter alia. Many expatriates that are also called asylum seekers, are forced to rely on generating income in the informal sector due to slow process of asylum applications among others in the absence of official permission to work (Klaaren 2010; Jearey-Graham & Böhmke, 2013). Thus, through that process of attempting to generating income, they found themselves in place of constant conflicts with local street traders and perhaps with local authorities in some other case. For example, in the context of Cape Town, Charman & Piper (2012) highlighted that the rights of refugee groups do not allow them to engage in trading but they are still found in the designated areas of informal trading.

According to Charman & Piper (2012), the proportion of people in South Africa wanting strict limits or total prohibition on immigration rose from 65% in 1997 to 78% in 1999; that nearly 50% strongly support the deportation of foreign nationals including those who are living legally in the country. The basic reason is that the flux of immigrants invades the space of South African constituency employment opportunity, the market viability of selling products and maintaining the reasonable price for profit. Notably, Charman & Piper (2012) study reflect that South Africans do not want it to be easier for foreign nationals to trade informally with South Africa were 59% opposed; to start small business is opposed at 61% and while obtaining South African citizenship is opposed at 68%. The survey work by the Southern African Migration Project (SAMP) reflecting on 2006 state that South Africans are the least open to outsiders and want the greatest restrictions on immigration as compare to citizens of other countries worldwide (Charman & Piper, 2012). Conversely, in 2011 the minister of Home Affairs, Nkosazana Dlamini Zuma, announced amendments to the immigration law in order to streamline the processing of immigrants to South Africa who "add value to our economic, social and cultural development" (Jearey-Graham & Böhmke, 2013). This could be a different case in respect of informal street traders. Concomitantly, the amendments do not consider the fact that the local and foreign street traders do not play the same role in the economic development. Ironically, the foreign street traders are prohibited from operating in most of the cities and townships, whilst, the local street traders are paying local government tariffs for trading. It could be avowed that the difference brings about conflicts and fights between local and foreign street traders due to unfair treatment as local street traders believes that the foreign street traders invade their space and take potential customers while not paying tariffs as they do.

In the case of South Africa, there is a ubiquity of street trading due to economic opportunities that are key to the success of development in the advent of democracy. This kind of practice (street trading) is not only limited to the indigent South Africans, it also includes the expatriates that left their countries for better improvement of their life. The mix of both local and foreign street traders brought a chaos as the differences arise, of which could lead to a possible xenophobic violence and attacks. Violence against Somali, Zimbabwean, Indian street traders amongst the others, are often cited as evidence of xenophobic attitudes and violence in South Africa (Charman & Piper, 2012). The insight is that foreign street venders have come to dominate area of market potential due to their business acumen, while some believes that is not about business acumen but the flourishing of businesses derives from crime, bribes and theft. In addition, while South African street venders openly resent the foreign advent, most consumers remain indifferent to their presence and certainly prefer the lower prices (Charman & Piper, 2012).

For example, Jearey-Graham & Böhmke (2013) witnessed that low levels of animosity between South African and non-South African street traders who traded on the same street in Port Elizabeth is the result of the fact that the two groups were not generally in competition for customers as they sell different types of merchandise. However, Jearey-Graham & Böhmke (2013) further highlight that different possibility is that Allport's contact hypothesis posits that negative stereotypes break down of different groups are with a minimal power differential between them are in close contact with one another. Concomitantly, the aforesaid statement indicates the pivotal aspects of the difference between contact and recorded information pertaining to the data gathered. It is important to perceive that a close range of view between South African and non-South African street traders have high conflicts that are hidden. As a result, the issues and conflicts resuscitate during the attacks and fights amongst street traders, were allegation such as the foreign street traders are invading the space of the local street traders and they also sell cheap goods and products. It could be avowed that conflicts pertaining street traders is visible in most part of the cities in South Africa.

Some of the cities that have plethora and ubiquitous street traders in South Africa are Durban and Johannesburg. In Durban, local government has tried to address issues and challenges fronting street traders for many years; building markets, talking to street traders and their organisation in

implementing street trade policy and negotiating with the Informal Trade Management Board (ITMB) amongst others, has been a way of trying to create a conducive environment for street trading viability (Department of Trade and Industry (DTI), 2013). Even though, there has been in a quest to eliminate the conflicts and fights amidst street traders, the recent xenophobic violence and attacks in Durban city in April 2015 radiate a point of reference that a scourge of xenophobia is unabated. In an actual fact, in Johannesburg city, the government has not planned as carefully for street trading because there has been many violence, conflicts and fights between South African and foreign street traders (Department of Trade and Industry (DTI), 2014). Although, Johannesburg local government has also talked to street trader organisations such as Gauteng Hawkers Association (GHA) in relation to the dire issues, violence, conflicts and fights of street traders, it could be avowed that the challenges still persist in city regarding street trading (Department of Trade and Industry (DTI), 2014). It is therefore evident that violence, conflicts, fights amongst others of street traders need to be taken into consideration in terms of analysing and accessing the instigators of xenophobia in South Africa. This could be one of the key instigators of xenophobic violence due to the fact that most of attacks take place in the street of the cities with reference to South Africa.

4. Perfect Competition: An Enabling Environment for Xenophobic Violence?

Xenophobic violence has been occurring in South Africa since the 1990's (Jearey-Graham & Böhmke, 2013), and continued persistently in 2008 and 2015. The question remains, what instigates the act of attacks and violence? Most authors are reporting the increasing levels of xenophobia worldwide in both developed and developing nations, coinciding with increases in asylum seeking and soaring international migration figures (Nyamnjoh, 2006; Hjerm, 2007; Crush & Ramanchandran, 2009; Jearey-Graham & Böhmke, 2013). Ironically, South Africa's levels of xenophobia have been documented as being amongst the highest in the world (Jearey-Graham & Böhmke, 2013).

Xenophobic violence in South is believed to be typically flared up due to resourced areas and economic opportunities hence the xenophobic attitudes appear to be widespread across all sectors

of South African society (Jearey-Graham & Böhmke, 2013). In the context of informal trading, the point of view is that, could the street trading environment be an enabling of xenophobia violence? Due to perfect competitive market structure, one could highlight the fact that most conflicts between local and foreign street trading derives from there. In most cases, perfect competition reflects the price of products as determined by the supply and demand. The rationale behind the perfect competition lies on the fact that any product sold should be on the market price. This is due to the fact that no individual or street trader will charge higher or lower price than the existing market price lest they lose the customers. According to Liedholm & Mead (2010), the challenges in respect of entrepreneurship and informal businesses include the perfectly competitive market structure which would result in the owners/managers of such enterprises to contemplate shutting down and continuing operation if the total cost of production exceeds the total revenue.

In line with the avowed dictums in respect of perfect competition, the problems become dire between local and foreign street traders. The alleged dictions are that the non-South African street traders sell their goods and products at a lower price without considering the market price. Moreover, as the South African policy in most cities do not allow non-South African street traders, most foreign street traders barge around peak hours, where the Municipal officials who are in charge of street trading would have knocked off from duty. In that time, they would sell product at an ultimate business operation end; on one hand not paying any Municipal tariffs and on the other hand the South African street traders who are issued with permit to trade on the street are expected to pay tariffs. The most important aspect of street trading is the visibility part of informal economy.

5. Conclusion and Recommendations

The paper concludes that the issues around xenophobic violence, their causes, instigations and suggested remedy remain unresolved in literature on the informal economy of South Africa. An immediate remedial action would be the mobilisation of government, private sector and participants of the informal economy including foreign nationals in order that they could coordinate their efforts towards attempting to restructure the informal economy in ways that craft regulations which aim

to reduce violence and mayhem in the second economy. Additionally, the recent violent attacks in South Africa have largely occurred in the informal economy, amongst street vendors. Thus, the unregulated nature of South Africa's informal economy is prone to hosting more violent attacks given the fact that entrepreneurial skills, production, growth and competitiveness appears not to be common amongst local street vendors and traders as opposed to their foreign counterparts who mainly migrated in to South Africa in search of socio-economic opportunities. Consequently, literature on the informal economy suggests that foreign street traders operate under conditions which do not favour the smooth functioning of their businesses. Notwithstanding the aforesaid challenges, they continue to grow and become competitive thereby creating a possibility for division, separation and segregation between local and foreign street traders. It is therefore crucial that contestants of the informal economy begin to understand the intricate and ever changing dynamics of the informal economy in understanding issues of the alleged xenophobic violence.

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