

Strategies for Survival in an Informal Economy: Illegalities of Zimbabwean Informal Cross Border Traders at Ports of Entries in Southern Africa

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Abstract

Informal Cross Border Trade (ICBT) is mostly conducted by poor, vulnerable, small and unregistered traders who end up practising illegal activities in order to earn a livelihood and for the business to thrive. They often do not have official export/ import license or permit within a defined threshold and this creates many impediments at international borders which oblige them to engage in illegal and corrupt behaviours. There is little comprehensive research about the illegalities of informal cross border traders and whether these illegalities improve the operation of ICBT or it ruins the business. This research examines the illegalities practised by informal cross border traders (ICBTs) in Zimbabwe to understand their nature, geographical spread, benefits and risks. A qualitative approach was used whereby in-depth interviews were undertaken with 30 informal cross border traders using snowball sampling. Traders who imported from Mozambique, Botswana, South Africa and Zambia were selected to participate in the study in order to document various illegalities performed at diverse national borders. Results revealed that traders engage in many illegal activities both at the national borders and in transit when confronted by Zimbabwe Revenue Authority officials and other security state organs. It was revealed that many traders use illegal ports of entry when importing their goods and that they rarely declare their goods at official border posts. The research recommends the government to proffer conditions that are manageable for the small scale traders to be registered so that illegal activities and corruption in the country can be lessened and also for the government to obtain meaningful tax from this sector.

Keywords: Informal cross border trade, Illegality, National borders, Corruption