

Strategies for Daily Survival: The Role of Social Capital among Street Vendors of Harare Metropolitan

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Abstract: *The study investigated the role of social capital among street vendors of Harare Metropolitan. The investigation relied extensively on qualitative research because we wanted to get an in-depth understanding of the uses of social networks as daily survival tools for street vendors in the face of increased marginalisation. Observations, interviews and reviews of documents were used to collect data on the daily life, the problems faced by street vendors and problem-solving strategies. More specifically, in-depth interviews were conducted with twelve individual street vendors; one focus group session with six street vendors and three detailed interviews with key informants. The high influx of street vendors was due in part to low barriers of entry which enabled cash-poor segments of the population to make a living without a heavy financial capital outlay. But street vending also thrived because transactions required social capital, an asset which most vendors were endowed with. In this regard, the study found that social capital was an important variable in the livelihood provision of street vendors. Social capital was one of the many resources and was used in combination with them in survival strategies. Street vendors benefitted from their social capital on three levels: personal, suppliers and buyer relations and being members of social organisations including political parties. The main goal of the street vendors was to expand their business and revenue in order to improve their livelihoods. Surprisingly, the goals of the vendors were not situated in the realm of entering the formal sector. Instead, they longed to enter the formal economy as workers and not as entrepreneurs. Macroeconomic stability and an effective regulatory framework of the informal sector are required in Zimbabwe to assist in poverty reduction.*

Keywords: *Formal economy, informal economy, social capital, qualitative research, street vendor, survival.*

I. Introduction

Generally, the formal economy is characterised by registered economic transactions. On the other hand, the informal economy comprises all economic transactions which go unrecorded, unlicensed, untaxed and unregulated (Portes, 1995). The informal economy includes not only a visible public element such as street vendors but also an invisible aspect off the street where individuals make unofficial arrangements with others to provide services in exchange for money or other goods or services (Busse, 2001). In contrast to the stereotype of poverty as the primary condition for informal economic activities, the informal economy flourishes under a wide variety of conditions. Busse (2001) identified five of these conditions namely, an insufficiency or failure in the formal economy; individual exclusion from the formal economy such as through poverty, discrimination or geography; the effects of globalisation; sudden crises such as war or rapid inflation causing disruption in the formal economy and conscious resistance to the terms offered in the formal economy. These conditions may be combined in various ways that feed the continued existence of and individual participation in the informal economy. This certainly is the case of present day Zimbabwe.

In the case of present day Zimbabwe, life in an environment of economic instability is characterised by a sense of uncertainty and unpredictability. In this environment, life is less a process of goal attainment than a perpetual process of solving unexpected problems that inevitably arise (Busse, 2001). Problem-solving strategies consist of mobilising resources which people have themselves or at their disposal through friends or family. Strategies differ across social classes and depend not only on the total sum of resources but also on the specific combination of the types of the resources. Although all the forms of resources or capital (financial, physical, human, cultural, environmental, political and social) are crucial under both the formal and informal economies, social capital flourishes more under the informal economy. According to Busse (2001), physical capital is the most visible of all forms of capital. That is, financial capital can be hidden at home, human capital is not readily apparent and social ties are known to some and not to others, but tangible possessions are visible to others and hence they may be open to their envy and criticism.

Social capital describes the connections between people that allow other resources to flow among people. The OECD defined social capital as 'networks together with shared norms, values and understandings that facilitate cooperation within or among groups'. Unlike the other forms of capital, social capital is not characteristic of one individual but rather is 'embodied in the relations among persons' (Coleman, 1990). In this sense, social capital is central to building other forms of capital because of the limits of individual actions in solving common problems. Because social capital is embedded in concrete social situations, the network structure determines a person's access to other resources including goods, information or assistance. Differences in social capital can be observed in differences in the relative composition of network members and unequal access to individuals with greater resources. Social capital has aspects on both the individual level (investments, relationships, reciprocity, resources) and collective level (trust, norms, cohesion) (Destombes, 2010). Given that Zimbabwe's economy experienced heavy informalisation since 2000, it was important to understand the role of social capital in problem solving under such an environment. What are the forms of social capital available to street vendors? How are these forms of social capital being used by street vendors as strategies of survival and thus coping with marginalisation?

There is no consensus over the various forms that social capital takes. In this study, one fairly straightforward approach that divided social capital into three categories was adopted. These categories of social capital include bonding, bridging and linkages. Bonding capital are links to people based on a common identity for example, family, close friends and people of same culture. Granovetter (1974) also made a distinction between strong and weak ties. Bridging capital are links that stretch beyond a shared sense of common identity for example, distant friends. Linking capital are links to people or groups further up or lower down the social ladder.

Social network ties have often been studied in relation to finding full time employment (Granovetter, 1974; Lin, 1999). Using networks as a resource (or social capital) goes beyond one-time requests and covers routine daily events (Busse, 2001). Accordingly, in order to understand the use of social capital, it is essential to examine routine repetitive uses of social capital not only unique events. In this study we used a broad view of social capital to explain daily strategies of the daily life of street vendors of Harare metropolitan. More specifically, the study adopted Coleman's (1990) description of social capital as concrete social ties and obligations among individuals which give them benefits not otherwise obtainable. According to Silverman (2001) cited in Busse (2001), these relations are embedded in distinct social networks with boundaries. In this study, social capital refers to members of an individual's social network (or links), a shared mutual bond (or values) and understanding in society that enable individuals and groups to assist each other and work together. The network would include those to whom an individual can turn for advice, help in resolving problems or favours such as borrowing money or buying goods on credit.

After outlining the background to the study and defining the key terms, the next sub-section presents research objectives and research questions to guide the study. The research methodology and discussion of research findings are provided in section 2 and section 3 respectively. The conclusion and recommendations emanating from the study are presented in section 4.

1.1 Research Objectives

- To identify the types of capital owned by street vendors in Harare metropolitan.
- To determine the forms of social capital owned by street vendors in Harare metropolitan.
- To assess the role of social capital among street vendors in Harare metropolitan.

1.2 Research Questions

- What are the types of capital owned by street vendors in Harare metropolitan?
- What are the forms of social capital owned by street vendors in Harare metropolitan?
- What is the role of social capital among street vendors in Harare metropolitan?

II. Research Methodology And Research Design

Research can be either qualitative or quantitative or both. The study relied extensively on qualitative research because we wanted to get an in-depth understanding of the uses of social networks as daily survival tools for street vendors in the face of increased marginalisation. By qualitative research we meant to say that the researcher aimed to gather an in-depth understanding of human behaviour and the reasons that governed such behaviour (Bryman, 2001). Accordingly, observations, interviews and reviews of documents were used to collect data on the daily life, the problems faced by street vendors and problem-solving strategies. The unit of analysis of the study was the individual street vendor in Harare metropolitan. Static vendors, who had a specific space for their activity (though the space was not sometimes officially recognised by the City of Harare), were participants in the research. The city of Harare was selected because of its diversity in terms of ethnicity and economic activities. In Harare, the street vendors were omnipresent. One group session was conducted with six

street vendors in the study area. The focus group session helped in achieving an understanding of the common issues under study. In-depth interviews were conducted with twelve individual street vendors in order to understand and explore their current situation. Detailed interviews were also organised with one councillor from the City of Harare and two key respondents who were involved in membership-based organisations. The key informants from membership-based organisations provided useful information on the role of these organisations with regard to collective action by the street vendors in Harare. Such organisations were also in a position to make decisions for the street vendors and represented them before higher authorities namely, the central government and the City of Harare.

III. Discussion Of Research Findings

The research findings were discussed under the following sub-headings: categories of street vendors; motives for participating in street vending; types of capital or assets owned by street vendors; forms of social capital used by street vendors and an evaluation of the role of social capital in the daily survival of street vendors of Harare metropolitan.

3.1 Categories of street vendors

Thriving street trade in Harare gave a literal example of parallel institutions. A wide range of food, vegetables, agricultural crops, fruits, cut flower, clothing, household goods (television sets, stereos, refrigerators and cooking utensils) furniture, auto parts (and even cars), bricks, three-quarter stones, river sand, pit sand, bicycles and mobile phones were available in either large open air markets or in tents, trucks, car boots, kiosks or pavements. This lively (and often chaotic) and ubiquitous street trade was either registered or informal and was an income-generating activity of last resort which meant that those who sold outdoors could not afford not to sell year round. Very few street sellers took off weekends or regular holidays. For example, Thomas in Box 1 had worked for more than four years without vacation. However, year-round selling had distinct hardships to the vendors. Not only did the street vendors faced the hours of setting and dismantling stalls and the physical exertion of transport, but they also stood on street corners, open spaces and pavements exposed to harsh weather. Some street traders set up small tables, cardboard boxes, wooden slat crates or simply held items for sale in outstretched hands. Standing and holding a few items was especially common in areas where high traffic made for good selling. While street vendors had congested the streets of Harare thereby threatening formal businesses, they also created other problems of littering and harbouring thieves. For example, there were about nine public toilets in the CBD and these could not accommodate the thousands of vendors who spent the entire day selling their commodities.

The researcher observed varied employment context of street vendors that included:

- Independent and self-employed entrepreneurs with (1-3) paid employees.
- Independent and self-employed entrepreneurs without paid employees but often used unpaid family labour.
- Street vendors who worked as contributing family members.
- Street vendors who worked as employees of formal or informal enterprises.
- Street vendors who sold goods on commission for formal or informal enterprises.
- Part-time street vendors who held down formal jobs. For such street entrepreneurs, informal activities were undertaken as secondary activities in order to supplement their formal employment incomes.
- Seasonal vendors of speciality goods.
- Permanent vendors who regarded vending as their primary occupation.
- Opportunist vendors who only vended when an opportunity presented itself.

3.2 Motives for participating in street vending

The push and pull factors into street vending were diverse. The motives for participation in the informal sector in general and street vending in particular ranged from pure survival strategies undertaken by individuals in lack of jobs or other forms of income maintenance, to the desire for independence and flexible work arrangements and in some cases, the prospect of quite profitable income-earning opportunities (Njaya, 2014a). The main goal of the street vendors was to expand their business and revenue in order to improve their livelihoods. This was quite surprising as the goals of the vendors were not situated in the realm of entering the formal sector. Instead, most street traders wished to enter the formal economy as workers. This showed that for a majority of the vendors, street enterprise was their only refuge occupation that could meet their subsistence needs because of its low entry barriers. Women were the majority of both registered and unregistered street vendors because unemployment had hit women more than men. However, men worked as street traders in certain sectors for example, wholesale of agricultural goods and retail of high value and expensive items such as stereos and LCDs and parts for auto and home repair. Men were also involved in the sale of bricks, river sand, pit sand and firewood and also provided car wash services and being baggage carriers.

The study noted the following as the main driving forces into street vending in Harare:

- Quick and easy avenue to earn subsistence income. A majority of the vendors of fruits and vegetables, phone recharge cards and basic commodities such as bread and cooking oil fell into this category.
- Social system for the under-privileged urban dwellers.
- Failure to find jobs in the formal economy. A significant number of street vendors regarded street enterprise as temporary employment while seeking proper formal employment.
- Response to known demand from customers who preferred open-air environment of shopping.
- Low barriers to entry which made street vending a refuge occupation.
- Easy accessibility and low initial capital requirements.
- More flexible and/or attractive employment option than wage work. Further probing on this group actually revealed that some vendors left wage work because of very low wages.
- No overhead costs of rentals, rates and sometimes licensing fees. For this category, though in the minority, the participants viewed street vending as a way to avoid the costs of operating a formal storefront business.
- Flexibility of working hours allowed women (especially housewives) to fulfill their household care chores.
- Redundancies or retrenchments caused mainly by economic slump.
- Inadequate pensions that could not cover the cost of living.

3.3 Types of capital or assets owned by street vendors

The study identified four salient categories of household capital (or resources) on which street vendors relied on to design their survival strategies in Harare metropolitan. These forms of capital included financial capital, physical capital, human capital, political and social capital. The use of political capital is discussed under sub-section 3.3.4 as part of the broader social capital used by the street vendors in Harare.

3.3.1 Financial capital

Financial capital included cash and bank deposits. Because banks were notoriously unkind to depositors during the period of hyperinflation (2000-2008), financial capital consisted mainly of cash that was kept at home (under the proverbial mattress) for most street vendors interviewed. Although some street vendors were aware of other financial instruments such as stocks and other money market investments (such as non-negotiable certificates of deposits and unit trusts), they were wary of leaving their money in the banks for longer periods as the government could suddenly reintroduce the Zimbabwe dollar. Zimbabwe adopted multicurrency system to replace the Zimbabwe dollar in April 2009 after the local currency had been rendered valueless by rampant inflation. Under the multicurrency system, the United States Dollar (USD), British Pound Sterling, South African Rand, Botswana Pula, Japanese Yen, Chinese Yuan, Indian Rupee and the euro were recognised as legal tender.

The street vendors' reticence to banking services was due to a variety of reasons. First, street vendors shunned banks because of high bank charges and strict requirements when opening a bank account. However, some banks had adapted to society's changing needs and embraced the informal sector (Njaya, 2014b). For example, ZB Bank had special bank accounts for informal sector entrepreneurs that were exempt from bank charges. Second, was the general lack of confidence in the banking sector. During the economic crisis, 2000-2008, characterised by hyperinflation, several banks (such as Royal Bank, Genesis, Time Bank, Barbican, Intermarket and Century) closed down while others merged or were placed under curatorship (CFX and Interfin) or judicial management (Tetrad). With several banks having collapsed creating losses for depositors and several other banks still being under curatorship or in liquidation, generally many Zimbabweans feared that further bank failures/collapses could follow. Further the liquidity crunch that began in early 2014 and the fear that the government could suddenly abandon the multi-currency system and reverted to the use of the Zimbabwe dollar which a majority of Zimbabweans anticipated could be as worthless as it was in 2008 made to shun banking services.

Third, a majority of the street traders generated such limited revenues that they needed to use almost immediately following receipt and hence they saw little purpose or benefit in routing their incomes and expenditures through bank transaction accounts. Given that some merchandise was often obtained through informal means, it meant that street vendors needed to keep cash at hand in order to execute such transactions. The fear of taxation was the fourth reason why street vendors shunned banking services. The tax law required that all individuals, companies, partnerships and cooperatives involved in any business venture to register with the Zimbabwe Revenue Authority. The rise in the use of mobile money was another reason why street vendors did not open bank transaction accounts. While a majority of the street vendors were excluded from the traditional banking system, all of them confirmed that they used mobile money transfer services instead. There have been significant developments in the mobile money arena in Zimbabwe since the introduction of multicurrency system in 2009 (Njaya, 2014b).

The exclusion of street vendors from banking services forced them to rely on informal financial sources and mechanisms. These represented part of the social capital of the street vendors. Informal financial sources included friends, relatives and moneylenders. Informal rotating savings and credit schemes were other ways of coping with financial exclusion. These informal rotating savings and credit schemes provided an alternative source of working capital to members of the group. For example, street vendors operating in the same area, each vendor contributed a certain amount of money ranging from US\$5 to \$10 per day to the rotating savings club. The daily contributions benefitted one of the vendors on that particular day. The additional income raised through the rotating savings club was used to buy more merchandise or business equipment or household goods.

3.3.2 Physical capital

Physical capital included possessions such as houses, vacant residential stands, cars, electronic gadgets (stereos, LCDs and computers), household appliances (such as electric stoves, refrigerators and washing machines), furniture, collections of china and books. Sometimes these possessions were sold or rented out thus providing the street vendors with money to buy food or merchandise for sale. Other objects such as cars, bicycles, wheelbarrows and push carts (although they were sometimes sold to raise business capital) were often used for selling merchandise. Old clothes also formed part of physical capital as they could be turned into cash by being offered for sale.

3.3.3 Human capital

Human capital is embodied in the skills and knowledge acquired by an individual (Coleman, 1990). Human capital is measured by education and formal training (Schultz, 1961 cited in Busse, 2001) but also includes other skills and character traits used for resource acquisition. Time and physical strength are also important components of human capital. A majority of the street vendors had attained high school education though an increasing number of them especially those dealing in mobile phones and laptop computers had tertiary education qualification in the form of a diploma, first degree or postgraduate qualification. The distinction between intellectual capital (education and training) and skill capital (skills, information, life experiences and local knowledge) was particularly important in Harare because these two had unequal returns. Returns to intellectual capital depended on the type of education and the demands of the labour market. However, many companies collapsed or scaled down operations due to the economic slump. With firms disappearing or downsizing, much of Zimbabwe's intellectual education is ultimately made redundant and irrelevant. This forced a significant number of new college and university graduates into the diaspora where their education and training are recognised and rightly remunerated. On the other hand, returns to skill capital are less mixed and are consistently rewarded. Generally, Zimbabweans are quite resourceful in finding ways to earn money or trade goods or services for their skills. For example, people repair cars or household machinery, fix plumbing on weekends, bake food to sell, sew clothing at home and grow crops or vegetables on small urban plots. Moonlighting at informal economic activity was widespread during the hyperinflation period and many Zimbabwean workers (those unemployed) continue using those skills in the multicurrency economy either formally or informally. Information and the ability to gather it also comprise human capital and some rely on their 'insider' knowledge of wholesale markets and prices either to resell goods at a higher price or to obtain better prices for themselves or friends (as did Thomas in Box 1). However, the uneven returns to education send mixed signals to young Zimbabweans about the value of education. If a university graduate sits side by side with a high school drop-out selling trinkets on the streets then there is no point in investing time and money into tertiary education. Meanwhile it was uncommon to hear people passing a comment '...get a degree from a university and sell tomatoes on the street...'

3.3.4 Forms of social capital and their role in street vending

In this sub-section, the research turns to the substantive job of examining the types of social capital available and the strategic uses of social capital and street vending in Harare metropolitan. Informal economic transactions such as selling through a flea market or as a street vendor required primarily local knowledge and time. From the interviews the street vendors relied on both individual and communal social capital. The street vendors relied on trusted relations with their customers, suppliers and family. The collective version of social capital was membership of a specific social group including political parties. The principal task of vendors' organisation was to negotiate vending space for the vendors. Because the street vendors were illegal by law, this form of social capital was essential in maintain the livelihoods of the vendors in Harare.

As long as there is a thriving informal sector and a shrinking formal sector, the phenomenon of street vending will be part of the informal economy in Zimbabwe. The social capital provided by their extended families and business clients (buyers and suppliers), sense of community and political voice through their various organisations (including political parties) and representing umbrella organisation such as Zimbabwe Chamber of Informal Economy Association provided the street vendors with a framework for maintaining and improving their situation without losing the

benefits of informality. In the study area various actors were identified as influencing the situation of street vendors in Harare. These included:

- Extended family members and friends
- Street vendors
- Street vendor organisation
- Buyers
- Suppliers (wholesalers, supermarkets, producers and farmers)
- National government through the Ministry of Local Government, Public Works and National Housing)
- Non-governmental organisations
- Political parties (ZANU-PF and MDC-T)
- City of Harare
- Formal businesses in Harare

Street vendors as informal entrepreneurs

Street vendors were part of a burgeoning informal sector in Zimbabwe. Informal economic transactions such as selling through a flea market or as a street vendor required primarily local knowledge and time. However, the street vendors were in an ambiguous position and were often subjects of 'shady' practice. They enjoyed the benefits of being informal such as savings on taxes, social security, rentals, power and water. At the same time they experienced the pitfalls such as threats of eviction and demolition of their stalls from the City of Harare, lacked legal recognition and protection and generally experienced lower efficiency of capital use. Meanwhile, the vendors had all the profits to their disposal which they could use to improve their businesses or maintain their livelihoods. However, in practice only a few street vendors had a fixed working place and paid US\$1 every day to the city of Harare.

Extended family members and friends

A network of extended family and friends represented an important indicator of social capital. The family provided financial and moral support. In particular, borrowing money through family and friends represented the safest way for a majority of the street vendors because it was risk-free. The terms and conditions of loan repayment were negotiated on a personal level and based on trust. Although conflicts over repayment could arise, these were settled in an informal way.

Buyers and suppliers

Street vendors maintained stable relationships with trusted buyers and suppliers. These trusted business clients were often found through family or other bonds. A vendor would commit himself or herself to buy regularly from a trusted supplier. In return the supplier provided goods and 'favourable' prices and sometimes the possibility to supply goods on credit. Likewise, the vendors would sell to trusted customers on credit. However, if the prices were not so favourable anymore or if another supplier with favourable terms came into the picture by offering cheaper goods or more favourable credit terms, market forces thrived over the business relationship.

Street vendor organisations

Membership to a street vendor organisation or any informal sector organisation represented the communal version of social capital. In Zimbabwe, the overarching framework of street vendor organisations was Zimbabwe Chamber of Informal Economy Association, the umbrella organisation that managed all the smaller vending organisations and other informal sector organisations and acted as a permanent representative toward the government. Ironically, the Zimbabwe Chamber of Informal Economy Association (ZCIEA) had no legal standing before the government. There were ten national associations affiliated to ZCIEA. Besides the ZCIEA there were several organisations that provided varied support (such as loans and business training) to the street vendors. Non-governmental organisations' initiatives were geared towards the improvement and ease of street vendors. The principal task of ZCIEA was to negotiate vending space for the street vendors. ZCIEA and other organisations were at the heart of negotiating a participatory process that included the Ministry of Small and Medium Enterprises and Cooperative Development, Ministry of Local Government, Public Works and National Housing, City of Harare and the street vendors represented by their organisations. This form of social capital was essential in maintaining the livelihoods of street vendors.

Government of Zimbabwe

In Zimbabwe, local authorities (district and provincial councils, cities and towns fall under the jurisdiction of the Ministry of Local Government, Public Works and National Housing. The government's position towards street vendors was ambiguous. It changed often with the existing socio-economic environment.

The current policy was one of status quo on the legal side where officially street vending was illegal but the vendors were only managed within a policy of maximum tolerance with no priority for the government to change the situation. The street vendors were equally satisfied with the maximum tolerance policy of the central government. With rising unemployment due to company closures, the government was in a dilemma on how to deal with street vendors.

City of Harare

Although a majority of the street vendors operated outside the bounds of the law, without permits or license or standard infrastructure, the City of Harare dithered on their removal. As a result thousands of illegal street vendors continued to flood the central business district threatening the viability of formal businesses including retail outlets. The street vendors wanted to eke a living from public urban space. The City of Harare on the other hand, due to the influence of neoliberal urban planning was exposed to international competition under “the world class city status”. On the domestic front, the City was exposed to pressures of investors to keep the city clean. Prior to 2014, the City of Harare adopted interventions that had direct negative effects on the livelihoods of urban street entrepreneurs in order to uphold a modern city image. Consequently, police raids and evictions of street traders became increasingly frequent. Suddenly the City’s attitude to the illegal vendors became one of benign neglect and maximum tolerance. The City of Harare started to construct vending booths but unfortunately the demand for such facilities always outstripped supply. In addition, the street vendors refused to be relocated to the vending booths because they were far away from the customers.

Political parties

Street vendors’ social capital sometimes extended into formal political spheres. This entailed groups of street traders seeking leverage with prominent politician(s) or political party in order to retain their vending sites. According to some street vendors in the study, the allocation of vending sites was partisan and this consequently forced them to be card-carrying members of either ZANU-PF or MDC-T.

Formal businesses

Some street vendors established mutual informal associations with shop owners. Under such subtle arrangements, the shop owners and vendors agreed to share electricity and water bills as well as the sweeping of the pavements. Sometimes the shop owners stored the vendors’ goods overnight. In return the street vendors sometimes agreed to sell products on the street on behalf of the shop owners. Shop owners selling computer and mobile phone accessories preferred such arrangements as they brought their products closer to the customers and hence boosted their sales.

3.4 Transformation of capital in the street vending sector

Resources must be transformed from one form to another form in order to be utilised for problem-solving. Any form of capital can be transformed into any other form and this fluidity takes place more easily in the informal economy. For example, obtaining goods and services during the period of hyperinflation and shortages (2005-2008) required mobilising far more social capital than financial capital. During that period, those with less social capital or without influential network members were unable to obtain scarce basic consumer goods and essential services. In contrast, in a multicurrency system (2009-) characterised by tight liquidity, financial capital became the universal medium for problem solving strategies. That is, with enough money, there are few problems that cannot be solved. This explained the huge influx of street traders in Harare as people hunted for the elusive United States dollar. Meanwhile those without money relied on their social networks while prior to 2009 social ties compensated for the shortages of consumer goods but now for the lack of money. Individual cases in Box 1 were developed on the basis of in-depth interviews with and observations of street vendors in Harare metropolitan. All the examples represent informal economic activities where social capital was used for problem-solving strategies of daily life on the streets of Harare. For example, Patience represents one example of using social capital (kinship) for the lack of money.

Box 1: Transformation of social capital in the informal economy

Patience 23, completed ordinary level in 2008 in Chivi in Masvingo Province but could not proceed to ‘A’ level because her parents did not have the money. Patience was given US\$300 by her uncle (brother to her mother) to buy second-hand clothes for sale in Harare. Some of Patience’s customers are workers at her uncle’s company in the industrial area.

Ben, 65 now retired, turns to acquaintances made through his wife’s church to sell herbal health medicines.

Theresa, a widow in her late forties uses network marketing to sell cosmetics through her job as a university secretary.

Thomas, 45 is a peddler selling meat (beef and pork). Thomas relies on his acquaintances with an abattoir in Harare to learn about new slaughter and/or deliveries and good prices, saving himself time and money.

Source: Author, 2015

IV. Conclusion And Recommendations

Why was the informal economy in general and street vending in particular so prevalent in Zimbabwe? This was due in part to low barriers of entry which enabled cash-poor segments of the population to make a living without a heavy financial capital outlay. But street vending also thrived because transactions required social capital, an asset which most vendors were endowed with. In this regard, the study found that social capital was an important variable in the livelihood provision of street vendors. Social capital was one of the many resources and was used in combination with them in survival strategies. Street vendors in Harare benefitted from their social capital on three levels: personal, suppliers and buyer relations and being members of social organisations including political parties. As demonstrated through examples in the study, the spatial, social and economic context are crucial for understanding the use of social capital and reliance on street vending in Harare. The main goal of the street vendors was to expand their business and revenue in order to improve their livelihoods. Surprisingly, the goals of the vendors were not situated in the realm of entering the formal sector. Instead, they longed to enter the formal economy as workers and not as entrepreneurs. Probably an effective regulatory framework of the informal sector was required in Zimbabwe to assist in poverty reduction.

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