INFORMAL ENCROACHMENT:
A study of an informal retail mall in Wynberg
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\section*{PREFACE}

The Sustainable Livelihoods Foundation seeks to contribute towards the improvement of livelihoods in poor communities. We support the emergence and growth of micro-enterprises. Enterprise development, however, remains hindered by a range of constraints such as crime, skills shortages, and absence of affordable finance. An important obstacle on many small businesses is the policy environment, which presents constraints through barriers such as regulation (and also the absence of regulation), land use rights and trading restrictions. In order to understand these challenges and provide much needed insights on the informal sector, the Foundation initiated a research and policy engagement project, known as the Formalising Informal Micro-Enterprises (FIME) project. The project rationale was not to promote business formalisation in a narrow legalistic approach, but rather through advocating a developmental approach the project has sought to identify ways in which micro-enterprises can be better accommodated within a more inclusive economy.

Under the FIME project, SLF has undertaken extensive field research in 8 township communities across South Africa. We have also supported and undertaken research into newly emerging sites of informal businesses, including various residential locations and sites within the township street environment. The current document seeks to advance our knowledge of these ‘emergent’ spaces in the inner-city spatial context. The research site is situated in close proximity to our offices. Overtime we have observed a profound growth of informal trade and creation of new markets within buildings. These markets serve both the shoppers that have historically travelled to Wynberg for its specialist shops and business services, but also and importantly the growing population of African immigrants that have settled within the area as a result of available rental accommodation, geographic setting and access to public transport. The area now comprises a hub of shops and services targeted at ethnic groups, from specialist food shops, to tailors to churches.

The emergence of informal shopping malls is one of the many developments that are shaping the informal sector in Wynberg. The lifespan of these markets is often short. Indeed the market under consideration shut down in early 2015. Their emergence is inextricably tied to the opportunism of ‘slum-lords’. The slum-lords are wealth property owners who wilfully avoid the myriad restrictions on land use that would preclude sub-division or mix-use set-up of these markets, renting the property to individuals or groups that in turn sub-let space for business or accommodation. Some of the buildings possessed by these ‘slum-lords’ are listed as ‘problem properties’, meaning that rates are unpaid and land use controls ignored, but are able to avoid sanction through legal loopholes and through their capacity (financial
wealth) to confront the municipal authorities in protracted court battles. The dynamic and entrepreneurial impulses of these markets thus exist in a contradictory state, benefiting the poor and start-up businesses in equal measure to the slum-lords who resist compliance in the name of greed and super-profiteering.

The research in the paper was undertaken by Kate Dickenson as part of her Master’s thesis at the University of Cardiff. The Foundation supported the field research costs and assisted Kate to gain access to local informants with whom the members of the Foundation have become acquainted to over time. Today the market is closed with plans afoot to redevelop the building. But a new market has since sprung-up, in a different building within two minutes’ walk of the old mark. The responsive agility of these markets is there defining feature.

1. INTRODUCTION

In recent years, South African cities have faced a major influx of international migrants from fragile states in the region. In Cape Town reactions to the influx have been mixed with media reports documenting the “gradual but definite Africanisation” of the city by immigrant entrepreneurs who have “claimed pockets and corners of the city and have made these places home” (Dlamini, 2012). Generally, there are few job opportunities within the formal sector for undocumented, unskilled migrants, and it is to the informal economy to which they turn in the new host country (Sidzatane and Maharaj, 2013, p. 373). Informal enterprises are one facet of the informal economy and small, unregistered firms that provide goods or services are popular amongst immigrant populations due to the ease of entry and lack of regulation in the start-up process (Valodia and Devey, 2012, p. 138).

Wynberg sits in the middle of the Southern Suburbs of Cape Town, in between the affluent areas of Camps Bay, Hout Bay and Rondebosch and the townships of the Cape Flats.

Over the past decade, there has been a steady encroachment of informal business within the Wynberg high street environment. Here, African immigrants have taken over empty shop space and buildings previously left by white middle class traders. Often these shop spaces encroach onto the street or are subdivided and sublet, allowing for the establishment of more immigrant businesses. The best example of subdivision is in the Informal Mall where an old warehouse has been split into small shops allowing a range of immigrant-run informal businesses to trade. The immigrant businesses in Wynberg sell goods and services to customers of specific ethnic backgrounds, creating niche markets and agglomeration economies that change the spatial layout of Wynberg. The observable trend is of the growth of informal trading from the station precinct along the high street, moving Southwards towards Plumstead. Of particular note is the clustering of business around the Grand Central tower block and Ebor Road precinct, which provide rental accommodation to a sizable immigrant community, comprising of inter-alia Congolese, Zimbabweans and Nigerians.

As Tengeh and Lapah (2013, p. 115) note, little has been done “to explain the link between migration and the negotiation for space in the cities of their host countries by immigrants”. This paper will analyse the relationship between the clustering of informal immigrant business and the reconfiguration of urban space, using a case study of immigrant entrepreneurship in Wynberg. In the context of Africanisation
and informal encroachment, this paper will describe the range of informal activities within a transect along Main Road from Piers Road through to York Road, including Ebor Road and the Informal Mall. It will describe the typologies and varying spaces and places in which informal business activities occur, and description will be aided by maps and photographs. A more detailed description on the Informal Mall will also be provided. The paper will highlight the ways in which immigrants are appropriating and reconfiguring the urban landscape of Wynberg and will add to knowledge regarding the entrenchment of informality within the Cape Town area.

2. METHODOLOGY

The research was conducted over 4 weeks in 2014. A qualitative research approach was used, including observation, a rapid appraisal, semi-structured interviews and a spatial analysis.

2.1 CASE STUDY SITE

A 400m area of Main Road in Wynberg, Cape Town (Fig 1) was used for the case study and research was conducted on all informal businesses between York Road and Piers Road, including the Ebor Road precinct (Fig. 2).

Figure 1: A map of Cape Town indicating the position of Wynberg (Source: Sustainable Livelihoods Foundation).
Figure 2: Map indicating the case study area: 400m area of Main Road Wynberg (Aerial photograph source: Sustainable Livelihoods Foundation, map source: Google Maps).
3. FINDINGS

3.1 Clustering of Informal Foreign-Run Enterprises

A Rapid Appraisal of all businesses, both formal and informal was conducted along this stretch of Main Road. On the day of the Rapid Appraisal there were 79 businesses operating, including the 7 street traders running businesses from municipal trading bays. Of the 79 enterprises, 49 are informal, and of these, 44 are foreign-run. The Informal Mall is the red building next to the Grand Central Apartments, which houses 17 businesses within it with an additional 2 running businesses from the surrounding land. These findings demonstrate clear clustering of informal foreign-run enterprises (Fig 3). The numbers correspond to the number of businesses operating from the shops.

The clustering of informal businesses (Fig 3) is mirrored in the clustering of residential units with a large foreign presence in Wynberg (Fig 4). The Grand Central Apartments has 414 units with 3–4 people sharing a unit, (although the actual number is probably higher). The presence of foreigners is strong with a representative from Leisure Properties claiming that the majority of residents were immigrants from Sub-Saharan Africa (Key Informant 8d, 2014). Other residences with high immigrant presence are the Ebor Road precinct and Langwyn House. Although no survey data is available a discussion with a Congolese woman running an informal restaurant, highlighted by the red “X” (Fig. 4), lived above her shop. Here, a 64m² space had been subdivided into 4 separate rooms with different families living in each, totalling 15 people (Informant 20, 2014) highlighting the large immigrant presence in this area of Wynberg.
3.2. Immigrant Entrepreneurs and Informal Activities

Entrepreneurs from Sub-Saharan Africa run the overwhelming majority of the informal businesses on Main Road. Foreigners from Asia (Bangladesh) are the minority and own 6 of the 44 foreign-run informal enterprises. Therefore, informal African entrepreneurship is of particular relevance for this research. Refugees from the Democratic Republic of Congo (DRC) make up 40% of all foreign-run businesses in the area, Nigeria 18%, Uganda 11%, Zimbabwe and Senegal each 7% and Liberia 2% (Fig. 5).

![Bar chart showing the country of origin of foreign-run informal enterprises and number of businesses present (total sample size = 44).](image)

Figure 5: Country of origin of foreign-run informal enterprises and number of businesses present (total sample size = 44).

There are a range of informal activities within the transect along the Main Road, however, the majority of immigrant informal businesses are selling niche products, to an ethnic market. A comparison of products sold in the formal, long-established South African owned shops and the more recent informal immigrant owned shops was gleaned from the Rapid Appraisal. The most common formal enterprises that exist along the segment of Main Road studied consisted of home furnishing outlets, clothing stores, hardware stores and mechanics, and include large chains such as national supermarket PickNPay, a furniture store Lewis, and national bank Nedbank, which cater for a conventional consumer market.
Figure 3: The spatial distribution of informal and formal businesses along Wynberg Main Road (Source: Sustainable Livelihoods, 2014).
Figure 4: Main buildings rented by immigrants and the main foreign-run churches (Illustration source: Sustainable Livelihoods, 2014).
This is in stark contrast to the foreign-run informal businesses operating along this transect, which are mostly oriented to the foreign communities. The graph below shows the different types of businesses and the number present.

![Graph showing the different types of businesses and their number in operation.](image)

**Figure 6: Type of Foreign-Run informal enterprises and number in operation (Total sample size = 44).**

The most popular foreign-run businesses in the survey area were ethnic restaurants, electronic goods/repairs and hair salons. The hair salons provide braiding and weaving for black Africans. Following this was African Food/Dress/Entertainment and African grocers. African Food/Dress/Entertainment includes stalls and shops selling African food as well as African tailoring and manufacturing stores and shops selling Congolese or Nigerian DVD and music CDs, with an emphasis on African culture. Similarly, the African grocers sell African foodstuffs such as palm oil, cassava leaves, yams, dried fish and peanuts, which are overwhelmingly produced in the West Africa and DRC regions and used in ethnic cooking (White, 2002, p. 259). The African dress and tailoring shops are mostly run by individuals from the Congo who create and repair traditional dresses. Similarly, the presence of ethnic restaurants, two Congolese, one Zimbabwean, one Ugandan and one Bangladeshi, shows that immigrant traders are trading specific cultural products from the country of origin, to other immigrants.

The majority of the customers visiting these stores and stalls are immigrants themselves and the diasporic clustering provides a customer base for informal immigrant entrepreneurs. The businesses present are not just providing goods, but also services needed by new arrivals, for example import/export agency’s, Internet cafes, churches and second hand goods retailers, although churches were largely excluded from the Rapid Appraisal due to time constraints. The clustering of ethnic business then, seems to reflect the clustering of ethnicities within the Wynberg area and there is a market for culturally specific goods, which ensures the economic survival of immigrant businesses in Wynberg.
This is reflected in an interview with a Zimbabwean entrepreneur running a Zimbabwean restaurant from the Informal Mall.

There are so many Zimbabweans where we are working. The people they really want their food so we would make it easier for them to find it. Food...it reminds them of home. What is home? Home is food. Most of the men that come here are single or bachelors. They leave their families at home. They can come, buy a take-away and go home. It makes sense for us to do this (Zimbabwean Restaurateur, Informant 9, 2014)

The presence of immigrant entrepreneurs increases the diversity of the street, but it is emphasised by the speed at which the spatial appropriation is taking place. Table 1 below shows the length of time all the foreign-run informal businesses included in the Rapid Appraisal of Main Road had existed, with more than half being present only a year or less.

Table 1: Length of time trading of all foreign-run informal enterprises on Main Road transect.

<table>
<thead>
<tr>
<th>Length of Time Trading (Years)</th>
<th>Number of Businesses Present</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤1</td>
<td>27</td>
</tr>
<tr>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>≥4</td>
<td>7</td>
</tr>
</tbody>
</table>

3.3 Spaces and places of informal enterprise

Main Road and the adjacent railway line stimulated the growth of Wynberg as a commercial centre and it was a municipality of its own until the formation of greater Cape Town (City of Cape Town, 2014). To this day, Wynberg remains a transport hub but its commercial importance has dwindled. Although Main Road has a collection of commercial properties as it passes through Wynberg, government investment in Wynberg and the Southern Suburbs has been diminishing, with expenditure focussed on the Central Business District (CBD) and the Financial Districts of the Northern Suburbs. Any commercial investment in the Southern Suburbs has been targeted at the affluent areas surrounding Wynberg, such as Claremont and Westlake, which flank Wynberg on either side of Main Road, and new development of shopping malls has been preferred to investment and regeneration of traditional commercial districts (Houssay-Holzschuch and Teppo, 2009, p358). These developments have led to the "decay of its traditional public spaces", streets and squares (Ibid, p455).

3.3.1 Street Trading

There has been a general diminishing of street trade in Wynberg over the last few years. Sustainable Livelihoods Foundation undertook a study of street trading in 2007 in the area between York Road and Station Road (the next parallel street to Piers Road). Although the Station Road precinct was included in that study and not
this one, it is still interesting to compare results. While in 2007 there were 58 informal street enterprises surveyed, in 2014 there were only 7 street traders trading from the municipality bays along the Main Road transect.

“I’ve been in Wynberg 35 years. There used to be more stands here but they shut them down because they didn’t want the traders here really. The big stores don’t like us and try to buy the stands for themselves, and then also the foreigners are all selling the same thing. So they have cancelled them all. There is very little space to trade now. (South African Street Trader, Informant 50, 2014).

Although interviews with street traders and key informants alluded to the reduction in street trade, mere observation of the number of municipal bays that have been painted over, rendering them illegal for trade, suggests that there is a decline in street trading, and a demand for business spaces out of the street for informal enterprise. This is reinforced by the presence of functional, but unused bays in the area.

The decline in street trading, is mirrored by the absence of South African entrepreneurs, both formal and informal trading from Wynberg. While in the 2007 survey, 27.6% of street traders were black South Africans, in 2014, there was not one present. Instead, 3 were coloured South Africans, 3 were Senegalese and 1 was Congolese.

Amongst those street traders that were present, different traders used different trading structures. South African traders tended to use plastic crates with no covering, whereas traders from Senegal and DRC had tented structures through which to trade. However, the restrictions on legal and registered street trading meant that very few informal enterprises were run from municipal stands or the street at all.

3.3.2 Shop Fronts: Informal Enterprise

The absence of black South African entrepreneurs in Wynberg, is mirrored by a decrease in white South African formal enterprises along Main Road. In the 400m transect there were 3 shop fronts which lay empty, suggesting a decrease in formal South African enterprise (Photo 1). Interviews with entrepreneurs in the area also suggested that South Africans had been moving out of the area (Key Informant 8(c), 2014).

Photo 1: A Congolese restaurant next to a defunct shop front on Main Road.
The reduction in street trading possibilities, together with the absence of black and white South African entrepreneurs in Wynberg, has left opportunities for immigrant entrepreneurs and their informal enterprises. Along the Main Road transect, foreign-run informal enterprises have appropriated formal shop fronts deserted by South African traders. This section of the report examines the way in which dilapidated streets and areas of commerce have been colonised and reconfigured by African immigrant entrepreneurs and how these entrepreneurs engage in a number of trading practices which change the formal nature of the street and its form.

Firstly, observation of the informal enterprises found that there was often African music being played from the shops and that the advertising and sales areas often encroached on to the street, blurring the lines between public and private space and formal and informal space. Photos 2–4 show the encroachment of informal African-owned enterprises onto the public realm of Main Road. The first two photographs (Photos 2 (a) (b)) show goods awaiting collection and goods for sale outside the Informal Mall on Main Road, Wynberg, showing how the public realm is being used for trading space and an extension of the shop.

Photo 2 (a) (b): Goods for Sale outside the Informal Mall, Main Road.

The following photos show the street being used for food production and trading space by other foreign-run informal enterprises along Main Road.

Photo 3 (a) (b): The street being used for Food Production and Trading Space.

This encroachment creates a visual appropriation of the city, where African immigrant entrepreneurs have claimed urban space in a foreign city. Although the public realm and street trading is highly regulated, if trading is attached to a formal shop there seems to be less control, enabling African businesses to embrace such practices without repercussions. Interestingly, such infringement of the public realm by informal commercial enterprises was also being copied by some of the formal...
businesses along Main Road, suggesting that there must be some sort of business enhancement that it creates (Photos 4 (a) (b) below).

![Photo 4 (a) (b): Encroachment onto the Street of Formal Enterprises on Main Road](image)

The second phenomenon typical of the majority of the foreign-run informal enterprises was the presence of “subletting”. This is where shop space is divided into smaller units and then sublet. Such subletting was prevalent down Main Road. Excluding the street traders trading from municipal stalls there are 42 informal foreign businesses trading on Main Road. Out of these 35 businesses sublet. None of the 5 Bangladeshi stores sublet, suggesting that subletting is much more of a practice of the African immigrant population. Usually, the shops along Main Road sublet a corner of the store or a counter, easing the rental costs. There are, however, some extreme examples of this along Main Road. One shop on Main Road houses 7 separate businesses. The Nigerian renting the shop of 36m² does so for R12,000 per month. He has halved the shop using wooden planks, which creates two shops with two different entrances despite it being part of the same rental space. Within one half, he trades as a mobile-phone repair centre, and sublets to a Nigerian Key Cutter and a Nigerian Computer Repair Business for R2,000 per month each. The other half he rents to a Congolese woman for R6,000 per month. She, acting as landlord, then rents out the space to other Congolese traders and in this 18m² shop floor there are 4 businesses trading; a hair-salon, a Congolese African-dress tailor, a stall selling Congolese cosmetics, DVDs and CDs, and a trader selling second hand goods, all of whom share the rental costs. The business space is shown in the photographs 5 (a) and (b) below. Immigrants are thus gaining an economic advantage by clustering and subletting shop space (illegally) to other foreign immigrant traders, and thus create trading spaces that are affordable to an immigrant population.

![Photo 5 (a) (b): A single shop front containing 8 different businesses](image)
However, subletting is also beginning to be replicated among the formal shops. One Congolese-run mobile-phone repair business trades from a counter in a South African-run formal enterprise that sells second-hand TVs and computers. This seems to acknowledge the success of African informal businesses not just in finding new trading spaces but also in creating new spaces through new informal trading practices.

### 3.4. The Informal Mall

The segregation of space and subletting of buildings is changing the urban environment, and the flexibility with which African immigrant population use and re-use buildings is yet another way they collectively reconfigure space. Landlords will often sub-divide and sub-let parts of their buildings at an inflated price and often these buildings do not comply with health and safety and building codes. The Informal Mall is an example of this, with 19 businesses trading out of a single building (Fig 5). Business 1 is run by the landlord of the Mall, who uses the front of the warehouse to store and sell his second-hand goods (Fig 5). The rest of the entrepreneurs sell from small shop fronts that the landlord has created, establishing a “mini-mall” much like formal shopping malls in other areas of Cape Town (Photo 6). Business 17 trades fruit and vegetables from the street illegally. Business 19 is a spinach farm located on the deserted land that the building is on which is why it is situated away from the other buildings (Photo 7). The black shaded rooms signal areas that have been sectioned off for residential use.

![Figure 5: The Informal Mall (illustration source: Sustainable Livelihoods, 2014)](image-url)
Photo 6: The entrance to the informal mall, Main Road Wynberg, Cape Town.

Photo 7: Informal Spinach farm of Informal Mall.
Table 2: The enterprise type, nationalities of the entrepreneurs, and trading structures present in the Informal Mall.

<table>
<thead>
<tr>
<th>Business Number</th>
<th>Gender</th>
<th>Nationality</th>
<th>Products</th>
<th>Time Trading</th>
<th>Trading Structure</th>
<th>Trading Space Size (m²)</th>
<th>Monthly Rent (Rand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Male</td>
<td>Liberia</td>
<td>Second Hand Goods</td>
<td>4 Years</td>
<td>Floor</td>
<td>400</td>
<td>40,000</td>
</tr>
<tr>
<td>2</td>
<td>Female</td>
<td>DRC</td>
<td>Hair Salon</td>
<td>1 Month</td>
<td>Shop Front</td>
<td>24</td>
<td>1,800</td>
</tr>
<tr>
<td>3</td>
<td>Female</td>
<td>DRC</td>
<td>Congolese Food</td>
<td>2 Weeks</td>
<td>Shop Front</td>
<td>10</td>
<td>1,500</td>
</tr>
<tr>
<td>4</td>
<td>Female</td>
<td>DRC</td>
<td>Congolese Food</td>
<td>5 Months</td>
<td>Shop Front</td>
<td>8</td>
<td>1,000</td>
</tr>
<tr>
<td>5</td>
<td>Male</td>
<td>Nigeria</td>
<td>Phone Repair</td>
<td>2 Weeks</td>
<td>Shop Front</td>
<td>4</td>
<td>1,000</td>
</tr>
<tr>
<td>6</td>
<td>Female</td>
<td>Uganda</td>
<td>Hair Salon</td>
<td>2 Years</td>
<td>Shop Front</td>
<td>36</td>
<td>2,500</td>
</tr>
<tr>
<td>7</td>
<td>Male</td>
<td>Uganda</td>
<td>Herbalist</td>
<td>1 Year</td>
<td>Shop Front</td>
<td>12</td>
<td>3,000</td>
</tr>
<tr>
<td>8</td>
<td>Male</td>
<td>Zimbabwe</td>
<td>Church</td>
<td>1 Month</td>
<td>Shop Front</td>
<td>48</td>
<td>3,000</td>
</tr>
<tr>
<td>9</td>
<td>Female</td>
<td>Zimbabwe</td>
<td>Ethnic Restaurant</td>
<td>2 Weeks</td>
<td>Shop Front</td>
<td>25</td>
<td>2,500</td>
</tr>
<tr>
<td>10</td>
<td>Male</td>
<td>DRC</td>
<td>Hair Salon</td>
<td>10 Months</td>
<td>Shop Front</td>
<td>25</td>
<td>2,300</td>
</tr>
<tr>
<td>11</td>
<td>Male</td>
<td>DRC</td>
<td>Import/Export</td>
<td>4 Months</td>
<td>Shop Front</td>
<td>25</td>
<td>2,000</td>
</tr>
<tr>
<td>12</td>
<td>Female</td>
<td>Uganda</td>
<td>Ethnic Restaurant</td>
<td>3 Months</td>
<td>Shop Front</td>
<td>18</td>
<td>2,500</td>
</tr>
<tr>
<td>13</td>
<td>Male</td>
<td>Uganda</td>
<td>Second Hand Goods</td>
<td>2 Years</td>
<td>Floor</td>
<td>27</td>
<td>2,000</td>
</tr>
<tr>
<td>14</td>
<td>Male</td>
<td>RSA</td>
<td>Appliance Repair</td>
<td>3 Months</td>
<td>Floor</td>
<td>18</td>
<td>N/A</td>
</tr>
<tr>
<td>15</td>
<td>Male</td>
<td>Nigeria</td>
<td>Internet Cafe</td>
<td>3 Years</td>
<td>Shop Front</td>
<td>32</td>
<td>3,000</td>
</tr>
<tr>
<td>16</td>
<td>Male</td>
<td>Nigeria</td>
<td>Phone Repair</td>
<td>7 Months</td>
<td>Counter</td>
<td>8</td>
<td>1,500</td>
</tr>
<tr>
<td>17</td>
<td>Female</td>
<td>Zimbabwe</td>
<td>Fruit &amp; Vegetables</td>
<td>2 Years</td>
<td>Street Stall</td>
<td>16</td>
<td>500</td>
</tr>
<tr>
<td>18</td>
<td>Female</td>
<td>DRC</td>
<td>Ethnic Restaurant</td>
<td>8 Months</td>
<td>Shop Front</td>
<td>25</td>
<td>2,500</td>
</tr>
<tr>
<td>19</td>
<td>Male</td>
<td>RSA</td>
<td>Spinach Farm</td>
<td>4 Months</td>
<td>Floor</td>
<td>750</td>
<td>1,500</td>
</tr>
</tbody>
</table>

Different trading structures are used for different enterprises and the lack of control under health and safety codes or building regulations means that space is constantly being appropriated and changed in its design or use. Shop space is used for residential purposes and the landlord of the arcade stays on site along with his family, saving on rent (Key Informant 8a, 2014). The signage of businesses often do not relate to the business actually in operation highlighting the speed at which businesses open and close (Photo 8), and trading spaces can be used for different activities as observations in the Informal Mall testified.

Photo 8: A Congolese food stall run from a shop advertising Import/Export

A cupboard used for storing the landlord’s stock was rented out to a Nigerian who opened (and then closed within a week) a computer repair shop (Business 7). When the Ugandan operating a Hair Salon (Business 6) decided to open a restaurant in the Mall (Business 12) they were given floor space. They then erected the wooden boards for the walls, built a counter to separate the cooking area from the eating area and installed lighting fittings and doors (Informant 6, 2014). Similarly, the Pastor of the Church (Business 8) tore down an internal wall that was previously a toilet in his shop front in order to create more space for his congregation (Informant 8, 2014). A new shop was also erected in the Mall in order to create more space to rent by the landlord and his workers, with no regard for building regulations or official consent. Space, it seems, is much more flexible in rented buildings than on the street. The flexibility of spaces is also mirrored by a flexibility of business types and diversification of products amongst immigrant informal enterprises, as well as a level of Ubuntu (social support), which enables immigrant business to thrive. A Congolese food stall in the Arcade also sells handbags made in China and a range of different
cosmetics and beauty accessories including nail polish, alice bands and hair clips (Informant 3, 2014). Often, there are businesses that diversify and further stretch the bounds of legality within the informal economy. Business 18 in the Informal Mall acts as a shebeen as well as a Congolese restaurant, despite the sale of alcohol being prohibited from an unlicensed business (Informant 18, 2014). There is also flexibility in terms of “expertise” and the entrepreneurs are willing to change business type. Businesses 6 and 12 in the Arcade are both run by the same female who had the salon open two years before opening the Ugandan restaurant in an attempt to increase her income. Similarly, the female entrepreneur who runs a Zimbabwean restaurant (Business 9) first co-rented a Salon (Business 10) before switching business. Her employee, a Malawian woman, was thus employed as a hairdresser and chef within a single week, demonstrating the flexibility with which the immigrant informal economy functions.

However, perhaps most important is the way in which the clustering of immigrant business enables Ubuntu (social support). Not only does the clustering of immigrant business provide a consumer base for the ethnic products sold, it also creates a system of inter-trade and support for fellow immigrants that enhance immigrant businesses. Field notes of observations taken through the Arcade over the four-week period showed many entrepreneurs were linked to each other. The Zimbabwean entrepreneur running Business 9 was often out in the street selling fruit and vegetables with the Zimbabwean worker of Business 14. Business 13 an Ugandan who ran a Second Hand Goods Business trading electronic appliances often ate at the Business 12, a Ugandan restaurant. While conducting an interview with Business 18, a Congolese restaurant, a fellow Congolese businesswoman approached the shop selling palm oil needed to cook with and the products were exchanged but no money passed hands.

It is central so it is easy to get the stuff we need. You see that lady that came. You will see that I did not give her any money. But she knows where I am. And she keeps count. And I keep count. Then I will pay when I can. Because she also relies on me. So yes, there is an understanding amongst us (Informant 18, 2014).

Of course there is also competition amongst immigrant entrepreneurs because of the clustering of businesses, and within the Informal Mall alone, in a 400m² trading space, there are 3 salons, 3 ethnic restaurants and 2 shops selling Congolese food. Similarly, even though the subletting culture and entrenchment of informality allows immigrant businesses to be established, it is not easy. As the comparison between rental and square meterage of trading space highlights, while the landlord of the Mall pays R100 per month per square metre, for a 400m² trading area (and residential accommodation), the Congolese woman running Business 4 pays R125 per month per square metre for an 8m² trading area, illustrating the difficulty immigrants face to sustain their livelihoods in the face of hostile legislation in regards to informality, high rentals and competition.

There are problems with such a presence of immigrant entrepreneurs, and while Ubuntu is present there is also competition and exploitation. However, it is clear that by clustering and helping each other, African immigrants are carving out niche markets, while reconfiguring the urban environment and creating space in a hostile city to live and work.
3.5. The Regeneration of Urban Areas

The lack of adherence to regulations - for building codes, health and safety, and certified land uses - are enabling entrepreneurs, led by African immigrants in the Wynberg case, to reconfigure trading space, create economic advantage for themselves and their businesses. Although this all entrenches informality such re-use of unused spaces has a regeneration effect within Wynberg, creating trade where it was diminishing. The Mall was previously a disused warehouse, but with investment from the landlord, it now houses 18 businesses and provides public and social spaces for shoppers who want to buy or eat. An additional business utilises the unused urban land at the back of the Arcade for urban agriculture (Informant 19, 2014). The entrenchment and encroachment of informality then, while reconfiguring the urban space, and providing challenges to urban infrastructure, also has a regenerating effect within urban areas such as Wynberg, and as such, must be applauded.

We do it by ourselves, as much as we can. As long as there is space. We can do what we like. We took this place over when there was nothing. There was no water, no electric. I have wired it all myself. I have made the little shops, I have built my house, and I have built everything you see here (The Landlord of the Informal Mall, Key Informant 8a, 2014).

The reconfiguration of space then, is taking place on several levels within Wynberg. Firstly, the clustering of foreigners and the establishment of their businesses in a short period of time is transforming Wynberg from a historically white precinct to an area where immigrants can live in the host city. This also changes the streetscape and the density and types of businesses along Main Road. Immigrant trading practices such as subletting and encroachment of informal enterprises onto the street reconfigures the urban space and creates new immigrant business places. Changes are also taking place within buildings and the lack of adherence to building codes and health and safety regulations enable African immigrant businesses to create flexible spaces, which are outside the constraints of the formal economic world. Although these trading practices are undoubtedly entrenching informality within Wynberg, it is also regenerating the area and sustaining a commercial economy that was dwindling.
4. DISCUSSION

The urban environment of Wynberg has been transformed by the clustering of African entrepreneurs. The presence of immigrants has created a mixed diasporic community in what was a white commercial district. This clustering has allowed for the creation of trading spaces through the appropriation, subdivision and subletting of buildings and the encroachment of immigrant business onto the street makes trading space more accessible and cheaper for immigrants. This clustering has not only created spaces for the establishment of immigrant businesses, but the mutual association amongst the diasporic community also provides safety and resistance from hostile legislation and the discrimination of immigrant entrepreneurs in regard to property rentals. Mutual association also provides business opportunities in the form of niche markets and social support, as most businesses concern themselves with meeting the needs of their own communities by providing ethnic products and niche services to members of the immigrant community. Ubuntu, the tradition of social support, operating within immigrant communities, and often across immigrant nationalities, also helps young businesses survive and grow. Although such clustering can also contribute to competition and exclusion amongst immigrant entrepreneurs, mutual association, physically manifested in the appropriation and reconfiguration of urban space, has allowed immigrants to insert themselves into the economy of the host city, regenerating a dilapidating urban area in the process.

The success of immigrant entrepreneurs in finding a “soft” economic and physical niche of decline in the urban fabric and collectively fashioning innovative and culturally specific trading practices to establish and sustain businesses, confirms the view of a representative of the African Centre for Cities who claims that immigrant informal activity is “pervasive and a reality” which the government of South Africa needs to acknowledge and enable, instead of constraining (Key Informant 8i, 2014). This is particularly applicable given the regenerating effect that immigrant business in Wynberg is having on the built environment of Cape Town, with the rejuvenation of disused, dilapidated buildings actually creating a dynamic business environment where entrepreneurship is extensive and livelihoods are sustained.

This study has looked at the effect of informal immigrant entrepreneurship on the built environment of Wynberg. However, further studies on other localities of Cape Town with large immigrant populations such as Bellville, Parrow and Fish Hoek, could be useful to see the prevalence of immigrant entrepreneurship and its effect on urban space. Research could also be extended to the other major cities in South Africa, such as Johannesburg and Durban, which would underline the entrenchment of informal economies in South Africa and provide government with the data and analysis it needs to engage more effectively with this reality.
5. References


