
THE EFFECT OF DE-DOLLARISATION ON ZIMBABWEAN WOMEN IN CROSS-BORDER TRADING

BY

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Dedication

To my angel sister, Chengetai, for inspiring me to start something with a beginning and an end.

And to my Mom, Mary, words fail me, but I am eternally grateful for all your love, support and encouragement. Thank you for always believing in me even when I have stopped believing in myself.

Abstract

Many people in Zimbabwe, especially women, earn their living through informal cross-border trading. Many fail to see the developmental role informal cross-border trading plays and so when the laws, or lack thereof, restrict and negatively affect informal cross-border traders, nothing is seen to be done to assist women involved in the trade who depend on their earnings for their livelihoods. It was therefore necessary to conduct a study to investigate how the recent economic shift has affected women in cross-border trading and to explore the relationship between informal cross-border trading and development and finally to provide recommendations regarding the effect that the move to the Zimbabwean dollar has had on women earning their living from informal cross-border trading. The research was guided by gender-oriented methodologies such as the Women's Law Approach coupled with the Grounded Theory Approach which allowed me to interrogate the lived realities of women in cross-border trading and what inferences can be drawn when these realities are juxtaposed with the law or, in the light of them, what the law should provide. The research evidence was gathered through complimentary data collection methods, mainly in-depth interviews. The voices of cross-border traders who detailed their experiences were important, while data from financial institutions was also important in order to ascertain how these groups are working together. The research concludes with recommendations that encourage the formalisation of cross-border trading and easing of trading processes and requirements. Other challenges faced by cross-border traders are also addressed in the study.

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Declaration

I, Kudzwai Gokova, declare that this work is my own and no portion of this work has been submitted in fulfilment of an application for another degree or qualification.

Signed:

Date:

This dissertation was submitted for examination with my approval as the University Supervisor

Signed:

Date:

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List of abbreviations and acronyms

ACHPR	African Charter on Human and Peoples' Rights
CBD	Central Business District
CBT	Cross border trading
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
COMESA	Common Market for Eastern and Southern Africa
ICCPR	International Covenant on Civil and Political Rights
ICBT	Informal cross-border trading
ILO	International Labour Organisation
Maputo Protocol	Protocol to the African Charter of Human and Peoples' Rights on the Rights of Women in Africa
NORHED	Norwegian Programme for Capacity Development in Higher Education & Research for Development
POSB	Post Office Savings Bank
RBZ	Reserve Bank of Zimbabwe
SADC	Southern African Development Community
SDG	Sustainable Development Goal
SEARCWL	Southern and Eastern African Regional Centre for Women's Law, University of Zimbabwe
SI	Statutory instrument
STR	Simplified Trade Regime
UDHR	Universal Declaration of Human Rights
US	United States
ZITF	Zimbabwe International Trade Fair
ZWL	Zimbabwe dollar

List of international human rights instruments

African Charter of Human and Peoples' Rights, 1981 (ACHPR)

Protocol to the African Charter of Human and Peoples' Rights on the Rights of Women in Africa, 2003 (Maputo Protocol)

African Charter on Human and Peoples' Rights (ACHPR)

Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)

International Covenant on Civil and Political Rights (ICCPR)

Universal Declaration of Human Rights, 1948 (UDHR)

Victoria Falls Declaration of Principles for the Promotion of the Human Rights of Women (1994)

Vienna Declaration (1993)

List of local legislation

Constitution of Zimbabwe Amendment (No. 20) Act, 2013 (the Constitution)

Exchange Control Act [Chapter 22:05]

Exchange Control (Amendment) Regulations 2017

Exchange Control (Exclusive Use of Zimbabwean Dollar for Domestic Transactions) Regulations, Statutory Instrument (SI) 212 of 2019

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CHAPTER ONE

1.0 INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 Introduction

When we think of human rights, we often think of the right to life, the right to human dignity, freedom of movement and other civil and political rights. It is not often that we consider socio-economic rights as being at the forefront of human rights. This was as a result of the categorisation of human rights which led to a hierarchy of sorts being formed and socio-economic rights being second generational rights, were not prioritised. The 1993 Vienna Declaration states that “all human rights are universal, indivisible, interdependent and interrelated.” This view was reiterated at the Victoria Falls Declaration in 1994, where it was noted that the subject of universal human rights is erroneously viewed as being confined to civil and political rights and not encompassing economic and social rights which are of great importance to women. They emphasized the fact that both civil and political rights and economic and social rights are interdependent and complimentary parts of one coherent system of global human rights.

It was for such reasons that I decided to focus on socio-economic rights. It is undisputed that men wield greater power than women in the social, political and economic arena. The plight of women is exacerbated by the gender division of labour under which they not only assume roles in the public sphere but also assume multiple roles in the private sphere. I chose to focus my attention on women’s labour in the informal sector as that is where most women find themselves occupying spaces and seeking to make a living. The formal sector remains dominated by men, the conditions, educational requirements, working hours and work environment are unfriendly towards women and their needs. The informal sector provides women with the opportunity to earn a living and balance it with their family life. This balance is something women are less likely to enjoy in formal employment.

The informal sector makes up the larger part of Zimbabwe’s economy. It remains unregulated and this poses a great risk to workers in this sector. Informal cross-border trading is stigmatised and often viewed as a glorified means of smuggling goods into the country. It is seen as a non-viable economic activity and socially undesirable. It has been argued that cross-border trading undermines local industries, negatively impacts foreign exchange earnings, reduces tax revenue and distorts data on intra-regional trade. The majority of informal cross-

border traders are women and this already marginalised group continues to be side-lined in the economic sphere as their world of work takes the form of an informal nature. The contributions of informal cross-border trade to the economy are overlooked and these traders are neither supported nor protected by legislation or policy.

Given the turbulent economic climate that has affected many businesses, it was important for me to investigate how the economic collapse and cash crisis has affected those who strengthen trade and contribute to the economic growth but are not recognised for this. Therefore, this study sought to investigate the effect of moving from the multi-currency system Zimbabwe employed in 2009 to the Zimbabwean dollar/bond notes that were first introduced to alleviate foreign currency shortages in 2016 and then late in 2019 became the sole legal tender. The study investigates how women have been affected by this transition and the challenges they face given Zimbabwe's turbulent economic climate.

1.2 Background to the study

Pre-colonially, communities interacted and traded within the region without the need for formal registration of such trade (Nyatanga et al., 2000). With the introduction of demarcated borders and countries, this trade became illegal. Travel regulations and tariffs were imposed and these affected the economic activities of such traders (Nyatanga et al., 2000).

Throughout the world women constitute the demographic that is most involved in jobs and tasks that have need for lesser value skills, are paid lower and that result in little to no career advancements. In many countries, women make up the bulk of workers in the informal sector, which leads to notable job insecurity, as well as lack of access to training, little to no social protection and other valuable resources, making them more vulnerable to poverty and marginalization compared to men. There is an intrinsic interrelation between being a woman, working in the informal economy and being poor (ILO, 2008).

Zimbabwe faces a huge employment problem and as a result, it has the largest informal sector in the region, and the third largest in the world with 60,6% of its population being informally employed (Medina & Schneider, 2018). In view of the deteriorating economic climate in Zimbabwe, informal cross-border trade is viewed as a viable activity that generates income, creates employment, improves food security as well as living standards (Nyatanga et al., 2000). Other factors giving rise to informal cross-border trade are the arduous and rigorous

bureaucratic formal border controls, liberalisation of exchange controls, economic instability vis-à-vis the social and political stability in neighbouring countries (Nyatanga et al., 2000).

The true figures pertaining to Zimbabwe's informal trade within the region remains largely unknown as a result of a failure to capture the size of informal cross-border trade which has now become increasingly popular. There is difficulty in accurately quantifying informal cross-border trade because some traders use unofficial channels therefore such data would not be captured by official statistics. When they do use official channels, they do not declare their goods to the full extent and often declare that they are travelling on holiday and not for the purposes of trade (Mupedziswa & Gumbo, 2001). In addition, lack of documentation of trade transactions gives rise to misleading figures in the national accounts and results in detrimental national and regional trade policies being formulated (Mupedziswa & Gumbo, 2001).

Many women across the country have been pursuing household survival by taking part in international trade (Mupedziswa & Gumbo, 2001). This type of work has presented women with the challenge of conquering gender stereotypes, such as women being the ones who stay at home while men do the travelling, and this has potentially enhanced their independence (Mupedziswa & Gumbo, 2001). Women's development has been slow paced as women are held back from economic activities by lack of access to credit, financial literacy training and negative attitudes towards women's economic activities (Mupedziswa & Gumbo, 2001).

In an effort to fend for themselves and avoid poverty, many women opted for informal cross-border trading. For these women, informal cross-border trading proved profitable and offered opportunities to evade poverty and economic hardship. In terms of national and regional policies little attention has been given to informal cross-border traders despite the fact that they have existed for a very long time (Nyatanga et al., 2000). Lack of adequate finance, poor marketing skills, inadequate entrepreneur skills, rigid border policies/regulations/procedures and the lack of selling space are some of the problems that inhibit the success of these traders. Also, the informal nature of the activity limits what can be done for them (Nyatanga et al., 2000).

Hyperinflation eroded the value of the Zimbabwean dollar and led it to introduce the use of a multi-currency system. This multi-currency system introduced the United States Dollar as

well as other currencies such as the South African Rand and the Botswana Pula into circulation. The Zimbabwean dollar was abandoned in April 2009 and with the legalisation of foreign currency, the main currency remained the United States Dollar from January 2009 until 27 September, 2019 with the promulgation of Statutory Instrument (SI) 212 of 2019 called Exchange Control (Exclusive Use of Zimbabwean Dollar for Domestic Transactions) Regulations, 2019.

This statutory instrument outlawed the use of any foreign currency for domestic transactions, save for a few exceptions such as purchasing fuel or paying duty on specific goods. Through this SI Zimbabweans were mandated to use bond notes and RTGS\$ for any domestic transactions. These bond notes were introduced in November 2016 with the aim of relieving the cash crisis, being the shortage of US\$ and were to trade 1:1 with the US\$. While this may formally have been the case for a time, this exchange rate did not prevail in the informal market. Eventually the banks and other institutions followed suit. The more bond notes that were rolled out, the more difficult it became to acquire foreign currency. This was exacerbated by the ban against using foreign currency for domestic transactions. While Zimbabwe has de-dollarised, according to the law, the fact remains that the US\$ is still the preferred currency.

The move to dollarize the Zimbabwean economy was advantageous in terms of curbing inflation and bringing stability and sanity to the monetary system. Although the introduction of the multi-currency system eased inflation and restored sanity in the economy, it came with its challenges. The introduction of the multi-currency system led to a shortage of change and the overpricing of goods. Businesses began to round off prices and alternatively give vouchers, chewing gum or sweets as change. As a result of the shortage of change, the Reserve Bank of Zimbabwe introduced bond coins, a surrogate currency to be used as change in domestic transactions. This was a move intended to cure the shortage of change in the country. The bond coins went into circulation on the 18 December, 2014 with \$10 million worth of coins being rolled out in denominations of 1c, 5c, 10c, and 25c coins. The RBZ's intention in releasing these coins was to relax the small change problem and rectify the pricing mechanism where prices were being rounded up to a dollar resulting in consumers paying for unintended goods in compensation for change. The bank's rationale was that the bond notes would benefit both retailers and consumers as well as eliminate the burden placed on people in the informal sector of trying to access inaccessible change. The public was

assured that the coins were being rolled out purely as a strategy to cure the shortage of change in small denominations (Makochekanwa, 2016).

Historically, the main influencers of currency substitution were economic instability and financial failure. Many markets, much like Zimbabwe, experience hyperinflation over a period of time before moving to dollarization (Perelygin, 2015). Evidence has suggested that very few economies have managed to de-dollarise. Without developed capital markets and plagued by high inflation, the need to integrate asset substitution into daily operations is established. The reasoning then becomes foreign currency, being the stronger more stable currency, is required to provide insurance. Evidence suggests that once dollarization is encapsulated in an economic model, it is, without a doubt, inconceivable to revert to a local currency without a complete paradigm shift in the country's economic arena and its drivers (Perelygin, 2015)

1.3 Formal v. informal sector

In a legal context, informality is often regarded as activities that fall *de facto* or *de jure* out of the hands of the law. It cannot be ignored that informality is also a governance issue or, alternatively, the capacity to implement existing laws, should the laws be available. The capacity of institutions that are responsible for law making and regulation of it are therefore of fundamental importance: good laws and regulations remain meaningless in the absence of effective institutions for their implementation. While distinguishing between the formal and informal sector, it is, without question, important to assess the current institutional situation and to find out why some economic activities or categories of workers are not protected by formal arrangements, and the reforms or changes that could reverse this situation (ILO, 2014).

Formal enterprises, unlike informal enterprises, are protected by law and they have to bear a number of costs emanating from labour regulation. Responsive labour legislation should balance low costs with incentives for compliance. The objective is to improve compliance with standards by producing or refining incentives for registration, both for businesses (access to credit, public markets, development programmes) and for labour (health insurance benefits), and by improving the capability of the authorities to implement regulations, especially through inspection systems (ILO, 2014).

The informal sector is distinguished from the formal sector by several characteristics. The informal sector is said to constitute “income earning activities that are not regulated by the State in contexts where similar activities are regulated” (Muzvidziwa, 2005). It is also used to describe activities that do not follow recognised official channels of business; therefore, these activities are not registered and are neither taxed nor monitored, and because of this, the informal sector is stigmatised as being troublesome and unmanageable. According to Muzvidziwa, informal trade activities exhibit the following characteristics: individual or family ownership and management of resources, small scale operations, skills acquired outside of the formal education system, unregistered business operations, reliance on cash sales and no declaration of goods at ports of entry (Muzvidziwa, 2005).

The informal economy thrives in a high unemployment atmosphere, underemployment, poverty, gender disparity and unstable work. It plays a substantial role under such conditions, especially in income generation, due to the fact that it is fairly easy to penetrate the informal sector as the requirements pertaining to skill, education and technology are low and sometimes non-existent. It must be noted however that most people enter the informal market as a means to survive and not voluntarily. The informal economy is distinguishable by acute decent work deficits and an inconsistent share of the working poor. It has been proved through studies that those who operate their businesses informally have a much higher risk of succumbing to poverty than those in the formal sector. Given this and other factors such as registration fees, annual taxes, there is a link between being poor and working informally.

While some activities offer sustainable livelihoods and incomes, most people involved in the informal economic activities are exposed to unsatisfactory and hazardous working conditions, have low literacy levels, low skill levels and lack training opportunities. Those in the informal sector have lower, irregular incomes than those in the formal economy, they are plagued by long working hours, an absence of collective bargaining as well as representation rights and, more often than not, an abstruse or disguised employment profile. Those who work in the informal sector are more vulnerable to risks because work in the informal sector is excluded from labour regulations which protect pregnant women, offer social security schemes, offer time off work and regulate health and safety conditions of the worker (ILO, 2014).

The 2002 ILO Conclusions define the term “informal economy” as:

“all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements. Their activities are not included in the law, which means that they are operating outside the formal reach of the law; or they are not covered in practice, which means that – although they are operating within the formal reach of the law, the law is not applied or not enforced; or the law discourages compliance because it is inappropriate, burdensome, or imposes excessive costs”.

The pervasiveness of informal employment in many parts of the world has been exacerbated due to the global crisis. It not only affects the existing living standards of the populace but is also evidenced by severe constraints that thwart households and economic units caught in the informal economy from boosting productivity and alleviating poverty. Informality is primarily a governance issue (ILO, 2014). The following factors contribute to the growth of the informal market: unsuitable, ineffective, ill-advised implementation of economic and social policies, the absence of adequate legal and institutional frameworks; the lack of good governance and effective implementation of laws and policies; and a lack of confidence in administrative procedures.

1.4 Informal institutions

Black markets, also known as parallel markets, are often viewed by governments as dangers to economies. Yet it has been convincingly argued that black markets are in fact “predictable and sensible reactions to the overregulation of official markets” (Thomas, 2020). Black markets emerge as a result of overregulation of an official market or otherwise an unworkable official market due to government interference. They develop in direct proportion to the failure of official markets. They are, in fact, both a barometer and a checks-and-balances system for official markets (Thomas, 2020).

Back in 2008, as the country moved from inflation to hyperinflation, the black market began to grow exponentially. The government endeavoured to put corrective measures in place that have been criticised for being “big on government control” but did very little to rectify the economic problems (Thomas, 2020). Bond notes were rolled out as a cure to reduce the flight of wealth from Zimbabwe, yet the cash calamity continued relentlessly (Thomas, 2020). *The Standard*, one of Zimbabwe’s independent newspaper, published an article that read, “Black market thrives, as banks run dry.” Part of the article read:

“HARARE’S Road Port has become the unofficial bank of last resort, never short of cash, no queues and a multicurrency platform. The money market at this busy bus terminus now plays the role that the formal banking sector has failed.” (Mhlanga, 2017)

This highlights to the essence of black markets. Their existence and prosperity rely upon fulfilling an existing need, rather than upon government control. In essence, they exist as a replacement for services the official market has failed to provide (Thomas, 2020). The selling of money on what is known as the black market or the parallel market was outlawed in September 2017 by Statutory Instrument 122A of 2017.

The government has outlawed the use of the US dollar, but this barely affected the use of the US dollar, which was and still is the more stable and preferred currency. By making the US dollar illegal tender, it drove the currency further into the black market. Commerce did not grind to a halt, and US dollars did not cease to change hands, although this occurs discreetly. The only noticeable transformation was that the Zimbabwe government was taken out of the monetary circle (Thomas, 2020). The implication is that when a government corrupts its official market, it paves way for a black market to create a “free” market. Ironically, its illegality ensures that it is free from regulation thus allowing it to function effectively without government interference (Thomas, 2020).

1.5 Microfinance services

Microfinance is described as the “provision of financial services to low-income, poor and poor self-employed people” (Otero, 1999). Over the years, microfinance has developed incorporating social and economic development concepts into its practice. Whether microfinance services such as the supply of loans, savings and other basic financial services to the poor alleviates poverty and is good for development remains largely debated.

The Women’s Bank opened last year (May 29, 2018). 70,000 accounts have been opened since its inception. It is the only Women’s Bank in the region. Women’s Bank structures loans based on personal financial needs. It is a deposit taking micro finance bank and not only a credit facility. They offer loans to all women even those with informal businesses. They offer group model loans for those who do not have collateral. The interest rates at the Women’s Bank are said to be lower than that of other banks and financial institution. Because the loans are customised to suit the borrower, the interest they charge is something that they

found to be manageable to pay back. The Women's Bank also provides for order financing. This is a form of short-term funding that provides the cash companies need to pay their suppliers up-front for a customer order.

1.5.1 Group lending

In this mode of microfinance services, borrowers organise themselves into groups of a particular number, depending on the bank's services. A member of the group receives the loan first and if this member successfully repays the loan, the other members of the group are awarded loans in turns. For as long as the members of the group repay the loan, credit is extended. Group lending relies on the principle of joint liability. The groups take over the guaranteeing, supervising, and execution of loan contracts from the microfinance institution. The groups use the loans to start their own businesses to generate or sustain an income.

1.5.2 Credit extensions

Microcredit is the disbursement of small amounts of money known as microloans to the poor, the unemployed and to entrepreneurs who are not considered bankable due to lack of adequate funds. Borrowers in this demographic do not have collateral so they are lent small amounts of money. To ensure that the loans are repaid, various methods are employed. Institutions can opt to use social collateral through the group lending or to blacklist those who fail to pay back loans.

1.5.3 Individual lending

An individual can apply to a microfinance company for a loan. The individual is solely liable for the repayment of the loan. Depending on the microfinance institution, the loans are personalised to suit the individual's needs as well as putting structures in place to ensure that the loan is paid back.

1.5.4 Savings

Savings are an important concept in microfinance. Some microfinance companies act as deposit taking banks thus allowing customers to open up savings accounts with them. Through savings, those who borrow money from microfinance institutions are able to protect themselves against unanticipated risks. Many people use these savings as start-up capital or to boost the growth of their business. Clients are able to open up an account and deposit some money. Savings can be voluntary or forced. Forced savings are said to be effective in

teaching financial discipline as the client is forced to deposit a certain money into the savings account at a specific period of time. This type of savings is sometimes used by formal institutions as a form of collateral. Banks monitor clients' savings accounts and determine which clients are able to borrow money and pay back loans.

1.6 Research problem

The basic hypothesis in this study is that de-dollarisation has had a negative effect on women in informal cross-border trading. An investigation was conducted to discover how de-dollarisation has affected their trade, what effect this has had and how this can be remedied, if at all.

1.7 Objectives of the study

The objectives of the study were to conduct an investigation into how the move from the multi-currency system to the ZWL has affected the conduct of business for women in informal cross-border trade. To achieve this, several enquiries were made relating to how these women access finance and whether they garner support from financial institutions.

1.8 Research assumptions

The following assumptions guided the research:

- (1) Most women cross-border traders are self-financed.
- (2) Women in cross-border trading access finance through informal means and savings clubs and this has led to a greater dependence on the parallel market.
- (3) The high exchange rates on the parallel market have made it difficult for women in cross-border trading to access foreign currency needed for trade.
- (4) National laws and policies inhibit women's access to foreign currency needed for cross-border trading. The official system of obtaining foreign currency makes it difficult for one to get foreign currency.
- (5) National laws and policies regarding the economic situation are not fully understood by women at the local level.
- (6) There is a lack of policies and procedures which are needed to assist women in the business of cross-border trading who require foreign currency.

1.9 Research questions

The following research questions guided me in conducting my research:

- (1) What are the sources of finance for women in the business of cross-border trading?
- (2) What means do women in the business of cross border trade use to access finance for their businesses?
- (3) How has the new currency regime affected access to finance intended for trade?
- (4) What are the legal requirements and barriers faced by women in cross-border trading?
- (5) To what extent are national laws and policies understood by women at the local level?
- (6) What are the interventions needed to ensure that women in cross-border trading are given the opportunity to make the most of their potential?

1.10 Significance of the Study

The research is significant because much of Zimbabwe's economy is informal and the majority of cross-border traders are women. These women are not protected by law while conducting their business and many of them rely on such trade to sustain a living. With the economic crisis hitting hard, it became important to explore its effects on such women. Since women are, in relation to men, already marginalised and excluded from the formal workplace the study sought to investigate the effect on women cross-border traders of the recent transition from the multi-currency system to the ZWL which crippled many formal businesses. It was important to find out how this affected those in the informal sector, particularly women, who are already discriminated against in the world of work.

1.11 Definitions of key terms

Dollarisation represents a situation where a country uses the United States dollar alongside or in place of the domestic currency of that particular country (Perelygin, 2015).

De-dollarisation represents a situation where a country abandons the use of the United States dollar and introduces a local currency.

Bond notes are the current bank notes that circulate as legal tender in Zimbabwe.

ZWL is the Zimbabwean dollar.

Multi-currency system is a system employed whereby multiple currencies are used concurrently within a country.

1.12 Outline of the study

This study examines how cross-border traders have been affected by the introduction of Zimbabwe's domestic currency. This dissertation is divided into five (5) chapters. The first chapter serves as an introductory chapter, giving a brief background to the study and presents informal cross-border trade. The second chapter sets out the theoretical and methodological framework. In this chapter, the various methodological approaches along with complimentary data collection methods used in the study are discussed. The third chapter presents the findings of the study. I take a look at how women in informal cross-border trading are financed and their preferred methods of sourcing funds intended for their craft. The study also draws attention to the various challenges informal cross-border traders face. In addition to analysing them the banking sector is interrogated to see how they are assisting these women. The study also looks into other challenges faced by women in informal cross-border trading while carrying out their trade. After an assessment of the findings from the data collected presented in chapter four, chapter five reveals the study's conclusions and recommendations will be put forth regarding how best to deal with informal cross-border trading in order for the women who participate in small scale trading¹ to make the most of their potential and how the economy can benefit from small scale trade.

¹ Small scale trade is another term used to refer to informal cross-border trading. The word informal is usually associated with illegality and assumed to mean that the informal traders are criminals and so some prefer to use the term small scale traders. Small scale trade and informal cross-border trading will be used interchangeably in this dissertation.

CHAPTER TWO

2.0 THEORETICAL AND METHODOLOGICAL FRAMEWORKS

2.1 Introduction

This chapter outlines the various integrated research methodologies as well as the corresponding data collection methods employed for purposes of this study. To answer the research questions formulated for purposes of this study, a qualitative research approach is used. This is based on interviews conducted with various participants. This approach is most appropriate because it is carried out by studying human activity in its natural setting and detailed information is given through the eyes of the actors themselves as the interviews are conducted. Keeping the above in mind, the research was conducted through qualitative methods where discussions were conducted as well as individual interviews.

2.2 Women's Law Approach

The women's law approach was key in carrying out this research as it explains the ways in which the law plays a crucial role in women's lives by exploring the realities of women's lived experiences and juxtaposing them with the law. This is important because although the law is universal and applies to everyone, it has gendered outcomes. The women's law approach furthers the commitment to changing the status of women through a reworking of the law and its approach to gender (Dahl, 1987). In order to understand systemic gender equality that results in several forms of gender discrimination in society, a feminist theoretical framework can be used within this methodological framework. Such a framework is helpful in analysing the law in order to identify the gendered components and their implications contrasted with seemingly gender neutral laws, policies and practices.

Feminist theories are among the most influential approaches and using them as a theoretical framework enables the researcher to critically examine the moral claims of women's rights. Although feminist analyses such as the women's law approach often start at ground level, the analysis is not confined to women at the lowest level in social hierarchical structures. The objective, for purposes of this study, is to analyse the economic issues entrenched in the informal market, particularly focusing on women in cross-border trading, by seeing gender relations in the informal market as one of the key analytical elements (Macdonald, 1994). These avenues of feminist legal theory are helpful in addressing women's lived experiences. Drawing the women's law approach from such theories, different issues pertaining to the

violation of women's rights can be explored and addressed (Qureshi, 2015). The use of feminist legal theory is appropriate in creating an equilibrium between the rights of women and men. This is done through levelling the playing field by doing away with any legal or customary hurdles that stand in the way of equality (Tsanga & Stewart, 2011).

One of the theoretical approaches employed is based on socialist feminism, which focuses on the way in which gender and class structures are interrelated and are fundamental to an understanding of economic reality. A major contribution of feminism is the redefinition of the concept of work to include productive labour and reproductive labour, making women's unrecognised labour visible (Eisenstein, 1979). This approach rejects distinctions such as those between subsistence and market sectors, informal and formal sectors, public and private spheres, in favour of a holistic view within which these aspects shape one another as they intersect and interrelate in any given society (Eisenstein, 1979). These separations have created false differences and have influenced the making of women's involvement in the development process invisible. Socialist feminism underlines the inherent gender content of concepts such as economic activity, globalisation and the informal sector (Eisenstein, 1979).

My assumptions were formulated based on my knowledge of the difficulties of ordinary people who do not earn US\$ and try to acquire them. This coupled with the need for cross-border traders to acquire foreign currency and the role these women play in the economic survival of their families made it important for me to investigate how the law is playing a role in these women's lives. One of my assumptions which speaks to this is that national laws and policies inhibit women's access to foreign currency needed for cross-border trading. I needed to find out from the women themselves what they experienced in accessing foreign currency for the purpose of their trade and whether the laws and policies have in fact hampered or helped them in accessing foreign currency.

2.3 Human Rights Approach

The Constitution of Zimbabwe underpins the values of respect for human dignity and equality of all human beings as concepts for human rights. The feminist legal analysis allows insight into the violation of women's rights by recognising the gendered implications and outcomes of *prima facie* neutral human rights laws and practices (Qureshi, 2015). Not only do various types of feminist ideas draw upon each other, feminist and human rights

approaches quite often inform each other, for example, in their explanation of the problematic themes of ethical/cultural relativism or the public/private dichotomy in law.

The human rights-based approach is founded on the fundamental universality of human rights laws. It was instrumental in carrying out this research because the human rights approach is a framework based on international human rights norms and is designed to promote, safeguard and fulfil human rights. It integrates the customs, standards and principles of the international human rights system into plans, processes and policies for development. A rights-based approach focuses on what communities and individuals require rather than what structures deem necessary.

Adopting a human rights-based approach allowed me to focus on a number of international human rights, such as the right to the elimination of discrimination while allowing women equal opportunities in work and career development as well as the right to bank loans, mortgages and other forms of financial credit. The government is signatory to the Protocol to the African Charter of Human and Peoples' Rights on the Rights of Women in Africa, 2003 (Maputo Protocol) and Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) which clearly provide for these rights, however, from the study it was evident that social and economic rights are not prioritised. Since the Government has the responsibility to protect, promote and fulfil such human rights standards, I investigated whether this responsibility is being fulfilled and whether women in cross-border trading are enjoying their socio-economic rights.

2.4 Grounded Theory Approach

In relation to the women's law approach, the research took the form of the grounded theory approach to research as suggested by Bentzon et al. (1998). The social effects of existing laws were taken into account and this was assessed alongside the possible impact of law reform, while taking keeping in mind the sustainability and the need of the target group. The grounded theory approach assumes that for legal and social change to occur, there must be an interaction between human beings. This approach allows researchers, specifically in this study, the women in informal cross-border trading, the opportunity to act as agents of change rather than as passive observers or victims (Bentzon et al., 1998).

My first assumption was that most women cross-border traders are self-financed. This assumption was motivated by the fact that given the collapse of the banking system and high inflation rates and bank charges coupled with the informal nature of small scale trading, the traders have no confidence in the banks and many of them may not be considered bankable, especially when it comes to loans. To establish the accurate facts, I took to the marketplace to find out from the cross-border traders themselves and hear their voices

2.5 Sex and Gender Analysis

The term sex refers to “the physical or biological attributes which distinguish men from women.” The individual has no choice over this, except that which is exercised in a post-birth sex-change operation (Tsanga & Stewart, 2011). The key words in distinguishing sex are ‘male’ and ‘female’. Gender refers to “socially and culturally ascribed notions or stereotypes” attributed to specific conduct that would be expected from an individual of a particular sex, the key words being ‘feminine’ and ‘masculine.’ (Tsanga & Stewart, 2011).

Gender issues have been receiving increasing amounts of attention globally. However, the evidence base for policy and practice in the area of sex and gender remains limited and conceptual confusion is common. The concepts of sex, gender and the law were used as means to analyse and gain an understanding of the gender stereotypes and biases commonly encountered by women (Tsanga & Stewart, 2011). Dahl’s (1987) view is that the existence of biological, social and cultural differences between women and men is not the fundamental issue in women’s lives. Her assertion is that the main source of women’s subordination is the systemic under-valuing of women by society and the law. With this understanding, an analysis into whether the laws and structures surrounding cross-border trading affect men and women differently was carried out.

It is important to analyse issues through a gendered microscopic lens and conduct an investigation into the social and economic dynamics that mediate the lives of women and men. Men are not completely excluded from the focus because their perceptions, motivations, needs and entitlements need to be understood before we engage them in transformative debates on women’s rights and equality (Tsanga & Stewart, 2011). The gendered nature of informal cross-border trading has contributed to the discourse of cross-border trade that is shunned by male traders as well as the predominantly male policy makers.

While collecting data in the field, I found that many of the women in informal cross-border trading survive on that alone and have no other means of earning an income. The men however have other businesses. Some double as money changers, others provide transport for cross-border traders or fix cars for which they sell parts. Informal cross-border trading is not their sole income generating activity. I also noted that many of these men did not have family responsibilities unlike the women I interviewed.

2.6 Data Collection Methods

The data collection process involved a number of complementary methodologies. These include random sampling, interviews and desk research. These will be discussed further below.

2.6.1 Random Sampling

The sample method was based on a non-probability purposive sampling of a number of microfinance companies and two telecommunication companies that offer mobile money services, some of whom were giving official data related to the research topic. The participants in the interview were selected based on availability and willingness to participate. A semi-structured interview method was used to conduct in-depth face-to-face interviews. The researcher chose the semi-structured form of interviews because it is flexible and enables the interviewer to ask a number of open-ended questions in order to extract relevant information, while allowing the interviewees room to express themselves freely without restrictions.

2.6.2 In-depth Interviews

Grounded theory research methodologies demand the use of in-depth interviews with key informants. The face to face in-depth interviews were used for purposes of collecting information from the actors themselves. This enabled me to make a detailed investigation into the issues affecting women in informal cross-border trade. The key respondents were selected based on willingness to participate in the study (Figure 1).

Table 1: Showing the respondents interviewed

RESPONDENTS	NUMBER OF INTERVIEWS
FEMALE	46
MEN	7
TOTAL	53

2.6.3 Desk research

The research also took the form of desk research, whereby relevant data and existing information from previous studies was collected and used in support of this report. Online desk research was appropriate and useful because it allowed the researcher to gain insight into whether challenges faced prior to de-dollarisation are the same as those being faced now.

2.7 Data Analysis Methods

This research constitutes qualitative research analysis methods. As interviews were conducted, data was collected through transcript. This was then carefully analysed in order to achieve the research objectives and used in the presentation of the research findings. Common patterns found among the responses were identified, without ignoring some unique experiences encountered by a few women.

2.8 Limitations of the study

Although the main focus of the study was limited to women, some men expressed their desire to participate in the research. Through this participation, a sex and gender analysis could be made to analyse if the effects of de-dollarisation affect men and women differently.

An issue encountered during the study was the reluctance of banks to participate in the research, with many of them expressing their unwillingness to respond to any questions and others not calling back for an interview time and date, even after countless follow up visits and phone calls.

Another limitation that was encountered during the research period was the scepticism interviewees harboured as to the intended purpose of the study. The research was conducted at a time when “Operation Restore Order” was being conducted by the police and during which vendors, money changers and those buying money from the black market were being arrested by the police. Given that one of my questions asked where the women access their foreign currency, many of them were unwilling to speak to me.

2.9 Risk factors and contingency plans

The risk factors considered before the study was conducted included lack of cooperation from women who did not want to disclose particular information. While conducting this research, I encountered this problem especially when I was asking questions about money and how women in informal cross-border trading access foreign currency. Some women were evasive when met with such questions, others were hesitant to respond. I assured the respondents that their identities would remain confidential and protected. I further assured them that the information obtained while conducting this study will be used solely for purposes of the intended study. Many of them felt more comfortable about talking to me after I presented them my university student card and after explaining to them how studies such as these can help transform society.

Another factor I took into consideration was not being able to find a sufficient number of people to interview in one particular area. I decided not to narrow my study down to a specific marketplace but took to many marketplaces including hair salons where many cross-border traders walk in to market their products. This decision was further motivated by the fact that some of these women do not have specific marketplaces in which they sell their products, but they rather move around from place to place in search of customers as many of them are unable to pay the mandatory fees needed to rent a market stall.

The issue of time constraints was one I anticipated that I would encounter. I visited many of the cross-border traders at the market place during their working hours, therefore I had to be considerate of the time I would spend interviewing them given that the nature of their business requires them to market their products and call out to potential customers who walk by. During one of my interviews, a woman I had been interviewing brought this up and insisted I leave and come back later or contact her telephonically as she did not want to risk losing any potential clients while talking to me. Going forward from that point, I attempted to

keep the interviews as short as possible but at the same time extract as much data as I possibly could.

2.10 Key ethical considerations

In line with the SEARCWL Code of Ethics, permission was sought and obtained from various institutions before any research was conducted. The consideration of protecting human dignity and the right to privacy was maintained and remained at the forefront of the study. Informed consent was sought before any interviews were conducted. This means that each person knowingly and voluntarily gave their permission to be interviewed. Respondents were not compelled to provide any information they felt was private and those who wished to exercise their right to remain anonymous were allowed to do so freely. Closely linked to the right to human dignity and the right to privacy are the concepts of respect for anonymity and confidentiality, which were maintained throughout the study. Anonymity was an important consideration and was implemented to prevent harm to the respondents as some of the information being provided was incriminating. Respondents were also informed that they could retract their consent and stop answering questions at any time during the interview. It remains true and correct that the information obtained was used for the sole purpose of writing up this research paper and has not been provided to any other parties.

During the duration of the research, the researcher was committed to remaining competent, carefully crafted what questions needed to be asked and how, as well as ensuring that the expected outcomes are worthwhile to the respondents.

CHAPTER THREE

3.0 PRESENTATION OF FINDINGS

3.1 Introduction

This chapter provides an account of the findings from the data collected. It aims to answer the research questions posed before the study was conducted. Given the informal nature of their work, some cross-border traders were found at the marketplace, while others were located in hair salons, sewing shops in the CBD and various other places.² I started by looking at how women in cross-border trading access their finance, then went on to look at how they access foreign currency. In investigating this, it was evident that these women face some challenges in accessing money as well as foreign currency and it became important for me to reveal the challenges faced by women in cross-border trading in their efforts to acquire foreign currency.

3.2 The various sources of finance

Many women in informal cross-border trading do not rely on formal institutions and prefer to access finance through informal channels. Due to the history of Zimbabwe's economic turmoil during which they lost their money to the banks due to hyperinflation as well as when the US dollar was introduced, they have no confidence in the banking sector. Women in informal cross-border trading rely heavily on informal means of accessing finance intended for the purposes of trade. The two main sources are rotating savings and individual lending, both of which will be discussed below.

3.2.1 *Rounds / Rotating savings and credit associations*

Many of the women involved in the study participate in rotating savings clubs, known commonly as rounds. For them this is a trusted method of raising money. A group of people gather together, make submissions and make a contribution of equal amounts of money into a fund. The total collection, known as a hand, is then given to one member of the club based on an agreed schedule and the money rotates, with each member of the group having money paid to them. The contributions differ according to the needs and financial obligations of the people in each group.

² The study also conducted in Katanga, Norton. A high-density area densely populated with informal market areas. It was also conducted in Glenview 1, also a high-density area located in Harare. The study was conducted between December 2019 and March 2020.

Many of the respondents expressed that this was their preferred method of raising money to support their businesses. To them it is reliable and also helps them in saving money as they have to contribute to the fund each month. One of the women I interviewed expressed the view that she raises money by partaking in rounds and this is the only method she trusts. No one steals money from the next person and the pay-out comes in when expected. Rounds have never let her down, she said, unlike banks and borrowing from family members or other individuals.

3.2.2 Individual lending

A very few of the women I interviewed borrow money from trusted family members. Many of those who relied on their family members either received the start-up capital from their mother or sister/s. They found that relying on family members is best for them because money is a valued commodity and it causes squabbles between people. These women found that family is most reliable as opposed to strangers who can turn on you at any given time. They expressed their fears in trusting strangers with their money.

I interviewed one woman who is a nail technician in Harare CBD but is also in the business of cross-border trading. She started off visiting South Africa and obtained her start-up capital from her sister whom she paid back with the proceeds from her nail business. She would mainly order clothes but while there she would also stock up on her products for nails. As her business grew, she started going to China to buy men's clothing, mainly suits and formal shirts in which she now specialises. Although her business took a knock when the currency changed, she contends that unlike many others she is still doing well.

3.2.3 Self-financing

Other women finance themselves from savings they have made working different jobs. One of the women I interviewed informed me that she received her start-up capital from a cleaning job she does from time to time in South Africa. She also looks after elderly white women when she is there sometimes because she goes for extended periods of time. The money she earns from this is used to purchase her goods which she comes back home to sell.

Another woman said that after encountering financial difficulties and realising it would not be feasible to keep travelling back and forth, she travelled to South Africa and decided to stay there. She found a job as a fuel attendant then later started working as a domestic worker. She

managed to do several jobs and she supplemented her earnings by braiding hair during her free time. The money she earned allowed her to continue buying clothes and shoes in South Africa and then return to Zimbabwe to sell them. Currently, she spends more time in South Africa than in Zimbabwe because she found it difficult and expensive to keep trying to source foreign currency in Zimbabwe. Spending more time there and working piece jobs is easier for her as she does not need to worry about how to get foreign currency as she used to before.

3.3 Means used to access finance for cross-border trading

Given the Zimbabwe's cash crisis, accessing finance, especially foreign currency, has become increasingly difficult. As a result, heavy reliance is placed on buying and selling foreign exchange on the parallel market.

3.3.1 *Parallel market*

The parallel market is also known as the black market. It is a market where foreign currency is traded. Women cross-border traders access finance through informal means, which in turn lends itself to trading on the informal market. The difficulty in accessing foreign currency formally has led to a greater dependence on the parallel market. The dependence on the parallel market is further perpetuated because these women do not trust formal financial institutions and formal ways of changing money. The rates provided by the parallel market have proved to be better than those provided for by financial institutions. The system created by the banks benefits the banks and larger businesses. There are also limitations when changing money in the bank. Although some banks and foreign exchange bureaus are licensed to trade currency, this currency trade works one way, with the financial institutions willing to buy US\$ but not sell it.

It was a little challenging to persuade my informants to talk about the parallel market. Many respondents were either not willing or were hesitant to answer questions about changing money and the methods they use in acquiring foreign currency. Some began to suspect that I was an undercover police officer while others evaded the questions or gave answers such as "I change money where everyone else changes money." Others would turn the question around and ask me where I change my money. This is due to the illegal nature of changing money on the parallel market. Some women however were willing to tell me that they change money on the black market; most of them have trusted money changers with whom they deal on a regular basis. This, they said, makes it safer for them as they are regular clients and the

person who changes the money wants to remain in business and looks out for them, just as they look out for him. In many of the marketplaces, there are well known people who change money for those in that specific market area. This is usually the person relied upon due to familiarity. For those who work in the CBD, they familiarise themselves with money changers who are willing to travel to them and meet the cross-border traders in the salons or the sewing shops they work in or any other place that is suitable for the person who wants to change money. One has to be a trusted regular customer in order to employ this method as some money changers are reluctant to travel from their usual place of business lest they get tricked and handed over to the police.

As at Friday 13 December 2019, the market rates stood as follows at one of the local microfinance banks, while the black-market rate was US\$1: 22 ZWL.

Table 2: Showing one microfinance company’s exchange rates as at 13/12/91

Currency	They buy	They sell
United States Dollar (USD)	16.1515	17.3051
Euro (EUR)	16.1513	19.2661
South African Rand (ZAR)	1.0104	1.1684
British Pound (GBP)	16.1515	23.1415
Botswana Pula (BWP)	1.2483	1.6757
South African Rand (USDZAR)	14.5227	15.5228

3.4 Challenges faced by women in accessing foreign currency

Accessing foreign currency is a challenge to the average citizen and this also rings true for informal cross-border traders. Women in informal cross-border trading face many challenges in their efforts to obtain foreign currency. The challenges faced include the following legal barriers:

3.4.1 Legality

The prescribed channels created to access foreign currency are, in actuality, a hindrance in accessing foreign currency. During the time I was conducting research, I visited a local bureau de change to ask about how their exchange rates and whether they act as both buyer and seller. Although it is termed a licensed “Bureau de Change” customers can only sell United States Dollars and not buy. After making an enquiry into why customers are unable to buy foreign currency, I was informed “because there’s a shortage of foreign currency they would not be able to provide it to everyone who requests it.”

The banning of selling of goods in foreign currency has resulted in financial constraints for women cross-border traders as they need foreign currency to purchase their goods. While interviewing one woman, she said that over the past year it has become increasingly difficult for her to travel given that people no longer pay for her products in US\$. She travels to South Africa and China and plane tickets are bought in US\$. She does let people who have US\$ pay using that currency but she fears losing customers completely if she charges in US\$ all the time and so she gives her customers the option of paying for goods in ZWL at the prevailing (black market) rate of the day. Luckily for her, she does not only sell men’s clothing, she works as a nail technician in the CBD. She says, “Harare women always want to look good so they will always get their nails done” and this is what sustains her day to day life.

3.4.2 High market rates

It has been suggested that some microfinance institutions benefit from high interest rate charges which the poor cannot afford pay. As a result, women in informal cross-border trading are unwilling to rely on bank loans as they fear the exorbitant amounts they will be required to pay back. The banks are also reluctant to lend money to these in informal traders as their profits are not guaranteed. The banks indicated that they have experienced issues with women in the informal sector not paying back loans and so there is an unwillingness to lend them money. There is no guarantee that the money they lend will be paid back and earn them the interest or profit companies count on and this poses a risk that companies are not willing to take.

Another issue indicated by the women is the fact that these loans rendered to them by the banks are rendered in local currency, being bond notes and sometimes mobile money or RTGS. This is not helpful to them as they require foreign currency and after changing the

money on the black market it is not enough to cover their costs. One woman informed me that in trying to earn a living, the ZWL is not something one can save or rely on, therefore transacting in this currency will result in a loss to her. Furthermore, because the banks realise the inflation rate on the Zimbabwean dollar is high, the interest rate also becomes high, as they try to get back the value of the money they had initially lent.

It was voiced by another respondent during the interviews that she has no faith in microfinance companies. When asked about whether she would consider banking with a microfinance company, she responded: “*Mbavha! Hativadi!*” (Meaning: “Thieves! We don’t want them!”) She explained that they charge too much interest and have failed her before. There is no confidence in the banking sector, as some of these women have been previously let down.

A third respondent contends that she does not keep her money in the bank; she would rather keep it at home. She is not interested in borrowing money and does not trust financial institutions. She feels they will let her down by using her money and that she will not be able to get it out of the bank, especially foreign currency.

It is noteworthy to mention that the difference in value between hard cash and electronic money further contributes to high market rates. A different rate is given should someone want to trade electronic money for US\$ as opposed hard cash for US\$. The electronic money and hard cash also trade at different rates as they are not given the same value, even though essentially, the currency is the same.

3.4.3 Cash shortages

The cash shortages are intrinsically linked to the high market rates. The less cash available, the higher the exchange rates. Cash shortages have resulted in increased difficulty for women to not only travel to fulfil their orders but also to sell their goods. The demand for specific goods, such as clothing, shoes, hair and other luxury items, has decreased as people are now merely surviving and earning just enough to buy the bare essentials such as food. Every now and then, there is little to no cash available or no cash is dispensed due to its shortage or expectant increase in exchange rates. The respondents indicated that on some days they would call their money dealer and he would say there’s no rate meaning that on that day money cannot be changed or he has no money.

One woman in particular explained that it was different from the time when Zimbabwe was using the US\$ because it was easy then to change US dollars for South African rands. One could easily do that on either side of the border or even at a forex bureau in South Africa, although, she said, she only went to forex bureaus in emergencies because in Zimbabwe US dollars are dirty and South African bureaux do not want dirty money; in addition, she said, the rates at foreign exchange bureaux were not as good as changing money on the street. However, once one is in mainland South Africa, one cannot find people who change money on the street like in Zimbabwe or at the border posts because “they don’t do that there; there’s no need to do so because they have their own money.”

She says that back in the days in Zimbabwe when the US dollar was being used, people acted more feely with their money but now people hide their US dollars and do not want to change them for local currency because if you change US dollars today but do not use the local currency straight away, it becomes useless the next day because prices in local currency have increased and so has the exchange rate (i.e., more Zimbabwe dollars are required to buy one US dollar). This kind of inflation poses a problem for informal cross-border traders if they intend to travel or if they need to meet orders by a specific date.

3.4.4 Lack of funding

The business of informal cross-border trading is hampered by poor financial planning and funding. There is not much funding that goes towards the informal sector, especially towards cross-border traders. Informal cross-border traders are usually an afterthought with most contributions from government and banks going towards the agricultural sector. Informal cross-border traders fund themselves and this is proving more and more difficult for an already disadvantaged group. The respondents complained that they have no one other than themselves to rely on, so they have to ensure success of their business. The pressure to ensure that their businesses make profits is great as they are the sole breadwinners of not only their immediate but also their extend families as well. Such lack of funding coupled with the erratic nature of informal cross-border trading means that cross-border traders do not earn a regular income; this in turn makes formal institutions reluctant to extend credit to lower income earners because they run the risk of such loans not being repaid. The formal institutions pointed out that the poor are not able to save regularly as they live hand to mouth, which further adds to their detriment.

Some women who were interviewed have resorted to taking up other jobs such as plaiting hair, sewing, cooking or becoming nail technicians in order to supplement their earnings. Those who do not have extra income-generating crafts have found it increasingly difficult to travel back and forth to South Africa as often as they used to. They also find it difficult to order as many goods as they used to.

3.4.5 Lack of access to information

Access to information technology and communications is imperative for a business to thrive. It remains a struggle for cross-border traders, more especially women, to find profitable markets beyond selling goods on the streets or going door to door in and around the CBD. This is further aggravated by weak technical skills, for example, poor packaging and lack of good and effective marketing strategies to promote the sale of their goods. Access to information remains a major challenge as many people access information through informal means and in the case of cross-border traders, their main communication channel is Whatsapp. They rely on this mode of communication as it is the most accessible, convenient and affordable. However, Whatsapp is not totally reliable since information on it is sometimes difficult to verify, it is susceptible to bouts of media frenzy and misinformation. Informal cross-border traders are in regular communication with one another. Should anything happen at various border posts such as the confiscation of goods, they inform each other through the Whatsapp platform. This is also how they schedule meetings with their various cross-border associations and inform each other of up-coming events, changes in tax regulations or border control systems.

3.5 Legal requirements and barriers faced by women in cross-border trading

It appears that the prescribed legal channels are intended to hamper rather than protect the activities of cross-border traders. During the time I was conducting my research, there was a heavy police presence in the CBD and money changers as well as those wanting to change money were specifically targeted. Any person (buying or selling) found changing money was immediately loaded into a police vehicle and taken to the central police station. This came at a time where the US dollar was unavailable at the authorised bureaux de change. One respondent who works in the CBD told me that she changes money on the black market but, given the violent nature of the police, she has befriended some money changers whom she trusts and are prepared to visit her at the salon at which she works. They conduct business

with her there and in that way she avoids the risk of getting arrested or brutalised by the police.

The amount of duty required to import their goods is exorbitant and many of them turn to corrupt border officials and bus drivers to assist them in getting all their goods across the border while paying the least amount of duty possible. It was noted that the majority of cross-border traders resort to this. When they travel, they do not declare everything they are bringing in or they pay off the bus driver who deals with the border officials and prevents goods from being confiscated. Said one respondent:

“But that’s where the bus drivers come in; they make the payment much less and can bring in stuff for you because they know the officials.”

One of the women I interviewed expressed the view that the duty charged on her goods is too much. She cannot afford it. She gets the people who drive busses to bring some of her goods in for her as they are well connected with border officials. Alternatively, she does not declare some of her goods.

Another legal requirement that came up during the interviews was the issue of passports. It has become increasingly difficult to acquire a passport in Zimbabwe with authorities citing a shortage of passport paper. The public, however, claims that corruption as the reason why passports are not being printed as priority is given to those who pay officials in US dollars. Article 13 of the UDHR provides that everyone has the right to leave any country, including his own, and to return to his country. This right cannot be realised without the acquisition of a passport. One of the interviewees explained that her passport expired and passports have become increasingly difficult to obtain given the turnaround time due to their backlog coupled with the money demanded by corrupt officials at the passport offices in order to get a passport timeously. She revealed that although this is an issue, one can still travel between Zimbabwe and South Africa without a passport as border jumping is a common practice at the Beitbridge border post.

3.6 Are national laws and policies understood?

With regard to the laws and policies on monetary exchange, the women are cavalier when it comes to following the law. The women who were interviewed showed a reasonable

understanding of the laws regarding the control of foreign exchange, however, there is a general disregard for laws and policies. This is so because instead of protecting them, the law causes informal cross-border traders hardship. Even though the business of informal cross-border trading is not regulated or taxed, the standard laws on taxes and payment of duty at border posts apply to them.

The focus of informal cross-border traders is mainly on earning sufficient money to sustain themselves. One woman indicated that she does not understand the laws and policies as they are always changing and are rolled out every few months and so she disregards them. Furthermore, the bureaucratic processes concerned with registration as an import operator are too taxing and costly for them as it requires time, money and paperwork. Registration must be renewed annually and this is a cost many of them are not willing to bear. The women expressed the view that the documentation and paper work required is difficult for them to understand as it contains language that is too complex for them and many of them did not have the opportunity to complete secondary school.

3.7 The required interventions to ensure that women in cross-border trading are given the opportunity to make the most of their potential

3.7.1 *Financial literacy*

There was an interrogation into the difference between financial inclusion and financial stability. Financial inclusion consists of access, usage and quality of services whereas financial stability is having the means to live sustainably. There is a need to promote financial literacy as well as to standardize it so that institutions agree with what it entails. Financial literacy by institutions should not only be about how to borrow and pay back money but should also include how to save money and to use it for its intended purpose. The women had different opinions as to whether they would attend financial literacy classes. Some recognised the value of such classes while others did not see the need for them and felt that attending them would be a time-consuming task. When asked whether she would attend financial literacy classes, one of the women told me that she would not because she felt they would be time-consuming and she would not have time to do so given that she spends all of her time selling her goods and takes no days off. Another woman stated that she would attend financial literacy lessons if given the chance to do so but her only problem would be transport.

3.7.2 Market places

Not all informal cross-border traders sell their goods from the marketplace, some target their clientele directly and visit people at their formal places of work. Some of the women I interviewed were found in and around the CBD, marketing and selling their products in hair salons and on the streets. Upon interviewing them, I also found that they market their products on Whatsapp and by word of mouth, they have no actual physical shop. The patterns of trading are dependent on the goods being traded. It was explained that there are advantages and disadvantages to this. The advantage is that one can schedule a visit that coincides with pay day, thereby minimising the risk of defaulted payments. The disadvantage is that one can only carry a certain number of goods and on some days, more people show interest in the goods than anticipated and so one can run a loss on that given day.

Selling at certain markets is undesirable as the conditions of the marketplaces serve as a deterrent to potential customers while at the same time posing health risks to the traders. This is exacerbated by issues such as shortages of water and acceptable public sanitation facilities. The structures at the marketplaces are dilapidated or are insecure makeshift structures. Even with these conditions some women are unable to rent stalls in these marketplaces because the rentals are too costly for them. One of the respondents I interviewed told me that she sells the perfumes she orders from her house as she does not have a stall/shop and cannot afford one. Furthermore, she has family responsibilities at home which she could not afford to neglect if she spent all day at the marketplace.

3.7.3 Empowerment strategies

Many of the women interviewed were the sole breadwinners of not only their immediate families, but their extended families as well. They bear the brunt of their families' burdens and financial needs. One of the few women who had financial support from her husband was in business with him. Although she is the primary breadwinner, she and her husband are in business together. He helps with the transportation of goods as well as changing money. She has 2 stalls at a marketplace known as "KuDurawall" in Norton, a small town just outside Harare. She sells kitchenware and furniture as well as being a money changing agent and sells cash. When she is away, her husband takes over from her and this, she contends, makes it easy for her to travel without having to worry about with whom she will leave her children or whom to trust with her money and her business back at home. This woman was one of the few women who enjoys family support.

With lack of support and little or no women's empowerment strategies, others have found it difficult to continue their trade. One of the women I interviewed travels to Musina (South Africa), Botswana and Zambia by bus; she sells clothing and buckets which are sought after due to the water crisis and an increased demand for water storage containers. She is the sole breadwinner and travels twice a month. When the currency change occurred, people were no longer buying her goods and she also could not fulfil as many orders as she used to. Her business has suffered because of it. Another respondent travels to South Africa, but she has not been able to go in the past year because of lack of funds, fluctuation in currency and currency change. Many of these women have no other businesses to support them when they incur losses incurred by their cross-border businesses due to currency fluctuations and lack of access to finance.

More needs to be done to boost women's empowerment, especially in the expansion of their trade. One of the respondents informed me that she has been trying to expand her business from only making perfumes to making lotions, petroleum jelly, soap and other commodities; however, she lacks the funds to do so. She has been saving up to attend small courses and workshops that teach her how to make these goods.

Although small and tentative, the findings from this study reveal that microfinance has provided women in informal cross-border trading, most of whom are widows or single mothers, with an opportunity to access funds that aid in productivity and advancement of their work. It was discovered that tremendous strides are being made by telecommunication companies such as Econet/Cassava Smartech which has an initiative to empower lives through digital spaces and platforms. For example, through Ecocash, a mobile money payments platform, payments and money transfers have been made easy for the public and it has also created jobs for partners, agents and merchants. With the introduction of EcoSure, there has been the creation of micro-insurance and with "enda education" there is a guarantee that school fees payments can be made even after the death of a breadwinner. Other platforms include Vaya which is a ride hailing service, where people with their own cars can register as drivers, and Ownai which is an online marketplace that allows people to buy and sell goods for free anywhere in Zimbabwe.

3.8 Conclusion

This chapter served to provide the findings collected in the field. From the interviews, most of my assumptions were confirmed although other issues which I had not anticipated came up from the discussions with the cross-border traders as well as representatives of the financial institutions. After collecting the data, I was able to analyse and discuss it as will be seen in the following chapter.

CHAPTER FOUR

4.0 DISCUSSION OF FINDINGS

4.1 Introduction

In this chapter the findings based on the assumptions will be discussed. Through the study, some emerging issues that fell outside of the scope of the assumption were realised, and these will also be presented in this section. In analysing the data, I had to constantly refer to the relevant legal frameworks which are relevant to this study. Although there are no laws that speak directly to informal cross-border trading, there are provisions found in the Constitution as well as particular human rights instruments that offer protection to informal cross-border traders and speak directly to women who earn a living in the informal sector.

4.2 Are informal cross-border traders protected by the law?

Under various labour regulations and relevant social protection Acts, workers in the informal economy are not recognized, registered or regulated. Although other workers such as those in the formal sector may be protected by such laws in theory, it remains to be seen in practice as most of them do not have access to or are unaware of the available social and labour protection. The International Labour Organisation suggests that:

“Bringing the millions of workers and enterprises within the informal economy under the protection of the law and out of informality would be a major step towards decent work for all” (ILO, 2014).

Although informal cross-border traders are not protected by an Act that speaks directly to their trade, they are protected by provisions in the Constitution, which, according to section 2, is the supreme law of the land. Section 13(1)(a) mandates the State together with all its institutions to facilitate rapid and equitable development to promote private initiative and self-reliance. Subsection 3 further mandates the state to ensure that the measures taken protect and enhance the rights of people, particularly women, to equal opportunities in development.

Section 14(2) of the Constitution echoes the abovementioned provision but focuses more on the creation of employment. The provision addresses the need for the State to put measures in place that ensure that there is creation of employment for all, especially women and youths. Closely related to this provision is section 64, which provides for freedom of profession,

trade or occupation. The provision stipulates that every person has the right to choose and carry on any profession, trade or occupation, but the practice of a profession, trade or occupation may be regulated by law. These provisions are important as they make special mention of women in the world of work, the majority of whom work in the informal sector. It is evident that majority of the informal cross-border traders are women, however they do not enjoy any protection while conducting their businesses.

The findings reveal that there is little support from the government in promoting self-reliance of women in cross-border trading. Principle 2 of the Cairo Conference 1943 provides for the full and equal participation of women. It mandates countries to ensure that individuals are given the opportunity to make the most of their potential. With this in mind, instead of holding workshops on cooking and bead-making for informal cross-border traders, the government should move towards providing financial literacy classes, technical advancement classes and classes on entrepreneurship in order for these women to realise their full potential. Friedrich Engels was of the opinion that the emancipation of women is only possible if women take part in production processes on a large social scale, while domestic work no longer ceases to claim anything but an insignificant part of their time (Hutchison, 1978).

Instead of helping these women grow their businesses and move towards formalisation, the government has proposed banning imports to revive Zimbabwe's industrial sector. Section 17 of the Constitution places an obligation on the State to promote full gender balance in Zimbabwean society, and in particular, the State is mandated to promote the full participation of women in all spheres of Zimbabwean society on the basis of equality with men. It must take positive measures to rectify gender discrimination and imbalances resulting from past practices and policies. Although the mandate for promoting a gender balance is provided for, its implementation still remains to be seen. There are no initiatives directly targeting the growth of women in informal cross-border trading, however there are many initiatives, projects and monetary funds designed to assist those in agriculture, a field dominated by men.

In an effort to "regain its place as a leading economy in Africa", Zimbabwe has numerous trade policies which are designed to expand the economic opportunities of the country, its businesses and various stakeholders. It also has various guidelines related to trade such as the Investment Guidelines and Opportunities in Zimbabwe, 2018 and most recently, the Guide to

Zimbabwe's Trade Agreements, 2019. Both are comprehensive documents which outline the goods that can be imported and exported, the different requirements for trading and the benefits of operating under trade agreements. While the policies and guidelines speak to trade in relation to the mining sector, manufacturing, agricultural, tourism sector and infrastructure development, they are silent on the commerce of cross-border trading. The State's inability to comply with socio-economic obligations should be distinguished from its unwillingness to do so. If policies and guidelines can be drafted to assist in trade management of larger sectors, so too should they be drafted for the informal sector in order to effectively regulate trade while protecting the rights of small-scale traders.

Various approaches can be employed to encourage the formalisation of the informal markets, thus ensuring that they have adequate social and labour protections. In developed countries, the main legislative push is toward the elimination of the informal economy through sanctions against illegal employment and undeclared work, combined with incentives to persuade employers to declare their workers (ILO, 2014). In less developed countries, countries where a larger percentage of employment is made up of the informal sector, the focus should be on extending the legislative framework to cover workers in the informal economy and to implement measures to enable their integration into the formal economy (ILO, 2014).

Regionally, the SADC Protocol on Trade was introduced with the intention to establish a Free Trade Area in the SADC region. In 2000, the SADC Trade Protocol was employed, and since then, intra-SADC trade is said to have increased exponentially, with intra-SADC trade estimated to have grown from approximately US\$13.2 billion in 2000 to about US\$34 billion in 2009, demonstrating an increase of nearly 155% (Secretariat, 2011).

Member States of the African Union have committed themselves to a number of sustainable development agendas at the continental and international levels, the most notable one being Agenda 2063. Agenda 2063: The Africa We Want was adopted in 2015. This far-reaching action plan seeks to "build a prosperous and united Africa based on shared values and a common destiny" through the achievement of seven aspirations. The aspirations are a reflection of Africa's desire for shared prosperity and well-being, for harmony and integration, for a continent of free citizens and extended horizons, "where the full potential of women and youth, boys and girls are realized, and with freedom from fear, disease and want"

(Commission, 2017). Through Agenda 2063, by 2063, African countries hope to be amongst the top achievers in global quality of life measures. Projections show that this can be achieved through plans of inclusive growth, the creation of job, gender equality, youth empowerment (Commission, 2017). This is particularly important in the context of informal cross-border trading because in order to move towards formalisation and realising these women's valuable contribution to the economy and trade development, there must be inclusive growth through formalisation, job creation by recognising the labour rights of women in informal cross-border trade and gender equality. Through the doctrine of dirigisme, the state can play a positive role in reducing productive inefficiencies and market failures (Toye, 1985). If employed the State can be seen to play a directive role rather than adopt a simply regulatory or laissez-fair approach in order to achieve aspiration 6 of the Agenda in terms of which member States aspire that, by 2063, Africa empowers women to fulfil their rightful role in all spheres of life, including the private and public dichotomy. The Agenda states that:

“the African woman will be empowered fully in all spheres, with equal social, political and economic rights, including the rights to register and manage businesses” (Commission, 2017).

4.3 The effect of introduction of bond notes

The introduction of the bond note has had negative outcomes. The intended outcome was to alleviate the cash shortages Zimbabwe had been experiencing by pegging them at par with the United States dollar at the rate of 1:1. The reality is this was short lived and because the bond notes cannot be converted into foreign currency this move did nothing to help the informal sector, particularly those who require foreign currency like the informal cross-border traders. Although the notes can only be used for trade within Zimbabwe, many people continue to trade using the US dollar. The exchange rate within the country continues to skyrocket. Another disadvantage is the fact that the bond note discourages imports as no major profits can be made while using it due to its constant inflation on the market. It also discourages investments from those both outside and inside the country as it is a surrogate currency and in effect has no real value. The inflation rates of the bond notes discourage informal cross-border traders from wanting to access this currency. It has eroded confidence in the financial system and continues to inspire heavy reliance on the black market.

4.4 The role of financial institutions

The Reserve Bank of Zimbabwe is making strides towards women's empowerment. It has a drive towards women financial inclusion and attainment of SDGs. They use the phrase "empower a woman, empower the nation". The RBZ launched the National Financial Inclusion Strategy in March 2016. Financial inclusion consists of access, usage and quality of services and women and youth are priority areas of support. The Financial Inclusions Strategy is anchored on financial literacy and microfinance as well as other pillars. They carry out empowerment projects for women through Homelink Finance, for example, with activities such as beading, baking and cooking. Banks and financial institutions continue to explore ways of delivering financial services although more can and should be done through the advancement of technology. They have tried to increase the access, usage and quality of finance for low income clients through mobile banking, the introduction and encouragement of group lending and micro insurance. The RBZ has indicated that there has been an increase in the number of women with bank accounts from 769,883 in December 2016 to 2,215,214 in June 2019.

The RBZ has an awareness campaign called Consumer Education and Awareness. The Bank issues information covering frequently asked questions on microfinance institutions, loan agreements, over-indebtedness and dispute resolution as well as interest rates computation. They have financial literacy programs which have targeted schools since January 2019. The Bank hosts schools to discuss its functions and macroeconomic development. The POSB also holds the same programs.

With regard to financial literacy, the bank conducts road shows in partnership with insurance companies and pension administrators. These usually air on radio. They have exhibitions at the ZITF and Harare as well as Midlands Agricultural Show. Bi-annually, there is a consumer education newsletter that is distributed as an insert in the government owned Sunday Mail. In schools, financial literacy classes are conducted. There is also the use of social media which is used to disseminate information to the general public. While speaking, she indicated that there had been an increase in the loan portfolio of microfinance companies. She added that microfinance institutions continue to play a significant role in promoting access to formal financial services by marginalised groups including women.

It is unfortunate that Women's Bank opened during economic turmoil and after a time when banks and financial institutions let people down. However, it is commendable that such a bank exists for women specifically and caters to each individual's particular needs regarding loans. The bank seems very flexible in this regard. Not only is it a credit facility, but it is also a deposit taking bank. However, talking to cross-border traders they seem not to know much about Women's Bank, this can be attributed to lack of access to information or insufficient information is disseminated. A contributing factor could also be the people's distrust in financial institutions, therefore, even if they are told about them, they would disregard them.

Since 1982, there had been talks about starting a women's bank. The bank finally opened on May 29, 2018 with their primary target being women who have been marginalised and financially excluded. From the time of its inception, 70,000 accounts have been opened. Zimbabwe Women's Microfinance Bank is the only women's bank in the SADC region. Women's Bank structures loans based on personal financial needs. As previously mentioned, it is a deposit taking micro finance bank and not only a credit facility. They offer loans to all women even those with informal businesses. Their interest rates are between 6% to 7% and are believed to be lower than that of banks and other micro finance institutions. Women's Bank tailors its services to suit customer needs and no structured proposal is required in order to apply for a loan. The Bank offers individual loans, group loans (for those who do not have collateral), order financing and other financial services. Order financing is a form of short-term funding that provides the cash companies need to pay their suppliers upfront for a customer's order.

The Bank acknowledges the importance and necessity of financial literacy training. Although they do not have such training services currently on offer, they are looking to move towards financial literacy training, and they have found that the women who bank with them are willing to attend such classes. In terms of training, the Bank works in partnership with various NGOs and other service providers such as Netone to provide specific project training.

It is no secret that public confidence in the banking sector is low. The ultimate goal for Women's Bank is to be able to lend money in the customer's desired currency, however this requires licenses from regulatory authorities and at the moment the Bank is only licensed to dispense RTGS\$ and bond notes. Women who receive loans from the Bank are generally willing to pay them back unless they are unable to do so due to circumstances beyond their

control, e.g. if a woman farmer is hit by a drought which destroys her crop. The Bank investigates cases of defaulting clients and blacklists those who have no valid reason for failing to do so. The requirements for taking out loans at Women's Bank are not as rigorous as those at other financial institutions however there is a set of standard requirements that need to be met as the Bank does need to protect its interests by finding out material and relevant information about its clients.

Evidence from the study revealed that there is no cohesion within the banking sector. There was no definite consensus on what financial literacy is or what it should include or exclude. This needs to be standardised so that regardless of the institution, the quality and standard of financial literacy remains universal.

4.5 Telecommunication companies

A representative of NetOne informed me that NetOne started a key financial inclusion drive. Their focus is deliberately on serving the rural areas. They have held financial and product education in rural areas to inform people of their initiative. The OneMoney mobile payments platform is for individuals and E-commerce business solutions. It serves to ease financial transactions and caters for the "under-served". They offer digital credit in the form of nano and group loans. They are seeking to offer income generating opportunities (which were not clearly explained to me) which are said to prioritize credit unions and women. NetOne is also providing information centres which teach financial literacy and risk education. In addition, it offers funeral policies and life cover.

4.6 Limited access to finance

The banks have a narrow view of development in that when speaking of development, their main focus is agriculture and mining. Limited access to finance results in fewer chances for business improvements and expansion. Women in informal cross-border trading do not have collateral and this only serves to exclude them even further from the opportunity to acquire loans from formal financial institutions, such as microfinance companies, resulting in their increased reliance on informal structures and money lenders. A lack of collateral usually means that women in informal cross-border trading are excluded from the possibility of acquiring loans from formal credit institutions which leads to their resorting to informal money lenders for loans. The ILO explained it well and stated that formal institutions that provide finance are unable to deal directly with home-based producers due to the very nature

of their small scale operations, the absence of their legal standing, the high costs related to transacting, the absence of adequate information on clients and the lack of a formal credit. To bridge the gap between the informal sector and the banks, financial inclusion strategy regulations should be adopted to encourage banks and microfinance companies to serve the informal economy (ILO, 2014).

4.7 Skills development

There is a narrow view of women's empowerment projects with the focus being on beading, cooking, soap making and other stereotypically "feminine" activities. Skills gaps are the highest in the informal economy. Skills development is a significant tool in alleviating poverty and it promotes competitiveness and improves the chances of employability. Education and continuous training lead to higher chances of effectiveness and productivity, which in turn increases employment of better quality, income growth, and development. The higher the level of education, the less chances of being involved in informal activities. Formal employment leads to better working conditions, protection from exploitative labour practices and a regular income (ILO, 2014).

Skills development should be in line with the business acumen informal cross-border traders have already acquired while practising their trade such as business management as opposed to learning basic life skills such as cooking and baking. What tends to be overlooked is that people who are already involved in the informal economy possess strong qualities such as creativity, an understanding of crunching numbers, marketing strategies, sales strategies, all of which can be further developed to help improve their product quality, productivity, earnings and general working conditions and communication abilities (ILO, 2014). Looking beyond the benefit of skills development for informal cross-border traders alone, a higher level of skills can effectively decrease labour shortages, inspire foreign investment, expand competitiveness on a global scale and stimulate economic growth. Bearing in mind that these women are already vulnerable and lack resources, it is essential that skills development programmes are accessible, flexible, practical and tailored to the diverse characteristics and educational levels of those being trained (ILO, 2014).

4.8 What can be done to improve the lives of women in cross-border trading?

There is a need to improve the working environment of the informal economy, more particularly for women and youth as they make up the majority of workers in the informal

economy. In its report on transitioning from the informal to the formal sector, the ILO stated that:

“Without organization and representation, those in the informal economy generally do not have access to a range of other rights at work. They are not able to pursue their employment interests through collective bargaining or to lobby policy-makers on issues such as access to infrastructure, property rights, taxation and social security” (ILO, 2014).

This statement is in line with section 24 of the Constitution. The State and its agencies are required to adopt reasonable policies and measures to provide everyone with an opportunity to work in a freely chosen activity in order to secure a decent living for themselves and their families. However, this provision is met with a limitation as this should be carried out within the limits of State resources available to them. The State is obligated to make an effort to secure the removal of restrictions that unnecessarily inhibit or prevent people from working and otherwise engaging in gainful economic activities. This is supported by Sustainable Development Goal (SDG) No.8 which encourages states to promote sustained, inclusive and sustainable economic growth, full and productive employment, decent work for all women and men by 2030. From their narrations, the biggest restriction encountered by women in informal cross-border trading is the lack of access to foreign currency.

There was consensus that there is a need to increase the number of women accessing finance however there were no methods indicated on how this can/will be done. Furthermore, the need to increase the number and visibility of women in leadership and decision making was emphasised and this was demonstrated by the number of people in the room. Zimbabwe can be said to be making headway in this regard as many of the representatives from the banks were women.

There is generally a lack of access to information as many banks/finance companies do not have updated websites with adequate information. There was no clear indication of how information presented or discussed at their round table meetings or general information regarding services offered by the efinancial institutions is distributed to the broader public.

Difficulty in accessing foreign currency is not only due to high parallel market rates but rather the shortage of foreign currency.

More banks and micro finance companies should look into conducting financial literacy classes before awarding loans in order to determine whether such loans will be paid back and if this method works for one of the microfinance companies that caters to women's financial needs, it could work for others. It was also brought up that there is a need to create an enabling environment for women to access finance as well as come up with targeted advocacy strategies.

In East and Central Africa, a number of countries are employing projects that specifically target small-scale trade with support from the World Bank (Brenton & Soprano, 2018). With assistance from COMESA, the Great Lakes Trade Facilitation Project has been implemented in countries such as Rwanda, the Democratic Republic of Congo and Uganda. The project seeks to enable cross-border trade by growing the capacity for commerce and reducing the tariffs incurred by traders, especially small-scale and women traders, at main borders in the Great Lakes region (Brenton & Soprano, 2018). The project funds developments in border infrastructure in order to provide for the needs of small-scale traders such as pedestrian lanes, improved lighting, and fencing, along with the construction of markets at the borders, and supports the simplification of policies and procedures for small-scale traders, training and capacity building of traders as well as officials, and the introduction of better supervision and performance monitoring for those operating at the border. In addition, it introduces a workers' code of conduct to avert and diminish risks of gender-based violence in trade-related infrastructure development works. One of the major successes of the project has been the introduction of solar-powered lighting at borders between the DRC and Rwanda, which has allowed for an extension of border operation times as well as improving the safety of traders and officials at the borders. The extension of operation hours is significant to small-scale women traders, as it allows them more room to conduct their trading activities around family commitments (Brenton & Soprano, 2018).

4.9 Do micro finance companies have gender policies that guide them?

The gender provisions in the Constitution are supported by article 13 of CEDAW mandates State Parties to take all appropriate measures to eliminate discrimination against women in areas of economic and social life in order to ensure equality for men and women. Article 13(b) specifically stipulates the right to bank loans, mortgages and other forms of financial credit.

Article 13 of the Maputo Protocol provides for economic and social welfare rights. State parties are required to adopt and enforce legislative and alternative necessary measures to guarantee women equal opportunities in work and career development and other economic activities. In respect of this, States are mandated to create conditions to promote and support the occupations and economic activities of women, with special attention being given to women within the informal sector and, in addition, to establish a system of protection and social insurance for women working in the informal sector and sensitise them to adhere to it.

Article 14(1) of CEDAW mandates state parties to consider the specific problems faced by rural women and the significant roles which rural women play in the economic survival of their families, including their work in the non-monetized sectors of the economy. The provision further requires states parties to take all appropriate measures to ensure the application of the provisions of the present Convention to women in rural areas.

Article 14(2)(e) of CEDAW provides that states parties shall take suitable measures to eliminate discrimination against women in rural areas in order to ensure, on a basis of equality of men and women, that they participate in and benefit from rural development. The provision goes on further and mandates state parties to ensure to such women the right to organize self-help groups and co-operatives in order to obtain equal access to economic opportunities through employment or self-employment.

The State must take positive measures to rectify gender discrimination and imbalances resulting from past practices and policies. While both men and women participate in informal cross-border trading, the study confirmed the view that women make up the majority of informal cross-border traders. Furthermore, the study revealed that although both sexes participate in the activity, there are gendered outcomes as men who work in the informal sector have more than one income generating activity. The men in informal cross-border trading were seen to have multiple sources of income outside of informal trading, although this income still remained to be from informal sources. Some men practised foreign exchange, while others sourced and sold used car parts, used phones and other electronic gadgets.

4.10 Challenges faced by women in informal cross-border trade

Apart from a lack of access to adequate finance, women in informal cross-border trading face a myriad of challenges at border posts which discourage them from formalising their businesses and realising their full potential. Corrupt border officials and the various bureaucratic processes deter these women from formalisation. Other challenges include a lack of trade facilitation; inadequate border infrastructure; limited access to finance; a lack of market information; corruption and insecurity; and limited knowledge, education and business management skills (Afrika & Ajumbo, 2012).

Another challenge currently plaguing women in informal cross-border trading is the issue of acquiring passports. Article 12(2) of the African Charter on Human and Peoples' Rights (ACHPR) stipulates that "every individual shall have the right to leave any country, including his own and to return to his country..." The Zimbabwean situation at the moment has made this increasingly difficult for cross-border traders as passports have become difficult to acquire. Not only are the passports expensive, there has also been a back log in the printing of passports which has led to passports being issued out a year after the application is put in. This has increased the number of women in informal trade resorting to border jumping, meaning, entering and leaving border countries in a clandestine manner with the help of bus drivers. Some cross-border traders have started spending more and more time in the foreign countries due to economic hardships back home. It seems much easier to get a job, work for a few months then bring goods back home. People are relying heavily on the parallel market to access and change foreign currency.

Infrastructural, procedural and policy constraints at the border hamper the prospects of formalisation and growth of informal cross-border traders. The infrastructure at Zimbabwe's border posts does not adequately cater for the traffic at the posts. Informal cross-border traders share the same customs clearance area as tourists, trucks and other motor vehicles, increasing the risks of insecurity at the borders as well as slowing down their processing of travellers (Brenton & Soprano, 2018). Existing arrangements at market stalls are often dilapidated and replaced by makeshift structures, whilst toilets are without water and lighting, and fencing is usually absent. In some marketplaces stalls do not exist and makeshift platforms are used. Traders are forced to sell their goods which they lay on the ground. Those with the means to do so create makeshift tables from which to sell their wares by stacking

stones or bricks on top of each other and placing a square piece of wood or sheet of metal on top of them to act as the surface of the table.

It is evident that over and above the high customs duties, lengthy clearance procedures, documentary requirements and obscure trade policies, trading costs are exorbitant. This negatively affects traders' abilities to expand their business or to continue trading. A study by the World Bank in 2013 study reveals that at the border between Zambia and the Democratic Republic of Congo (DRC) informal cross-border traders can pay up to 193% more than other larger traders to clear a ton of maize, for example, through formal channels. Only large, well established traders are able to comply with the existing tariffs and requirements, but even they seldom do so as the processes are cumbersome and time consuming. Therefore, they too pay off border officials in order to skip various checks. Weak governance, low capacity, and corrupt behaviour and poor performance by customs officials at border posts also add to escalating trading costs, and add to the creation of an unfriendly and unsafe border environment for informal cross-border traders, especially women (Brenton & Soprano, 2018).

Previous studies conducted at different border posts across Sub-Saharan Africa have shown that corruption, harassment and gender-based violence against women are salient features of cross-border trade (Brenton & Soprano, 2018). Although some of these challenges are common within the world of trade, both formal and informal, they are particularly distinct features in the informal setting. The majority of informal cross-border traders are partially literate or illiterate as many of them are school dropouts, others have difficulties in fully understanding English and these factors pose a challenge for them to read, fully understand, and complete the requisite forms and mandatory procedures at borders. Some customs officials use this against informal cross-border traders, especially those who are starting out without any help, by demanding payment of duty on commodities that do not attract any duty fees. In many instances, bribes are petitioned to allow the traders to cross over with their goods. Informal traders are frequently often viewed as illegal traders and so they are sometimes treated as criminals, and this makes them susceptible to abuse, corruption, and harassment at the hands of authorities, border officials, immigration, and police officials (Sommer & Nshimbi, 2018).

4.11 Conclusion

The chapter included a discussion of the findings within the context of the existing law or what the law should provide as evidenced by the Constitution and particular human rights instruments discussed. It is clear that there are gaps between the human rights instruments to which Zimbabwe is signatory and what is happening on the domestic front. In the following chapter conclusions will be drawn, followed by recommendations addressing these gaps in the law.

CHAPTER FIVE

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter serves to sum up the findings presented in the preceding chapters and to present conclusions to those findings. The main objective of the research was to conduct an investigation into the effect of moving from the multi-currency system to the ZWL on women in cross-border trading. The assumptions formulated before the study were confirmed throughout the study and other issues encountered by women in cross-border trading which I had not initially thought about also emerged. This was helpful to my study as it helped me to fully answer my research questions and provide a greater understanding about the various challenges faced by women in cross-border trading.

This study sought to analyse the effect of de-dollarisation on women in cross-border trading. It remains undeniable that access, control and ownership of economic resources remains in the hands of men even though more women are involved in economic activities compared to men. Women in cross-border trading continue to be hampered by the lack of effective laws, policies and programmes to assist them in their development. Improvement of the work environment, especially for women, means better productivity and in turn better pay. Better pay means improvement in the quality of life.

It is evident from this study that despite their critical role in cross-border trade, women stand to benefit marginally from their activities in the conduct of their business due to a number of influences, including policy, institutional, cultural, economic, and regulatory issues. Much remains to be done in extending legal protection to informal economy workers as they are not protected by labour laws. Extensive disparities exist in labour and social protection between those who work in the informal sector compared to those in the formal sector. In the informal sector, the weekly hours of work are not regulated, therefore they have no mandatory rest periods, they do not enjoy minimum wage protection and health and safety in the workplace is not regulated and this has far reaching negative effects on women in informal cross-border trading.

This study was guided by the following research questions:

- (1) What are the sources of finance for women in the business of cross-border trading?
- (2) What means do women in the business of cross border trade use to access finance for their businesses?
- (3) How has the new currency regime affected access to finance intended for trade?
- (4) What are the legal requirements and barriers faced by women in cross-border trading?
- (5) To what extent are national laws and policies understood by women at the local level?
- (6) What are the interventions needed to ensure that women in cross-border trading are given the opportunity to make the most of their potential?

5.2 Conclusions

From the above research questions, the following conclusions are drawn:

5.2.1 Sources of finance for women in the business of cross-border trading

More formal sources of finance need to be available to women in informal cross-border trade. They are heavily reliant on themselves and much needs to be done to ensure that these women have the available resources necessary to realise their full potential. Because their forms of sourcing finance already work for them, these need to be encouraged and promoted by the various cross-border trading associations. The knowledge these women can receive through empowerment strategies, skills development and financial literacy classes can assist them in broadening and improving their known methods of accessing finance.

5.2.2 Methods of accessing finance

From the study it is apparent that informal cross-border traders would expand or improve their businesses if they are given the opportunity to do so, however, on their own, they face many challenges in doing so. Over and above the above-mentioned difficulties and charges they incur in crossing borders while conducting their trade, informal cross-border traders are inhibited by a lack of access to capital, partial knowledge of business practices and procedures and restrictions on the distance they can travel from the border, regulatory and logistical constraints, for example, in terms of access to appropriate transport. Given the informal and unpredictable nature of their trade, a small number of traders have bank accounts and the majority do not have collateral to guarantee even the smallest loans (Brenton & Soprano, 2018).

5.2.3 Access to foreign currency

Legal methods of accessing to foreign currency remain a huge challenge. It is evident that the scarcer foreign currency becomes, the more the black market thrives. However, women continue to be at risk of police brutality and arrest when they access this foreign currency on the black market. It is important for the banks to provide foreign currency to women in cross-border trading. Notably, banks require special certification to dispense foreign currency and so it is important for government to acknowledge the importance of informal trade and not to view women in informal cross-border trading as second working class citizens. More needs to be done in the financial sector to empower and assist these women in realising their full potential.

5.2.4 Required Interventions

In the absence of formal economic prospects, informal cross-border trade is key to tackling matters of income generation, job creation, and food security, particularly for vulnerable groups, such as women and youth, who make up the majority of informal cross-border traders. According to a study conducted by the International Centre for Trade and Sustainable Development West and Central Africa, in West and Central Africa combined, women account for 60% of informal traders and in Southern Africa, they represent approximately 70% of informal traders. There is a need for strategies to include informal cross-border trade as it has proven to be more reactive to food crises and shocks compared to formal trade (Sommer & Nshimbi, 2018).

What is not apparent to many is the fact that informal cross-border trade offers considerable prospects in terms of economic diversification, value addition, and the development of competitive cross-border value chains. This is because the spaces in informal cross-border trading are extensive beyond mainstream agricultural products. Informal cross-border trade includes manufactured goods such as processed foods, clothing items, shoes, electronic gadgets and equipment and motor vehicle parts (Sommer & Nshimbi, 2018).

Trade interventions need to provide for the needs of informal cross-border traders, especially women. Governments together with those in the development sector need to make efforts to ease trade, increase productivity in export-oriented sectors, and improve competitiveness. These need to be targeted to ensure informal cross-border traders are not excluded by these interventions and that larger formal traders are not the only beneficiaries. It is imperative that

such interventions speak to the realities of informal cross-border traders, more especially the involvement of women and the gender-specific problems they encounter (Brenton & Soprano, 2018).

Many traders wish to develop their business acumen and this has proved to be challenging for women as they have child-caring and other commitments and hardly any free time. They face barriers in accessing finance and programs to support capacity building often neglect to take women into account. Where training is available, the scheduling is usually at a time or place that excludes women's participation, who are already confronted with the task of juggling family commitments and time for trading. This thwarts women from benefiting from the profits made from their trade and weakens governments' capacity to use trade as a driver of growth and poverty reduction (Brenton & Soprano, 2018).

In order for the African continent at large to achieve its regional trade potential, more needs to be done by governments in order to support informal cross-border trade. Government needs to first and foremost realise the significance of cross-border trading, not only to the country but to the communities cross-border traders serve. It is also important to ensure that the rules and regulations governing trade are clearly stated, transparent, and widely available to the public at the border as well as simplifying or providing translated trade documents and regulatory requirements for informal cross-border. Furthermore, trade interventions that make trading easier for small scale traders and benefit them should be established and it is vital that these interventions help to address the challenges that informal cross-border traders face while conducting their trade. These interventions should recognise the important role of women in cross-border trading, aim at the removal of gender-related limitations, and confront the specific challenges that women face while partaking in trade and expanding their business (Brenton & Soprano, 2018).

Eliminating impediments to regional trade integration in Africa would be beneficial to the poor, who carry most of the small-scale, cross-border businesses that happen within the continent. The potential benefits include better food security, job creation, poverty alleviation, increased tax revenues, and better long-term developmental outcomes (Brenton & Soprano, 2018).

5.2.5 Implementation of laws and policies

Limited support has been given to informal cross-border traders, although some strides have been taken in assisting traders especially women. Given the growing nature of cross-border trading, there is increasing appreciation at regional level of the value of such trade. Regional institutions are working to implement initiatives to support small-scale traders. An example would be COMESA's adoption and support of the implementation of guidelines which define the rights and responsibilities of small-scale traders and its funding of the Trade Information Desks which are put in place to assist traders in crossing borders. There has also been the establishment of a Simplified Trade Regime (STR) which presents customs duty exemption and simplified clearance procedures for small-scale transactions naturally conducted by informal cross-border traders. This is a step in the right direction, although more can be done in terms of waving certain documentary requirements such as permits, certificates, and licenses (Brenton & Soprano, 2018).

5.2.6 Opportunities created to make the most of their trade

Although informal cross-border trading has been relegated to the last item for consideration in policy discussions on trade and development, there have been a significant number of encouraging regional initiatives aimed at facilitating developments in the environments in which small scale trading is conducted and supporting the transition to formalisation (Sommer & Nshimbi, 2018). The most ambitious efforts are the simplified trade regimes, mentioned previously, introduced by COMESA and the East African Community. Informal cross-border traders are provided with simplified documentation by customs officials, a list of wares that qualify for the STR, and assistance in filling out customs documents, clearing procedures, and answering trade-related queries from the trade information desk at the borders. This has assisted in addressing some of the challenges faced by informal cross-border traders at the borders and has helped in the move to bring informal cross-border trading into the formal system of trading and it increases the benefits of freer trade to informal traders.

After these measures had been put in place, a number of informal cross-border traders within the East African Region were interviewed and they indicated that they were confident that their businesses will improve and formalise much like their former colleagues "who were once 'small' like them but had graduated into 'big people' (formalised traders) because they had successfully taken advantage of the STR" (Sommer & Nshimbi, 2018).

Zimbabwe can learn lessons from fellow African countries such as Burundi, the Democratic Republic of the Congo, Rwanda, Tanzania and Uganda where officials have committed to working together in tackling challenges that hamper cross-border trade in the region. This includes the construction of markets at the borders to support informal cross-border traders and other facilities such as early childhood development centres to support women traders (Sommer & Nshimbi, 2018).

5.3 Recommendations

If managed well, informal cross-border trade has the likelihood of supporting Africa's efforts at poverty alleviation (Afrika & Ajumbo, 2012). The common assumption that the best way to deal with informal cross-border trade is to criminalise it is an example of the failure of policy makers to fully understand the basic conditions of informal cross-border trade and its possible impact on national and regional economies. By minimizing the importance of informal cross-border trade, policy makers could be overlooking a significant percentage of their overall trade (Afrika & Ajumbo, 2012). Moving forward, it will be critical for Zimbabwe to create and strengthen informal cross-border trade data collection and analytical tools in order to effectively measure small scale traders' contribution to its economy and design suitable policy responses (Afrika & Ajumbo, 2012).

It is imperative to support women making a living through informal means. Women in informal cross-border trading must be supported through the sourcing of goods from women-owned businesses. This would lead and contribute to business development services targeted specifically at women in order to level the playing field between men and women in the economic arena. These can be combined with training and mentorship opportunities.

Supporting small scale traders' access to credit is important because women in informal cross-border trading have limited access to finance and run their business on a small-scale margin. This is particularly important for those women who come from rural communities. Microfinance company policies should aim to be inclusionary, especially towards women and youths, rather than exclusionary by not setting a minimum limit to the amount that can be borrowed but rather tailoring their loans to suit each individual or groups' financial needs. In addition, there is a need to ensure safe currency exchange transactions. Given that exchanging currency on the black market is unlawful and this method of currency exchange

is the most beneficial and therefore preferred by women in informal cross-border trading, it poses a risk to them.

Due to lack of adequate finances, informal cross-border traders face challenges in accessing training services and developing the technical and managerial capabilities that they need for growth of their business and entrepreneurial skills. It is imperative that training must not only be accessible, but relevant too. The monitoring of skill shortages and entrepreneurial opportunities can help to tailor training services and ensure that they are suited to the informal trader accessing them. Prioritising the improvement in the quality and availability of training means that it is essential to focus on reorganizing education and training systems so that they offer the skills and competencies that are required to boost the growth of decent work in the informal economy. Policy responses need to stress increasing access of the poor to training and improving the significance of training in institutions by strengthening harmonisation and engagement with the private sector, while at the same time uniting institution-based education and training with enterprise-based learning (ILO, 2008).

Many fail to realise the economic contributions that informal cross-border trading has on the country. Given its potential to boost the country's economy, policies should be put in place that recognise the value and importance of the informal sector. In order to safeguard the rights of women in informal cross-border trading as well as improving their working conditions and economic contributions, policies should be put in place to facilitate the development of informal trade and to recognise its importance. Policy measures should also seek to increase productivity while restricting and regulating informal trading activities where necessary. The objective is to integrate informal activities and the formal economy, offering decent jobs, productivity gains and economic growth (ILO, 2008).

The creation of an enabling business environment is imperative and a move towards formalization will be a step in the right direction. This can be done through a number of measures including the relaxation of registration requirements for informal traders in order to encourage them to formalize as well as providing incentives for such formalisation. This is important because informal cross-border traders have very little start-up capital and it is usually drawn from household resources. The introduction of terms that favour formalisation and low interest rates would go a long way in encouraging women in informal cross-border trading to register and formalise their businesses (UNCTAD, 2019). Given how large the

informal employment arena is in sub-Saharan Africa, policy interventions should strategically circumvent harsh restrictions and work towards creating an enabling business environment for informal traders. It is imperative to facilitate the establishment of more informal cross-border trade associations and business linkages between informal cross-border traders and established companies in order for traders to grow their businesses by providing to companies as opposed to individuals (Afrika & Ajumbo, 2012). More specifically, women traders' associations and groups need to be endorsed and promoted further to help them benefit from the pooling of resources (UNCTAD, 2019). It remains imperative to strengthen cross-border traders' associations and involving them in policy dialogue. Informal cross-border trade must be integrated into regional trade strategies and prioritised in national development plans and aid should be provided for trade assistance (Afrika & Ajumbo, 2012).

Although every border is unique, it is important to establish informal cross-border trading data collection methods and analytical capacities at border points in order to evaluate informal cross-border trading's contribution to the economy as well as gain an understanding of local cross-border dynamics and include informal cross-border trade into policy dialogue at national and regional level (Afrika & Ajumbo, 2012). Given that majority of the small-scale traders are women, a gender-based approach to informal cross-border trade must be prioritised which addresses the limitations that women in trade face. It is also important to improve the infrastructure at borders, such as providing adequate lighting, providing and improving storage facilities and checkpoints with reduced documentary requirements and transparent processes and procedures that cater specifically to small scale traders while curbing corrupt practices of border officials this would also result in enhanced security for traders as well as their goods at border and market points (Afrika & Ajumbo, 2012).

The evidence provided in the study clearly reflects that women in informal cross-border trading are hardly protected by domestic laws. The Constitutions provides a good legal basis, however its provisions pertaining to women in the informal sector are yet to be seen bearing fruit in practice. There is a need for a regulatory framework that speaks directly to the informal sector. It appears that issues that arise in the formal sector are overlooked and inapplicable when it comes to the informal sector. There is a need to address issues such as wage regulation, working hours, maternity leave and the work–family balance as these have remained ignored, leaving room for exploitation (ILO, 2014). It is therefore necessary to facilitate transitions from the informal economy to the formal economy by increasing decent

work in the informal economy. This can be achieved by developing a national social protection policy for all which aims at implementing minimum wage and health and safety incentives. It is equally important to organize women in informal cross-border trading and encouraging informal enterprises to join together in forming cooperatives and supporting the advancement of social economy enterprises and organizations (ILO, 2014).

Standardised financial literacy classes should be conducted by microfinance companies and other financial institutions. This is imperative because supporting the growth of informal cross-border traders inspires and motivates their steady integration into the formal sector. This, in turn, would help propel trade and the private sector, contributing to overall development goals giving rise to the achievement of SDG No.8 which provides for inclusive and sustainable economic growth (UNCTAD, 2019).

This study has demystified the stigma that cross-border trading is undesirable and an easy way for financially disadvantaged people to earn an income, but instead, a legitimate business venture that can contribute to a country's economic growth. Despite the economic and social hardships, women in cross-border trading have continued to demonstrate and develop economic acumen and skills in order to keep their businesses afloat as they have continued to find gaps that enable them to generate income. With clear and unambiguous legislation that protects the rights of traders, informal cross-border trading can make its move towards formality, thus creating a healthy working relationship between cross-border trading and the economy.

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