IN SEARCH OF APPROPRIATE MEDIA (MASS MEDIA) FOR THE INFORMAL SECTOR IN A POST APARTHEID SOUTH AFRICA: THE CITY OF DURBAN’S STREET VENDORS

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Submitted for the faculty of Humanities, University of Natal, Durban, in partial fulfilment of the requirement of the Masters of Arts Degree (Cultural and Media Studies) (Course Work).
DECLARATION

I declare that this dissertation is my own unaided work, except for the acknowledged supervision and referenced citations. It is being submitted for degree in Masters of Arts in the Faculty of Humanities, University of Natal, Durban. It has not been submitted before for any degree or examination in any other University.

Nhlanhla Michael Cebekhulu

Signature

DEDICATION

THIS DISSERTATION IS DEDICATED TO THE LATE
BATHI WILBARD CEBEKHULU
(MY FATHER)

I MISS YOU DAD
ACKNOWLEDGEMENTS

I have so many thanks to give reflecting the completion of this dissertation. A very special thanks to God without whose blessings none of this would be possible. Most importantly for bringing such fine people and wonderful talent together to do this project.

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CONTENTS

ABSTRACT viii

CHAPTER ONE: AN INTRODUCTION TO THE INVESTIGATION OF MASS MEDIA CONSTRAINTS IN THE INFORMAL SECTOR

INTRODUCTION 1

THE AIM OF THIS STUDY 3

OBJECTIVES 3

MASS MEDIA FOCUS ON THE INFORMAL SECTOR 4

PROBLEM TO BE INVESTIGATED 6

THE APPROACH TO THIS STUDY 9

CASE STUDIES 10
Advantages Of Case Studies 10
Disadvantages Of Case Studies 11

RESEARCH METHODOLOGY TO THIS STUDY 11

HYPOTHESES 13

CONCLUSION 14
CHAPTER TWO: A MICRO-ENTERPRISES: A NEW WAY OF ENHANCING ECONOMIC GROWTH IN A POST APARTHEID SOUTH AFRICA

INTRODUCTION 16

RESERVE ARMY OF WAGE-LABOUR THEORY 17

FOUNT OF INDIGENOUS CAPITALISM THEORY 20

DEVELOPMENT OF THE CONCEPT 21
The Concept of Dualism in the Informal Sector 22
Continuing Debate on the Concept of the Informal Sector 25
Defining the Informal Sector 30

CONTRASTING FORMAL TO INFORMAL SECTOR 32

THE RELATIONSHIP BETWEEN THE TWO SECTORS 35

THE INFORMAL SECTOR IN THE POST APARTHEID SOUTH AFRICA 40
The Small, Medium and Micro Enterprises (SMMEs) 41
Survivalist Enterprises 41
Micro-Enterprises 43
Small Enterprises 43
Medium Enterprises 44

THE ROLE OF THE MICRO-ENTERPRISES IN THE ECONOMY OF SOUTH AFRICA 44
Contribution to the Gross Domestic Product (GDP) 45

CONCLUSION 47
CHAPTER THREE: THE ROLE OF MASS MEDIA IN THE ACTIVITIES OF THE MICRO-ENTERPRISES

INTRODUCTION 48

DEFINITION OF BASIC TERMS 57
Mass Media 50
Development 50
Communication 51
Community 51
Participatory Communication 51
Development Communication 52
Information 52

THEORETICAL FRAMEWORK IN THE FIELD OF MASS MEDIA FOR PARTICIPATORY COMMUNICATION 52
Paradigm of development 52
Development Variables 56

DEVELOPMENT APPROACHES: COMMUNICATION AND MASS MEDIA 58
The Role of Communication 58
Positive Claims For A Media Contribution To Development 60
The Objectives Of The Mass Media 61

THE ANALYSIS OF MASS MEDIA CONSUMPTION AND CONSTRAINTS IN THE MICRO-ENTERPRISES 63
Mass Media Constraints That Hinder The Process Of Democratisation Of Communication In The Micro-Enterprises 64
ABSTRACT

The investigation to the appropriate mass media for the micro-enterprises (informal sector) is in line with the principle of economic development for post-apartheid South Africa envisaged by the Reconstruction and Development Programme. In many countries, such as Latin America, Japan, United States of America, small business sector is the backbone of the economy, providing jobs and means for large companies to out-source tasks. This also applies to South Africa, the micro-enterprise in this country "fulfils a social and economic function which neither state owned corporations nor the foreign transnational corporations, can perform. Due to their knowledge of the clientele they are able to determine more precisely the real and basic needs of the society and thereby render people-oriented, as against a purely commercial service" (Mersham and Skinner 1992 :33).

However, lack of access to appropriate, relevant and understandable information and advice is one of the most critical aspect which hinders development of small enterprises, particularly, micro-enterprises and survivalist and small start-up enterprises. Due to the past discrimination and lack of opportunities this problem is most serve among black entrepreneurs who are participating in this sector. In addition, the central problem that has an impact in the process of reaching the micro-enterprises is the fact that the nature of communication systems and their relevance for the micro-enterprise activities, seem to have more over-emphasis on the print media. Subsequently, over-emphasis on the print media concentrate efforts on more easily and receptive individuals and communities, ignoring the micro-enterprises that require the service, since the majority of the micro-enterprises are comprised of people who have been disadvantaged by an incomplete education. It becomes therefore, essential to investigate how micro-enterprises consume mass media and the central role it plays so that an appropriate mass medium to reach this sector could be identified. Since my perception is that there is no assurance that the formulated policies and strategies by the Department of Trade and Industry become known to the intended beneficiaries. Most importantly, the approach taken in this study,
is the one which tries to understand the role of the mass media in national development but which is more specific to the micro-enterprises. The media are seen as educators or teachers of the micro-enterprises. The ideal is that mass media can be used to teach people skills of different kinds and, under some conditions, to influence the attitudes and behaviour of the micro-enterprises.
CHAPTER 1

AN INTRODUCTION TO THE INVESTIGATION OF MASS MEDIA
CONSTRAINTS IN THE INFORMAL SECTOR

INTRODUCTION

In almost every village, town or city in South Africa, people sitting or standing behind tables used as counters on street pavements and the street nodes, selling various goods, are a common sight. Some of these people have nothing to protect them from the sun or rain while others sheltered by umbrellas, self-built shacks, temporary stalls or permanent stalls.

It is very usual thing to see people moving up and down the streets, also selling some goods in these places. These people are called street vendors. They are often found in large numbers near bus or taxi ranks, stations and hostels. It is quite common to find a group of these people close to hospitals, industrial areas, and other regions frequented by large number of people. These goods they sell are highly locationally specific, local examples being the provision of cooked meals outside migrant worker hostels in Cleremont and fruits stalls near the Durban bus rank (Nattrass and Glass, 1986:23).

The proliferation of small business in South Africa has its roots in many social and economic realities, mostly associated with the apartheid past (Bowen 1995:9). According to David Dewer and Vanessa Watson (1990:1), development theorists and policy makers alike in the 1940s regarded the informal sector as the declining remnant of pre-capitalist economies. It was consequently, perceived to be an inefficient, backward, irrational, and frequently unhygienic form of economic activity.

Dewer and Watson further point out that there was an assumption which was in keeping with the general tenets of the then dominant modernisation paradigm. The assumption was that as the less developed economies progressed from a traditional to a modern state, the informal sector would be incorporated into the modern sector of the economy and would gradually disappear. Furthermore, in policy terms, there were attempts in many parts of the world, at both central and local levels of government, to restrict the operations of the informal sector and, in
particular, to exclude it from residential areas and the main commercial centres of cities. For example, in South Africa during the 1940s, the group areas Act and Apprenticeship Act barred the informal sector from trading in 'white' designated areas. These Acts stipulated that blacks (who constituted a large majority of the informal sector) should not be allowed to have manufacturing concerns or form companies outside their designated areas, certainly not in urban areas (Mantle, Harrod and Nel 1992:12). Furthermore, Chris Rogerson (1987:412) points out that both [the capitalist class and the state] considered the informal sector in South Africa, in the 1970s, a social evil and threat to public health or order and a blot on the urban landscape.

In keeping with the global trend and general tenets of the then dominant modernisation paradigm, it was conceptualised that the informal sector would be incorporated into the modern sector or the economy and gradually disappear (Dewer and Watson 1990:2). Following this line of thought, I will argue that the capitalist class (the owners of the media) create constraints regarding media attention which prevents the informal sector from having access to adequate information about business expansion, education, training and acquiring of capital. Subsequently, my perception is that the owners of South Africa's media organisations used their power and control over news and cultural production to ensure that the inefficient, backwards, irrational and frequently unhygienic form of economic activity (informal sector) was marginalised during the apartheid era.

Furthermore, the African National Congress has also noted with concern that even in post-apartheid South Africa "the continued exclusive dissemination of news and information by white owned monopolies has led to the portrayal of the complex process of political and social transformation of South African society in a superficial and one-dimensional manner" (Sole 1995:25).
THE AIM OF THIS STUDY

The aim of the study will be to examine the existing literature on the informal sector and mass mediated communication in development settings, particularly as applied to urban and small industrial development. Since the study seeks to search for mass media appropriate for informal sector consumption, examination of programmes on Radio Zulu and National Network Television for the small medium and micro enterprises, The Natal Mercury, Ilanga, Umeanica, The Mail and Guardian and The Sunday Times will be undertaken to identify the main themes, concepts and assumptions embedded in these texts.

OBJECTIVES

The objective of the study are:

• to investigate an appropriate mass media that could be used for informal sector consumption in order to educate, entertain, inform and empower the informal sector;
• to identify the major communication problems encountered by street vendors;
• to determine why mass media has marginalised and neglected this sector and what should be done to improve this condition;
• to determine the level of literacy of the street vendors, since this is vital for the role of mass media in improving information trader business operations;
• to investigate the role of the private sector and the government initiative for economic growth to this sector; and
• to make recommendations for future communication strategy or policy regarding the activities and operations of the informal sector, particularly in mass media setting.
MASS MEDIA FOCUS ON THE INFORMAL SECTOR

South Africa may have previously lagged behind other areas in the Third and First and world in recognising the informal sector and its importance in the process of economic development (Strange Encounter 1). Sanyal (1988 of Dewer and Watson 1990:1), however notes that over the past few decades the attitudes of policy-makers towards the informal sector have undergone some major changes. Since the 1980s, the South African policies have taken a shift from repression to tolerance in as far as the informal sector is concerned. One now reads of the booming informal sector in Pietermaritzburg’s East and West Streets, Johannesburg’s West Street, Grey Street and the area around Berea Station in Durban, and Cape Town’s Strand Street (Mahlabela 1992:2-3).

The micro enterprises, that is the informal sector, has moved into the forefront of attention in the media, in the small business support network. This is evidenced on a National Network Television (NNTV) small business programme sponsored by the Small Business Developed Corporation (SBDC), which is targeted at the small business sector and the public in general. Also on Radio Zulu/Khozi there are programmes on economic affairs which cover some aspect dealing with the activities of the micro, small and medium-size enterprises. See Table (1.1) below.
<table>
<thead>
<tr>
<th>Day</th>
<th>Mass Media</th>
<th>Programme</th>
<th>Presenter</th>
<th>Time</th>
<th>Total Time Allocated</th>
<th>Target Audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mon</td>
<td>Radio Zulu</td>
<td>Economic Affairs</td>
<td>Mbokazi Zanele</td>
<td>7h10 To 7h25</td>
<td>15 minutes</td>
<td>Micro, Small and Medium Enterprises</td>
</tr>
<tr>
<td></td>
<td>NNTV</td>
<td>Your Own Business</td>
<td>Wisely Aubrey</td>
<td>13h00 To 13h30</td>
<td>30 minutes</td>
<td>Small and Medium Enterprises</td>
</tr>
<tr>
<td>Tues</td>
<td>NNTV</td>
<td>Your Own Business</td>
<td>Wisely Aubrey</td>
<td>20h30 To 21h00</td>
<td>30 minutes</td>
<td>Small and Medium Enterprises</td>
</tr>
<tr>
<td>Fri</td>
<td>Radio Zulu</td>
<td>Economic Affairs</td>
<td>Mbokazi Zanele</td>
<td>7h10 To 7h25</td>
<td>15 minutes</td>
<td>Micro, Small and Medium Enterprise</td>
</tr>
</tbody>
</table>

Table 1.1

Zanele Mbokazi (Interview 1995:Appendix C ) points out that the programmes on Radio Zulu are targeted not only at the audience appearing on the table above but also to the public in general. Although the programmes are not designed specifically for the informal sector, sometimes, an invitation is extended to informal trader organisations such as the Self Employment Women’s Union (SEWU). The Union emphasises the need for personal hygiene during the programme especially to those women selling in the street who do not stay around Durban area and as a result they sleep on the street without sanitary facilities. Furthermore, Radio Zulu focused on the President’s conference on Small Medium and Micro Enterprise (SMME) which was in Durban on 28 March 1995.
The programmes on Radio Zulu/Khozi cover a wide range of economic development news in the region and the country at large. Whereas the programme on NNTV are targeted specifically at both the small and the medium size-enterprises which exclude the survivalist and micro enterprises. Also, wide media attention was given to the informal sector during the President's conference by the newspapers such as The Mercury (28 March 1995), Sunday Times (2 April 1995) to name but a few.

**PROBLEM TO BE INVESTIGATED**

With the dawn of a new era in South Africa, the present government has recognised that in order to keep in line with its economic policy objectives, "growth in employment can be enhanced through government's support to small and medium-sized enterprises" (Reconstruction and Development Programme 1995:33). The document further mentions that the government has also fundamentally restructured the institutional framework of such enterprises. The private sector, non-governmental organisations and government have also determined appropriate support policies which have been focused and sectorally differentiated.

The key areas of support stipulated in the Reconstruction and Development Programme document for small and medium-sized enterprises include: access to advice, favourable amendments to legislative and regulatory conditions, access to marketing and procurement, access to infrastructure and premises, access to training, access to appropriate technology and encouragement of inter-firm linkages. For example, the Department of Trade and Industry tabled a draft National Small Business Bill in Parliament on 29 September 1995. The draft Bill envisages the creation of a strong small business lobby with the power to veto
laws which prejudice the interest of small business (Ryan 1995:1). The informal sector as a component of SMMEs has now been widely seen as an important sector both on a micro level. On a micro scale, it can improve the welfare of the disadvantaged by providing them with job opportunity and finance to sustain families. Undoubtedly, the multiplier effects of these benefits have a positive impact on the entire economy (see Table 1.2 below).

<table>
<thead>
<tr>
<th>Description Of Manner Of Involvement</th>
<th>TOTAL</th>
<th>ASIANS</th>
<th>WHITES</th>
<th>BLACKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total KwaZulu Natal</td>
<td>333 036</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employers and Self-Employed</td>
<td>247 112</td>
<td>13 611</td>
<td>21 539</td>
<td>209 859</td>
</tr>
<tr>
<td>Persons Employed Full Time In The Informal Sector, But Also Involved In Part-Time In The Informal Sector</td>
<td>15 310</td>
<td>847</td>
<td>4 982</td>
<td>9 380</td>
</tr>
<tr>
<td>Persons Who Are Involved In The Informal Sector, But Are Looking For Other Work</td>
<td>2 554</td>
<td>393</td>
<td>176</td>
<td>1 869</td>
</tr>
<tr>
<td>Employees Employed By Employers In The Informal Sector</td>
<td>83 924</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Table 1.2 Source: Central Service Statistics 1995:37

The communication patterns that exist between the informal sector and the private sector, non governmental organisations, the government and other stakeholders, who are catalysts in formulating policies and strategies to improve the conditions of this sector, remain a central problem which needs to be investigated. For instance, despite the fact that the largest constituency of the informal sector traders is illiterate (as indicated by Figure 1.1 below), most decisions on the policies and strategies about the informal sector are reported predominantly in print media: to cite a few, a President's conference of small business in Durban which took place in March 1995 appeared in The Natal Mercury of 28 March 1995.
Figure 1.1 Educational Level

Education for Street Vendors

<table>
<thead>
<tr>
<th>No. of Fruit Vendors</th>
<th>No. of Vendors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>16</td>
</tr>
<tr>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>5</td>
<td>8</td>
</tr>
</tbody>
</table>

Total Number = 30

Figure 1.1 illustrates that ninety-three percent of the fruit street vendors interviewed in the Cathedral area (opposite Berea Station) had educational levels below Standard Ten. Fifty three percent are illiterate. Thirteen percent have Standard Five or below; twenty six percent completed Standard Six to Eight, seven percent claimed to have completed Standard Ten and there was no one who claimed to have acquired training and tertiary education.

A recently mentioned Bill on small business appeared in The Sunday Times on 1 October 1995. Also a recently launched tender journal for small business by
Ntsika Enterprise Promotion Agency (NEPA), which was previously known as Small Business Development Administration (SBDA), appeared in The Sunday Times (8 October 1995) and the Mail and Guardian (6-12 October 1995). The articles appearing in these newspapers present developmental strategies and policies which are significant for the ordinary person in the informal sector, yet these articles are targeted only to middle class entrepreneurs who are literate and totally ignored illiterate informal sector people.

Although it has been noted that the attitudes of policy makers regarding the sector has moved drastically from oppression to tolerance, such a change needs to be translated into information that would easily be understood by semi-literate people. Gordon Hedebro (1982:3) ascertains that information disseminated by the mass media and other channels is used for a number of different purposes: to convey knowledge of a specific kind, to sell products, to distribute political propaganda. The author further notes that information has to come to occupy a central place in efforts to improve living conditions in the Third World countries. It becomes therefore essential to investigate how informal traders consume mass media and the central role it plays in the informal sector so that an appropriate medium to reach this sector could be identified. Since my perception is that there is no assurance that the formulated policies and strategies mentioned above becomes known to the intended beneficiaries.

THE APPROACH TO THE STUDY

Gordon Hedebro (1982:12) identifies three levels of study in the aspects of communication and development. For the purpose of this study, the approach taken is the one which tries to understand the mass media in national development but which is much more specific to the informal sector. The media
are seen as educators or teachers of informal traders. The ideal is that mass media can be used to teach people skills of different kinds and, under some conditions, to influence the attitude and behaviour of the informal traders. Often, co-ordinated efforts such as campaigns are used to accomplish the objectives. The main question in this group of studies is the following: how can the mass media be used most efficiently to bring a certain kind of knowledge to the people in the nation (1982:12). Location the central role that mass media would play to develop informal sector, the case study is one of the methods of qualitative research technique used to gather data about experiences of the informal traders as well as the consumptions of media in their daily activities.

**CASE STUDY**

According to Roger Wimmer and Joseph Dominick (1991:150), a case study uses as many data sources as possible to investigate systematically an individual, group, organisation, or event. Case studies are commonly performed when a researcher desires to explain a phenomenon. For example, this project seeks to investigate appropriate mass media in order to understand the communication channels most suitable for the informal sector whenever policy makers and the informal traders want to reach each other.

In a nutshell, a case study is defined as an empirical inquiry that uses multiple sources of evidence to investigate a specific event occurring within its real-life context in which the boundaries between the events and its context are not clearly evident (Yin 1989cf. Wimmer and Dominick 1991:150).
ADVANTAGES OF CASE STUDIES

The case study method is most valuable when the researcher wants to obtain a wealth of information about the research topic. Case studies provide tremendous details. Many times researchers require certain details but they do not know exactly what they are looking for (Wimmer and Dominick 1991:150). For example, this study is approached without knowing exactly which mass media is the best suitable for the informal sector traders. The author further point out the case study technique can suggest why something has occurred. Often, case studies should be used in combination with theory to understand maximum understanding. The theoretical perspectives on the informal sector and for mass media for development communication for this study will appear in the following chapters.

Lastly, the case study method also affords the researcher the ability to deal with wide spectrum of evidence. Documents, historical artifacts, systematic interviews, direct observations, and even traditional surveys can be incorporated into a case study. In fact, the more data sources that can be brought to bear in a case, the more likely it is that the study will be valid (Wimmer and Dominick 1991:150-151).

DISADVANTAGES OF THE CASE STUDY

According to Roger Wimmer and Joseph Dominick (1991:151), there are three main criticisms for the case studies when conducting research. The first has to do with a general lack of scientific rigor in many case studies which require a good deal of time and effort. The second criticism is that the case study is not easily open to generalisation. Finally, like participants observation, case studies are
likely to be time-consuming and may occasionally produce massive quantities of
data that are hard to summarise.

RESEARCH METHODOLOGY OF THIS STUDY

Having considered the advantages and disadvantages of the case study as
outlined above, this study therefore focuses extensively on a qualitative method
of research, that is, utilising a case study for the purpose of the acquiring more
understanding and experiences of the individual informal trader who sell fruits at
Umlazi F and G Taxi Rank popularly known as Cathedral (opposite Berea
Station). I found it difficult to ascertain the number of informal traders, since the
numbers tended to fluctuate on a daily and weekly basis in Cathedral. Due to this
fluctuation, it was difficult to establish what a representative would be. To
overcome this problem, it was then decided to do in-depth interviews of a case
study nature. This qualitative research was carried out during October 1995 on
two consecutive days. It consisted of thirty in-depth and structured interviews.
These interviews included both closed and open-ended questions. On many
occasions some of the questions in the interview schedule were answered in the
first open-ended question, for example, 'Tell me more about your level of
education'? or 'Tell me about the role of a mass media in your business
operation'?

Although Cathedral has a very limited space to absorb a considerable number of
informal traders, these traders offer a variety of items in the market which range
from fruit and vegetables, clothing, caps, stockings, socks, cosmetics, wallets,
prepared food and electrical appliances. Noticeably, fruit and vegetables
appeared to be the most popular items traded in the area. Therefore, traders in
fruit and vegetables businesses were singled out for interview and purposes.
All interviews were conducted in Zulu, since all respondents were Zulu speaking people. The interviews were then translated in English for the purpose of this study. To ensure a smooth translation process a tape recorder was used to record all the interviews of the informal traders, and an attempt to keep the precise words of the respondents was made. Such in-depth interviews were very informative and constructive as respondents shared their information on family background and daily personal experiences as informal traders.

**HYPOTHESES**

It is hypothesised that:

- the future of the informal sector lies with the identification of an appropriate mass media that will be the catalyst in supporting the activities of the micro-enterprises;
- the informal sector does not perceive the role of the mass media as crucial in the daily activities;
- most street vendors have access to watch television and to listen to radio for updating themselves about things taking place around them;
- the print media (newspapers) only address the needs of the small and medium size entrepreneurs with a strong educational background;
- the programmes on radio and NNTV do not address the aspirations and the needs of the micro-enterprise; and
- the sector has a potential to play an important role both in providing employment and in contributing to a reorientation of the economy through the democratisation process of the media institutions.
THE SCORE OF THE STUDY

In South Africa’s heterogeneous economy it may be useful to distinguish between informal sector activities in the Third and the First World components economy, even though these two are at all times closely interrelated. The major focus of Chapter Two is to articulate the continuing debate on the term informal sector, theories and paradigms that underpin the existence of this sector, its features as well as the role that this sector could play to accelerate economic growth in a post apartheid era.

Chapter Three explores the concept of participatory communication for development. In the field of communication for development rich interactive texts exist, some of which will form the theoretical frame work for this chapter. However, I am unaware of any work directly linking the question of media for development with the communication needs of informal sector workers and petty entrepreneurs in particular. Therefore, this chapter will try to tackle development communication issues based on existing literature on mass communication, using case studies on the informal sector to analyse the basic assumptions embedded in my hypothesis.

The last chapter will be devoted to evaluation of the findings of the research. Also part of this chapter will be a recommendation for the future media strategy or policy that private sectors and the government should utilise in order to contribute to the reconstruction and development of the informal sector.
CHAPTER 2

A MICRO ENTERPRISE: A NEW WAY OF ENHANCING ECONOMIC GROWTH IN A POST APARTHEID SOUTH AFRICA

INTRODUCTION

The lives of the majority of ordinary South Africans have been touched, at least fleetingly, by the informal economy. For many millions of people, particularly black South Africans, work and incomes secured in this sector have shaped the course of their working lives (Rogerson and Preston-Whyte, 1991:1). This country may have previously lagged behind other areas in the Third and First world in recognising this sector and its importance in the process of economic development, yet the ascendancy of this 'black' or 'underground' economy of the 'non-formal' sector, as it is also called, is a worldwide phenomenon with much the same manifestations here as elsewhere.

Most economic activities ranging from prostitution and petty theft to home crafts, home services, street hawking, shebeens and shoe shining have existed for centuries. After decades of focusing on larger, formal-sector enterprises we are in fact merely rediscovering what has always been around us ("Strange Encounter" 74).

However, notwithstanding the growing recognition of the role played by the informal sector and the need to consider it explicitly in the formulation of development plans, the concept has remained as elusive as that of unemployment and underemployment (Sethuraman 1981:10). Rob Davies (1979:94), points out that in order to understand the role of the informal sector in the social formation it is necessary to examine its origin. He further points out that explanations of the formation of the informal sector can be conveniently categorized as follows: those that look at the problem from the point of view of the informal workers; and, those that emphasize the importance of the demand for informal goods and services.
A MICRO ENTERPRISE: A NEW WAY OF ENHANCING ECONOMIC GROWTH IN A POST APARTHEID SOUTH AFRICA

INTRODUCTION

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The major focus of this chapter would be, therefore, to articulate the continuing debate on the term informal sector, theories and paradigms that underpin the existence of this sector, its features as well as the role that this sector could play to accelerate economic growth in a post-apartheid South Africa.

RESERVE ARMY OF WAGE-LABOUR THEORY

The approach paints the following picture: informal workers are unskilled in formal terms and therefore can only be suppliers of wage-labour to the formal sector, or must lead the life of rural peasant farmers. However, the underdevelopment of the peasant economy has rendered it incapable of supporting adequately the entire rural population. Therefore, potential wage labourers have to find temporary alternative means of subsistence: they find this in the informal sector. The informal sector, according to this view, thus consists of wage-labourers-in-waiting (Davies 1979:94). For example in the case of the informal trader that of Mr C proves the assumptions embedded in this theory as to be what is happening in reality.

Mr C a 25 years old single male who is a breadwinner with 2 children and other four members in the family lives at Kwa-Mashu in Durban. He operates an informal trader business at F&G section Taxi Rank which is in front of Cathedral Roman Catholic Church opposite the Berea Station, where he sells fresh fruits and vegetables. Mr C works for Mr A who pays him R90 per week. Mr A owns two informal trader businesses in different places. Mr A’s business operates 7 days a week, opening at 6H00 a.m. and closes at 17H30 on weekdays and at 16H30 on weekends.

Mr C would highly appreciate formal employment, however he feels that his dreams will not come true since he has not been formally employed throughout his entire life. He attended school up to Standard 6 and due to lack of finance at home he had to seek for a job so that he can support his family. His ambition is to have a decent job which will make it possible for him to support his family, attend his personal problems and if possible save some money with the bank which he cannot do right now. He lives from
hand to mouth, and most of the money is spent on transport (taxi), for which he pays R6 daily (including return) that is, R42 per week.

Mr C became an employee of an informal trader in 1993 because of his unemployment and the crisis faced at home. Throughout these years informal trading has saved him and still saves him from participating in crime. Though there are problems he encounters as an informal trader, for example, the wages are very low, he prefers to be an informal trader since it helps him survive rather than staying at home doing nothing. The most important thing is he enjoys his job (Appendix B: Case 2).

In another perspective this “evidence indicates that although informal workers might initially intend seeking formal employment, once they have worked in the sector for a short while they would not prefer the alternative formal jobs for which they are qualified” (Davies 1979:94). For example, Miss P is a 31 years old single woman who supports her three children with the money she makes from informal trading in Cathedral. She was born in Port Sheptone and now lives in Kwa-Makhutha where she owns a shack. She came to Durban two years ago and worked for an Indian supermarket in town for the period of six months due to retrenchment. After that she was employed by another Indian family as a housekeeper (domestic worker) where she earned R150 per month. She quitted her work after seven months since she was dissatisfied with her wages. Consequently, she decided to start her own business as a fruit and vegetable trade with the money she accumulated as a domestic worker.

The business opens seven days a week daily from 8h30 to 17h30 everyday. She operates her own table and makes an estimated turnover of R450 per day which is tax free. She only pays for the following operating expenses in her business: R3 per day to the owner of a container where she keeps unsold stock, R8-60 per day is spent on transport, R3 for a person who keeps their selling place clean and R10 is spent on food.
Miss P has never attended school and prefers to remain an informal trader for the rest of her life. She is quite happy with her business performance because informal trading pays much more money than any formal employment she could secure with her level of education (Appendix B: Case6). Also see Figure 2.1 below.

**FIGURE 2.1 EMPLOYMENT**

<table>
<thead>
<tr>
<th>Labourers in Waiting</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Fruit Vendors</td>
</tr>
<tr>
<td>Fruit Street Vendors</td>
</tr>
</tbody>
</table>

Number = 30

1. Prefer Formal Employment
2. Prefer Informal Employment
3. Prefer Opening Informal Enterprises

Figure 2.1 illustrates that forty seven percent of the street vendors interviewed in the Cathedral are wage labourers in waiting as against thirty three percent who preferred to be informal workers and twenty percent who preferred to start their own micro-enterprises. In a nutshell, fifty three percent of the informal traders in this area prefer remaining to this sector.
FOUNT OF INDIGENOUS CAPITALISM THEORY

The second theory in this broad category regards the informal sector as consisting of incipient capitalists, or petty merchant capitalists. Work in the sector is either a viable income-source for a small trading entrepreneur, or it is a stage in the process of capital accumulation, with workers eventually being incorporated into the formal economy (Davies 1979:94).

Again the theory has a certain degree of validity. Since there is no case available from the street vendors interviewed for illustrating the validity of this assumption, we will therefore use Shirley Jones's case which appeared in The Natal Mercury, 23 June 1995. Shirley Jones reports that Mr Fanie Gaza, a supermarket owner and KwaZulu/Natal Small Business Development Corporation (SBDC) entrepreneur of the month for May, started out as a barefoot township child selling peaches door to door in Umlazi near Durban.

From there he moved to a bus rank, selling vegetables as well. But, far from a hard luck story, Gaza believes this has taught him rudimentary business skills which have contributed to his success today: he insists on buying the best fruit and vegetables, keeping mark-ups to the bare minimum and always treating the customer courteously. Almost 30 years later, in the same V section of Umlazi, he is proving that all these apply.

Gaza is currently turning over nearly R2 million a month at Fanie's Food Market which he opened in December last year with a loan of R800 000 form SBDC and now looking to adding a butchery and bakery to his business (Mercury Business Report 1995:18).
Rob Davies (1979:95), notes that it is likely that a combination of the reserve army of wage-labour and fount of indigenous capitalism theories partly explains the formation of the urban informal sector. It can be a buffer against unemployment, it can also provide a decent living and a means of raising capital. But clearly this is not a sufficient cause for its existence. It is necessary to show that there is in fact a demand for the goods and services produced by the informal sector, and to explain why this demand is not satisfied by formal activities. There is no doubt that the demand exists. As far as the clients for the sector is concerned, it provides goods and services which would otherwise be unavailable only at higher cost. In some instances goods would not be available only at all were it not for the informal sector.

DEVELOPMENT OF THE CONCEPT

In this section an attempt to describe the development of the informal sector concept is made. The approach taken here is to concentrate on a fundamental question underlying the whole debate concerning the validity of the concept of dualism as applied in the informal sector activities and the definition of the concept itself.

The approach here 'concerns the sector's ability or inability to generate autonomous economic growth and consequently employment (Moser 1978:1052). Nici Nelson points out that the concept of the informal sector arose in the early seventies, mainly as an attempt to deal conceptually with the so-called 'underemployment' and 'disguised unemployment' that was continuing to grow in Third World cities (1979:284). The informal sector was seen as providing a means of livelihood for new entrants to the labour force who, through lack of job opportunities and training, were unable to obtain employment in the formal sector (Moser 1978:1052). The informal sector was also seen forming part of a two-sector dualist model in the tradition of the traditional-modern or capitalist-peasant models (Nelson 1979:284).
The concept of dualism in the informal sector

Dualistic conception of Third World economies have long been current. An early distinction was between 'modern' industry and 'traditional' artisanship. The unsatisfactory nature of these labels soon became obvious. 'Modern' activities, such as servicing and repairing imported automobiles or television sets, are frequently carried out in a quite 'traditional' manner, i.e. in small, poorly equipped workshops (Bromely 1992:95).

According to Caroline Moser, the conceptualizations of the informal sector vary widely. However, they all share a common source in their emphasis on economic dualism. They thus join a long line of theories which recognise duality of economic structure in the industrial sectors of cities in developing countries, when proposing policy solutions within the existing socio-political system (1978:1052). For example, Sethuraman's approach similar to the one adopted by Moser, focuses attention on dualism in the production system in so far as it has implications for employment, development and equity. Also S. V. Sethuraman notes that the concept of dualism as applied to developing countries has been given various meanings by different social scientists ranging from social anthropologists to economists depending on the particular aspect or aspects they chose to study or emphasise (1981:10).

The two sub-systems of production have been labelled in different terms that are not necessarily identical: 'capitalistic' and 'peasant forms of production' (McGee 1973 cf. Sethuraman 1981:10). Caroline Moser contends that definition as to the exact nature of the two sectors have varied depending on the particular criteria used. For instance they have been seen derived as two types of economy, a firm centred economy and a bazaar type economy, as two circuits, the upper and lower circuits,
and as two sectors, a high profit/high wage international oligopolistic sector and a low profit/low wage competitive capitalistic sector (Moser 1978:1052).

Dualistic conceptualizations have been presented for both the developed economies and for the Third World. But to a substantial degree, the terminologies, and even the scenarios of causation, have been distinct for developed and underdeveloped countries (Peattie 1987:852). Following the Kenya Employment Commission report Sethuraman points out that

the two sub systems of production in the urban economy are labelled as the formal and informal sector....(T)he two sectors may be distinguished in terms of the mode of production, organisation and scale of activities: formal sector consisting of activities using modern modes of productions and organisation comparable to the developed world and hence are larger in scale of operation as compared to those of the informal sector (Sethuraman 1981:12).

Lisa Peattie (1987:851), points out that the dichotomy between a formal sector and an informal sector can be viewed as the latest in a series of dualistic conceptualizations which have stressed the contrast between two set of economic activities, one relatively profitable and privileged, the other relatively disadvantaged. Caroline Moser (1978:1052), observes that the dualist mode of informal and formal sector is based on a distinction between wage and self-employment, with the key variable being the degree of rationalization of work, in other words whether or not labour was recruited on a permanent and regular basis for fixed reward. The informal sector in this perspective is viewed:

as an important generator of jobs, a valuable avenue towards the formation of more formal small businesses, a significant learning process for potential entrepreneurs, a form of grassroots development that helps
to broaden the distribution of income and an important link in the complex
chain between different types of big and small business ("Strange
Encounter" 74).

However, Lisa Peattie, S.V. Sethuraman, Ian Livingstone, to mention but a few
challenge the whole notion of recognising the activities of the so called 'the poor', 'black'
or 'underground' economy as informal economic activities. For example, S. V.
Sethuraman argues that the modern traditional sector terminology implies a distinction
based on the type of goods produced and technology used, whereas many non-
traditional items are produced in both the sub-systems of production, terms which
underpins the dualistic nature of the informal sector. Furthermore, the author notes that
the term 'traditional' sometimes carries a negative connotation implying
the absence of dynamism or inferior production technologies. Though the
informal-formal terminology may not appear as satisfactory from every
point of view, the fact that it has gained wide currency in the development
literature and in the development plans and programmes of some
developing countries would seem to suggest that it has come to stay
(Sethuraman 1981:12).

For a long time the 'informal' sector, often called the "economy of the poor" or 'backyard
economy,' has been labelled unproductive and therefore not worthy of support.
However, in recent years a growing interest in this part of the economy can be
observed and more calls for support of this sector can be heard. This change of
direction results from the realization that the informal sector is obviously capable of
providing a minimum of labour and income as well as essential goods and services for
a major section of the population without any financial support, of government or
otherwise (Hemmer and Mannel 1989:1543). Therefore, it is imperative for this study
to follow the trends on the definitional debate of this concept, since these trends have
a significant impact on how this term has been used in the post apartheid South Africa.
Continuing debate on the concept of the informal sector

The first debate centres on definition. Over time, many and varied attempts have been made to define the phenomenon of the informal sector... (Dewar and Watson 1990:3), and yet the concept has remained somewhat obscure and even caused confusion in some quarters (Sethuraman 1981:13). It is not therefore, frequently surprising that one of the first questions frequently encountered is: what is the informal sector? The answer to this question is difficult as asking: what is a First or Third World country? S. V. Sethuraman points out that attempts to clarify the concept have also come under attack and the author suggests that endless preoccupation with the definition of the term must come to an end and attention should be focused on the results and implications for dualism (1981:13).

David Dewar and Vanessa Watson, however, note that the definition will properly vary according to the purpose for which, or the philosophical position from which, the definition is being made (1990:3). Consequently, the findings and policy prescriptions given to the informal sector are not always comparable, often they contradict too. For example, “though many would subscribe to the existence of dualism and its implication for employment and development there seems to be little agreement on what the two-subsystems of production should consist of” (Sethuraman 1981:13). Essentially there are two problems: one is the choice of the unit...be on the business or activity, or on the household (Dewar and Watson 1990:3), and the second, how to determine the boundary separating the two-systems (Sethuraman 1981:13).

Choice of unit

One of the first problems encountered in trying to define the informal sector is the choice of an appropriate economic unit. Should one distinguish the informal from the formal sector in terms of individuals or household or economic activities? Since the discussion on dualism has been defined on the basis of activities, it is however possible to focus either on the individuals engaged in these activities or the enterprises in which
they participate (Sethuraman 1981:13).

In explaining the nature and characteristics of these activities David Dewar and Venessa Watson select the household unit as their point of departure in this debate of the informal sector concept. The authors choose to approach their argument through this unit because it is "clearly a crucial variable in terms of both income generation and income distribution" (Dewar and Watson 1990:3). S. V. Sethuraman, however, attacks this approach since it focuses on poor households or those located in slums. The author argues that this would seem to imply that urban dualism can be interpreted in terms of the rich and the poor. Obviously the 'urban poor' and the 'informal sector' are not coterminous, hence many studies show that urban poor could belong to either of the two sub-systems of production. Thus, the informal sector has been attributed different meanings at different times urban poor, low-income households, urban living in slums and squatter areas and so on (Sethuraman 1981:14).

On the approach focusing on the individuals, the urban labour market has been divided into formal and informal segments where the latter is defined to include workers on the "unprotected" sector (Sethuraman 1981:13). Furthermore, in relation to definitional questions on individuals, some (e.g. Mazumdar 1976) have emphasized whether the enterprises and activities in the informal sector operate subject to government regulations such as minimum wage laws, and whether they pay taxes. Certainly the avoidance of taxes and minimum wage obligations gives many small enterprises a significant advantage but they pay other taxes (e.g. customs duties on inputs) and in other respects operate at a disadvantage vis-a-vis large companies. Hence it is more useful to distinguish enterprises on the basis of size, and examine separately different factors affecting their competitiveness (Livingstone 1991:652). A typical example which depicts a worker on the unprotected sector who does not earn a minimum wage is the case of Miss M, as a result an employer has an advantage in this regard vis-a-vis a formal enterprise.
Miss M who is 28 years old assists her sister who owns a business which sells fruit. The business opens at 7h00 a.m. and closes between 17h45 and 18h30 on weekdays. On Saturdays it closes at 16h30 and operates six days in a week. Miss M and her sister (who is now doing a computer course at Durban College with the money she earns as an informal trader) live in Umbilo. It takes them 30 minutes to travel to their place of work and they spend only R40 on transport per week.

Miss M’s sister started this business with the money she got from her boyfriend who is formally employed, three years ago. Miss M completed her standard 10 in 1992 and makes an estimated turnover of R650 per day which is not taxable. She does not earn any money because she regards her service as one of her duties that she could be performing at home—family business. Miss M relies on oral communication and adequate planning on fruits displaying (putting big fruit on top and small ones underneath) to attract customers as part of her advertising strategy (Appendix B: Case 5). According to this view:

employment in the formal sector is in some senses protected so that the wage level and working conditions in the sector are not available, in general, to the job seekers in the market unless they manage to cross the barrier of entry show. This kind of protection may arise from the action of trade unions, of governments, or both acting together as a result of institutional practices (Mazumdar 1976:655).

The case of Mr N also indicates how difficult it is for the job seekers in the labour markets to cross the barrier of entry, since the entry on individual approach looks also in the level of education as well as skills acquired in a certain field of work.
Dipak Mazumdar further postulates that:

even under free market conditions the wage level in some types of enterprises will be established at a level higher than the alternative wages in other sectors of the same market. This wage level is 'protected' because job-seekers who will be very willing to accept employment at this wage are unable to bid down the wage, and can only be employed in the sector after going through a process of selection involving aptitude tests as well as rationing (1976:656).

Mr N is a 22 years old single male who was born and grew up at Port Shepstone, but now lives at Umlazi in Durban. He assists his uncle who operates an informal trader business. Mr N's parents died when he was in Class 2, which forced him to leave school so that he could look after his family. As a result, he decided to come to Durban in order to work for his uncle.

Mr N's uncle owns a business which sells fresh fruit only. The uncle opened his business with the money he saved when he was a miner, before he was retrenched. The business opens at 8h00 a.m. and closes at 17h30 everyday. Mr N earns R120 per week, which is not enough to cover his needs and that of his family since he supports his younger brothers and sisters who are all orphans. The family relies on his R120 of which R42 is spent on transport weekly. Therefore, Mr N would really be interested to be employed formally, but he feels that this is impossible due to the fact that he has never been exposed to formal education (Appendix: Case 3).

The arguments presented above try to outline the confusion prevailing in this area, however it should be noted that each 'definition can be justified on its own grounds taking into account the purpose on hand' (Sethuraman 1981:14).
The International Labour Organisation, recognising the merits of alternatives approaches, decided to use activities/enterprises as the basis for defining the informal sector...S.V. Sethuraman also points out that the approach of focusing on the activity or enterprise rather than the individual or household as the basic unit for defining the informal sector has the following advantages:

♦ First, following from the debates on dualism, there has been a recognition on the dualistic nature of production in both systems and their implication for employment;

♦ Second, by focusing on the production unit, it is possible to isolate the development policies that have a bearing directly on the dualistic nature of the urban economies and hence on employment promotion and income distribution. In other words such an approach stresses the conditions under which employment and income generated in urban areas of the developing countries; and

♦ Third, it could facilitate the task of assisting the informal sector activities/enterprises directly and indirectly by providing the necessary assistance.

In other words it is possible to help the enterprises to help themselves and improve the conditions under which income and employment in this sector are generated (Sethuraman 1981:15).
Defining the informal sector

The informal sector consists of small-scale units engaged in the production and distribution of goods and services with the primary objective of generating employment and incomes to their participants notwithstanding the constraints on capital, both physical and human, and knowhow (Sethuraman 1981:17).

Such a definition of an informal sector would seem to provide "the important contribution made by the coining of the term 'informal sector' as drawing attention to a set of activities which had been neglected in terms of statistical data, analytical attention, and positive promotional policies" (Livingstone 1991:652). It also provides the justification for focusing on employment and development policies. It emphasises, ...the significance of urban population growth to the emergence of the informal sector. It also implies that dualism manifested in the form of different modes of production, organisation and scale of operation is simply a reflection of the varying circumstances under which enterprises in the two sectors come into existence and operate (Sethuraman 1981:17).

Ian Livingstone further argues that this heterogeneous set of activities can hardly be described as a sector as it covers everything from small scale manufacturing and repair to trade, transport and construction, and services (1991:652). As a result the concept of informal sector embraces all economic theories (urban and rural) which try to explain those economic activities which cannot be classified under the organizational standards of the industrialized countries. For example, following this line of thought, the South African Central Statistical Service (CSS) defines the informal sector as comprising all economic activities that are not reflected by the CSS's official statistical survey (1995:iii). Furthermore, the South African Small Business Development Corporation (SBDC) inherited a tendency from the Central Statistical Service, that is, of 'defining the informal sector as that part of the country's economic activity that is not recorded in its official statistics, i.e. the statistically unrecorded part' (1989:1).
David Dewar and Vanessa Watson argue that such an approach:

is misleading, from a policy perspective, artificially to separate informal, small-scale economic activities from larger, more formal ones. They do not operate in separate economic circuits: indeed, they are vitally interrelated. They also have similar economic requirements and respond to similar stimulatory or depressive impulses, although the form of these may vary. From a policy perspective, therefore, the term 'informal sector' simply focuses attention on economic enterprises at the bottom end of a continuum ranging from very small to very large businesses (1990:3).

Ian Livingstone contends that is not helpful to characterize the informal sector as one incorporating a substantial proportion of illegal or 'illegitimate' activities such as crime and prostitution (1991:652). The author further acknowledges the existence the real social problems in this sector, however, the numerical importance of criminal activities among the millions of street vendors in South Africa for example might be small.

In Kenya, the term informal sector was dropped from the official statistics in 1987, and replaced by small scale enterprises (Livingstone 1991:652). Similarly, in the post apartheid South Africa, there seems to be a notion of dropping the term informal sector. For example, Christian Rogerson ascertains that the African National Congress document released in September 1990 does not make direct mention of the informal economy. However, it draws attention to the scope for small-scale enterprise development, and the need to encourage both co-operative and community ventures (1991:208).

This was also evidenced during the President's conference on Small Medium and Micro Enterprises (SMME) on 28 March 1995 in Durban, where there was no mention of the concept but the conference was addressing the aspirations of the so called 'poor' 'disadvantaged' entrepreneurs.
Ian Livingstone maintains that the informal sector could be taken to refer to the micro-enterprise category. Such a classification allows simultaneously a horizontal categorization of each size group by sector, manufacturing, trade, etc. The author further points out that we may distinguish small scale industrial enterprises from the broader category of small-scale enterprises (1992:652).

**CONTRASTING FORMAL SECTOR TO INFORMAL SECTOR**

The International Labour Commission (ILO) to Kenya (1972 cf. Bromely 1992:96), argued that the informal sector provided a wide range of low-cost, labour-intensive, competitive goods and services, and recommended that the Kenya government should promote the informal sector. The commission noted that informal activities are a way of doing things that differs from the way in which they are done formally. Table 2.1 depicts how the commission singled out the characteristics which differentiate formal and informal businesses.

<table>
<thead>
<tr>
<th>INFORMAL SECTOR</th>
<th>FORMAL SECTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) easy of entry;</td>
<td>(a) difficult entry;</td>
</tr>
<tr>
<td>(b) reliance on indigenous resources;</td>
<td>(b) frequent reliance on overseas resources;</td>
</tr>
<tr>
<td>(c) family ownership of enterprises;</td>
<td>(c) corporate ownership;</td>
</tr>
<tr>
<td>(d) labour-intensive and adapted technology;</td>
<td>(d) large scale of operation;</td>
</tr>
<tr>
<td>(e) labour intensive and adapted technology;</td>
<td>(e) capital intensive and often imported technology;</td>
</tr>
<tr>
<td>(f) skills acquired outside the formal school system;</td>
<td>(f) formally acquired skills, often imported technology;</td>
</tr>
<tr>
<td>(f) unregulated and competitive markets.</td>
<td>(g) protected markets (through tariffs, quotas and trade licenses).</td>
</tr>
</tbody>
</table>

Table 2.1 Source: (Bromely and Gerry 1992:96)

32
Ray Bromely and Chris Gerry point out that this characterisation of the informal sector is quite persuasive. The authors maintain that in every Third World country large-scale enterprises play a major role in various sectors of the economy. Their status ranges from public-sector companies to multinational corporations to locally owned firms, but they are invariably closed related to the state. Their power vis-a-vis the state and other participants in the economy raises questions about their impact on the autonomy of the national polity and the threat of monopolistic control over sectors of the economy. Many formal-sector workers enjoy a measure of protection through legislation and/or collective bargaining. Their wages and benefits, working conditions, job security, and social security coverage as a rule compare favourably with those of other workers in the informal sector (Bromely and Gerry 1992:96). For example, in the case of the informal trader that of Mr G who has two employees who assists him on weekends, proves that the informal employees do not enjoy the above mentioned benefits protected by legislation or collective bargaining. Mr G pays his employees liquor, dagga, cigarettes and provides them with food for their services in the micro-enterprise (Appendix B: Case 15).

In contrast, the informal sector appears to offer a panacea for the urban employment problem. For example, Table 2.2 below shows that almost eighty seven percent of the informal traders in Cathedral migrated to Durban seeking either formal or informal employment in the city and only thirteen percent come from townships around Durban. This is a good indication on how the informal sector offer a panacea for the urban employment crisis.

<table>
<thead>
<tr>
<th>Informal Traders</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Migrated to Durban</td>
<td>26</td>
<td>87</td>
</tr>
<tr>
<td>Live Around Durban</td>
<td>4</td>
<td>13</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 2.2
At the same time the informal sector may provide scope for the emergence of local entrepreneurial talent. More generally, while formal sector firms typically enjoy privileged access to credits, foreign exchange, and tax concessions, entrepreneurs in the informal sector can be seen to enjoy competitive advantages vis-a-vis large-scale industry in so far as they escape taxation, social-security levies, and government regulation of wages, working conditions, and job security (Bromely and Gerry 1992:96-7). For example, all street vendors interviewed in the Cathedral do not pay taxes, as Mr O generates turnover of R650 per day which is tax free and only pays his two employees R120 per week (Appendix B:Case 8).

On the basis of the analysis that has been outlined distinguishing these two sectors, the case of the informal trader, Mr X further gives us a picture on what characterises the informal sector.

Mr X, is a 20 years old single male who is a breadwinner with four children. He was born in Transkei (Ntabankulu District) and now lives in Natal (Richmond Squatter Camps) ten kilometres away from Kwa-Mashu. He came to Natal in 1992 for the purpose of seeking formal employment. Due to the fact that he was illiterate, it became difficult for him to secure a decent job and become marketable in the labour market. He searched for a job for almost eight months, until he realized that he had to seek new ways of self-employment.

He then borrowed some money from home to start a business of his own. Mr X now owns a table where he sells fruit. He chose to sell fruits because they are easily purchased from the market which is approximately two kilometres away from his business operation. There are no transport costs involved when purchasing his stock, people are familiar with fruit which make them sell quickly and make a lot of profit when compared with vegetables and other stuff on the market.
Mr X has never approached any financial institutions to seek advice or money for starting his business. He does not even think about seeking for any financial assistance because he believes that most financial institutions need securities and legal documents that he would not have. The business has been in operation at the same place for almost three years. He has employed Mr D, who earns R100 per week and Mr X's business makes a turnover of R500 per day. The business opens at 07H00 a.m. and closes at 17H00 almost every seven days of the week. It takes M X and Mr D approximately 30 minutes to arrive at the place of trading and they both use a taxi as a means of transport. The taxi costs them R12 per day and R84 per week.

Mr X is quite happy with his business performance because he makes a lot of money (none taxable profit) of which he could not have earned if he had been formally employed. Mr X does not consider seeking formal employment, since there is nobody who determines his salary, job description, working hours and tea time. Instead Mr X has provided a job opportunity for Mr D who has been unemployed. Mr X cannot blame anyone if the business goes down the drain because he could see as the day progresses if things have not been normal. Mr X does not believe that training is important for this type of business operation (Appendix B: Case1).

THE RELATIONSHIP BETWEEN THE TWO SECTORS

There is a need for analysis of the links and interactions between the formal and the informal economy, in order to point out the interdependence between the sectors. Inadequate consideration of these aspects when designating development schemes may cause the informal sector to lose its dynamic and creative qualities and thus the basis of its economic potential (Hemmer and Mannel 1989:1543).
According to Hans-R Hemmer and C. Mannel:

it is generally accepted that the relationship between the formal and the informal sector is not neutral but dynamic and occasionally even problematic. An example of this are the links that the informal sector shares with the formal economy via several intermediaries. Since most of those employed in the informal sector have no access to the official credit and banking system, they demand credit on the informal credit market. The informal credit market is dominated by wholesalers, transport entrepreneurs and money lenders who have access to the modern sector. This group thus operate in both sectors of the economy (Hemmer and Mannel 1989:1544).

For example, Miss OO is employed by a South African Police Services constable who has access to the formal sector. Miss OO's employer operates in both sectors of the economy, since Miss OO's employer generates income in both formal and informal employment. Miss OO generates a turnover of R480 per day which is none taxable like her employer's salary and earns R190 per week (Appendix B:Case 12).

Lisa Peattie points out that:

In subcontracting one sees with particular clarity that what may appear as 'informal sector' activities distinctively different in level of capitalization, firm size, and management style from the established firms of the 'formal sector' may be in actual function simply the disreputable and less-visible production end of the established firms. Extending this perception into the situation in which the tiny firms sell to large buyers and buy their manufacturing inputs from factories seems to call into question the whole notion of 'two sectors' (Peattie 1987:856).
However, Hemmer and Mannel maintain that subcontracting plays a further important role in linking the informal to the formal sector. The authors further argue that subcontracting involves formal enterprises contracting entrepreneurs from the informal sector as suppliers of intermediate products. "This form of subcontracting occurs primarily when particular lines and sectors or production prove unprofitable for formal production. They are then transferred wholly or partially to the informal economy, depending on whether the product marketing is done by the formal enterprises" (Hemmer and Mannuel 1989:1544).

Furthermore, exploration of the linkages between the informal and the formal sector has focused attention on employment relationships (Bromely 1988:98). Subsequently, the labour costs in the informal sector (there are often no incidental labour costs) reduce the operating costs of the formal enterprises. Also in some cases, subcontracting enables the formal enterprises to reduce the size to their business to such a degree that they are able to bypass the existing regulation about workers' protection and minimum wages (Hemmer and Mannuel 1989:1544). For example, the case of the informal trader Miss ZZ, who is employed by an Indian entrepreneur who owns a Supermakert near Cathedral is a clear indication on how formal enterprises reduce the size to their businesses in such a way that they bypass the existing regulation about workers' protection and minimum wage and generate turnover which is tax free. Miss ZZ operates a fruit selling business in Cathedral as part of her duties, although she was initially employed as a cleaner in the record bar. She works six days per week and earns R160 per week of which R40 is spent on transport. The business makes an estimated turnover of R400 per day which is tax free (Appendix B:Case 25).

The process of bypassing the existing regulation about workers' protection has been conceptualized by Ray Bromely as a continuum of employment relationships that range from career wage-work to career self-employment. For example, the case of the informal trader known as Miss J who entered the informal sector because she wants to accumulate capital to start her own informal trading business is a typical event which depicts an element of career wage worker to self employment (Appendix B:Case 18).
Additionally, this study discovered that fifty three percent of the informal traders interviewed in Cathedral prefer remaining to this sector, as indicated by Figure 2.1 in this chapter.

Between career wage worker and self employment, Ray Bromely distinguishes four types of casual work that range from short-term wage-work, through disguised wage-work and dependent work, to unstable self-employment. These distinctions serve to make the point that most of those engaged in the least secure work, while seemingly self-employed, in fact enjoy little autonomy and have rather inflexible working regimes and conditions (Bromely 1992:99). For the purpose of this discussion we shall pay attention to disguised workers.

According to Ray Bromely, a 'disguised wage-worker' is paid according to output, like much wage-work-the difference is that is conducted off-premises. For example, Miss JJ who works as an informal trader in the Cathedral is a disguised wage-worker. She is employed by Miss DD who owns a supermakert in G section at Umlazi (Appendix B:Case 27).

The relationship between the formal enterprises (supermarket) and the street trader (Miss JJ) is "designed to maintain the image of independence on the part the street trader, and to protect the formal enterprises against the higher distribution costs that would be incurred by the use of wage-workers, who would have to be given national minimum wage and given all the benefits (paid holidays, pensions, redundancy pay, social security etc)" (Bromely 1978:1165). For Miss JJ, however, it means that "income opportunities are precarious and unstable, and that there is virtually no insurance against increased competition, inability to obtain merchandise, illness, accidents, old age, domestic crises" (Bromely 1992:99). Therefore, the wide spread assumption that the informal sector is the province of the poor is thus subject to important qualifications. Hence, Ray Bromely (1992:98) argues that low incomes are also common in the formal sector: where many large firms employ substantial numbers of casual workers at low wages, without fringe benefits, and unprotected by social security as in the case of Miss
Marketing informal finished products through the formal sector is another form of subcontracting. Marketing offices in the formal sector buy products from the informal enterprises either directly or take the goods on commission and then sell them for a multiple of the purchase price. This is particularly prevalent where barriers to market entrance keep the informal enterprises from selling their products directly to the final consumer. This marketing of informal products by formal enterprises often leaves the producers with very low incomes. Thus they remain in a state of absolute poverty. Furthermore, they have no opportunity to exploit technological innovations which would increase the productivity of their enterprises. Additionally, in the long term they are kept from building up their own marketing systems (Hemmer and Mannel 1989:1545).

The formal sector sometimes uses the informal one to sell its products, as long as the sales expenses in the informal sector are considerably lower than those of the formal sector. As market prices of the informal product are low, many members of formal sector buy informal goods and services not only for daily needs, but also products of petty trade and handicraft. On the other hand, the members of the informal sector also demand goods and services from the formal sector (Hemmer and Mannel 1989:1546).
Looking around the world at various success stories like in Japan, the US and Germany, it is apparent that a healthy economy needs both small business and big business. A negative attitude towards big business is as counterproductive as laws that stifle small business. The objective of small business is usually to become big, and if this is not constrained in any way, big business will be subjected to market forces which ensure that it can only retain its share by offering goods and services at competitive prices ("Strange Encounter" 78).

South Africa has joined the global small business revolution. Small business now appears to account for nearly all new job creation, and a great deal of 'unrecorded' economic growth. The small business revolution in South Africa takes place against the background of the wave of deregulation, privatisation and pro-small business sentiment that is sweeping the world.

Danny Kekana (1994:4), recognises the South African informal sector as characterised by the dualist theoretical approach discussed earlier, i.e. the informal sector is subordinate and dependent on a capitalist mode of production and it cannot exist as an autonomous sector outside the capitalist system. For example, the system of capitalism produces unemployment and poverty especially in the third world. As a result of high rates of unemployment, the working class ventures into informal sector activities in order to alleviate unemployment. Furthermore, following a continuing debate on the concept of the informal sector, it is apparent that defining informal sector on the basis of activities/enterprises "makes it possible to isolate the development policies that have a bearing directly on the dualistic nature of the urban economies and hence on employment promotion and income distribution" (Sethuraman 1981:15).
Recognising the above mentioned prevailing arguments, the Department of Trade and Industry in a post apartheid South Africa locates the definition of the informal sector within activities/enterprises. The term informal sector is totally dropped from the White Paper on National Strategy for the Development and Promotion of Small Business in South Africa tabled by Trevor Manuel (Minister of Trade and Industry) on 20 March 1995 and replaced by micro enterprises. The White Paper also recognises the diversity of the small business sector in South Africa with its own structures, problems, growth potential and access to support which differs widely between segments. According to the White Paper (1995:10), these differences relate as much to the economic sectors—retailing, manufacturing, mining, etc.—as they relate to the stages of growth of enterprises, viz. start up, expanding or stagnating.

The Small, Medium and Micro Enterprises (SMMEs)

The White Paper (1995) stipulates that from a broad strategy perspective the most important distinction is between survivalist activities, micro-enterprises, small enterprises and medium-sized enterprise, with the general term 'small business' and the abbreviation 'SMMEs' widely used to contrast this sector with big(ger) business. Due to the similarity of some of the obstacles facing them, survivalist and micro-enterprises are often lumped together, whereas a category warranting particular attention.

Survivalist enterprises

According to the White Paper (1996:10) survivalists are activities by people unable to find a paid job or get into economic sectors of their choice. Income generated from these activities usually falls far short of even a minimum income standard, with little capital invested, virtually no skills training in the particular field and only limited opportunities for growth into a viable business. Poverty and the attempt to survive are the main characteristics of this category of enterprises. Furthermore, it is difficult to make a clear distinction on what really constitutes either survivalist or micro enterprises,
especially if one considers the case of Miss Z. The main reason for this is that in the micro enterprises we also find both employees and employers who trade for the sake of survival.

For example, Miss Z who is 25 years old and has two children was born in Bulwer, but now lives in Lamontiville where she rents a shack. She had her own shack when she came to Durban, before it was burnt in July 1995. Miss Z works for Mr B who is formally employed as a teacher in Umlazi and.

Miss Z did not know much about informal trading since she had been in her job for only two weeks. Her main reason for entering the informal sector is due to the fact that she could not find formal employment and she has to support her three months old child. She earns R60 per week and spends R30 on transport to work per week. She works six days in a week. The business opens at 7h00 a.m. and closes at 18h00 p.m. She makes an estimated turnover of R300 per day which is tax free. She purchases the stock from the Berea market which is approximately two kilometres away from Cathedral. Miss Z who passed her Standard 6 in 1994, would prefer to be formally rather than informally employed (Appendix B: Case 4).

Miss Z's case illustrates the point that indeed in the micro enterprises there are people who enter this sector because of poverty and an attempt to survive. Miss Z and her three months old child have to survive on the R30 she saves from her weekly wages of R60. Therefore, “support strategies should primarily help these people a large percentage of whom are women to get out of this sector” (White Paper 1995: 10).
**Micro-enterprises**

The micro-enterprises are very small business, often involving only one owner, some family member(s) and at the most one or two paid employees. They usually lack ‘formality’ in terms of business licences, value added tax (VAT) registration, formal business premises, operating permits and accounting procedures. Most of them have a limited capital base and only rudimentary technical or business skills among their operators. However, many micro-enterprises advance into viable small businesses. Earning levels of micro-enterprises differ widely, depending on the particular sector, the growth phase of the business and access to relevant support (*White Paper 1995:10*).

The case of Miss BB is a typical example of a micro-enterprise.

Miss BB is a 33 year old single woman who supports her three children with the money she earns from informal trading in Cathedral. She was born in Bhamshela and migrated to Kwa-Mashu. She came to Durban in 1994 to seek formal employment. Due to the high rate of unemployment for the unskilled workers, Miss BB could not secure a decent job, and as a result she became employed as an informal trader.

The business is open seven days a week from 8h30 to 17h30. She operates the business for her friend who pays her R180 per week and makes an estimated tax free turnover of R450 per day (*Appendix B:Case 20*).

**Small enterprises**

Small enterprises constitute the bulk of the established business sector, with employment ranging between five to about fifty employees. The enterprises will usually be owned-managed or directly controlled by the owner-community. They are likely to operate from business or industrial premises, be tax-registered and meet other formal registration requirements. Classification in terms of assets and turnover is difficult, given the wide difference in various business sectors like retailing, manufacturing, professional services and construction (*White Paper 1995:10*).
Medium enterprises

Medium enterprises constitute a category difficult to demarcate vis-a-vis the "small" and "big" shareholding or community control base could be more complex. The employment of 200 and capital assets (excluding property) of about R5 million are often seen as the upper limit (White paper 1995:11).

THE ROLE OF THE MICRO ENTERPRISES IN THE ECONOMY OF SOUTH AFRICA

In many countries, the small business sector is the backbone of the economy, providing jobs and a means for large companies to out-source tasks. In most parts of East Asia, Europe and the United States, small business constitute the backbone of the economy (Trevor Manuel cf. Naidú 1995:12). For example, small business constitute the backbone for the private sector in Denmark. Companies with less than ten employees account for more than 80% of the total number of Danish enterprises and companies of less than 50 employees account for as many as 85% of all industrial enterprises. The small business sector also plays an important role as sub-contractors to larger companies (Developer 1995:9).

This also applies to South Africa, where the small business sector has been neglected during much of century following the discovery of diamonds and gold, and the establishment of a modern capitalist economy with almost white control (White Paper 1995:11). In the micro-enterprises operating in Cathedral area Fifty Three percent of the street vendors are employed in this sector, who earn a surviving wage as opposed to a living wage. For example, Miss J who has three children earns R160 per week and a portion of R40 is spent on transport which takes her to work (Appendix B:Case 18).
Furthermore, Gary Mersham and Chris Skinner (1992:33) contend that the informal sector in this country fulfils a social and economic function which neither state owned corporations nor the foreign transnational corporations, can perform. Due to their intimate knowledge of the clientele they are able to determine more precisely the real and basic needs of the society and thereby render people-oriented, as against a purely commercial service. The main reason for that is due to the fact that “the informal sector frequently targets products specifically designed for the low-income market...[subsequently], the informal sector is forced into a position whereby it must pay higher prices for its purchases, but can only ask lower prices for its output, the difference being reaped by the formal sector” (Dewar and Watson 1991:5-6). For example, it is highly likely to pay 40 cents for one apple at Cathedral instead of the more usual 50 cents, whereas one could not negotiate at OK or Checkers to pay less than the usual price.

**Contribution to the Gross Domestic Product (GDP)**

According to *Central Statistical Services* (1995:i), the population of a country is divided into two parts, namely the economically active and the not economically active population. The economically active population consists of employees (in both the formal and the informal sector) and unemployed persons.

On the other hand, the not economically active population consists of children, students, retired persons and all other persons that cannot be classified as employees or unemployed persons. In the whole of South Africa an estimated number of economically active population is 25 694 254 million and KwaZulu-Natal has a share of 5 253 513 million.

On the basis of a population of 40 648 574 in greater South Africa and a labour supply of approximately 11 million to 12 million, about 1 574 584 persons are employed in the informal sector and about 87 532 of these are estimated to be employed full time in the formal sector, but are also involved in part-time in the informal sector (*Central Statistical*
Services 1995:1). In the whole of KwaZulu/Natal with an estimated population of 8,577,799 million persons and a labour supply of approximately 2 million to 3 million, about 331,036 persons are employed in the informal sector and about 15,310 of these are estimated to be employed full time in the formal sector, are also involved part-time in the informal sector. Also see Table 1.2 in Chapter One.

The informal sector’s contribution (in terms of added value) to the gross domestic product (GDP) for 1994 is estimated at R25,744 million in terms of the present results (Central Statistical Services 1995:iii). Gross domestic product refers to the total final output of goods and services produced by an economy, that is, by residents and nonresidents, regardless of the allocation to domestic and foreign claims (The World Bank Report 1985:X). The informal sector in KwaZulu/Natal’s contribution (in terms of added value) to the GDP for 1994 is estimated at R4,142 million in terms of the present results (Central Statistical Services 1995:iii).

The significance of these estimates and their likely future trend should be seen in the context of

- structural changes currently taking place in Southern African economy after South Africa’s admittance to international arena;
- the rapid rural-urban shift of the Southern African population has forced many new town dwellers to create their own jobs inside the mushrooming cities;
- the decline in agricultural employment and the stagnation of mining employment, which have shifted the emphasis towards job creation in the manufacturing of and services sectors, where self-employment and informal activities offer wide scope;
- the decline in real earnings among many lower and middle level white employees, which has forced households to look for supplementary earnings, much of which comes from the informal sector (through moonlighting, home-based services, etc.);

46
• the rise in overall living standards has broadened the market for hobby-related and specialised service activities which are also often practised on an informal basis; and

• cyclical unemployment also compelled retrenched workers to look for self-employment as an alternative to regular jobs ("Strange Encounter" 79).

CONCLUSION

The chapter has briefly reviewed a body of literature which presented theories and paradigms that underpin the existence and origins of the informal sector. Furthermore, the chapter established that on a definitional debate there seem to be a positive trend of classifying the informal economy as an activity/enterprise. The idea behind classifying the informal sector in this way is due to the fact that it is possible to formulate development policies which could facilitate the task of assisting the informal sector activities/enterprises directly and indirectly by providing the necessary assistance. Most importantly, this chapter identified a relation between the informal and formal activities as inevitable, hence the informal sector is perceived as an important generator of jobs, a valuable avenue towards the formation of more formal businesses and for large companies to out-source tasks. Lastly, the small business sector has been recognised as the backbone of the economy in many countries and such a contribution has been presented in a form of case studies which outlined the
CHAPTER 3

THE ROLE OF MASS MEDIA IN THE ACTIVITIES OF THE MICRO-ENTERPRISES

INTRODUCTION

When most of the population does not have access to mass media, the possibility of being informed about one’s rights is limited, and access to information required to influence political decisions is restricted. Consequently, one of the major tasks facing any form of media policy in [South Africa] today is to extend the media to the [disadvantaged] population (Gecau 1994:44).

Many research papers and much literature has been written in the field of micro-enterprise economy in South Africa, outlining the constraints that this sector experiences in its daily economic activities. (D. Kekana, 1994), (C. Rogerson, 1987), (C. Rogerson and Preston-Whyte, 1991) (Mantle, Harrod and Nel, 1992), (D. Dewer and V. Watson, 1990). These papers articulate the extreme difficulty of defining the concept of the informal economy and in contrasting both sectors as indicated in the previous chapter. Some call for a need for training in the micro enterprises to be placed in a development context. Finally, there is a call for a need to provide financial assistance as well as government support initiatives in policy terms to address these problems.

The major focus of this chapter, therefore, would be to review development communication issues based on existing literature on mass communication. The literature on development communication would be used concomitantly with case studies on the micro enterprise traders to analyse the claims embedded in my hypothesis. Also the scope of this chapter would include critiquing a White Paper on Small Medium and Micro Enterprise (SMME), which also recognises the problem of lack
in adequate communication patterns as hampering economic development of this sector and the country at large.

Whenever a distinction is made between the formal and informal sector economy (see Table 2.1 in Chapter Two), the fact that the latter does not own means of media production to reach its clients (for advertising purposes) and that it also lacks access to adequate, relevant and consumable information and advice is not mentioned. Whereas an appropriate mass media could be a potential challenge to address the above mentioned existing inequalities between these two sectors. Also mass media could provide the awareness and skills to develop the workers and petty entrepreneurs in the micro enterprises. Furthermore, in the field of communication for development, a rich interactive text exists. However, I am unaware of any work directly linking the question of media for development with the communication needs of the micro-enterprise workers and petty entrepreneurs.

On the basis of this background, it is highly likely that a large number of workers and the petty entrepreneurs in the micro enterprises “operate their businesses on decisions based on guess work or chance” (Mersham and Skinner 1992:33). The main reason for this might be that these workers and entrepreneurs do not have access to mass media to keep them informed about the government’s parastatal initiatives to address the problems of this sector as a positive response to the proponents of the micro enterprise economy. Another reason might be that an appropriate mass media which disseminates information suitable for the micro enterprise consumption is not accessible to most informal traders.
DEFINITIONS OF BASIC TERMS

Mass media

In everyday speech the term media is associated with a group of communication devices which spread information to large audiences, the so called mass media, i.e. television, radio, newspapers, film and magazines. However, this is a rather narrow definition of the term, since it does not specifically include the media with which mankind, from its earliest days, has developed to communicate: i.e. verbal language, body language, dance, music, decorations, ornaments, drawings etc (Boeren 1994:122).

For the purpose of this paper, this term will be used in its broader and more fundamental sense, implying the many methods people use to exchange ideas. Hence, almost all the activities in the micro enterprises are carried out through the use of traditional communication or earliest communication.

Development

Development is conceived as a multi-dimensional process involving major changes in social structures, popular attitudes and national institutions as well as the acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty (Gecau 1993:42).

... (A)s the improvement in the human life condition at individual and societal levels which is achieved through desirable but fluctuating changes or adjustments in the environment. Environment refers to the sum total of all that goes into making the human life situation which includes the physical surroundings as well as the psychological states of being (Kasoma 1994:77).
Communication

According to Gorden Hedebro (1982:4), communication is perceived as the process whereby someone sends a message or signal to someone else and in turn receives a response. The process may occur on more or less equal bases. However, Francis Kasoma (1994:79) maintains that communication means the sharing of the environment between people which takes place at various levels. One of these levels is that of mass communication, which may be seen as the sharing of the environment between people through mass media.

Community

From the development point of view, community could be defined as "a group of people in a loosely defined geographic area who come together to explore their cultural context, establish agreed upon goals for development, and provide support to individual and group action" (Nair and White 1994:166). The micro enterprise workers and petty entrepreneurs sell their products in a loosely defined geographic area i.e. they are found sitting or standing behind tables used as counters on the street corners of Cathedral or Berea Station and they come together from different environments sharing their problems of poverty to survival, as a result they become a community which needs policies and assistance to develop their economic activities.

Participatory Communication

According to Pradip Thomas (1994:52), in normal communication parlance, participation means people's involvement in all stages of a communication project, be it interpersonal, mass media based, or traditional media based. The concept of participatory communication is very essential for searching and addressing the communication gap between the poor and the rich, as well as between the development of policy planners of the micro enterprise economy and the participants in the sector.
Development Communication

The concept of development communication may be defined as the democratic sharing of the environment by people who want to improve their life situation individually and collectively (Kasoma 1994:79). The relevance of this concept in this study is based on the recognition that the micro enterprise workers want to improve their living conditions and to support their families within their environment. It is therefore, imperative to provide information which would reflect the aspirations of the micro-enterprises.

Information

Gordon Hedebro (1982:4) points out that this concept carries several meanings. Firstly, it refers to the content of a message, a message can be more or less informative. Information can, however also denote a one-way flow of messages from sender to a receiver. Information can be therefore, any message that resolves uncertainty. The role of providing relevant information and the use of appropriate communication channels which resolves uncertainty is imperative for any development project targeted at the micro enterprise workers and entrepreneurs.

THEORETICAL FRAMEWORK IN THE FIELD OF MASS MEDIA FOR PARTICIPATORY COMMUNICATION

Paradigm of development

In the interest of development ends, the state has a right to intervene in, or restrict, media operations, and devices of censorship, subsidy and direct control can be justified. Media should accept and carry out positive development tasks in line with nationally established policy. Freedom of the media should be open to restriction according to : economic and development needs of society.
Journalists and other media workers have responsibilities as well as freedoms in their information gathering and dissemination tasks (McQuail 1987:121).

The communication media, in the context of development, are generally used to support development initiatives by the dissemination of messages that encourage the public to support development-oriented projects. Although development strategies in developing countries diverge widely, the usual pattern for broadcasting and the press has been predominantly the same: informing the population about projects, illustrating the advantages of these projects, and recommending that they be supported (Serveas 1995: 1).

The approach suggests that all development initiatives should be functional, that is, "the media exist to meet certain needs or requirements of society and that a function refers to the meeting of such needs" (McQuail 1987:73). The 'information function' in the mass media can refer to three quite separate things: that media try to inform people (purpose), that people learn from media (consequence) and that media are supposed to inform people (requirement or expectation) (McQuail 1987:69). Despite many difficulties that surround a functionalist approach, one of the reasons McQuail suggests as important in retaining this approach is: it provides a link between empirical observation of media institutions and the normative theories about how media ought to work (McQuail 1987:70).

The normative theory which underlines and explains the crucial role the mass media institution ought to play for the improvement of the micro-enterprises is the theory of development. According to Denis McQuail (1987:120), this theory is opposed to dependency and foreign domination and to arbitrary authoritarianism. It is for the positive use of the media in national development, for the autonomy and cultural identity of the particular national society. To a certain extent the development theorists favour democratic, grass-root involvement, thus participative communication models. The one thing which gives most unity to a development theory of the media is the
acceptance of economic development itself (thus social change), and often the correlated 'nation-building', as an overriding objective.

In another angle of development, the paradigm of modernisation is based on the logic of an economic metaphor, with the public sphere defined as a 'free market "where the central protagonists of development are economic entrepreneurs" (White 1994:1), as a result "the dominant philosophy development explicitly presumed that the press would be privately owned with little or no interference from the government" (Hedebro 1982:40). This long standing Western tradition is implicit in the hallowed principle of 'freedom of the press'. In a development perspective, however, the drawbacks are obvious. Since the chief purpose of a privately owned press is to produce a profit for the owners, development subjects are taken up only if they are considered profitable. The target group for newspapers is, quiet naturally, people who are literate. These groups are better educated than the majority, most of them live in urban areas, and on the whole they enjoy better living conditions than the majority (Hedebro 1982:40-41).

The theory on development helps us to understand the main reason why the development projects of the micro enterprises have not been given a satisfactory mass media coverage over the past decades and the slow progress to report on these issues even in a post apartheid South Africa. The mass media in South Africa is often targeted to a small group of professional elites, most of whom already have access to necessary information, since they enjoy better living conditions compared to the micro-enterprise workers and entrepreneurs. For example, the case studies of Mr X and Mr N show the living conditions the informal traders experience and the need for the government to develop a functional approach that this theory proposes in relation to development projects.

Mr N cannot read and write, as a result he does not obtain information from newspapers and business magazines to update him about important events taking place around him. He does not listen to any radio station but he uses his radio to play cassettes. The only type of media to which he is exposed is television news which he seldom watches. He
is totally unaware, of programmes concerned about small business which are broadcast on NNTV and radio. Since he is illiterate, newspapers are of little use (Appendix B: Case 3).

The case studies outlined above as well as the one below of Mr X give us a clear picture of the background and mass media constraints that the micro enterprise workers and entrepreneurs experience.

Mr X does not use any mass media to inform his customers about his business operations or special offers in the business. Since Mr X is illiterate, he only listens to a radio, watches television. He owns a radio, and has access to a television through his neighbour. He only watches television for entertainment.

Mr X is unaware of, and less interested in knowing about, any small business programme which is aimed at informal business on any mass media. For him, there is no any relationship between his business operation and the mass media. He does not perceive the role of the media as crucial for his business operation (Appendix B: Case 1).

From these case histories, one can conclude that a large proportion of micro-enterprises operate their businesses on decisions based on guess work or chance as argued by Mersham and Skinner. Subsequently, the possibility of being informed about development initiatives and relevant advice for upgrading the micro enterprises is limited. Lack of access to adequate, relevant and understandable information in the micro-enterprises justify the need for functionalist approach with the government intervention particularly in relation to the process of disseminating messages that are aimed at developing micro enterprise sector. By government intervention, we mean a situation whereby the private media institution would be forced to report on development projects as Denis McQuail has argued that "in the interest of development ends, the state has a right to intervene in, or restrict, media operations, and devices of censorship, subsidy and direct control..."(1987:121).
Development Variables.

Kimani Gecau (1994:43), painstakingly points out that a discussion of development further addresses other related issues such as why people behave in a certain way, what are the goals toward which they would want their society to move. In addition, how many of the changes taking place are purposefully willed and chosen by the people and how many are managed from 'above' and maybe imposed on the people. In other words, what is the relationship between power and choice, participation and manipulation and domination in development?

The question must also include who and what social agents decide on the direction and nature of change. For example, in the Small, Medium and Micro Enterprises the Department of Trade and Industry is responsible for facilitating the operations of the informal sector and media penetration to provide adequate information which is useful for the daily activities of the micro enterprises. Important questions to ask are is the idea of social change itself perceived as originating from the legitimate aspirations of the people, or is it seen as part of the history of colonial impositions and presumed economic progress related to more traditional values? What are the best forms of government which would ensure the egalitarian and just development of all people (Gecau 1994:43)?

Gecau further points out that there are several factors within development which cannot be separated especially if we approach development as a change in the individual, community and nation, and how this change is brought about, regulated and controlled in order to serve the human being for the humanisation of the world (Gecau 1994:43-44). These are:

The economic factors including such notion as equity, the distribution and access to the products of development by all, the creation of a self-reliant economy which nonetheless takes into account the inter-dependent nature of the world (Gecau 1994:44).
As noted in Chapter Two, in many countries such as Denmark, Latin America and the United States of America, the micro enterprise economy is the backbone of the economy, providing jobs and a means for large companies to out-source tasks. Whatever the past, present or future position and function of the [micro enterprise sector] in a country's economy, it remains the manifestation of the free market system. Furthermore, the [micro enterprise] requires entrepreneurship which is a profound, powerfully penetrating human process with important possibilities in terms of independence, creativity and personal development (Visagie 1993:13).

It is of paramount importance therefore, that the contribution of micro enterprises in the economy should not be hampered by a lack of accessibility to the product of development and the creation of self reliant economy, such as:

The political factors including the problematic notion of empowerment which refers to the poor so that they too benefit from development. It implies their participation in decision-making and action both of which are oriented to the future which they have decided to pursue (Gecau 1994:44).

For the micro enterprise this would mean that the policy makers would have to implement development strategies that address constraints already recognised such as financial assistance and providing adequate information to the micro enterprises workers and petty entrepreneurs.

The human factors: Empowerment of people includes capacity building in order to have sustainable development by increasing and expanding the ability of people to make and act on decisions on their own behalf, to make and control change. This also means providing opportunities and raising the general educational and cultural levels of people, increasing their self-esteem, confidence and sense of identity and belonging (Gecau 1993:45).
Lack of self confidence and low self-esteem is the problem for the micro-enterprise workers, for instance in the case of Mr C who views mass media as having an important role in updating him about the current world. Unfortunately, Mr C is unaware of any programme in any media which offers information about small business opportunities because he did not imagine that there would be any media that would bother to focus attention on the people selling on the street (Appendix B: Case 2).

Addressing the problem of lack of confidence and self-reliance is a fundamental aspect for the process of empowering the workers and petty entrepreneurs in the micro enterprises. The validity of this claim is based on the responses of twenty of the thirty interviewees who could not believe that there are programmes which are targeted at them and the fact that the programmes on mass media also report about their activities.

DEVELOPMENT APPROACHES: COMMUNICATION AND MASS MEDIA

Kimani Gecau (1994:45) complains that the development approaches have a common tendency to raise doubts and scepticism about the potentialities of people in the developing countries to develop themselves. As result "these approaches do not address development as a process in which people creatively interact with each other and with their environment as they create and recreate their material and spiritual worlds and thus themselves" (Gecau 1994:45).

The role of communication

According to Edmund Arens (1988:18), communication is one of the sources of power for social, economic and political elites. At the same time, it is the inalienable right of those who lack power. It is a means for the poor to express their sufferings and longings. Communication can be used to maintain and legitimise structures of domination and dependency, and to prevent people from recognising their needs and realising their potential. Also Gordon Hedebro (1982:11), contends that communication is very much involved in the change process, and those who have access to
communication facilities are in a position to exert a strong influence on the direction the change will take. For example, in the context of micro enterprises, communication facilities would mean the appropriate media that this paper tries to identify which would be useful in wielding a strong influence on the direction of change in this sector.

The primary purpose and implication of communication here is to provide individuals and groups with information that makes them interested in the innovation (Hedebro 1982:29). Thus the mass media can teach new skills ‘from literacy to agriculture to hygiene to repairing a motor car. The mass media can act as multipliers of resources of knowledge. The mass media are unique in the sense that they can mediate various experiences, thereby reducing the psychic and economic costs of creating mobile personalities (Hedebro 1982:29).

For example, Miss Z has an ambition to become an entrepreneur selling clothes and shoes once sufficient capital has been accumulated from trading informally in the street. From there she would open a manufacturing business which would produce clothes and shoes. Miss Z obtained inspiration from a women’s programme which is aired on Radio Zulu every Wednesday from 14h00 p.m. The programme focuses more emphasis on subsistence farming, sewing and other issues which address gender inequalities and how women can empower themselves. Unfortunately, Miss Z does not have time to listen to her wonderful programme, since she spends most of her time in the street selling fruit where she does not bring her portable radio (Appendix B:Case 4). The above case is an indication that mass media is a powerful weapon in transferring skills, knowledge and innovative ideas for people who do not have means to acquire professional qualifications in formal institutions.
Positive claims for a media contribution to development

According to J O Boyd-Barret (1982:185), the belief that media would play an important role in relation to national development, in terms both of information and of attitude change, was promoted by some western researchers in interesting contrast to an established view that in the already 'developed' world the media performed a mainly reinforcing role with respect to attitude change.

The author recognises at least four benefits that could be claimed on behalf of the role of the mass media in relation to development. These were that the mass media could:

- break down traditional values thought to be antagonistic to the process of industrialisation and modernisation;
- help to promote the attainment of an autonomous and integrated national identity;
- assist in the dissemination of specific technical skills;
- be harnessed to the task of rapid expansion of formal education and improvement of education attainment is schools.

One important way the media were seen as being able to promote economic growth through attitude change was in their role as vehicles for the advertising and the display of consumer goods (Boyd-Barret 1982:186).
The objectives of the mass media

An important aim of the media should be to teach the new skills necessary in a modern society. The modern theorists identified an enormous need for new information in all areas of rapidly changing society: education, agriculture, health, community development, industrial skills, and literacy (Inkeles and Smith cf. Hedebro 1982:16). The teaching of new skills, it was argued, would make people want even more information, especially once they could read and write, these were seen as the most important skills of all (Hedebro 1982:16).

Furthermore, J O Boyd-Barret (1982:190), maintains that the conditions for effective mass communication, in relation to the dissemination of specific technical skills, extended well beyond the communication message itself and involved an important measure of interpersonal communication, primary source of non-local information and values. But where there was less dependence on interpersonal communication, the mass media may have become more self-sufficient as effective disseminators.

Gordon Hedebro (1982:16), points out that by establishing a wide-ranging mass of media systems, knowledge and skills could be multiplied much more rapidly and inexpensively than before. The media may compensate for the lack of teachers, schools, and educational materials (Schramm cf Hedebro 1982:16). The presence of the mass media, it is argued, can expand people’s horizons and enlarge their focus of interest to include other regions besides the local one (Hedebro 1982:16)
Francis Kasoma (1995:75), establishes that the information communicated through the mass media can be used as a catalyst for development. The author further notes that:

mass media can be the consequence rather than the cause of development. In the complicated process of development process, the human being needs ideas and information which he or she then translate into reality. The mass media may not only create tastes and dreams, but they also give people some quite useful ideas of how to fulfill some of these tastes and dreams (Kasoma 1995:75)

For example, only three of the thirty informal traders interviewed: Miss ZZ (Appendix B:Case 25), Mr HH (Appendix B:Case 26) and Miss MM(Appendix B:Case 30) had an understanding of government initiatives which could fulfill their dreams as street vendors. However, their major problem is they do not know where to look for financial assistance, where to apply for business shelters and to acquire useful information about the micro-enterprises.

Lastly, the use of media for awareness-raising and empowerment of the people has been promoted by participatory development projects, most of which were supported by non-governmental organisations. In these projects, media is used to stimulate community discussions and to express the views of the community (Boeren 1994:137).
THE ANALYSIS OF MASS MEDIA CONSUMPTION AND CONSTRAINTS IN THE MICRO-ENTERPRISES

J O Boyd-Barret (1982:190), ascertains that any general discussion on mass media impact should include an assessment of the extent to which populations are actually exposed to the media. The author also contends that the most crucial factor which helps to account for exposure is physical availability of the media. Similarly, this section tries to assess the extent to which the micro enterprises have been exposed to mass media and how this sector has consumed the media for development purposes. Figure 3.1 below gives us an overall picture on how the micro-enterprise entrepreneurs and workers in Cathedral consume media.

![Mass Media Consumption Diagram](image)

**Figure 3.1**

The above Figure shows that interpersonal communication emerged with slice of the pie as the first preference in terms of reaching the informal sector, radio as the second favourite, television as the third choice and lastly the print media with the smallest slice of them all. Before analysing the data collected on mass media consumption in this sector, it is therefore crucial to look into the communication problems that are impeding on the development of the micro-enterprises.
Mass media constraints that hinder the process of democratization of communication in the micro-enterprises

Robert White recognises six major dimensions of the problem of democratization of communication that in my opinion also have an impact in the process of developing the activities within the micro-enterprises in order to expedite economic growth.

The first of these is that of access to information. Given the state of development of knowledge in a particular nation or in an international system, many people do not have equitable access to the information necessary for their basic human needs of health, educational, and national public decisions. In most cases it is not just a matter of information not being available, but also of it not being available in a form which is usable, the information either is unrelated to information needs or is presented to individuals lacking the socio-economic conditions to utilize it (White 1991:143).

A second dimension of the democratization of communication is that information input is often reserved for a small, professional elite and is largely unidirectional. Under these circumstances, the only direct influence on the input is that of the passive consumer, who may choose not to use the media (White 1991:143).

A third aspect of the problem is that, at present, decision making in all aspects of policy and administration of public communication tends to be the preserve of a small professional elite or, in commercial systems, of financial-advertising interests (White 1991:144). Most countries considering a policy of democratization of communication start with a media organization of highly centralised public broadcasting systems or with commercial firms linked with powerful financial interests. Whether public or commercial, these broadcasting institutions and newspaper organisations are managed and staffed by media professionals whose identity is dependent upon their autonomy from any kind of direct public accountability (White 1991:158).
Fourth, if access to, and control of, channels of information is a social good and the equal right of every individual, then these qualities cannot be taken as merchandise or the privilege of an 'enlightened elite'. The public has a right to demand accountability in the power of information (White 1991: 144).

Fifth, communication is an essential element in the process of change, and those who have access to communication facilities are in a position to exert a strong influence on the direction the change will take. From this point of view, it is not difficult to understand that communication has been given considerable attention in nations where socioeconomic improvements are urgently needed.

Finally, if the public is to exercise its basic rights and provide accountability for social goods, then education in the responsible use of the media and for more participation in public communications should become an integral part of basic education (White 191: 144).

Analysis of data collected on mass media consumption in the micro-enterprises

Television

Televised undoubtedly is a compelling medium. It easily attracts audiences and the viewer does not have to be literate to understand the message. Compared to radio, television has the extra advantage of the visual dimension. Television is a prestigious and powerful medium. It is a medium with authority and provides audiences at competitive cost, provided the infrastructure is adequate and the audience's access to the medium well secured (Boeren 1994: 138).
However, despite the contribution that television could make to educate and inform the illiterates in the micro enterprises, unfortunately it reaches relatively few people since most street vendors do not have access to this medium due to socio-economic problems such as cost of television licences, electricity and a living wage to mention but a few. See Table 3.1(a) and 3.1(b). Furthermore, most street vendors could not believe that there could be a programme on television which would be focusing on their activities.

### Overall Consumption of Television

<table>
<thead>
<tr>
<th>Television Consumption</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to television</td>
<td>11</td>
<td>37</td>
</tr>
<tr>
<td>No Access to television</td>
<td>19</td>
<td>63</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.1(a)

Table 3.1(a) illustrates that only thirty seven percent of micro-enterprises have access to television and sixty three percent do not have access at all.

### A Programme On Small and Medium Enterprises on NNTV-Your Own Business

<table>
<thead>
<tr>
<th>Programme Viewing</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watch Programme</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Do not Watch Programme</td>
<td>9</td>
<td>82</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>11</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.1(b)

Again Table 3.1(b) shows that out of the portion of those who have access to television, only eight percent watch a programme on small and medium enterprises and eighty two percent do not watch the programme at all. Interestingly, the eight percent of those who watch the programme on small and medium enterprises have an education level between standard nine and ten (see Appendix B:Case 5 and Case 25). In contrast the eighty two percent consist of those who have an educational background below
Standard eight and who use television for entertainment purposes and watching news.

Ad Boeren (1994:138) maintains that a television is suited to inform people, to create awareness, to stimulate interest in a topic, to influence opinions, and to render credibility to the work of extension agents. It may even motivate people to take action: to buy certain products, to donate money to a relief organization, to separate organic from anorganic garbage, or to cast their vote in elections. For example, television could make Mr X (Appendix B:Case 1) and other micro-enterprises workers and entrepreneurs aware of the development programmes that the government has initiated and also warn them about the none existing financial institution which claims to assist informal traders who wants to expand their business in Durban station.

Radio

Bruce Girard (1994:5) points out that radio is undoubtedly the most important medium in Africa. Illiteracy and distribution problems mean that newspapers are unavailable to the vast majority of the population. Radio is available almost everywhere. Receivers are relatively inexpensive and programming is inexpensive to produce and distribute. Because television reaches relatively few people and because of its high cost, many development professionals and communication specialist still consider radio to be the most useful mass medium for developing countries. It is an important source of information for illiterates (Boeren 1994:140). Since Figure 1.1 in Chapter One illustrates that fifty three percent of the micro-enterprises workers and entrepreneurs in Cathedral are illiterate, Table 3.2(a) confirms that most of the participants in this sector have greater access to radio than to television, with fifty seven percent of the street vendors in Cathedral having access to radio and only forty three percent not having access to the medium. Also Table 3.2(b) shows how the micro enterprises utilise a radio for their business ventures.
Overall Consumption of Radio

<table>
<thead>
<tr>
<th>Radio Consumption</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to radio</td>
<td>17</td>
<td>57</td>
</tr>
<tr>
<td>No Access to radio</td>
<td>13</td>
<td>43</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.2(a)

Radio Zulu Programme on *Economic Affairs* for the Public and Enterprises

<table>
<thead>
<tr>
<th>Listenership</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listens to a programme</td>
<td>6</td>
<td>35</td>
</tr>
<tr>
<td>Do not listen to a programme</td>
<td>11</td>
<td>65</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>17</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.2(b)

In Table 3.2(b) only thirty five percent of the micro-enterprises workers and entrepreneurs listen to a programme on economic affairs which also tackle some developmental issues in the micro-enterprises. Out of a total of fifth seven percent of those who have access to radio, sixty five percent listen to radio when they play cassettes or other programmes and news in Radio Zulu. Most street vendors complained that the broadcasting time of the programme on *economic affairs* (see Table 1.1 in Chapter One) is inconvenient for the micro-enterprises, since most of them are either at work or on their way to work. For example, Miss M says that the Radio Zulu programmes on *economic affairs* are useful particularly for businesses which are regarded as formal traders not for people selling in the street. Miss M complains that these programmes are not targeted at them, since even the information on finance for business expansion only suits businessmen with fixed assets or any form of security. Miss M mentions that even the time of broadcasting is inconvenient for the informal sector traders (Appendix B:Case 5).
Radio is "accessible to all communities, and all groups, and it is not dependent on literacy in order to reach its audience" (Helge Ronning 1993:25). However, it is important that any developmental programme or relevant information for the micro-enterprises on radio should take cognisance of the suitable time that could be appropriate to reach the micro-enterprises. Thus scheduling is a vital element in reaching the target market. Therefore, an appropriate time to reach the micro-enterprises through radio could be between eight and nine at night, since most street vendors open their business between seven and ten a.m. and close between half past four and half past six p.m.

**Print media**

This group consists of a wide variety of media that have all been printed on paper, including posters, newspapers, pamphlets, books, charts, flip charts, manuals and leaflets. Printed media can combine words, pictures and diagrams to convey accurate and understandable information. The great advantage of print media is their 'shelf life' as they can be looked at or read as the viewer or reader wishes, and can be referred to time and again. Printed materials are relatively inexpensive, simple and easy to produce (Boeren 1994:138). Although print media has a relative advantage in terms of costs, production and accessibility over radio and television, there is a relatively small percentage of micro-enterprises in Cathedral who use this medium. Furthermore, a high rate of illiteracy makes it impossible for many of the micro-enterprises workers and entrepreneurs to have access to information on print media, or to be able to afford the cost of newspapers.

Table 3.3(a) below indicates that print media has only been able to secure a readership of thirty percent of the literate street vendors interviewed. The remaining seventy percent do not make use of any print media. Also, a percentage of the street vendors read more than two newspapers as shown in the sub-samples 3.3(b), 3.3(c), 3.3(d) and 3.3(e) below.
The Overall Print Media Consumption In Cathedral For The Micro-Enterprises.

<table>
<thead>
<tr>
<th>Print Media</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newspaper Readership</td>
<td>9</td>
<td>30</td>
</tr>
<tr>
<td>Not Reading Newspapers</td>
<td>11</td>
<td>70</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3.3(a)

The sub-samples below on print media consumption in the micro enterprises delineate that the micro-enterprise workers and entrepreneurs have varied tastes in media consumption. The newspapers below emerged with the highest consumption by both workers and entrepreneurs in the micro-enterprises at Cathedral.

Entrepreneurs and Workers Who Are Consuming The Natal Mercury

<table>
<thead>
<tr>
<th>Print Media</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Natal Mercury</td>
<td>3</td>
<td>33</td>
</tr>
<tr>
<td>Do not read Mercury</td>
<td>6</td>
<td>67</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3.3(b)

The table above illustrates that only thirty three percent of the respondents who utilise print media read The Natal Mercury and sixty seven percent of them are not interested in this paper. However, of those who are interested in this paper only one respondent noticed The Mercury Business Report in this newspaper (see Appendix B: Case 5).

The Natal Mercury has lately recognised the significance that the Small, Micro and Medium Enterprises play in this country as a result it reports on most crucial projects and information related to the development of the micro-enterprises.
For example, the case of Mr Gaza (Chapter Two) who started out as a barefoot township child selling peaches door to door in Umlazi, and now is currently turning over nearly R2 million a month at Fanie’s Food Market with a loan of R800 000 from SBDC. This is one of the most crucial stories which indicates the responsibility of the print media to its society. The story aims at motivating and encouraging street vendors who are struggling and selling for survival that ultimately if they work hard the possibility exists that they could be as successful as Mr Gaza. However, the fact that the informal traders interviewed in Cathedral do not read this column means that attempts to inform and develop this sector through this medium has been futile.

Entrepreneurs and Workers Who Are Consuming Ilanga LaseNatal

<table>
<thead>
<tr>
<th>Print Media</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ilanga</td>
<td>7</td>
<td>78</td>
</tr>
<tr>
<td>Do not read Ilanga</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>9</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.3©

The table 3.3© above illustrates that seventy eight percent of the respondents who use print media read Ilanga. Twenty two percent of respondents were not interested in this paper. Although Ilanga newspapers has the largest market of readership in Cathedral, it rarely reports on business issues affecting the micro-enterprises. It does not even have a column which focuses on small medium and micro enterprise as Miss M complains "I read UmAfrika and Ilanga but am worried that these newspapers do not have business columns like The Natal Mercury and The Sunday Times" (Appendix B:Case 5).
Entrepreneurs and Workers Who Are Consuming UmAfrika

<table>
<thead>
<tr>
<th>Print Media</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>UmAfrika</td>
<td>4</td>
<td>44</td>
</tr>
<tr>
<td>Do not read UmAfrika</td>
<td>5</td>
<td>56</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3.3(d)

The table 3.3(d) above reveals that forty four percent of the respondents who utilise print media read UmAfrika and fifty six percent do not read this paper. Also of the Forty four percent, no one claimed to be reading news on small business activities.

Entrepreneurs and Workers Who Are Consuming the Sunday Times

<table>
<thead>
<tr>
<th>Print Media</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday Times</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Do not read Times</td>
<td>7</td>
<td>78</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 3.3(e)

The table 3.3(e) above shows that only twenty two percent of the respondents who use print media read the Sunday Times and seventy eight percent do not read the paper at all. Furthermore, none of them read Business Times in the newspaper which reports consequential information which could develop the activities of this sector if adequately used by the consumers.
Entrepreneurs and Workers Employing Posters For Advertising Purposes

<table>
<thead>
<tr>
<th>Print Media</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Posters</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>Do not use Posters</td>
<td>8</td>
<td>89</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>9</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.3(f)

The table 3.3(f) above portrays that only eleven percent of the respondents who use print media employ Posters which advertises the fruits and informs the customers about the prizes on the market. Miss W uses posters which tells her customers about prices of the fruit she sells and special offers on the market (Appendix B: Case 9).

Interpersonal communication

The mass media [print and electronic media] may have a unique property in their ability to make things known to the public, but when a person makes up his mind about what to think of a new product, he will more likely turn to other people: family, friends, or neighbours. Together they form his net of interpersonal channels, and he can discuss the new thing he has experienced with them. One cannot discuss with the mass media (Hedebro 1994: ).

In communities where people do not have access to television and radio sets, where high illiteracy rates and poverty exists, people talk about their lives and problems with others whom they can trust and with whom they can discuss matters. For instance, Mr O a 31 years old male who supports his four children with the money he generates from informal trading, says that early in 1995 there was an agent who addressed the street vendors in Cathedral about an easy method of acquiring finance for the expansion of micro-enterprises. The agent claimed to be representing a financial institution which helps micro-enterprises situated in Durban Station. Mr O realised that his business needed to increase the stock. He decided to look for financial assistance. He was
informed that in order to be eligible for the loan of R500, the informal traders would have to be a group consisting of ten members. Each informal trader contributes R100 for the application to be processed, which means a group would have to contribute a total of R1000. Until now Mr O has not received the loan and as a result he would only trust people who have been directly sent by the government directly to inform them about programmes relating to finance and other relevant projects (Appendix B: Case 8).

The case of Mr O illustrates a willingness on the part of the street vendors to trust individuals who wish to capitalise on their daily problems and at the same time come-up with practical solution to resolve those constraints. On the basis of this case, it is highly likely that the person who informed the street vendors in Cathedral about the place in Durban which grants loans for the micro-enterprises to expand their businesses could be a trustworthy person with whom they might discuss their problems, even though the information was misleading.

Most of the activities in the micro-enterprises rely on interpersonal contact, since the street vendors do not own any means of media production and cannot afford to pay for advertisements to reach their customers. Furthermore, the micro-enterprises workers and entrepreneurs use only oral communication and display of products to attract their consumers. Subsequently, they depend on the information generated amongst themselves or interaction with friends, families and public in general. A rebuttal to the method that the policy markers should employ in order to reach the micro enterprises, signifies that this sector would accept information that is articulated by a person who represents an organisation rather than the media [print and electronic media]. For example Mr C argues that during the apartheid era the Durban Municipal Authorities used to address them regarding the payment of levies and when they would have to evacuate the passage or the street displayed with their products. As a result, Mr C prefers oral communication regarding changes (Appendix B: Case 2). Also see Table 3.4
The Most Appropriate Medium To Reach The Micro-enterprises

<table>
<thead>
<tr>
<th>Medium</th>
<th>Number of Street Vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agent/Person</td>
<td>20</td>
<td>67</td>
</tr>
<tr>
<td>Print and Electronic Media</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Do Not Know</td>
<td>8</td>
<td>27</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 3.4

Table 3.4 illustrates that sixty seven percent of the street vendors who participate in the micro-enterprises would prefer that the government, private and public sector, non governmental organisations send their officials to address them about any developmental projects. Six percent of the street vendors said the priority should be given to both print and electronic media and the Twenty Seven percent did not know which method the above mentioned institutions should use to reach them.

A CRITIQUE OF A WHITE PAPER ON NATIONAL STRATEGY FOR THE SMALL, MEDIUM AND MICRO-ENTERPRISES (SMMEs)

Des Parker (1995), reports that the decline in job creation opportunities in the formal sector, job creation through self employment is regarded by government and the private sector as a priority. Furthermore providing assistance to small business sector has been portrayed as a seductively another way of alleviating the crisis of unemployment and opening up of business opportunities, as government's intervention would provide an arena for achieving national and personal economic well-being. Subsequently, relevant information for improving entrepreneurial business is an important factor for any government to provide, especially if one considers the fact that "not everybody is equipped genetically, educationally or socially to become an entrepreneur" (Parker 1995). Additionally, given the fact that the micro-enterprises have been "disadvantaged by an incomplete education or lack of property (to use as loan collateral) generally need a lot [of relevant information to acquire adequate skills] before they are able to run
successful, self-sustaining businesses" (SA Development Digest cf. Parker 1995).

Similarly, the Department of Trade and Industry tabled a White Paper on 20 March 1995 in the Parliament which recognises the lack of access to appropriate, relevant and understandable information and advice as one of the most important problems of small enterprises, in particular micro-enterprise, survivalist and small start-up enterprises. Due to past discrimination and lack of opportunities, black entrepreneurs have not been provided with adequate business practical advice. Consequently, one of the street vendors complains "I do not believe that knowing about the government initiatives and a new Bill about my business is important because the government has made a lot of promises that it did not keep" (Appendix B:Case 1). The White Paper stipulates that in South Africa some progress has been made with the preparation of information material relevant for small enterprises and the dissemination of information and advice. However, the number of enterprises effectively reached remains small, compared to the vast number of people involved in self-employment in both urban and rural areas (White Paper 1995:11).

The White Paper envisages an operational principle which would ensure that information and advice is as focused and sector-orientated as possible. The information and advice would be supplied at grassroots level to enable street vendors like Mr X and others to realise the policies and strategies put in place for the best benefit of the micro-enterprises. Responsibility for the preparation and dissemination of relevant material falls on all the agencies active in the SMME support sector, i.e. public, parastatal, private and NGO, operating at the national, provincial and in particular local as well as sectoral levels (White Paper 1995:11).

According to the White Paper the involvement of government to get business information and advice within reasonable distance to all enterprises and to those interested in self-employment will be guided by the following principle:
The Department of Trade and Industry accepts responsibility for the dissemination of both data and information related to the national small-business scene, strategy framework and the availability of support services all over the country. This will be done through an Annual Small Business Report or Handbook, which is to be produced in co-operation with the Nstika;

In order to facilitate the systematic spread of business-related information and advice, the establishment of a decentralised, country-wide network of Local Service Centres (LSCs) is envisaged;

As a rule the government will not be directly involved in the preparation or dissemination of information and advice. The bulk of this should be undertaken by private institutions, NGOs and self-help or group initiatives, with financial support-as far as possible within the constraints of the budget-largely limited to information seekers unable to meet the cost of such services. Such support will primarily be channelled via the LSCs, and

Individuals operating as mentors and interacting regularly with advice seekers will be effectively used, especially if the advice is focused, the mentor has extensive experience and is able to communicate effectively with entrepreneurs.

"Before you can teach a man to fish, find out why he cannot" (in SA Development Digest cf. Parker 1995). Following this line of thought, the assumptions underlying assistance [in providing relevant information to the micro-enterprises] is based on the premise that "it is better to teach a man to fish than to give him a fish" (in SA Development Digest cf. Parker 1995). For example, the Department of Trade and Industry accepts the responsibility for the dissemination of both data and information related to the national small business scene. Also, the process of dissemination of information will be done through an Annual Small Business Report or Handbook, which is to be produced in co-operation with the Nstika. The decision of providing information to the micro-enterprises through a Handbook has been done without investigating properly why the micro-
enterprises still lack access to adequate, relevant and useful information for
development purposes. Using a Handbook for the SMMEs is a good thing, however,
due to the fact that the micro-enterprises have been disadvantaged by an incomplete
lack of education as also indicated in this study, information regarding strategies and
policies for the micro-enterprises will only be accessible to better educated group which
excludes the majority of the micro-enterprise workers and entrepreneur. The *White
Paper* recognises the need to utilise mentors for the purposes of transferring skills and
information advice as this study has established that the most appropriate way of
reaching the micro-enterprises is through mentors. However, such a recognition is
pointless if the Department uses print media for dissemination information to the micro-
enterprise which neglects most informal traders. The target group for the print media,
is quite naturally, people who are literate, who enjoy better living condition than the
majority (Hedebro 1982:40-41).

The *White Paper* also suggests that as a rule the government will not be directly
involved in preparation or dissemination of information and advice as a results private
institutions will undertake this responsibility. The theory of development as indicated
earlier that it favours the positive use of the media in national development, for the
autonomy and cultural identity of the particular national society. To such an extent that
government's intervention is justified, since the chief purpose of a privately owned media
institutions is to produce a profit for the owners. Therefore, development projects are
taken up only if they are considered profitable. Following this argument, one can
conclude that the projects on the micro-enterprises will be made accessible to the
beneficiaries only if they are to the advantage (profit) of the private owners of media
institutions. As a result, the government and policy-markers would never overcome the
problem of lack of access to adequate, relevant advice for upgrading the micro-
enterprises if the responsibility for disseminating policies and strategies are entirely
carried out by private institutions.
CONCLUSION

The major focus of this chapter was to search for appropriate mass media to be used when reaching the informal sector. Also to briefly review development communication issues based on existing literature on mass communication. Most importantly, the literature was used concomitantly with case studies, since in the field of communication for development there is no work known to the author linking the question of media for development with the communication needs of the micro-enterprises workers and petty entrepreneurs. Finally to critique a White Paper on National Strategy for the Small, Medium and Micro Enterprises tabled by the Department of Trade and Industry, which recognises the problem of lack in adequate communication patterns as hindering economic development of the micro-enterprises.

This chapter established that mass media has an important role to play in the dissemination and transfer of specific technical skills, information and knowledge to the micro-enterprises. However, the government has to play a dominant role in ensuring that development projects are accessible to the disadvantaged communities through restricting media operations, and devices of censorship, subsidy and direct control in the interest of development ends. Subsequently, there has to be a provision for the establishment of mentor operation in the whole country in a bid to disseminate information and necessary skills for the micro-enterprises, since the street vendors feel more secure and confident when they are addressed by a person with whom they will develop mutual trust.
CHAPTER 4

AN EVALUATION OF THE STUDY ON MASS MEDIA FOR THE MICRO-ENTERPRISES

INTRODUCTION

This is the last section of the study which tries to search for an appropriate media to reach the micro-enterprises for development projects and useful information to help micro-enterprises to expedite economic growth both on a micro and a macro level of the economy in a post-apartheid South Africa. In this chapter, an evaluation of my hypotheses, recommendation and conclusion is made. The procedure for accepting or rejecting the hypothesis would be based on the higher percentage of the micro-enterprise workers and entrepreneurs in either overall or sub-sample in a group. A verdict for the acceptance of the hypothesis would be based on the fact that is true for the majority overall or sub-sample group. The hypothesis will be rejected on the basis that its result is based on a minority sample of the micro-enterprise workers and entrepreneurs. Applicable case studies would be used to reinforce any argument.

EVALUATION

The first hypothesis is that the micro-enterprise workers and entrepreneurs do not see the role of the print and electronic media as crucial to their daily activities. This study found that although the micro-enterprise workers and entrepreneurs consume print and electronic media, only eleven percent of the sub-sample used posters (as part of print media) to reach the consumers for advertising purposes.
Hence advertising is directly disproportionately towards the small circulation elite media. As a result, this contributes to the information gap between rich and poor, since the greater revenue enjoyed by the elite media improves their coverage and presentation (J. O. Boyd-Barret 1982:183).

Furthermore, the investigation revealed that the micro-enterprise workers and entrepreneurs see their businesses making profits without any involvement of the mass media. For instance, Mr G does not see a relationship between his business operation and the mass media. He does not see any role of the media as crucial for his business (Appendix B:Case 15).

At the same time the street vendors feel there is a communication gap between them and the media organisations. A need exists to provide information related to financial support, shelter, training and of any other relevant support to the sector to facilitate the progress of their businesses. Despite the words of one of the micro-enterprise entrepreneurs, Miss ZZ who claimed to have heard about the government’s plan to support small businesses in this country (Appendix B:Case 25), none of them knew the whereabouts of those institutions established to provide the service to the sector. The first two findings coincide with the claim located within the hypothesis in question. The other two findings only give us a picture of the communication gap between the micro-enterprises and the policy makers who are the catalysts in the development of the sector, which in fact does not dispute the assumption. Therefore, on the basis of these findings the hypothesis that the micro-enterprise workers and entrepreneurs do not see the role of the print media and electronic media as crucial to their daily activities is accepted.

81
The second hypothesis is that most street vendors have more access to watch television and to listen to a radio for updating themselves about things taking place around them. The study found that only thirty seven percent have access to watch television, and only fifty seven percent have access to radio. Looking at these findings in isolation, one could be tempted to conclude that the hypothesis is partially true, since the radio share of the market seems to be well represented when compared to television in terms of accessibility.

The third hypothesis is that the print media (newspapers) only addresses the needs of the small and medium size entrepreneurs with a strong educational background. The study discovered that there are very few micro-enterprise workers and entrepreneurs who use newspapers for their business purposes. It was found that only thirty percent used print media and seventy percent did not consume print media at all. Furthermore, in the sub-samples (i.e. nine micro-enterprise workers and entrepreneurs, constituting the thirty percent of those who consume print media) it was discovered that the Zulu papers were read more than any other papers in Cathedral and the English newspapers were the least consumed papers. Ilanga came up with the highest readership of seventy eight percent, UmAfrika as the second highest read paper with forty four percent, The Natal Mercury with Thirty Three percent and the Sunday Times with the lowest percentage of twenty two percent. However, only two street vendors have noticed that there are business columns which report on the issues affecting the micro-enterprises.

Again the level of education had an impact on the use of the print media. The findings also indicate that ninety three percent of the street vendors in Cathedral have an educational background below Standard Nine. Fifty three percent are illiterate. Thirteen percent have Standard Five or below, twenty six percent completed Standard Six to Eight and seven percent claimed to have completed Standard Ten and appeared to be the ones who are interested in English papers (see Appendix B:Case 5 and 25).
Subsequently, on the basis of these findings the print media could not be used at all for the purpose of reaching the micro-enterprises when reaching the informal sector through mass media. Therefore, the hypotheses that the print media (newspapers) only addresses the needs of the small and medium size entrepreneur with a strong educational background is accepted.

The fourth hypothesis is that the programmes on radio and on NNTV do not address the aspirations and needs of the micro-enterprises. The findings on micro-enterprises reveal that the programmes viewed or shown on the electronic media benefit few street vendors. It was established that in the sub-sample of Eleven street vendors (who constituted Thirty Seven percent of those who have access to television), Eight percent are aware of the programme on NNTV. On radio, Thirty Five percent of the Fifty seven who have access to radio are aware of the programme on economic affairs which also includes some issue on micro enterprises workers and entrepreneurs. Miss M of (Case 5) who is aware of the programme complains that:

The programmes on radio Zulu are very useful particularly for businesses which are regarded as formal traders not informal traders. These programmes are not targeted at us, for example the information on finance for business expansion, only suits businessmen with fixed assets or any form of security. (Appendix B:Case 5).

The above findings are good indicators of the fact that the programmes on radio and NNTV are not for the micro-enterprises, in fact they are for small and medium enterprises who do not sell in the street and who have sufficient time to listen to news and programmes on development issues affecting their enterprises. The programmes have not taken into account the broadcasting time that would be convenient to the micro-enterprise workers and entrepreneurs and as a result, the programmes could not claim to be the
mouthpiece and impetus to the development of the micro-enterprises. Therefore, the claim that the programmes on radio and on NNTV do not address the aspirations and needs of the micro-enterprises is accepted.

The fifth hypothesis is that the micro-enterprises have a potential to play an important role both in providing employment and in contributing to a re-orientation of the economy of the country through the democratisation process of the media institutions.

For our communication point of view, democratisation of media institutions means that:

- communication systems should be reorganised to permit all sectors of a population to contribute to the pool of information that provides the basis for local or national decision making and the basis for the allocation of resources in society;

- all sectors of a population should have the opportunity to contribute to the information of the national cultures that define their social values. All of the public should have access to the tools of media production and to technical help for making their own programming; and

- audience should have the opportunity to collectively criticize, analyse, and participate in the communication process (White 1991:144).

The study established that on the basis of a population of 40 648 574 in greater South Africa and a labour supply of approximately 11 million to 12 million, about 1 574 584 persons are employed in the informal sector and about 87 532 of these are estimated to be employed full time in the formal sector, but are also involved in part-time in the informal sector (Central Statistical Service 1995:1). Rowan Callaghan (1995) reports that the informal sector provides employment
for almost two million people and contributes an estimated R26 billion, or around seven percent of the official gross domestic product, to the total value of all goods and services.

The study however, also revealed that most street vendors in Cathedral make non taxable turnover of between R120 and R1000 per day. Unfortunately, it is these street vendors who are not provided with information (as to where to acquire finance for business expansion, how to apply for the loan and who to contact, how to acquire business skills for their business ventures) contribute to the alleviation of the crisis of unemployment and to the economy of South Africa both on a micro and a macro level. The micro-enterprises are also not provided with a platform to air their aspirations with confidence and courage so that they would feel their acceptance to the society. Mr C of (Case 2) suggests that "I would welcome a radio station or programmes and a column in the newspapers that will focus on our business operations. This would make us feel that we are important since I do not imagine that there is any kind of media institutions which are interested in our activities (Appendix B:Case 2).

Therefore, the possibility exists that the micro-enterprises could contribute more than they do in Gross Domestic Product of this country if they are provided with appropriate, relevant and understandable information and advice. Furthermore, the micro-enterprises would be in a position to grow and open up other business ventures. Rob Davies argues that participating in the sector is either a viable income-source for a small trading entrepreneur, or it is a stage in the process of capital accumulation, with workers eventually being incorporated into the formal economy. Therefore, the hypothesis that the micro-enterprise have a potential to play an important role both in providing employment and in contributing to a re-orientation of the economy of the country through the democratisation process of the media institutions is also accepted.
The last hypothesis which is the central question for this study is that the future of the micro-enterprises lies with the identification of an appropriate mass media that would be the catalyst in supporting the activities of this sector.

Street Vendors Who Are Aware Of The Initiatives To Upgrade Their Sector

<table>
<thead>
<tr>
<th>Details</th>
<th>Number of Street vendors</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aware of government parastatal initiatives</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Unaware of the initiatives</td>
<td>27</td>
<td>90</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4

Table 4 (above) illustrates that ninety-percent of the street vendors interviewed are unaware of the programmes which the government has initiated to empower the micro-enterprises with essential resources to overcome poverty. Only ten percent of the street vendors are aware of such programmes.

In addition, none of the ten percent claimed to have heard about the news from either the print or electronic media, instead they were informed by friends and family members. It was then subsequently established that interpersonal communication is an indispensable element in the process of social change and development in the micro enterprises. The main reason for this is due to the fact that since sixty seven percent of the micro enterprises workers and entrepreneurs prefer to be reached through an agent whom they would develop a mutual trust and confidence, providing them with information, advice and instruction on developmental-related matters, varying from essential business practices like (counting of stock and allocation of budgets) to new emerging business opportunities.
On the basis of the above mentioned findings, it appears that the mass media has not been reaching the micro-enterprises. All the formulated policies and strategies undertaken by the Department of Trade and Industry are not known to the intended beneficiaries. Therefore, with the identification of the development agent (mentor) which represents the interpersonal element of development programmes and projects means that:

- development agents would form part and parcel of the government process of democratising communication to the micro-enterprises as the extension officers of various governmental agencies, developmental workers of non governmental organisations and the private sector where both parties would adequately interact with each another.

For example, the Local Service Centres which the *White Paper* envisaged to provide the kind of support micro-enterprises need, such as financial planning and market information in all the regions should have trained mentors to provide technical skills and any support action for the micro-enterprises, regarding dissemination of useful information for this sector.

- the micro enterprises would creatively interact with each other and with their environment as they would be creating and recreating their materials according to their needs.

For instance, it would be easy for Miss MM of (Case 30) to articulate his views based on their environment as informal traders to an individual (mentor) whom they would trust to resolve their problems. Hence interpersonal communication is a type of exchange of ideas which is in line with the local traditions and way of life of the micro-enterprises. According to Ad Boeren (1994:141), changes in ideas and behaviour do not happen instantly, except under compelling circumstances, but result from a process of discussing, testing and evaluating ideas and options with relatives, peers and friends has fruitful results.
interpersonal communication, therefore, is an indispensable element in the process of social change and development for the micro-enterprises.

- the micro-enterprises would be wielding a strong influence on the direction of change in their economic, political and social affairs, since they would be owning the means of mass media production (interpersonal or mentor system communication) which suits their needs.

It has been argued that communication is an essential element in the process of change, and that those who have access to communication facilities are in a position to exert a strong influence on the direction the change should take. Similarly, with the identification of the mentor relationship with the micro-enterprises entails that the micro-enterprises would exert a strong on the direction the change should take which suit their own environment. Furthermore, in many cases the passive availability of information and advice is insufficient for the effective transfer of experience. Therefore development agent (mentor) represents the interpersonal element of development programmes and projects. As such, the mentor has a very important and responsible task in the process of development in the micro-enterprises. People rely on the mentor for their information, advice and instruction on development-related projects.

- the major communication problem of knowledge transfer would be overcome as there would be an assurance that the information for the micro-enterprises is suitable for their consumption.

The above mentioned discoveries seem to me sufficient to accept the validity of the claim that the future of the micro-enterprises lies with the identification of appropriate mass media that would be the catalyst in supporting the activities of the micro-enterprises.
RECOMMENDATIONS

The study has revealed that the number of the micro-enterprises effectively reached and who have accessibility to information regarding change and development in this sector remains relatively small. According to the findings of this study, almost Ninety percent of the street vendors are unaware of the programmes which the government has initiated together with the private sector and non governmental institutions designed to empower the micro-enterprises. If the policy-makers who are catalyst in the development of the micro-enterprises view this sector as a solution to the urban employment crisis and as another way of stimulating South Africa’s economic growth, then there should be a commitment to recognise a meaningful participatory development approach when reaching this sector. According to Kimani Gecau (1994:53), meaningful participation of the [micro-enterprises] in development means that the [entrepreneurs and workers in the micro-enterprises] should be free to acquire information and become educated on views that concern them.

Furthermore, the micro-enterprises need confidence to express their views and demands. There is also a need to design a concerted effort on the part of the mass media to provide education for the micro-enterprises in understanding and acquiring knowledge in order to be aware of the environment in which the micro-enterprises operate. A large percentage of the micro-enterprises suffer business-lack of training, marketing expertise and experienced management, with over regulation, high risk exposure, access to appropriate technology, the quality of the business infrastructure in poverty areas and shortage of networking contacts (“strange encounter” 74). The appropriate mass media, especially those identified in this study (agents acting as mentors) would play an important role in addressing the problems stated above and literacy levels of the majority of the micro enterprises workers and entrepreneurs.
Programme of Action

It should be clear by now that the micro-enterprises "play a crucial role in people's efforts to meet basic needs and help marginalised groups - like female heads of households, disabled people and rural families - survive during the current phase of fundamental structural changes where the formal economy is unable to absorb the increasing labour supply, and social support systems are grossly inadequate" (White Paper 1995:11). Therefore, what is needed is not just better extension of communication channels, alternative media, and structural reorganization, but also a radical change in social conceptions of information and communication, namely, from source oriented to user-oriented definitions of communication (White 1995:143). If development implies that people should get the opportunity to shape their own development, it means that the beneficiaries of development should have control over the planning and execution of development activities as well as over the resources that are needed to implement these plans (Boeren 1994:22). Therefore, agents who act as mentors should have a responsibility to ensure that they design communication channels which should stimulate and contribute to the process of empowerment. For our communication point of view, empowerment means:

- the ability to determine one's own destiny, that is, the people's ability to determine their own destiny; and

- the petite entrepreneurs and workers who are actively involved in the micro-enterprises should have power and the "ability to make decisions on what to communicate, when to communicate, and how to communicate" (Machila 1988:12).
Mentors should have a role in making the micro-enterprise aware of their situation and their own potential and to pave the way for concerted action. Additionally, mentors stand a better chance of implementing the aims and objectives contained in the *White Paper* for the SMMEs. Thus, mentors are the most preferred method of communicating with the micro-enterprises as a result they would represent interests, business cultures and struggles of the poor and give them access to facilities such as shelters, finance, business skills which are the priority for the development of this sector.

Although mentors have been identified as the most appropriate media channel to reach the informal sector, they also have their own limitations. Gordon Hedebro (1990:29) has argued that mass media, especially the electronic media are unique in the sense that they can mediate various experiences, thereby reducing the psychic and economic costs of creating mobile personalities. Training of staff and personnel to provide the kind of adequate support to the micro-enterprises needs would be time consuming and expensive. Hence, a large number of micro-enterprises comprise of traders who are illiterate and who participate in this sector for the purpose of survival. Providing basic adult education and the skills transfer by mentors to increase literacy and numeracy, accessibility of information would be cost effective to the informal traders. Since the informal traders would have to leave their business operation to attend these lessons. Whereas, electronic media, especially radio has a relative advantage over mentors in that they could substitute a classroom teacher and dissemination one lesson to large audiences.

In the concept of participatory model of communication, priority is given to the use of local media, because people will be familiar with them, because they can be managed by the people themselves. In other to ensure that the micro-enterprises have a fair access to mass media, an integrated approach to reach the micro-enterprises is envisaged. Integrated approach refers to a process of giving a priority to the most preferred communication channels (interpersonal
communication and radio) by the micro-enterprises, not also treating print media and television in isolation. Since the radio share of the market seems to be well represented with fifty seven percent of street vendors in Cathedral having access to this medium, the possibility for opening a community radio station which would be addressing the communication needs of the micro-enterprises is highly recommended. In the previous chapter it was argued that:

- preserving information to a small, professional elites; and that
- presently, decision making in all aspects of policy and administration of public communication tends to be the preserve of a small professional elite or, in commercial systems, of financial-advertising interests (White 1991:143),

has an negative impact in the process of democratization of communication in the micro-enterprises. The use of local/community radio station for the informal sector as ensconced in the Act which established the Independent Broadcasting Authority in 1993 to issue broadcasting licences for the establishment of radio station in South Africa would:

- encourage widespread community participation in broadcasting, provide an opportunity for horizontal communication between individuals [entrepreneurs in the micro-enterprises], stimulate more free and open debate of community issues and reflect the cultural and social diversity of the community (White 1983:5); and

- represent interests, business cultures and struggles of the micro-enterprises as survivalists and give them access to the air waves to communicate among themselves and to a large society.
Robert White (1991:58), points out that the experiences of local, publicly controlled media demonstrate a wide variety of forms of participatory communication, which, in turn, indicate how a national system of democratic communication might develop. In communities where there is local access to radio, television, or cable, an increasing number of non-professional are learning to use local media. The development of local media with fully public ownership under representative governance would mean that the micro-enterprises would be owning means of media production which would not be monopolised by small professional elites. However, a basic principle for decision making is that communication is an individual and a social right and that [the micro-enterprises] only delegates the execution of this right to professionals (White 1991:144).

Lastly, White argues that there is a need to develop a new concept of public law governing information and communication systems, and a new legal definition of rights such as the right to participate in the public communication process. Therefore, there should be forms of financing public communication which protect these rights from any minority monopoly interests (1991:144).

CONCLUSION

This section has briefly evaluated the hypotheses made in the Chapter One. It is therefore concluded that in Cathedral the micro-enterprise workers and entrepreneurs do not see the role of mass media as crucial to their daily activities. However, there is a recognition of the communication gap between the micro-enterprise workers and entrepreneurs and media organisations. Consequently, the micro-enterprises lack access to appropriate, relevant and understandable information and advice. Furthermore, the print media only addresses the needs of the educated elites and neglects the majority of the micro-enterprises who require the service.
Also programmes on mass media do not reach the micro-enterprises, since these programmes do not take into account the broadcasting time to be convenient to the micro-enterprises.

Finally, the identification of the mentor as a form of reaching the micro-enterprises has been found to be the best communication channel to disseminate useful information to ensure that the micro-enterprises have access to facilities to improve their economic welfare. In addition, the micro-enterprises would be in a position to exert a strong influence on the direction the change should take. Thus, the micro-enterprises would accelerate economic growth on both micro and macro level, since there would have access to adequate information and relevant advice as well a people-centred training located within the environment of the micro-enterprises. Most importantly, the mentors would be responsible for changing an unfortunate tendency in South Africa of associating small business with black business, and in turn with a limited range of activities. Small business has nothing to do with skin colour and should be encouraged in all communities, and the time has come for black entrepreneurs to start thinking beyond trading, taxis and small industry to, for example, air transport, computers and property development ("Strange Encounter" 74).
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# APPENDIX A

## MASS MEDIA SURVEY QUESTIONNAIRE DURBAN'S STREET VENDORS

### PERSONAL PARTICULARS OF THE TRADER

Mark with X where applicable.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Age of trader:</td>
</tr>
<tr>
<td>2.</td>
<td>Male: Male</td>
</tr>
<tr>
<td>3.</td>
<td>Female: Female</td>
</tr>
<tr>
<td>5.</td>
<td>Married: Married</td>
</tr>
<tr>
<td>6.</td>
<td>Divorced: Divorced</td>
</tr>
<tr>
<td>7.</td>
<td>Widowed: Widowed</td>
</tr>
<tr>
<td>8.</td>
<td>How many children do you have:</td>
</tr>
<tr>
<td>9.</td>
<td>Are you a breadwinner?: Yes: Yes</td>
</tr>
<tr>
<td>10.</td>
<td>No: No</td>
</tr>
<tr>
<td>11.</td>
<td>Where do you live:</td>
</tr>
<tr>
<td>12.</td>
<td>Where were you born:</td>
</tr>
<tr>
<td>13.</td>
<td>What do you think of your present place of residence:</td>
</tr>
<tr>
<td>14.</td>
<td>Tell me about your level of education:</td>
</tr>
</tbody>
</table>
INFORMATION FOR INFORMAL BUSINESS ACTIVITIES

1. When do you start working and when do close?:

2. What days of the week do you conduct your business operations?:

3. Are you self employed or do you work for somebody else?:

4. If self employed do you have people working for you and how many businesses do you operate?:

5. Where did you get the money to start your business?:

6. What difficulties do you encounter when seeking financial assistance?:

7. If employed by somebody else, what is your monthly income?: Rs...

8. How long does it take you to get from your home to the place where you trade?:

9. If transport is used, how much does it cost per day/week?: Rs...

10. Why did you choose to be an informal trade and to sell fruits in particular?:

11. Have you ever undertaken any training to operate your business?:

12. Where do you receive your stock?:

13. Where do you keep unsold stock?:

14. Do you experience any problems with storing these unsold items Yes...No...

15. If YES, what types of problems do you experience?:

16. Name the place (street and area) of trading?:

<table>
<thead>
<tr>
<th></th>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>Do you have a trading license?: Yes..........................No..................</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>If YES, how much did you pay and how much per day.........................week..................month..................year..................</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Do you always trade in the same place?: ........................................</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>What made you to become an informal trader?: ................................</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>What are your future plans?: .....................................................</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>What problems-if any-do you experience by being an informal trader?: .....</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>How do you resolve those problems?: ............................................</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>What are the advantages and disadvantages of being an informal trader if there are any?: Advantages .................................................. Disadvantages : ........................................</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>What mechanism do you use to advertise your products?: ......................</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Would you prefer to have formal employment?: Yes......................No..................</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>If YES, why?: ........................................................................</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>If NO, why not?: .........................................................................</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Have you ever been formally employed?: Yes......................No..................</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>If YES, what types of employment and for how long were you employed? ....</td>
<td></td>
</tr>
</tbody>
</table>
MASS MEDIA RELATED QUESTIONNAIRE

TELEVISION

1. Do you have access to a television set? : Yes.............No.................

2. If YES, which programmes do you watch?: ........................................

3. When do you watch these programmes?: ........................................

4. Are you aware of a business programme on NNTV? : Yes.............No........

5. If YES, do you have time to watch it? and why? : ................................

6. If NO, why are you not aware about it?: ........................................

6.1 Through what medium could you be made aware of such a programme?: ........................................

7. How much time do you think should be allocated to this programme?: ........

8. Is the present time convenient for you?: ........................................

9. Does this programme provide you with appropriate information to resolve your business problems?: ........................................

10. If NO, what are the main aspects you would like to see appearing on this programme?: ........................................
<table>
<thead>
<tr>
<th></th>
<th>Question</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Do you have a radio? : Yes.........................................................................................................................No.........................................................................................................................</td>
<td></td>
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<tr>
<td>2</td>
<td>If YES, which radio station do you listen to? : ........................................................................................................</td>
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</tr>
<tr>
<td>3</td>
<td>Which programme(s) do you listen to?: .......................................................................................................................</td>
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<tr>
<td>4</td>
<td>Does your radio station have programmes which are specifically for small business or informal sector operations?: Yes......................................................................................................................... No.........................................................................................................................</td>
<td></td>
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<tr>
<td>5</td>
<td>If YES, when are/is these/this programme(s) aired? : ......................................................................................................</td>
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<tr>
<td>6</td>
<td>Is the time for these programmes convenient for you?: Yes..................................................................................................No.........................................................................................................................</td>
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<tr>
<td>6.1</td>
<td>If NO, what would be a convenient time? : .....................................................................................................................</td>
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<tr>
<td>7</td>
<td>Are you allowed to ask questions and clarity issues during these programmes? : Yes........................................................................................................................................................................ No.........................................................................................................................</td>
<td></td>
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<tr>
<td>7.1</td>
<td>If NO, would you prefer such a programme? : .....................................................................................................................</td>
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<tr>
<td>8</td>
<td>Have these programmes been able to resolve your daily problems?: Yes.........................................................................................No.........................................................................................................................</td>
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<tr>
<td>8.1</td>
<td>If No, what should be done to these programmes to meet your needs : ....................................................................................</td>
<td></td>
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<tr>
<td>9</td>
<td>If your radio station does not have programmes for the informal sector would appreciate if they could be introduced? : Yes......................................................................................................................... No.........................................................................................................................</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>If YES, why?........................................................................................................................................................................</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**NEWSPAPERS**

1. Do you read newspapers? : Yes........................No.............................
2. If YES, which newspaper(s) do you read?: ........................................
3. Do you find it difficult to have a copy of your newspaper(s)?: Yes....No....
4. If YES, what problems do you experience?: ........................................
5. At what time do you have a chance to read newspaper(s)?:..................
6. How much money do you spend on newspapers per week/month?: R........
7. Which news strikes you most in these/your newspaper(s)?:..................
8. Does/Do your newspaper(s) have a section on small business or informal sector activities?: Yes...........No....................
   8.1 If YES, how do you find this information useful for your business? :........
   8.2 If NO, would you prefer such a section? : Yes.............No...............
### GENERAL QUESTIONS ON MASS MEDIA

1. Would you be interested in a magazine which is targeted specifically for the informal traders only? : Yes...........................................No...........................................

2. Do you read journals/leaflets on small business which are available free of charge from small business centres? : Yes..........................No...........................................

3. How do you see the role of mass media in your business operations? ...........................................................

4. Are you aware of the new bill (small business bill) which will make it possible for you to have easy access to finance and liberate you from any constraints that you encounter on daily basis? Yes.............No...........................................

4.1 If NO, through what medium could you be made aware of such a bill? ...........................................................

5. Are you aware of the newly launched agency (NEPA) that would ensure that your aspirations are addressed adequately? : Yes..............No..................

6. If YES, how did you know about it?.............................................................................................................................

7. If NO, what should be done in near future to make sure that you get information which affects your daily life? .............................................................................................................................

8. Do you use any media to market your product? .............................................................................................................................

9. If YES, which one do you? ........................................................................................................................................................

10. If NO, what do you do to market your product? .............................................................................................................................
APPENDIX B

TRANSCRIPTS OF THE INFORMAL SECTOR INTERVIEWS

CASE NO 1

Mr X, is a 20 years old single male who is a breadwinner with four children. He was born in Transkei (Ntabankulu District) and now lives in Natal (Richmond Squatter Camps) ten kilometres away from Kwa-Mashu. He came to Natal in 1992 for the purpose of seeking formal employment. Due to the fact that he was illiterate, it became difficult for him to secure a decent job and become marketable in the labour market. He searched for a job for almost eight months, until he realized that he had to seek new ways of self-employment.

He then borrowed some money from home to start a business of his own. Mr X now owns a table where he sells fruit. He chose to sell fruits because they are easily purchased from the market which is approximately two kilometres away from his business operation. There are no transport costs involved when purchasing his stock, people are familiar with fruit which make them sell quickly and make a lot of profit when compared with vegetables and other stuff on the market.

Mr X has never approached any financial institutions to seek advice or money for starting his business. He does not even think about seeking for any financial assistance because he believes that most financial institutions need securities and legal documents that he would not have. The business has been in operation at the same place for almost three years. He has employed Mr D, who earns R100 per week and Mr X's business makes a turnover of R500 per day. The business opens at 7H00 a.m. and closes at 17H00 almost every seven days of the week. It takes M X and Mr D approximately 30 minutes to arrive at the place of trading and they both use a taxi as a means of transport. The taxi costs them R12 per day and R84 per week.
Mr X is quite happy with his business performance because he makes a lot of money (none taxable profit) of which he could not have earned if he had been formally employed. Mr X does not consider seeking formal employment, since there is nobody who determines his salary, job description, working hours and tea time. Instead Mr X has provided a job opportunity for Mr D who has been unemployed. Mr X cannot blame anyone if the business goes down the drain because he could see as the day progresses if things have not been normal. Mr X does not believe that training is important for this type of business operation.

Mr X does not use any mass media to inform his customers about his business operations or special offers in the business. Since Mr X is illiterate, he only listens to a radio, watches television. He owns a radio, and has access to a television through his neighbour. He only watches television for entertainment.

Mr X is unaware of, and less interested in knowing about any small business programme which is aimed at informal business on any mass media. For him, there is no any relationship between his business operation and the mass media. He does not perceive the role of the media as crucial for his business operation. Finally, he believes that knowing about government initiatives and a new about his business is less important to him because the government has made a lot of promises that it did not keep. Therefore, his business has been operating well and still operating without that bill.

CASE NO 2

Mr C a 25 years old single male who is a breadwinner with 2 children and other four members in the family lives at Kwa-Mashu in Durban. He operates an informal trader business at F&G section Taxi Rank which is in front of Cathedral Roman Catholic Church-opposite the Berea Station, where he sells fresh fruits and vegetables. Mr C works for Mr A who pays him R90 per week. Mr A owns two informal trader businesses in different places. Mr A's business operates 7 days a week, opening at 6H00 a.m. and closes at 17H30 on weekdays and at 16H30 on weekends.
Mr C would highly appreciate formal employment, however he feels that his dreams will not come true since he has not been formally employed throughout his entire life. He attended school up to Standard Six and due to lack of finance at home he had to seek for a job so that he can support his family. His ambition is to have a decent job which will make it possible for him to support his family, attend his personal problems and if possible save some money with the bank which he cannot do right now. He lives from hand to mouth, and most of the money is spent on transport.

Mr C became an employee of an informal trader in 1993 because of his unemployment and the crisis faced at home. Throughout these years informal trading has saved him and still saves him from participating in crime. Though there are problems he encounters as an informal trader, for example, the wages are very low, he prefers to be an informal trader since it helps him survive rather than staying at home doing nothing. The most important thing is he enjoys his job.

Although Mr C's level of education is not that high he watches TV. He watches Cosmo-life which is aired every Tuesday on CCVTV, listens to Radio Zulu and reads newspapers (Illanga and Umafrika). Radio Zulu provides him with programmes he enjoys such as Abasikibebunda (Current Affairs) and Izindaba (News).

Mr C sees media as having an important role in his life because it updates him with current events that are happening around the world since he spends his entire time selling on the street. Unfortunately, he is unaware of any programme of small business opportunities because he did not imagine that there is any media that would bother to focus attention on the people selling on the street. He believes that the government should send people who would tell the informal sector of a decision taken on policy level about informal traders since Durban Municipal Authorities addressed them when they had to pay levies in the past. Mr C prefers oral communication regarding changes. Also radio and television should be given a top priority when the government wants to reach them. Especially, a radio that would focus on their business operations would be focusing to their economic activities as this would make them feel that they are important in the society.
CASE NO 3

Mr N is a 22 years old single male who was born and grew up at Port Shepstone, but now lives at Umlazi in Durban. He assists his uncle who operates an informal trader business. Mr N's parents died when he was in Class 2, which forced him to leave school so that he could look after his family. As a result, he decided to come to Durban in order to work for his uncle.

Mr N's uncle owns a business which sells fresh fruit only. The uncle opened his business with the money he saved when he was a miner, before he was retrenched. The business opens at 8h00 a.m. and closes at 17h30 everyday. Mr N earns R120 per week, which is not enough to cover his needs and that of his family since he supports his younger brothers and sisters who are all orphans. The family relies on his R120 of which R42 is spent on transport weekly. Therefore, Mr N would really be interested to be employed formally, but he feels that this is impossible due to the fact that he has never been exposed to formal education

Mr N cannot read and write, as a result he does not obtain information from newspapers and business magazines to update him about important events taking place around him. He does not listen to any radio station but he uses his radio to play cassettes. The only type of media to which he is exposed is television news which he seldom watches. He is totally unaware, about programmes concerned about small business which are broadcast on NNTV and radio. Since he is illiterate, newspapers are of little use to him.

CASE NO 4

Miss Z who is 25 years old and has two children was born in Bulwer, but now lives in Lamontiville where she rents a shack. She had her own shack when she came to Durban, before it was burnt in July 1995. Miss Z works for Mr B who is formally employed as a teacher in Umlazi.
Miss Z did not know much about informal trading since she had been in her job for only two weeks. Her main reason for entering the informal sector is due to the fact that she could not find formal employment and she has to support her three months old child. She earns R60 per week and spends R30 on transport to work per week. Cathedral. Miss Z who passed her Standard 6 in 1994, would prefer to be formal. She works six days in a week. The business opens at 7h00 a.m. and closes at 18h00 p.m. She makes an estimated turnover of R300 per day which is tax free. She purchases the stock from the Berea market which is approximately two kilometres away ally rather than informally employed.

She likes to watch sport on television and unaware of a business programme on the small medium size enterprise which is broadcast every Tuesday on NNTV. She used to listen to a women’s programme which is aired on Radio Khozi every Wednesday form 14h00 p.m. before working for Mr B. The programme focuses more emphasis on subsistence farming, sewing and other related issues which address gender inequalities and how women can empower themselves. Miss does not have time anymore to listen to her wonderful programme, since she spends most of her time at work where she does not bring her portable radio.

She used to read Ilanga (if her father happened to by one) when she was at school in 1994. She could not notice any column on small business operations. Miss Z cannot afford to buy a copy of a newspaper because the money she gets pays for her medication and baby’s food. She is totally unaware of any government’s initiatives which are aimed at addressing the informal sector problems. Lastly, her ambition if she does not get formal employment is to open her own business where she would sell clothes and shoes as an informal trader with a hope that this would generate more capital for her to start a manufacture to produce clothes and shoes.
CASE NO 5

Miss M who is 28 years old assists her sister who owns a business which sells fruit. The business opens at 7h00 a.m. and closes between 17h45 and 18h30 on weekdays. On Saturdays it closes at 16h30 and operates six days in a week. Miss M and her sister (who is now doing a computer course at Durban College with the money she earns as an informal trader) live in Umbilo. It takes them 30 minutes to travel to their place of work and they spend only R40 on transport per week.

Miss M's sister started this business with the money she got from her boyfriend who is formally employed, three years ago. Miss M completed her Standard Ten in 1992 and makes an estimated turnover of R650 per day which is not taxable. She does not earn any money because she regards her service as one of her duties that she could be performing at home—family business. Miss M relies on oral communication and adequate planning on fruits displaying (putting big fruit on top and small ones underneath) to attract customers as part of her advertising strategy.

She watches television and listen to Radio Zulu. She is aware about the programmes on both electronic media which focuses attention on small business operations. However she complains that the programmes on radio Zulu are very useful particularly for businesses which are regarded as formal traders not informal traders. These programmes are not targeted at us, for example the information on finance for business expansion, only suits businessmen with fixed assets or any form of security. Miss M reads Ilanga and Umafrika, however she complains that these newspapers do not have columns on small businesses like The Sunday Times and Mercury. She is also unaware of the programmes about the government initiative to upgrade the informal sector.
Miss P is a 31 years old single woman who supports her three children with the money she makes from informal trading in Cathedral. She was born in Port Sheptone and now lives in Kwa-Makhutha where she owns a shack. She came to Durban two years ago and worked for an Indian supermarket in town for the period of six months due to retrenchment. After that she was employed by another Indian family as a housekeeper (domestic worker) where she earned R150 per month. She quitted her work after seven months since she was dissatisfied with her wages. Consequently, she decided to start her own business as a fruit and vegetable trade with the money she accumulated as a domestic worker.

The business opens seven days a week daily from 8h30 to 17h30 everyday. She operates her own table and makes an estimated turnover of R450 per day which is tax free. She only pays for the following operating expenses in her business: R3 per day to the owner of a container where she keeps unsold stock, R8-60 per day is spent on transport, R3 for a person who keeps their selling place clean and R10 is spent on food.

Miss P has never attended school and prefers to remain an informal trader for the rest of her life. She is quite happy with her business performance because informal trading pays much more money than any formal employment she could secure with her level of education. She does not read any newspaper and listen to electronic media. She is blank about what the government has done so far to improve the informal sector.

Mr K was born in Ndwedwe and now lives in Kwa-Mashu. He is 37 years, a father of four children who rely on the money he makes from informal trading. Mr K attended school up to Standard 5 and sells fruit in Cathedral. He worked for three hotels around Durban before he was retrenched in 1994. As a result, he decided to open a business so that he could support his family.
The operates six days in a week. It opens at 9h00 and closes at 17h00 daily. Mr K is not impressed with the performance of his business because he makes an estimated turnover of R200 per day while his colleagues make more than that. As a result Mr K would highly appreciate to be formally employed. However, beside the these constraints, Mr K likes his present job because it helps to keep his family.

Mr K listens to Radio Zulu and watches news on CCVTV. However, he is not aware of any business programme on both mass media mentioned. Hee likes to read sport news in Umfrika and Ilanga. Mr K has never noticed whether these papers have information for the small business enterprise. He would also welcome and support government programmes to develop their economy, however he was concerned that they are unaware of the programmes that the government has implemented particularly for the ir sector. Furthermore, he would highly welcome a situation where the government would send people to address them about government’s programmes for the informal sector.

CASE NO 8

Mr O is a 30 years old male who supports four children with the money he generates from informal trading. He was born in Nquthu and migrated to Springfield where he rents a R300 flat around Durban. Mr O’s illiteracy affected his employment opportunities, as a consequence he decided to start his own business in order to support his family. Mr O started off by selling ice-cream which made only R40 per day in 1994. He realised that selling ice-cream was not making enough money, he then approached the Durban Informal Sector Trading which is under the auspices of the Durban Municipal Council for registration as an informal trader. He now operates his business which sell fruit.

Mr O owns two fruit selling businesses which operate seven days in a week at different places. Both businesses open from 7h00 a.m. and closes at 18h30 p.m. daily. The in Cathedral has two employees who each earn R120 per week and Mr claims that the business generates approximately R650 per day and on week ends and months ends
it makes more. When Mr O realised that his business needed to increase the stock. He decided to look for financial assistance. He was informed that in order to be eligible for the loan of R500, the informal traders would have to be a group consisting of ten members. Each informal trader contributes R100 for the application to be processed, which means a group would have to contribute a total of R1000. Until now Mr O has not received the loan and as a result he would only trust people who have been directly sent by the government directly to inform them about programmes relating to finance and other relevant projects.

Mr O does not use any mass media to informal his customers about his business operation. Since Mr O is illiterate, he only listens to a radio and watches television. He does not have a television set but owns a radio. He listens to Radio Zulu but he uses his radio extensively to play cassettes. There is not specific programme he likes to listen to on the radio. He is also unaware of any small business programme which is aimed at informal business on any amass media. He mentions that the government should at least send people to inform them about any of programmes on informal sector.

CASE NO 9

Miss W was born in Ndwedwe and now lives in Inanda Newtown around Durban. She is 28 years, a mother of two children who rely on the money she earns from informal trading. Miss W attended school up to Standard 5 and now sell fruit in Cathedral. She worked for Supervision Cleaning which retrenched her in 1993. Miss W claimed to have worked for almost fifteen years for this company and she was earning five hundred rands per month before deductions and she did not enjoy any fringe benefits.

The business opens six days in a week daily. It opens from 10h00 to 17h00. She operates her own table and makes an estimated turnover of R450 per day which is tax free. The owner of the business is an India who has supermarkets next to Cathedral. Miss W earns R130 per week and an unregistered employee. Apart from selling in the street, she has to clean in the supermakert as early as 6h00 until 9h30 before opening
the informal trading business.

Miss W uses posters which informs her customers about prices of the fruit she sells and special offers on the market. She infrequently listens to Radio Zulu and watches television as she does not have both. She does not read newspapers. However, she would welcome any support programmes from the government to develop the informal sector, though she is looking for formal employment.

CASE NO 10

Miss Y who is 25 years has one child was born in Lusikisiki, now lives in Clermont. Miss Y works for an Indian butchery owner opposite Cathedral where she is an unregistered employee.

Miss Y did not know many things about informal trading since she was only three weeks old in her new job. The butchery owner pays her on commission at the end of the month, as a result she could not know how much she would earn. She works only six days in a week. The business opens at 8h00 a.m. and closes at 16h00 p.m. She makes an estimated turnover of R300 per day which is tax free. The butchery owner purchases the stock on her behalf and the stock is counted before going for sale.

Miss Y regards herself as not different from informal traders as a matter of fact she would prefer to be formally employed than to sell in the street. Although she is illiterate and does not have a television set but she likes to watch news and unaware of a business programme on the small business and medium size enterprise. She listens to radio Zulu but unaware of the programme of the micro-enterprises. Miss Y does not have also a radio, however, she has access to the programmes through the neighbour. She would also prefer that the government should send any person to inform them about development programmes in the field of informal trading. She is also totally unaware of any government’s initiatives which are aimed at addressing the informal sector problems.
CASE NO 11

Mrs AA is a 48 years old widow who supports her seven children with the money she generates from informal trading in Cathedral. She was born in Sidumbini 45 kilometres away from Tongaat and migrate to Durban where she claimed to be sleeping in the street in Durban but has house in Sidumbini. She has been selling in the street for almost eight years and she claims that one of her daughters is now completing a teachers course in Indumiso Training College with the money she generates from informal trading.

The business opens five days in week from 8h30 to 17h30 everyday because she has to go home every weekend to look after her family. Mrs AA operates her own table and makes an estimated turnover of R350 per day which is tax free. Early this year she attempted to borrow a loan after she has been told that there is a financial institution which helps informal traders who want to expand their operation in Durban Station. She was informed that in order to be eligible for the loan of R500, the informal traders would have to be a group consisting of ten members. Each informal trader contributes R100 for the application to be processed, which means a group would have to contribute a total of R1000. They were told that it would take only one week to process the application, but even now she is still waiting patiently for the loan. However, she is still optimistic that God will answer her prayers one day and have the loan.

Miss AA has never attended school and prefers to be an informal trader fore the rest of her life. She is quite happy with her business performance because informal trading helps her to support her family and pay for the daughter who is in College.

Miss AA neither listens to a radio nor watches television. Reading newspapers and business magazine is out of the question, since she is illiterate. She is blank about government initiatives aimed at improving their sector economically. However, she believes that the government should directly send people to inform them about changes in the informal sector.
CASE NO 12

Miss OO is 42 years old and has six children was born in Ciskie and migrated to Lindelani which is five kilometres away from Ntuzuma township where she rents a shack. Miss OO works for a constable who is formally employed as South African Police Service in Ntuzuma.

Miss OO is an experienced worker in the informal trading, since she has worked in this sector for the past eight years. However she still consider seeking formal employment as a priority in her life. The main reason she entered the informal sector was due to the fact that she could not find formal employment due to the fact that she is illiterate. She claims to be presently earning R190 per week and entitled to a bonus at the end of the year. The business opens at 7h00 a.m and closes at 18h00 p.m. She makes an estimated turnover or R480 per day which is tax free. The constable (the owner) purchases the stock on her behalf and transport her with the police vehicle everyday.

Miss OO cannot read and write, as a result she does not read newspapers and business magazines to update her about important events taking place around her. She does not listen to either radio or television and not aware of any development programme by the government. However she would prefer a situation whereby the government would send its agents to inform them about decision related to policy of their economy.

CASE NO 13

Miss D who is 34 years old was born in Bulwer and migrated to Chesterville which is ten kilometres away from Durban. Miss D works for Miss GG who also owns various informal businesses around Durban.
Miss D consider seeking formal employment as a priority in her life. The main reason she entered the informal sector was due to the fact that she could not find formal employment due to the fact that she is illiterate. She claims to be presently earning R130 per week. The business opens at 9h00 a.m. and closes at 17h00 p.m. She makes an estimated turnover of R120 per day which is tax free.

Miss D neither listens to a radio nor watches television. Reading newspapers and business magazine is out of the question, since she is illiterate. She is blank about government initiatives aimed at improving the informal economy. Miss D would highly appreciate if the government would send its agents to deliver news on their initiatives to sustain their economic growth.

CASE NO 14

Miss E is a 22 years old single female who was born and grew up in Vryheid, but now lives in Umlazi in Durban. She assists her uncle who works for Lever Brothers and own a fruit selling business.

The business opens at 10h00 a.m. and closes at 18h00 everyday. Miss E earns R170 per week, which is not enough to cover her needs and that of his family since she has to send some money in Vryheid. The family relies on her R120 of which R36 is spent on transport weekly. Therefore, Miss E would really be interested to be employed formally, but she feels that looking for a job would be an exercise in futility due to the fact that she has never been exposed to formal education. The business makes an estimated turnover of R220 per day which is free from taxation.

Miss E cannot read and write, as a result she does not read newspapers and business magazines to update her about important events taking place around her. She does not listen to either radio or television and not aware of any development programme by the government. However she would prefer a situation whereby the government would send its agents to inform them about decision related to policy of their economy.
CASE NO 15

Miss G who is 34 years old was born in Empangeni and migrated to Inanda Glebe which is fifteen kilometres away from KwaMashu. He came to Durban 1982 for the purpose of seeking formal employment. Due to the fact that he is illiterate, it became difficult for him to secure a decent job.

He then decided to sell peanuts as a start up. Seeing that peanuts make very little profit and they don not well quickly, he opened a table which sell fruit at Cathedral. He chose to sell fruit because they are easily purchased from the market and people are familiar with them.

Mr G has employed two employees who assists him only on weekends. His employees do not earn money, instead he pays them liquor, dagga, cigarettes and provides them with food. The business opens at 8h00 and closes at 17h00 everyday. The business generates a turnover of approximately R500 per day which is tax free. Although Mr G is quite happy with his business performance, however, he still believes that formal employment for him is a priority. This is due to the problems he encounters as an informal trader such as shelter for his business, finance, people who are fighting fall into their fruit and that one time thieves took his when he was going back home.

Mr G cannot read and write, as a result he does not obtain information from newspapers and business magazines to update him about important events taking place around him. He does not listen to any radio station but he uses his radio to play cassettes. The only type of media to which he is exposed is television news which he seldom watches. He is also unaware of any development programme by the government. However she would prefer a situation whereby the government would send its agents to inform them about decision related to policy of their economy.
CASE NO 16

Mr H a 24 years old single male who is a breadwinner with two children. Mr H was born in Dlangezwa two kilometres away from the university of Zululand. He operates an informal trader business in Cathedral. Mr H works for Mr XX who pays him R190 per week.

Mr H became an employee of the informal trader in 1993 because he wants to accumulate a capital to start selling fruit business and acquire experience in the field of informal trading. However, he feels that his dreams will not come true since she does not know how to go about owning a table and acquire finance for such a business venture. Mr H has not also been exposed to formal education throughout his entire life. The business he operates generates a turnover of R480 per day. It opens at 8h30 to 18h00 everyday.

Although Mr H is illiterate but he watches television. He likes to watch movies and news, listen to Radio Zulu. He also listens to news and other programmes but unaware of the programme on economic affairs which sometimes provide relevant information about informal traders. He believes that the government should send people who would tell the informal traders of a decision taken on policy level about their sector.

CASE NO 17

Miss I is a 29 years old married female who has two children. Mrs I was born and grew up at Skhawini which is two kilometres away from Empangeni and migrated to Durban. She owns a fruit selling business in Cathedral. The business opens at 8h00 and closes at 17h00 everyday. Mrs I likes to trade informally because the business generates a turnover of approximately R500 per day which is tax free.

Miss I cannot read and write, as a result she does not read newspapers and business magazines to update her about important events taking place around her. She does not listen to either radio or television and not aware of any development programme by
the government. However she would prefer a situation whereby the government would send its agents to inform them about decision related to policy of their economy.

**CASE NO 18**

Miss J is a 24 years old single male who is a breadwinner with three children. Mr J was born in KwaMakhutha where she owns a shack. Miss J operates an informal trader business in Cathedral on behalf of Mrs NN who is a formally employed as a Social Worker.

Mr J entered the informal sector because she wants to accumulate a capital to start selling fruit business and acquire experience in the field of informal trading. She earns R160 and spends R40 on transport. Miss J has not also been exposed to formal education through his entire life. The business he operates generates a turnover of R400 per day. It opens at 8h30 to 18h00 everyday.

Although Miss J is illiterate but he watches television. She likes to watch movies and news, listen to Radio Zulu. She also listens to news and other programmes but unaware of the programme on economic affairs which sometimes provide relevant information about informal traders. She believes that the government should send people who would tell the informal traders of a decision taken on policy level about their sector.

**CASE 19**

Miss L who is 28 years old assists her brother who owns a business which sells fruit in Cathedral. The business opens at 9h00 a.m. and closes between 17h00 and 18h30 on weekdays. On Saturdays it closes at 16h30.

Miss L generates an estimated turnover of R450 per day which is non taxable. She does not earn any money because her brother would open for her a table to start her own business. Miss L is illiterate, and also unaware of the programmes on small
business which is broadcast on Mondays and Fridays in Radio Zulu and on NNTV. Reading newspapers is out of question, however she would prefer that the government send its agents to inform them about changes regarding the development of their sector.

**CASE NO 20**

Miss BB is a 33 years old single woman who supports her three children with the money she earns from informal trading in Cathedral. She was born in Bhamshela and migrated to Kwa-Mashu. She came to Durban in 1994 to seek formal employment. Due to the high rate of unemployment for the unskilled workers, Miss BB could not secure a decent job, and as a result she became employed as an informal trader.

The business is open seven days a week from 8h30 to 17h30. She operates the business for her friend who pays her R180 per week and makes an estimated tax free turnover of R450 per day.

Miss BB who passed Standard Six few years ago reads *Ilanga* and *Umafrika*, but unaware of any column which emphasise the need to motivate entrepreneurship in South Africa. She also listens to Radio Zulu and watches television especially news and movies. Miss BB is totally blank programmes on the informal sector in small business in both television and radio.

**CASE NO 21**

Mr CC was born in Umzinyathi and now lives in Durban. Mr CC is 37 years, a father of seven children who rely on the money he makes from informal trading. Mr CC attended school up to Standard 7 and sells fruit in Cathedral. He worked for three contractors around Durban before he was retrenched in 1994. As a result, he decided to open a business so that he could support his family.
The operates six days in a week. It opens at 9h00 and closes at 17h00 daily. Mr CC is not impressed with the performance of his business because he makes an estimated turnover of R250 per day while he has to support her seven. As a result Mr CC would highly appreciate to be formally employed. However, beside the these constraints, Mr K likes his present job because it helps to keep his family.

Mr CC listens to Radio Zulu and watches news on CCVT. However, he is not aware of any business programme on both mass media mentioned. Hee likes to read sport news in Umaphrika and Ilanga. Mr CC has never noticed whether these papers have information for the small business enterprise. He would also welcome and support government programmes to develop their economy, however he was concerned that they are unaware of the programmes that the government has implemented particularly for the ir sector. Furthermore, he would highly welcome a situation where the government would send people to address them about government's programmes for the informal sector.

CASE NO 22

Mr FF is a 27 years old single male who is a breadwinner with three children. Mr FF was born in KwaMakhutha where he owns a shack. Miss FF operates his business which sell fruit in Cathedral.

Mr FF entered the informal sector becuase he wants to support his. He passed his Standard Six two years ago and generates an income of R400 per day. His business opens from 9h30 to 18h00 everyday.

Mr FF likes to watch movies and news, listen to Radio Zulu. He also listens to other programmes but unaware of the programme on economic affairs which sometimes provide relevant information about informal traders. He believes that the government should send people who would tell the informal traders of a decision taken on policy level about their sector, since he is blank about what the government is doing to their economy.
CASE NO 23

Mr EE is a 31 years old male who supports two children with the money he generates from informal trading. He was born in Stanger and migrated to Durban where he rents a R200 single room. Mr EE illiteracy affected his employment opportunities, as a consequence he decided to start his own business in order to support his family.

Mr started off by selling ice-cream which made only R40 per day in 1994. He realised that selling ice-cream was not making enough money, he then approached the Durban Informal Sector Trading which is under the auspices of the Durban Municipal Council for registration as an informal trader. He now operates his business which sell fruit.

The business opens from 9h00 a.m. to 18h30 p.m. daily. Mr claims that the business generates approximately R550 per day. When Mr EE realised that his business needed to increase the stock, he decided to look for financial assistance. He was informed that in order to be eligible for the loan of R500, the informal traders would have to be a group consisting of ten members. Each informal trader contributes R100 for the application to be processed, which means a group would have to contribute a total of R1000. Until now Mr EE has not received the loan and as a result he would only trust people who have been directly sent by the government directly to inform them about programmes relating to finance and other relevant projects.

Mr EE does not use any mass media to informal his customers about his business operation. Since Mr EE is illiterate, he only listens to a radio and watches television. He does not have a television set but owns a radio. He listens to Radio Zulu but he uses his radio extensively to play cassettes. There is not specific programme he likes to listen to on the radio. He is also unaware of any small business programme which is aimed at informal business on any amass media. He mentions that the government should at least send people to inform them about any of programmes on informal sector.
CASE NO 24

Miss R who is 28 years old was born in Mkomaas and now lives in Umlazi around Durban. She is a mother of three children who rely on the money she earns from informal trading. Miss R attended school up to Class Two and now sell fruit in Cathedral. He has never worked formally before.

Miss R assists her sister who owns a business which sells fruit. The business opens at 7h00 a.m. and closes between 17h45 and 18h30 on weekdays. On Saturdays it closes at 16h30 and operates six days in a week. Miss R’s business makes an estimated turnover of R650 per day which is not taxable. Miss R would highly appreciate formal employment, however she feels that her dreams would not come true, since she has never been formally employed through and does not have skills to secure a decent job.

Miss R’s illiteracy hinders her from reading newspapers and business magazines and any relevant information about the business. Though she has access to the television, but she rarely watches it. She does not listen to radio at all. She is also unaware of any business programmes on both mass media mentioned as well as programmes initiated by the government on the micro-enterprises. However, she would welcome any support programme from the government to develop the informal sector, though she is looking for formal employment.

CASE NO 25

Miss ZZ who is 25 years old and has one child was born in Maphumulo, but now lives in Lamontville where she occupies a shack. Miss ZZ works for an Indian record bar owner apposite Cathedral where she claims to be a registered employee. She claims to have passed Standard ten in 1993.
The business opens six days a week from 8h30 to 17h30 everyday. She earns R580 per month. The business generates an estimated turnover of R300 per day which is tax free. Miss ZZ would highly appreciate another formal employment which would pay her more than she earns presently. She owns a television set but she likes to watch news on television and is aware of a business programmes on the small medium size enterprise which is broadcast every Tuesday on NNTV but do not have time to watch it. She also listens to most to the programmes in Radio Zulu and aware of economic programme on this station which also tackles some issues on the informal sector. She also reads The Sunday Times, Mercury Ilanga and Umafrika. She believes that the government should send people who would tell the informal traders of a decision taken on policy level about their sector.

CASE NO 26

Mr HH is a 50 years old male who supports his three children with the money he generates from informal trading. He was born in Umlazi and has two other informal trading businesses.

Mr HH business opens five days in a week from 7h00 a.m. and closes at 18h30 p.m. daily. Mr HH claims that the business generates approximately R450 per day. When Mr HH realised that his business needed to increase the stock. He decided to look for financial assistance. He was informed that in order to be eligible for the loan of R500, the informal traders would have to be a group consisting of ten members. Each informal trader contributes R100 for the application to be processed, which means a group would have to contribute a total of R1000. Until now Mr HH has not received the loan and as a result he would only trust people who have been directly sent by the government directly to inform them about programmes relating to finance and other relevant projects.

Miss HH neither listens to a radio nor watches television. Reading newspapers and business magazine is out of the question, since she is illiterate. She is aware about government initiatives aimed at improving their sector economically.
CASE NO 27

Miss JJ is 32 years old and has six children born in Tsolo and migrated to Umlazi which is fifteen kilometres Durban. Miss JJ works for Miss DD Supermarket in Umlazi.

Miss JJ is an experienced worker in the informal trading, since she has worked in this sector for the past three years. However, she still considers seeking formal employment as a priority in her life. The main reason she agreed to sell in the street because her job description requires her to do so and that she could not find better employment due to the fact that she is illiterate. She claims to be presently earning R80 per week. The business opens at 9h00 a.m and closes at 18h00 p.m. She makes an estimated turnover or R190 per day which is tax free.

Miss JJ cannot read and write, as a result she does not read newspapers and business magazines to update her about important events taking place around her. She does not listen to either radio or television and not aware of any development programme by the government. However she would prefer a situation whereby the government would send its agents to inform them about decision related to policy of their economy.

CASE NO 28

Miss KK who is 34 years old was born in Matubatuba and migrated to KwaMashu which is ten kilometres away from Durban. Miss KK passed her Standard Eight in 1980 and works for Miss QQ who also owns various informal businesses around Durban.

Miss KK considers seeking formal employment a priority in her life. The main reason she entered the informal sector was due to the fact that she could not find formal employment. She claims to be presently earning R160 per week. The business opens at 9h00 a.m. and closes at 17h00 p.m. She makes an estimated turnover of R140 per day which is tax free.
Miss KK listens to a radio watches television. She likes to read *Umafrika* and *Ilanga*. She is blank about government initiatives aimed at improving the informal economy.

**CASE NO 29**

Mr LL who is 34 years old was born in Matubatuba and migrated to KwaMashu which is ten kilometres away from Durban. Mr LL passed her Standard Eight few years ago.

Mr LL claims to have worked for several companies before he was retrenched due to his health conditions. Mr LL was found to be asthmatic. The business opens at 10h00 a.m. and closes at 17h00 p.m. He makes an estimated turnover of R300 per day which is tax free. Miss LL listens to a radio watches television. He is aware of the programme on radio for small businesses. He suggests that the government should send people to inform them about development in their sector.

**CASE NO 30**

Miss MM who is 25 years old and has one child was born in Mthwalume, but now lives in Ntuzuma where she owns a shack. Miss MM who passed her Standard Seven few years back entered the informal because she wants to accumulate a capital to start her own formal business.

The present business opens six days a week from 8h30 to 17h30 everyday. The business generates an estimated turnover of R400 per day which is tax free. Miss MM would highly appreciate formal employment which would make it easier for her to accumulate capital. She owns a television set and likes to watch news on television and is aware of a business programmes on the small medium size enterprises. She also listens to most of the programmes in Radio Zulu and aware of economic programme as well the government initiatives to improve the informal sector. She also reads, *Mercury*, *Ilanga* and *Umafrika*. She believes that the government should send people who would tell the informal traders of a decision taken on policy level about their sector.
APPENDIX C

PERSONAL INTERVIEW WITH MISS MBOKAZI ZANELE

Mbokazi Zanele is a Radio Zulu Presenter for programmes on Economic Affairs which are broadcast on Mondays and Fridays at 7h15 to 7h30 every morning for the small, micro and medium enterprises and the public in general.

Question: Do you have any programmes which are targeted at the micro-enterprises (informal sector)?

Answer: I cannot say that the programme we have so far they are for the micro-enterprises. Our audience includes all Radio Zulu listeners who are interested in the economic welfare of our country including the micro-enterprises. The programmes on economic affairs cover wide range of economic development news in the region and the country at large. We also invite some guests from the micro-enterprises, for example, organisation such as Self Employment Women's Union (Sewu) are allowed to interact with their members to explain the need for personal hygiene for women who sleep in the streets.

Question: Is there any research so far conducted which gives you a global perspective of the estimated figure of your listenership and the convenience of the broadcasting time?
Since I started to work for Radio Zulu during the second semester, I have not really conducted a research of that kind. However, as soon as I get my budget for next year I will be in a position to conduct a research.

Did Radio Zulu cover the President's Conference on Small, Medium and Micro-Enterprises which was held in Durban on 28 March 1995.

Although I was not working for Radio Zulu at that time, I am told that my predecessor conducted an extensive focus on the Conference.