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Conditions****News****► Cross-border informal traders come under the spotlight****Topic:** G - Other Trade Topics - Trade and Development**Author:** Sapa-IPS**Published:** 16/08/2004**Region:** SADC

Cross-border trade came under the spotlight in a recent workshop held in the South African capital, Pretoria, by Action Aid - an international charity. Traditionally informal cross-border trade has not been given much attention, but Sally Peberdy from the Johannesburg-based Southern African Migration Project who has been monitoring cross-border traders in the Southern African Development Community (SADC), believes more attention needs to be paid to the sector.

"Unfortunately, the activities of people involved in informal cross-border trade appear to have been overlooked," she notes. This despite the fact that national and regional policy initiatives, particularly the SADC Free Trade Protocol, portray regional trade as an important way of encouraging growth and reducing poverty.

Peberdy emphasises that Africa may be overlooking a large proportion of their trade by ignoring informal workers. "I reckon it's between 30 percent and 40 percent [of SADC trade] ...(but) the bottom line is we don't know," she said.

The United Nations has set eight key targets for the sub-Saharan African (SSA) region which are called the Millennium Development Goals (MDG). These goals were set in New York in 2000 and include halving the people who work for less than a dollar a day, reducing maternal mortality by three quarters and providing for universal primary education. But Moono Mupotola of Action Aid's Southern African Partnership Programme says: "It is estimated that 40 percent of SADC's 200 million people live in poverty. These figures are alarming...The regional growth in 2002 was 3.2 percent, which fell short of the seven percent required to halve the level of poverty by 2015".

Unlike other regions around the world, SSA is getting poorer rather than richer. With more than 70 percent of the people in Southern Africa relying on agriculture, according to Rangarirai Machedze of Seatini, a Harare-based organisation that campaigns for fair global trade, small scale trade is vital to these small towns. About 50 percent of overall trade in rural SSA is run by informal traders according to numerous studies. "Clearly then there is a need for the policy concerns of this sector to be recognised," said Helena McLeod, a trade expert based in South Africa.

Chris Landsberg of the Centre for Policy Studies in Johannesburg is one of the critics of SADC and its failure to consider informal traders in favour of developing larger industries in order to make the region more attractive to foreign investors. "I don't think the poor have a voice in SADC," said Landsberg. "They hardly engage civil society seeking to alleviate poverty."

On the other side of the debate is John Mwaniki of the Irish Economic Development Organisation, who says that those who feel sidelined by SADC need to take the initiative with reforming the organisation. While this may be all very well, it would appear to be logical that, by their nature, informal traders tend not to have formal representative institutions to represent them at regional trade bodies such as SADC.

Landsberg also criticises South Africa, Botswana and Namibia which recruit skilled workers from the region, but are the ones who are reluctant to open up and allow free movements of people.

Source: Sapa-IPS



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