



Navigating Crisis: The Experiences and Challenges of Mahikeng's Informal Traders Amidst the Covid-19 Lockdown

Koketso Sereo

E-mail: Koketso.Sereo@nwu.ac.za

North West University, South Africa

Thandeka Khowa

Email: Thandeka.Khowa@nwu.ac.za

North West University, South Africa

Abstract

This study explored the experiences of informal traders in the Mahikeng Central Business District (CBD), South Africa, during the Covid-19 national lockdown, a period marked by unprecedented challenges for the informal sector, including informal trading. Informal trading plays a vital role in the local economy, yet the dynamics of the Covid-19 national lockdown raised concerns over the sustainability of informal traders' livelihoods. The Sustainable Livelihood Approach was chosen to understand how informal traders adapted and navigated the Covid-19 lockdown's impact on their economic and social well-being. Employing a qualitative research approach with an exploratory design, the study focused on informal traders at the Bradford taxi rank, a bustling hub of economic activity in the Mahikeng CBD. Through face-to-face semi-structured interviews with ten purposely selected traders, the research captured informal traders' narratives regarding the impact of the national lockdown on their operations and livelihoods. The findings reveal significant disruptions, including loss of income, stock (goods) spoilage, reduced working hours and increased household vulnerability. Despite these challenges, many participants demonstrated resilience and adaptability in navigating the crisis. The study highlights the structural vulnerabilities of informal traders in small rural towns and underscores the need for inclusive policy interventions, targeted financial support, and improved crisis communication strategies to strengthen livelihood resilience in future emergencies.

Key words: Covid-19 lockdown, Informal traders, Sustainable Livelihoods, Mahikeng CBD, Livelihood resilience

Introduction

The COVID-19 pandemic has profoundly disrupted livelihoods around the world, with informal traders being among the hardest hit by the subsequent economic disruption. In South Africa, informal trading plays a critical role in providing goods and services, particularly in small towns like Mahikeng, where many individuals rely on informal traders for their daily needs. As the national lockdown began in March 2020, with the aim to curb the spread of the coronavirus, informal traders faced unprecedented challenges which included government restrictions that severely limited their ability to operate and earn a living to sustain their livelihoods.

Research indicates that informal traders are vital to sustaining local economies, yet their experiences during crises often remain under-researched. While previous studies have addressed the broader impacts of the COVID-19 pandemic on formal sectors, there is a notable gap in understanding how lockdown measures specifically affected informal traders in marginalized communities. This study seeks to fill this gap by examining the unique experiences of informal traders in Mahikeng during the COVID-19 national lockdown, focusing on the economic and social challenges that informal traders encountered. Understanding the experiences of informal traders during this pivotal moment not only sheds light on their vulnerabilities but also emphasizes the urgent need for policies that support this critical economic sector. As communities strive to recover from the pandemic's effects, integrating the voices of informal traders into economic planning becomes essential for building resilience and ensuring equitable recovery. The aim of this article was to explore the experiences of informal traders in the Mafikeng Central Business District (CBD) during the Covid-19 national lockdown. To accomplish the aim of the study, four research questions were pursued.

Research Objectives

This study is guided by the following research objectives:

1. To examine the impact of the COVID-19 lockdown on the trading activities and livelihoods of informal traders in Mahikeng CBD.
2. To explore informal traders experiences of food security during the restricted periods under the COVID-19 lockdown.
3. To analyse the changes in income levels before and after the COVID-19 lockdown.
4. To assess the extent to which the economic impact of the COVID-19 lockdown was redeemable.

Literature Review

Overview history of Covid-19 and Covid-19 lockdown

Coronavirus disease 2019, commonly known as COVID-19, is an infectious respiratory illness caused by the SARS-CoV-2 virus and it was first identified in Wuhan, Hubei Province, China, in December 2019, following a cluster of pneumonia cases (Sewa, 2020). The World Health Organization (WHO, 2020) declared COVID-19 a global pandemic in March 2020 after rapid transmission of the virus across countries around the globe. In Africa, the first confirmed case was reported in Cairo, Egypt on the 14th of February 2020. Additionally, countries like Nigeria, Morocco and South Africa were also the few first countries in Africa to experience cases of COVID-19 (February-March 2020).

In South Africa, the first COVID-19 case was reported on the 5th of March 2020, when an a traveler returned from Italy tested positive for the virus. On 15 March 2020, the President of South Africa, Cyril Ramaphosa, declared a national state of disaster. Within a week, the President announced a total national lockdown for three weeks, starting on 27 March 2020. This lockdown was subsequently extended by two weeks, lasting until 30 April 2020 (The Presidency, 2020). Globally, many countries implemented similar lockdown measures after the World Health Organization (WHO) declared COVID-19 a pandemic. South Africa's initial lockdown was the strictest globally, this included the closure of businesses, shops, and workplaces, along with the enforcement of social distancing and bans on mass gatherings (Thulare & Moyo, 2021). Only those deemed as essential workers were permitted to operate during this period (The Presidency, 2020).

The initial lockdown garnered public support as a necessary measure to curb the spread of COVID-19. However, its severe impact on socio-economic and livelihood activities quickly became a concern,

particularly as informal traders, including food vendors, were not classified as essential workers. This exclusion caused significant distress to an already struggling economy. The lockdown and its restrictions had alarming consequences for the informal sector, which employed approximately 3 million people in South Africa when the lockdown began (Ndhlovu & Mhlanga, 2023).

As the national lockdown eased, the government and health organisations implemented measures to facilitate a gradual transition from stringent restrictions. Among these measures was the introduction of a COVID-19 alert system to manage the shift to more sustainable virus control (Khambule, 2020). The alert system comprised five levels, reflecting the risk of COVID-19 transmission in the country. These levels ranged from low risk (Level 1) to high risk (Level 5), with corresponding restrictions and recommendations issued by the government. Decisions regarding the lockdown levels were informed by epidemiological data, case numbers, hospital capacity, and other metrics (Ndhlovu & Mhlanga, 2023). The implementation of lockdown Level 5 in South Africa marked a critical effort to flatten the curve of COVID-19 infections, prevent healthcare systems from being overwhelmed, and allow time to prepare public health responses, such as securing medical supplies and enhancing healthcare capacity. Informal traders, who are the primary focus of this study, were particularly affected by these stringent measures. According to WEIGO (2020), the exclusion of informal traders during the strict lockdown levels had severe consequences for their livelihoods, as they were forced to stay at home and were unable to trade.

Overview of informal trading in South Africa

To understand informal trading, it is essential to first examine the broader concept of the informal sector. Defining the informal sector provides a contextual foundation for understanding its characteristics, situating informal trading within the larger economic framework, and distinguishing it from formal trading and other economic activities. The term "informal sector" was first introduced by Keith Hart in September 1971 at a conference on urban unemployment in Africa, hosted by the Institute of Development Studies at the University of Sussex. Hart's presentation was based on his research in low-income neighborhoods in Accra, Ghana. During his fieldwork, Hart identified a substantial self-employed sector that absorbed a significant number of new urban labour force participants who were unable to secure employment in the formal sector (Weeks, 1975).

The concept gained broader recognition a year later in the International Labour Organization's (ILO) report titled *Employment, Incomes and Equality: A Strategy for Increasing Productive Employment in Kenya* (ILO, 1972). This report refined the term and highlighted the informal sector's role in providing income and employment opportunities to marginalised groups. Subsequently, the informal sector became a foundational element in the theoretical frameworks of many urban research studies under the ILO's World Employment Programme and influenced urban research initiatives by other global organisations (Weeks, 1975). A more recent definition of the informal sector describes it as any business that is unregistered and specifically owned by an individual or a small group of people (Stuart et al., 2018). The informal sector is characterised by low incomes, unstable working conditions, inadequate or non-existent social security, and a heavy reliance on day-to-day earnings for food and other necessities (Kesar et al., 2021). It plays a crucial role in employment, income generation, and economic development, particularly in low- and middle-income nations (Etim & Daramola, 2020). Estimates suggest that the informal economy, of which informal trading is a significant part, employs approximately 80% of workers in Sub-Saharan Africa (Mathe & Ndlovu, 2020).

Furthermore, the informal sector is continuously evolving and expanding, leading to ongoing discussions about its definition and the development of frameworks that capture its complexity and diversity in South Africa. In this context, the informal sector is broadly defined as comprising unregulated and unregistered enterprises (Yu, 2012). Definitions and classifications of the informal sector in South Africa vary but generally include core features such as the absence of registration, self-

employment, casual or temporary employment, income variability, and limited access to resources (Yu, 2012; StatsSA, 2020; Rogan & Skinner, 2020).

Within the informal sector, a significant activity is informal trading, which is the primary focus of this study. In the context of this research, informal trading refers to the buying and selling of goods and services conducted without formal registration, licensing, or regulation, often by local entrepreneurs operating flexibly. Informal traders are not recognised or protected under labour regulations or social security policies (Etim & Daramola, 2020). In small rural towns like Mahikeng, informal trading plays a vital role in the local economy by providing accessible products and services, fostering community connections, and serving as a primary source of income for many individuals (Shounyane, 2021). However, informal traders are among the groups most at risk of losing their livelihoods during national crises or disasters due to their lack of secure employment contracts, workers' benefits, or union representation (Thulare & Moyo, 2021).

Globally, Latin America and sub-Saharan Africa report the highest levels of informality, while Europe and East Asia have the lowest. In India, over 90% of the workforce relies on the informal sector for their livelihoods, with 14% of informal workers engaged as street traders (Oxfam India, 2022). In Africa, informal trading often operates outside formal economic structures and is a critical component of informal economic activities. In cities such as Lagos (Nigeria), Nairobi (Kenya), Kampala (Uganda), and Accra (Ghana), informal work dominates over formal employment, providing a vital source of income for the urban poor while ensuring that cities are adequately provisioned (Bromley, 2000). Given Africa's challenging economic conditions, including reduced external support and rising poverty levels, many nations have begun recognising the informal sector's potential as a channel for fostering private sector contributions to both developmental progress and equity goals. This shift underscores the growing importance of informal trading in addressing economic and social challenges (Mitullah, 2004). According to the Human Sciences Research Council (HSRC, 2018), an estimated 2.5 million people were employed in the informal sector in South Africa, with more than half engaged as informal traders, accounting for over 800,000 jobs. The African Development Bank (2020) reported that the Sub-Saharan African region's financial development rose to 3.4% in 2019, with projections of 3.9% and 4.1% for 2020 and 2021, respectively. Studies also show that 70% of poor urban households acquire some or all their food and essential goods through informal traders, benefiting from lower prices and smaller, more affordable quantities (Battersby & Marshak, 2016). In South Africa, the informal food sector contributes an estimated 40–50% of annual food sales, as informal traders offer flexible purchasing options, credit to customers, and smaller transactions at reduced prices, making them more accessible than supermarkets (Wegerif, 2020; Mathe et al., 2020).

The nature of informal trading makes it challenging to estimate the number of traders accurately. Their numbers fluctuate depending on the time of day or the season, as some traders operate only in the morning, others in the afternoon or evening, and some exclusively on weekends or during specific seasons (Bhowmik & Saha, 2013). This variability complicates efforts to determine the exact number of street traders operating in any given country or city. Informal trading is carried out by both men and women, typically outside enclosed premises or covered workspaces. Common locations include street pavements, corners, sidewalks, neighbourhood pathways, and major transport hubs such as railway stations, bus stops, lorry parks, construction sites, and sports complexes (Mitullah, 2004). This decentralised and dynamic nature of informal trading underscores its flexibility and adaptability within urban and semi-urban environments.

Many studies have demonstrated that women constitute a significant proportion of the informal trading workforce (Zhanda et al., 2022; Wiego, 2020; Siqwana-Ndulo, 2013; Birla, 2021). This is largely attributed to factors such as cultural norms, gender discrimination, and limited access to formal employment opportunities. In many regions, including India and South Asia, informal trading is predominantly occupied by women (UN Women, 2016). A study by Che et al. (2020) found that

approximately 90% of women in these regions work in the informal sector, with around 20% employed in urban areas where informal trading is prevalent. In Africa, research by Tsitsi (2002), Lund and Skinner (2000), Horn (2011), Sassen (2018), and Bonnet et al. (2019) similarly highlights the dominance of women in informal trading. A South African study by Skinner and Lund (2000) revealed that many women engaged in informal trading are primary breadwinners, supporting large families. The study also noted that individuals often turn to informal trading as a result of poverty, retrenchment, or landlessness. For women, the flexibility of informal trading—such as adjustable working hours and the independence it offers—makes it more compatible with their family responsibilities and reproductive roles (Mitullah, 2004).

Informal trading is often characterised by unregulated and unorganised markets, meaning that traders are not required to adhere to the same rules and regulations as formal businesses. For instance, informal traders may not be obligated to pay taxes or comply with specific health and safety standards. While this flexibility can benefit traders, it can also result in unsafe or unhealthy working conditions (ILO, 2020; Sillah, 2019; Ekobi, 2022). In the context of this study, informal traders in Mahikeng CBD face similar challenges. They often work in unregulated and makeshift trading spaces that lack essential amenities such as sanitation facilities and access to clean water, reflecting the broader challenges of unorganised and unstructured informal markets.

Challenges and experiences of informal traders

The livelihoods of informal traders were significantly disrupted when the COVID-19 pandemic struck, prompting governments worldwide to implement measures to curb the virus. Many countries introduced lockdowns, which restricted movement, closed non-essential businesses, and banned social gatherings. While these measures were necessary to control the spread of COVID-19, they had severe consequences for informal traders globally. According to the ILO (2020), 1.6 billion workers, representing the most disadvantaged in the labour market, experienced a sharp decline in their earning capacity, with informal workers' incomes dropping by 60% during the first month of the pandemic (Khambule, 2022). Furthermore, lockdown measures led to reduced working hours, employment losses, and significant uncertainties in the global labour market. Notably, 71% of recorded employment losses were driven by reduced economic activity rather than outright joblessness (Khambule, 2022; Sonu et al., 2021).

In China, the first country to experience COVID-19, unprecedented lockdown measures caused a historic economic contraction of at least 6% in 2020. By the end of 2021, economic recovery and growth were projected to rise to 8.55%, according to the Organisation for Economic Cooperation and Development (2022). The pandemic also disrupted agricultural exports and raised concerns about potential global food shortages, impacting food security worldwide (Lin & Zhang, 2020). In India, the pandemic exacerbated an already struggling economy, with the manufacturing, agricultural, and service sectors hit hardest (Kanitkar, 2020). Pakistan also faced significant revenue losses, leading to widespread unemployment and poverty (Kouser et al., 2020).

In Africa, economic growth, initially projected at 3.9% for 2020, fell to an estimated 0.4% due to the pandemic, a particularly severe blow for underdeveloped economies (Lone & Ahmad, 2020). In Ghana, COVID-19 led to income cuts for over 770,000 workers, reduced working hours for 700,000, and the dismissal of over 42,000 workers (Dadzie et al., 2020). Approximately 46.1% of businesses reduced employee incomes, while 35.9% cut working hours (Ghana Statistical Service, 2020). In South Africa, as noted earlier, the informal economy employed approximately 3 million people in 2020, accounting for just under 20% of total employment (Statistics South Africa, 2020). The lockdown measures implemented on 27 March 2020 severely impacted this sector. Economists predicted that the pandemic could cause a 2.5% to 10% reduction in the country's GDP in 2020 (Lone & Ahmad, 2020; Wills et al., 2023). Informal traders faced significant income and livelihood losses as lockdown restrictions prevented clients from traveling or shopping, resulting in little to no sales. Even when

restrictions were eased, informal traders struggled to regain pre-lockdown income levels. For example, informal transport operators in Johannesburg suffered severe income losses due to regulations limiting the movement of people and goods (Otieno et al., 2020). Roadside vendors, domestic workers, gardeners, and spaza shop operators experienced abrupt disruptions in income due to the ban on informal economic activities (Nyashanu et al., 2020). In Durban, approximately 97% of informal street traders, 95% of market traders, and 74% of waste pickers suffered significant income losses during the initial lockdown phase in April 2020 (WIEGO, 2021; du Plessis, 2021). Despite the relaxation of lockdown measures in July 2020, informal traders were unable to recover fully (Khambule, 2020; WIEGO, 2021; Thulare & Moyo, 2021).

Informal traders also faced stock losses, particularly those selling perishable goods. With lockdowns restricting their ability to trade, goods like fruits and vegetables deteriorated before they could be sold (Gumbo, 2021). Additionally, reduced working hours further impacted sales volumes. Informal traders in Gauteng reported difficulties returning to normal working hours even after restrictions were eased (Raniga & Ringson, 2022). In Durban, traders indicated they were allowed to trade only for limited hours each day, significantly reducing their potential sales (Khambule, 2022). Decreased foot traffic, essential for spontaneous purchases, further compounded these losses. The pandemic also imposed significant psychological burdens on informal traders. Stress and anxiety stemming from financial instability, health risks, and uncertainty about the future became prevalent (Khambule, 2022). The lack of access to mental health services during this time exacerbated the emotional toll on traders, who were left to navigate these challenges without adequate support. The stress of reduced working hours and economic hardships left many informal traders struggling with their mental health (Sonu et al., 2021).

While numerous studies have explored the experiences of informal traders during the COVID-19 lockdown in large cities like Durban and Johannesburg (Gumbo, 2021; Raniga & Ringson, 2022; Khambule, 2022), there is a notable gap in research on small rural towns like Mahikeng, which is the main focus of this study. In small rural towns like Mahikeng, informal trading plays a vital role in the local economy by providing accessible products and services, fostering community connections, and serving as a primary source of income for many individuals (Shounyane, 2021). Informal traders in small rural towns like Mahikeng face distinct challenges that differ from those in urban areas, hence the relevance of this study.

Theoretical framework

This study is grounded by the Sustainable Livelihoods Approach (SLA) to understand the experiences of informal traders during the COVID-19 national lockdown in the Mahikeng CBD. The SLA emphasizes the importance of different forms of capital, namely the human, social, financial, physical, and natural resources in shaping individuals' livelihoods and resilience to shocks such as the national lockdown. By applying this framework, the research aimed to analyze how these different types of capital influenced the traders' ability to adapt and cope during the national lockdown, ultimately highlighting the interconnectedness of their socio-economic conditions and the broader context of vulnerability and resilience in informal trading environments.

The livelihood perspective recognizes five key forms of capital that individuals and communities utilize for survival, namely: human, financial, social, physical, and natural capital are key assets from a livelihood perspective (Serrat, 2017).

The first capital of sustainable livelihoods is natural capital, which includes resources and services provided by nature, such as land, water, forests, and biodiversity. The COVID-19 lockdown disrupted access to these resources as informal traders rely on local natural assets for their goods. Limited access to markets and disrupted supply chains reduced the availability of fresh food and goods, affecting not only traders' sales but also the local community's access to essential products. The second

capital, human capital, encompasses individuals' skills, knowledge, health, and well-being. Informal traders often develop specific skills to succeed in their businesses. However, the health risks and movement restrictions of the COVID-19 lockdown hindered their ability to engage with customers and sell goods, severely impacting their livelihoods. Additionally, the health toll of the pandemic further limited traders' capacity to work, resulting in income loss and heightened vulnerability. The third capital, social capital, refers to networks, relationships, and community cohesion. Informal traders rely heavily on social ties for support, referrals, and collaboration. The isolation imposed by the lockdown disrupted these networks, making it harder for traders to access market information, financial aid, or informal loans. This weakened their capacity to cope with the economic impacts of the pandemic and lockdown measures. The fourth capital, financial capital, pertains to financial resources and assets available to individuals and communities. This was significantly affected by the lockdown as many informal traders operate on a hand-to-mouth basis, lacking savings or access to formal credit. The resulting loss of income during the lockdown led to increased debt and financial insecurity, making it difficult for traders to sustain their businesses or invest in recovery after restrictions were eased. The fifth capital, physical capital, includes infrastructure, buildings, and other physical assets that support livelihoods and economic activities. Lockdown restrictions severely limited informal traders' access to their trading spaces, such as stalls. Additionally, their inability to maintain or upgrade physical assets during this time led to deteriorating business conditions, further hampering economic activities.

The central argument of this study is that the COVID-19 lockdown significantly disrupted the five livelihood assets of informal traders, resulting in diminished resilience and heightened vulnerability. This underscores the urgent need for targeted support and recovery strategies to rebuild and strengthen the livelihoods of informal traders in the post-pandemic period. The Sustainable Livelihoods Approach (SLA) is particularly relevant to this study as it provides a comprehensive framework for understanding and evaluating the overall well-being and sustainability of informal traders in the Mahikeng CBD. Moreover, this framework facilitates an analysis of the interplay between different capital types and their combined influence on the livelihoods of informal traders.

Methodology

Research Design

The study employed a qualitative research approach, which is particularly effective for exploring the attitudes, behaviors, and experiences of individuals, especially in contexts such as the experiences of informal traders during the COVID-19 lockdown. An exploratory research design was implemented to gain a comprehensive understanding of these traders' experiences, thereby laying the groundwork for addressing the research questions and formulating potential solutions (Malele, 2018).

Study Area

The focus of the study was on the Mahikeng Central Business District (CBD), situated in the Ngaka Modiri Molema District Municipality in the North-West Province of South Africa. The study specifically focused on Mahikeng CBD because the study provides insights into the experiences of informal traders in a specific rural context, contributing to a more nuanced understanding of the impact of COVID-19 on informal economies. The target population included informal traders operating within this CBD, specifically those based at the Bradford taxi rank, commonly known as the Mahikeng taxi rank. The Bradford taxi rank was chosen due to its status as a high-traffic area where a significant portion of informal trading in Mahikeng occurs. Its central location and proximity to transportation services facilitate a substantial flow of potential customers, making it an ideal research site.

Sampling

The participant pool consisted of both male and female informal traders over the age of 18, ensuring that all respondents could provide informed consent. Additionally, the study focused on traders who had been active for at least a year prior to the COVID-19 lockdown. This criterion was established to elicit insights from experienced traders, enabling a deeper assessment of how the lockdown impacted their livelihoods and business operations over time. A sample of ten informal traders was selected purposefully from the Bradford taxi rank through a chain referral sampling strategy. This sample represented a variety of trades, including the sale of sweets, cigarettes, cool drinks, fruits, and vegetables. The selection of 10 participants aligns with qualitative research aims, which prioritize in-depth exploration and the collection of rich, detailed data.

Data Collection and Analysis

Data collection was primarily conducted through face-to-face semi-structured interviews with open-ended questions, allowing participants the freedom to articulate their experiences fully. Interviews were scheduled a week in advance to facilitate to allow participants adequate preparation time. The data that was gathered was analyzed using the six-step thematic analysis framework (Braun & Clarke, 2006), a recognized method in qualitative research.

Ethical considerations

The study adhered to the ethical guidelines stipulated by the North-West University Basic and Social Sciences Research Ethics Committee (BaSSREC). To safeguard the confidentiality and privacy of participants, all information was kept anonymous and not linked to specific individuals. Pseudonyms were assigned to each participant to further protect their identities.

Results

The findings are presented thematically in relation to participants' experiences during and after the COVID-19 lockdown. The analysis revealed five major themes: (1) limited understanding of lockdown regulations, (2) loss of stock, (3) reduced working hours, (4) loss of income and livelihood insecurity, and (5) changes in household conditions.

Perceptions on and impact of lockdown regulations

Participants expressed limited knowledge and understanding of the lockdown regulations and their implications when the restrictions were first introduced. Many participants revealed that they were unaware of the specific guidelines or the extent to which the lockdown would impact their livelihoods, largely because they lacked access to accurate and timely information. Instead, they relied on word of mouth and informal channels for updates, which often provided incomplete or misleading information. One participant stated that *"I did not understand what the lockdown really meant for us as informal traders; I did not expect it to literally mean no work for us"* (Participant 2, Bradford Taxi Rank, 2023). This was reiterated by another participant who echoed the same sentiment: *At first, I thought that our work and livelihoods would not be affected by the lockdown. I thought that we informal traders would continue to work; however, that was not the case. I really did not expect how the lockdown panned out for us* (Participant 6, Bradford Taxi Rank, 2023).

Initially, most participants underestimated the severity of the lockdown, believing that informal trading would be exempt from restrictions given its role as a source of essential goods for the public. This lack of understanding led many to assume they could continue operating without significant disruption. However, as the lockdown persisted and trading activities were prohibited, participants began to realise the gravity of the situation. After a week of being locked out of their businesses, many reported growing anxiety about how they would survive without income from trading. This aligns with

findings by Mathe and Ndlovu (2021), who argue that insufficient information about lockdown measures created widespread misconceptions, particularly among informal traders. Without clear communication about the restrictions and their impact, traders were unable to prepare or develop strategies to adapt their businesses to the changing environment.

Using the SLA as an analytical lens, this limited understanding of lockdown regulations can be seen as a disruption to traders' *human capital* — their knowledge and preparedness to navigate external shocks. The lack of access to information weakened their capacity to make informed decisions, leaving them more vulnerable to the economic fallout of the lockdown. This theme highlights the importance of tailored communication strategies during crises, especially for marginalised groups such as informal traders. Transparent, accessible, and inclusive communication about regulations and their implications is essential to ensure that vulnerable populations can anticipate and mitigate the adverse effects of such measures. This could enhance their ability to adapt and sustain their livelihoods during periods of crisis. Participants further reflected on the various ways in which the lockdown regulations impacted their businesses, providing insights into the multidimensional challenges they faced. They shared how the sudden restrictions disrupted their operations, and the cascading effects on their income, stock management, and overall sustainability. Their reflections outlined below highlight the interconnectedness of their business activities and the broader socio-economic environment, illustrating how the lockdown regulations amplified existing vulnerabilities while also revealing gaps in support systems for informal traders.

Loss of stock

Participants revealed that the COVID-19 lockdown significantly affected their businesses through the loss of stock, particularly perishable goods, which deteriorated during periods when trading was prohibited. With stringent lockdown measures in place, traders were unable to operate, leading to inventory mismanagement and financial losses as unsold goods expired. Participant lamented that *"I lost my stock, my bananas went bad during the one week that we stayed at home and that cost me a lot"* (semi-structured interview, Participant 1, Bradford Taxi Rank).

This was echoed by Participant 5 who shared that they *"couldn't sell to make money and some of my stock like bananas became spoiled and simbas became stale"* (semi-structured interview, Participant 3, Bradford Taxi Rank,).

These findings illustrate how informal traders reliant on perishable goods such as fruits and snacks faced severe economic consequences. The inability to sell their products on time translated directly into lost income, as they had to dispose of goods that no longer met quality standards. This type of stock loss exemplifies how informal traders are especially vulnerable to external disruptions, with limited options to mitigate such losses due to the lack of storage facilities or alternative sales channels. Interestingly, this study contrasts with findings from Mathe and Ndlovu (2021), Gumbo (2020), and du Plessis (2021), which reported that informal traders in other parts of South Africa often lost stock due to confiscation by law enforcement during the lockdown. In Mahikeng CBD, participants indicated that while they were regularly chased away by the police, their goods were not confiscated. For example, Participant 5 mentioned that *"we would just come here to sell, and they would chase us away to go home"* (Semi-structured interview, Participant 5, Bradford Taxi Rank, 2023). Similarly, Participant 4 added, *All I did was come to town and sell because I couldn't stay at home and the police would come and chase us away and I came everyday up until the government told us to get permits from the municipality for us to be able to trade* (Semi-structured interview, Participant 4, Bradford Taxi Rank, 2023).

These accounts suggest that informal traders in Mahikeng CBD were spared the direct economic blow of confiscated stock but still faced indirect challenges, such as restricted trading opportunities and disruptions to their operations. In other areas, as noted by Mathe and Ndlovu (2021),

law enforcement practices, including confiscation of goods and imposition of fines, placed additional financial strain on informal traders. For instance, traders in other provinces like in the Gauteng Province, reportedly had to pay fines ranging between R1,600 and R3,000 to retrieve their confiscated goods, amounts that far exceeded the typical cost of stock for informal traders (SAITA, 2021; News24, 2021). This loss of stock, whether through spoilage or indirect policing actions, underscores a critical erosion of financial capital within the SLA. Financial capital, as one of the five livelihood assets, represents the monetary resources required for sustaining a livelihood. For informal traders, the loss of stock disrupted this capital base, undermining their ability to recover and sustain their businesses. The findings suggest that interventions such as access to storage facilities, lenient trading regulations, or financial support could have mitigated some of these losses and supported traders in maintaining their livelihoods.

Reduced working hours during the lockdown

The study explored whether participants considered reducing their working hours after being allowed to trade again following the COVID-19 lockdown. A significant number of participants indicated that the restrictions and safety measures implemented by the government compelled them to reduce their working hours, limiting their productivity and profitability. For many, this reduction had severe financial and emotional impacts. One participant explained that *“I reduced my working hours to 5 hours a day because there was no business”* (Semi-structured interview, Participant 2, Bradford Taxi Rank). The decision to limit working hours was driven by decreased customer demand, allowing participants to save on transportation and operational costs while still attempting to earn an income. However, this also resulted in lower overall earnings, making it difficult to meet basic needs. This aligns with findings by Baboolal-Frank (2021), who noted that reduced trading hours created a dire economic situation for informal traders, as the limited timeframe often did not guarantee sales, causing psychological stress and diminishing self-worth. Similarly, Sonu et al. (2021) reported that informal traders, who previously worked extensive hours of up to 16–18 hours daily, had to adjust to shorter working periods after the lockdown. However, some participants resisted reducing their working hours despite the lockdown’s challenges. Participant 3 shared, *There was no way that I could close because this is what gives me money. Though, I changed the times that I come to town there and there, sometimes I could come late around 12 or so* (Semi-structured interview, Participant 3, Bradford Taxi Rank, 2023).

However, others, like Participant 8, maintained their pre-lockdown working schedules, stating that *“I continued to work normal hours like before”* (Semi-structured interview, Participant 8, Bradford Taxi Rank). Participants who retained their usual schedules believed that any reduction in working hours would further decrease their income, compounding their financial strain. Many also expressed fears that reduced availability would lead to missed opportunities to earn whatever income was possible, however small. This underscores findings from the ILO (2020) report, which highlighted that informal traders worldwide ventured out to work despite restrictions, as the inability to support their families exacerbated their vulnerabilities. The participants’ responses reveal that the choice to continue or reduce working hours was often dictated by their immediate survival needs, aligning with the principles of the SLA. The SLA highlights the importance of maintaining financial capital to support livelihoods during crises. Reduced working hours directly undermined participants’ ability to sustain this capital, as it limited income generation and, in turn, the capacity to invest in essential resources or develop human capital. Serrat (2017) notes that constrained working hours can also restrict opportunities for skill development or innovation, further perpetuating economic insecurity. Overall, participants’ experiences demonstrate the delicate balance between adhering to lockdown regulations and ensuring economic survival, with many informal traders forced to adapt strategies to mitigate their losses amidst restrictive conditions.

Loss of income and livelihood

Participants consistently indicated that the above challenges ultimately led to financial instability, making it challenging to meet basic needs such as food and rent. Below responses from Participants 4 and 7 are instructive: *Covid lockdown affected us a lot as traders. During lockdown we were told to stay at home and that means loss of money for us, not coming to town to sell means that we don't have an income* (Semi-structured interview, Participant 4, Bradford Taxi Rank). *Covid impacted us a lot and in a bad way. It came at a time we were not ready to stay at home, cause staying at home made us lose money* (Semi-structured interview, Participant 7, Bradford Taxi Rank, 2023).

Participants emphasised that staying at home without income caused severe financial hardships. They faced difficulty paying for basic necessities and lost their livelihoods due to the inability to sell goods or services. This aligns with findings by Mathe and Ndlovu (2021), Khambule (2022), and Raniga and Ringson (2022), who noted similar impacts on informal traders in Hwange, KwaDukuza, and Gauteng. For informal traders, already in precarious financial situations, the loss of income caused stress and anxiety, further exacerbating their vulnerability. From the perspective of the SLA, this loss reflects a reduction in economic capital — the financial and physical resources necessary for sustaining livelihoods. The diminished financial capital directly impaired traders' access to basic needs and constrained their ability to rebuild their businesses.

Regarding whether the economic impact was redeemable, participants explained that the stringent Level 5 lockdown caused lasting damage that was difficult to recover from: Participant 2 indicated that: *The impact was not redeemable, it affected me a lot that even now things have changed. Some of our customers lost their jobs during the lockdown, so it also affected us because they no longer have money to buy from us, so it is hard* (Semi-structured interview, Participant 2, Bradford Taxi Rank). While Participant 3 indicated that: *The impact is hard and one struggled to come back from it. Even now things have not yet gone back to how they were before the lockdown, things have really changed* (Semi-structured interview, Participant 3, Bradford Taxi Rank). Participants reported that their monthly profits after the Level 5 lockdown in 2020 were, on average, about half of what they earned before the pandemic. This is consistent with findings from Sonu et al. (2021), where informal traders in Maharashtra reported post-lockdown profits as low as a third of pre-pandemic levels. Similarly, Khambule (2020), WIEGO (2021), and Thulare and Moyo (2021) documented that even after lockdown restrictions were eased in South Africa, informal traders struggled to regain pre-pandemic income levels. One participant illustrated this financial decline, stating that “*before Covid, I would make around R400, and after Covid, I would make less because people did not buy a lot like they did before*” (Semi-structured interview, Participant 10, Bradford Taxi Rank). The findings suggest that despite a partial resumption of trading activities, the economic disruptions of the lockdown had lingering effects. Informal traders experienced reduced purchasing power among customers and diminished demand for their goods, further compounding their difficulties. This resonates with McLeod's (2001) assertion that sustainable livelihoods require resilience to stress and crises; without the ability to overcome these challenges, traders found it difficult to preserve or rebuild their economic capital.

Changed home environment

The findings revealed that the COVID-19 lockdown had a profoundly negative impact on the home environments of informal traders, marking one of the most significant challenges they faced during this period. Most participants reported having no savings due to the nature of informal trading, which relies on daily income to meet immediate needs. The absence of income during the lockdown left traders unable to purchase basic necessities, forcing significant reductions in household expenditure. Participants who depended solely on their informal trading businesses were hit hardest, as they lacked alternative income sources to cushion the financial strain. One participant detailed the difficulty of being the sole provider for their household: *COVID-19 affected me a lot. It came at a time where we did not*

expect it and unfortunately there was nothing we could do about it, we just had to accept and stop selling. The hard part was that at home I am the only one who is hustling by selling here in town, my mother is a pensioner, and my siblings are still in school, and I have a child as well, so having to provide during the lockdown was very difficult (Semi-structured interview, Participant 7, Bradford Taxi Rank,).

Households with alternative income sources, such as social grants, were somewhat better positioned to navigate the lockdown's financial strain. Participants receiving child support grants acknowledged that these provided essential relief. However, others faced compounding challenges as their partners, who also engaged in informal or low-income work, lost their incomes due to the lockdown. For instance, one participant noted: *My husband works as an informal electrician; he helps fix people's electricity. When the lockdown was implemented, people stopped calling him to their homes to help with the electricity, so he could not make money* (Semi-structured interview, Participant 4, Bradford Taxi Rank). The financial and emotional toll of these changes resulted in significant mental stress for participants, as they struggled to meet basic needs in an environment of heightened uncertainty. This aligns with findings by Wills et al. (2023), who reported that 22% of South African households experienced hunger during the first week of the lockdown. Similarly, global studies (Sonu et al., 2021) revealed that informal traders in India, China, and Zimbabwe faced comparable challenges, with limited income leading to difficulties affording basic necessities, increased stress, and disrupted household stability.

From the perspective of the SLA, the lockdown undermined both physical and social capital. Physical capital, such as access to essential resources like electricity and sanitation, was compromised as traders struggled to afford these services. Social capital also eroded, as financial strain and uncertainty disrupted familial and community support networks. These outcomes contradict the SLA's primary objective of reducing poverty and empowering individuals to access and utilise essential assets (Serrat, 2017). Recognising the gravity of this final challenge, it becomes clear that informal traders had to employ various survival strategies to cope with the economic and social disruptions brought about by the lockdown. These strategies, discussed in the following section, highlight their resilience and resourcefulness in navigating this unprecedented crisis.

Post COVID-19 lockdown effects on informal traders

The COVID-19 lockdown has had a profound and lasting impact on informal traders in Mahikeng CBD, many of whom are still grappling with the aftermath of the economic downturn. Even though with two years past the COVID-19 pandemic, the lockdown has left an indelible mark on the lives of informal traders and a lasting effect that is difficult for informal traders to get past. The lockdown brought about a new reality for many informal traders which is characterized by changed customer behaviours, economic uncertainty, and a shift in market dynamics. Participant 7 and 9 respectively noted that *"The pandemic was a nightmare. I lost everything, and it took me months to recover."* (Semi-structured interview, Participant 7, Bradford Taxi rank) *"The pandemic affected my business's cash flow, and I'm still recovering."* (Semi-structured interview, Participant 9, Bradford taxi rank). Participants' quotes vividly illustrate the enduring challenges faced by informal traders, emphasizing the financial difficulties of navigating in an uncertain and volatile environment. Many participants expressed how their sales plummeted during the peak of the pandemic due to restrictions, reduced customer foot traffic, and declining purchasing power among customers. These disruptions have led to a persistent struggle to recover pre-pandemic income levels, with some informal traders highlighting that their businesses have not yet reached their former profitability. These findings are consistent with study by Malemela and Selepe (2025) and Banu et al. (2023), who found that informal traders in other parts of South Africa also experienced significant economic disruption during the pandemic. In addition, through the lens of the SLA, it is clear that the lockdown has affected the livelihood assets, strategies, and outcomes of

informal traders. The loss of financial capital, disruption to social capital, and impact on human capital are all evident in the experiences of participants.

Conclusions

The COVID-19 pandemic exposed glaring inadequacies in the country's risk preparedness and response mechanisms, particularly concerning vulnerable groups such as informal traders. The study finds that the lockdown restrictions, especially at levels five to three, greatly harmed informal traders in the Mahikeng CBD. The ban on trading led to a loss of income, making it hard for them to support themselves and their families. For many, informal trading was their only income source, which made them vulnerable to economic shocks from the lockdown. Once the restrictions ended, traders struggled to get permits to restart their business, with the municipal system unable to manage the influx of applications, causing delays and extra costs. The lockdown precipitated a sharp decline in business activity, leading to significant income and livelihood losses for informal traders. This aligns with findings by Mathe and Ndlovu (2021), who report similar trends among informal traders in South Africa. The SLA posits that sustainable livelihoods depend on access to multiple forms of capital, including financial and physical resources. However, the findings indicate that the pandemic severely undermined these assets, with traders losing access to markets, customers, and financial stability. The resultant delays in recovery reflect the sector's vulnerability and the systemic neglect of informal traders in economic planning. These findings call for more inclusive economic policies that integrate informal traders into broader recovery efforts.

Recommendations

The paper recommends that the government needs to create policies that are informed by the specific needs of informal traders, and this can only happen when the government works together with informal traders and gather valuable insights for effective policy design. Financial assistance programs should be adapted to meet the specific needs of informal traders, with emergency funds or loan schemes that do not require formalisation, as this can be a barrier to support. These programs may include grants or low-interest loans to help traders recover from crises. Most importantly, the government should invest in market infrastructure—such as better trading stalls and storage— which can enhance the trading environment. The study also recommends that informal traders should adapt digital innovation as it is crucial to have an online presence on social media like WhatsApp and Facebook as it helps keep customers engaged during times of limited movement such as the COVID-19 lockdown. Informal traders should also diversify the products that they offer as this can assist to cope with changing market conditions during crises. Informal traders should also stay informed about government and non-governmental support programs related to their sector, as timely participation can offer essential financial and operational help during tough times.

References

- Baboolal-Frank, R., (2021). The Implications of COVID-19 in the Workplace in South Africa. Pt. 2 J. Legal Ethical & Regul. Issues.
- Banu, N., Sk, R., Mustaquim, M., Ali, M. K., Sarkar, R., & Mandal, S. (2023). Impact of COVID-19 pandemic on livelihoods of informal workers in Kolkata: From a sustainable livelihood perspective. *GeoJournal*. <https://doi.org/10.1007/s10708-023-10977-5>
- Battersby, J. and Marshak, M., (2016). Mapping the invisible: The informal food economy of Cape Town, South Africa. African Books Collective.
- Bhowmik, S.K. and Saha, D. (2013). Financial Inclusion of the Marginalised. *Finance. Incl. Marg.*

Birla, B. (2021). Women Workers in Informal Economy and Aging Concerns. *Older Women and Well-Being: A Global Perspective*, pp.359-377.

Bonnet, F., Vanek, J. and Chen, M. (2019). Women and men in the informal economy: A statistical brief. International Labour Office, Geneva, 20.

Braun, V. and Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative research in psychology*, 3(2).

Bromley, R. (2000). Street vending and public policy: A global review. *International Journal of Sociology and Social Policy*, 20(1/2), pp.1-28.

Che, L., Du, H. and Chan, K.W. (2020). Unequal pain: a sketch of the impact of the Covid-19 pandemic on migrants' employment in China. *Eurasian Geography and Economics*, 61(4-5).

du Plessis, M. (2021). Police and power in a pandemic: Reflections on the rise of police brutality during COVID-19 and its implications on social justice in South Africa. *Pretoria Student L. Rev. Durban*.

Ekobi, G.A. (2019). Impact of street food vending on poverty and unemployment in the Mahikeng Local Municipality (Doctoral dissertation, North-West University (South Africa)).

Etim, E. & Daramola, O. 2020. The informal sector and economic growth of South Africa and Nigeria: A comparative systematic review. *Journal of Open Innovation: Technology, Market, and Complexity*, 6(4).

Gumbo, O. (2020). COVID-19 lockdown measures on Zimbabwean populace. *Advances in Social Sciences Research Journal*, 7(7).

Horn, A. (2011). Who's out there? A profile of informal traders in four South African city central business districts. *Town and Regional Planning*, 59, pp.1-6.

ILO. 2020. COVID-19 and the world of work: Impact and policy responses. ILO Monitor First Edition. ilo.org/global/topics/coronavirus.

Kanitkar, T. (2020). The COVID-19 lockdown in India: Impacts on the economy and the power sector. *Global transitions*, 2, pp.150-156.

Kesar, S., Abraham, R., Lahoti, R., Nath, P. & Basole, A. (2021). Pandemic, informality, and vulnerability: Impact of COVID-19 on livelihoods in India. *Canadian Journal of Development Studies/Revue canadienne d'études du développement*, 42(1-2).

Khambule, I. (2022). COVID-19 and the informal economy in a small-town in South Africa: governance implications in the post-COVID era. *Cogent Social Sciences*, 8(1).

Kouser, S., Kausar, S. and Ghani, M. (2020). COVID-19 lockdown: current situation and challenges facing in Pakistan during lockdown. *Biomedica*, 36, pp.138-44.

Lone, S.A. and Ahmad, A. (2020). COVID-19 pandemic—an African perspective. *Emerging microbes & infections*, 9(1), pp.1300-1308.

Lund, F., Nicholson, J. and Skinner, C. (2000). Street trading. University of Natal, School of Development Studies, Durban, ZA.

Malele, R.H.M. (2018). Living without water: the experiences of Mokgolobotho villagers in Greater Tzaneen Municipality in Limpopo Province (Doctoral dissertation).

Malemela, M.S. and Selepe, M., 2025. COVID-19 And The Informal Sector In South Africa: Lessons, Challenges and Benefits. *Innovation Journal of Social Sciences and Economic Review*, 7(1), pp.1-16.

Mathe, P. & Ndlovu, B.C. (2021). Neglected or Negligence: A Study to Assess the Challenges Faced by Informal Traders in Hwange Urban during the COVID-19 Era. Available at SSRN 3947832.

Mitullah, W.V. (2004). A review of street trade in Africa.

Ndhlovu, E. and Mhlanga, D. (2023). The effects of COVID-19 on informal traders in undesignated spaces. *Emerging science journal*, 7(Special Issue), pp.95-104.

Nyashanu, M., Simbanegavi, P. and Gibson, L. (2020). Exploring the impact of COVID-19 pandemic lockdown on informal settlements in Tshwane Gauteng Province, South Africa. *Global Public Health*, 15(10), pp.1443-1453.

Otieno, E., Stein, M. & Anwar, M.A. (2020). Ride-hailing drivers left alone at the wheel: Reflections from South Africa and Kenya. In *COVID-19 in the Global South* (pp. 95-104). Bristol University Press.

Oxfam India. (2022). A Glance at the Informal Sector in India. India. <https://www.oxfamindia.org/knowledgehub/factsheets/glance-informal-sector-india>.

Raniga, T. and Ringson, J. (2022). The Implications of COVID-19 on Informal Trading in Gauteng, South Africa. *African Journal of Governance and Development*, (12).

Rogan, M. and Skinner, C. (2020). The COVID-19 crisis and the South African informal economy. Locked out of livelihoods and employment. National Income Dynamics Study-Coronavirus Rapid Mobile Survey (NIDS-CRAM).

Sassen, S., Galvaan, R. & Duncan, M. (2018). Women's experiences of informal street trading and well-being in Cape Town, South Africa. *South African Journal of Occupational Therapy*, 48(1).

Serrat, O. and Serrat, O. (2017). The sustainable livelihoods approach. *Knowledge solutions: Tools, methods, and approaches to drive organizational performance*, pp.21-26.

Sewa, (2020). Impact of Coronavirus on the informal economy. WIEGO.

Shounyane, T.C. (2021). Informal economy in the CBD and its contribution to local economic development in Bloemfontein.

Sillah, B.M. (2019). Formalizing informal economy: Improving decent work and tax collection in OIC member countries. *Journal of Islamic, Social, Economic, Development and Development*, 4(23).

Siqwana-Ndulo, N. (2013). The informal sector in South Africa: Woman Street traders in Sonu, M, Alok, R, Parul, S, Yogita, A. (2021). Effect of COVID-19 lockdown on the livelihood of street vendors in Maharashtra, India.

Statistics South Africa. (2019). STATISTICAL RELEASE P0211 Quarterly Labour Force Survey Quarter 2: 2019 Embargoed until: 30 July 2019 11:30, Pretoria.

Stuart, E., Samman, E. and Hunt, A. (2018). Informal is the new normal. Improving the lives of workers at risk of being left behind. London: Overseas Development Institute.

Thulare, M.H. & Moyo, I. (2021). COVID-19 and street traders in the city of uMhlatuze, KwaZulu-Natal, South Africa: On responses and adaptation mechanisms. *Cogent Social Sciences*, 7(1).

UN Women, Progress of the World's Women 2015-2016. Chapter 2, Women in informal economy.

Weeks, J. (1975). Policies for Expanding Employment in the Informal Urban Sector of Developing Economies in *International Labour Review*, January, 1975.

Wegerif, M.C. (2020). "Informal" food traders and food security: experiences from the Covid-19 response in South Africa. *Food Security*, 12(4).

Wills, G., van der Berg, S. and Mpeta, B. (2023). Household resource flows and food poverty during South Africa's lockdown: Short-term policy implications for three channels of social protection. Available at SSRN 4331504.

Yu, D. (2012). Defining and measuring informal employment in South Africa. *Development Southern Africa*, 29(1), pp.157-175.

Zhanda, K., Garutsa, N., Dzvimbo, M.A. & Mawonde, A. (2022). Women in the informal sector amid COVID-19: implications for household peace and economic stability in urban Zimbabwe. *Cities & Health*, 6(1).