Social Protection Mitigation Measures For The Informal Sector by the Government As Disaster Management In The Wake Of COVID-19 Induced Lockdown: The Zimbabwe experience

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Abstract: The Zimbabwe government took a milestone decision to cushion the informal sector players whose businesses were closed because of 21 days’ national lockdown beginning 30 March 2020 meant to curb the spread of the COVID-19 global pandemic. The lockdown culminated in massive loss of income for most businesses including the informal sector. The study was motivated by the need to establish how the country which usually experienced financial challenges was going to manage its intended purpose for the informal sector that absorbed about 85% of the total workforce. A survey was conducted in some dominant informal sector operational places in the capital city of Harare and Chitungwiza. Interviews were conducted for the informal sector players, trade unions and National employment councils, employers and the responsible Ministry of Women affairs, Community, Small and Medium Enterprises Development representatives. The major findings were that there were no proper logistics put in place to identify beneficiaries, government bureaucratic tendencies to pay a meagre cushioning allowance and the situation compounded by the unexpected demolition of most of the structures housing most informal sector players as they were condemned illegal. The major recommendations were that there was need to have a proper data base for the informal sector and the need for better coordination to be done through its formalised associations. Government should always set aside a disaster management fund in the future to mitigate effects of unforeseen catastrophe and disasters.

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Definition of key terms
These have been contextualized to this study
COVID-19- A life threatening respiratory viral disease experienced globally in 2020 after originating in China at the end of 2019, which had no cure despite massive injection of billions of dollars into research. This pandemic stretched the entire global health delivery systems to the limit and adversely affected each country’s economy. It brought a lot of deaths, fear, panic, uncertainty and movement restrictions among countries.
Informal sector- small businesses which are usually individually owned with very low capital requirements to kick start operations, and usually not properly registered. Usually used as a panacea to unemployment problems in an economy.
Lockdown- government directive that businesses close operations as a major strategic way to curb the spread of the COVID-19 pandemic, which initially was for a period of 21 days and extended furthermore for two consecutive 14 days before becoming indefinite.
Mitigation measure- a strategy or drive put in place to reduce or minimize the adverse effects of a situation or condition being faced, in this case that of COVID-19 pandemic
Social protection- programme(s) or scheme(s) put in place to cushion workers or the community from economic hardships so that their welfare is not seriously threatened, in this case the cushioning allowance for the informal sector.

I. BACKGROUND OF THE STUDY
The Corona Virus pandemic disease technically known as COVID-19 has been the most talked about catastrophe in 2020 that brought international trade and people movement to a halt due to a worldwide restriction of cross boarder travelers as part of disaster management (Alfredo, 2017; Comfort, 2005). This calamity triggered the suspension of most international passenger flights with the exception of cargo flights only earmarked to ferry strategic food reserves, medicinal drugs, raw materials, equipment and accessories meant to curb the spread of the virus, as well as, supportive measures to facilitate medical care.
The COVID-19 pandemic started in China in the city of Wuhan towards the end of 2019 before quickly spreading to other countries and eventually the world over. As at 21 May 2020 around 960 975 had been infected with the disease and 327 904 had lost their lives worldwide (European Centre for Disease Prevention and Control, 2020). Worst hard-hit countries included: United States of America, Russia, Brazil, United Kingdom, Spain and Turkey. In Africa, the virus began to take its toll around early March and as at the aforementioned date, the continent statistics showed that 95 104 had contracted the deadly disease and had caused 2 992 deaths. The worst hard-hit countries were Egypt, Algeria, South Africa, Nigeria and Morocco. Zimbabwe was not spurred from this dreaded disease and she had recorded 51 positive cases and 4 deaths (Ministry of Health and child welfare, 2020) albeit testing that was at a very slow pace.

The worldwide guidelines provided by the World Health Organisation and other health related bodies and specialists, recommended the observance of hygiene care which included social distancing (1-2 metres apart), doing away with crowds or gatherings with only minimal number allowed, for example 40-50 in the event of a funeral in Zimbabwe, washing of hands using soap, sanitizers and also use of disinfectants, drinking lots of water often, personal isolation or quarantine of those contaminated by the virus, wearing of masks and other protective clothing mostly for those working in the health institutions. In addition, a host of other measures were put in place as the disease became more devastating and ravaging as part of disaster management (Coppola, 2006; O’keefe & Swords, 2010).

One of the austerities and drastic measure taken by most countries was to impose a national lockdown. This became the widely viewed measure with more realistic chances of containing and curbing the spread of COVID-19 after taking a cue from China, where the virus had emanated from and had been effective. The Zimbabwe government announced initially 21 days national lockdown on Friday 27 March 2020 which became effective on Monday 30 March 2020 (Ndlovu, 2020). The State president appointed a COVID-19 Steering Task force largely made up of cabinet ministers and other key stakeholders who were incorporated in order to put a national framework on how to manage the pandemic. Among a raft of measures taken, was the forced closure of most businesses, organisations and institutions, so that workers and management could be confined to their homes during the lockdown. Only few critical service providers such as, health institutions and those offering ancillary services, grocery shops (supermarkets), service stations and the major public transporter, the Zimbabwe United Passenger Company (ZUPCO), key government departments like immigration, aviation, security sector, treasury and likewise those of local authorities, were among those who were exempted from closure.

One of the hardest hit and affected constituency was the Informal sector which is the largest employer in Zimbabwe. According to an International Monetary Fund working paper titled Shadow Economies Around the World: What Did We Learn Over the Last 20 Years? produced in 2018, Zimbabwe has the second largest informal economy as a percentage of its total economy in the world at 60.6% after Bolivia which was at 62.3 % (Mhlanga, 2020) and accounted for almost 85% of the total workforce (Uzhenyu, 2016). Most players in this sector have their businesses characterised by surviving on daily sales and earn a living by means of a ‘hand to mouth basis’. There is hardly any final discipline or prudence generally in this sector, which has been exacerbated by a crippling economy characterized by a rising inflation, increasing unemployment levels, struggling industries and perennial cash shortages fueled by a sprouting syndicate of illegal money changers and forex dealers. Even vendors on the streets and other non-essential service providers mostly the Small and medium enterprises (SMEs) stayed in the comfort of their homes as security details (police and army) were put on surveillance to ensure compliance including exercising their right to arrest violators.

The government was aware of the loss of revenue and income by most businesses notably the informal sector, the Ministry of Finance and Economic Development set aside a budget meant to cushion this sector (Ndlovu, 2020). The government took cognisance of the plight bedeviling the sector which included ordinary citizens whose businesses record low business sales and profit margins, just enough to meet family daily needs. The parent Ministry of Women affairs, Community, Small and Medium Enterprises Development was then tasked through its district and provincial centres to spearhead the identification of the beneficiaries and to put in place a mechanism that would help cushion this ‘vulnerable’ sector.

The Ministry of Women Affairs, Community, Small and Medium Enterprises Development in a circular dated April 1, 2020 requested that SMEs and informal sector associations compile lists of members of their associations for submission to the ministry’s provincial offices found countrywide (Mhlanga, 2020). “In view of the outbreak of COVID-19 and the current shutdown, the government is working on coming up with support schemes for those members who are engaged in the SMEs and Informal sectors who will lose their incomes,” read the statement.

The Ministry was going to work with the Ministry of Public Service, Labour and Social Welfare to compile a database of those that were to be considered beneficiaries under the scheme and promised payment in a relatively short period. Unconfirmed reports during the media briefing that was held every Tuesday by the Cabinet COVID-19 National task force seemed to give a gloomy picture that payments would be a meagre ZWD200 (below 4 Usd using the parallel market rate by then) per each business setup. When the lockdown was further extended by two weeks, the State president announced that government had come up with a rescue...
package worth ZWD 18 billion($720 million USD), as a stimulus package which was just more than a quarter of the 2020 national budget, that would also benefit these smaller businesses (Dzirutwe, 2020). Ironically, the president did not mention how the package was going to be funded casting doubt on whether that was going to materialise.

To the amusement of most Zimbabweans, more so those in the informal sector who had been anticipating a cushioning government allowance, hardly a week after the announcement to assist the informal sector, government instructed local authorities with the support of the police and army to embarked on an operation to demolish all public illegal structures that had been housing the informal sector. The operation was a crackdown against illegal housing and commercial activities, and also an effort to reduce the risk of the spread of the COVID-19. All high-density suburbs in Harare and other towns were affected including some medium density areas too. The operation was reminiscent of the 1995 Operation Murambatsvina also officially known as Operation Restore Order, which was a large-scale Zimbabwean government campaign to forcibly clear slum areas across the country.

A lot of human rights activists, civic leaders, opposition political parties and humanitarian organisations, condemned the government for making an ill-timed decision at the prevalence of the COVID-19 pandemic. This was viewed as “adding more salt to injury” as this move literally destroyed the source of livelihood of the informal sector players who were some of the most vulnerable and most hard-hit group by the national lockdown as they relied on daily earnings for survival.

II. STATEMENT OF THE PROBLEM

The COVID-19 epidemic caused some teething problems both socially and economically all over the world and Zimbabwe’s informal sector was also affected by the national lockdown as its business operations had to be stopped forthwith culminating in loss of revenue and also causing panic and depression among the players and uncertainty over what the future had in store for them.

It is against this background that this study was conducted to establish whether the ad-hoc but noble government intervention to cushion the informal sector on the basis of loss of income attributable to the COVID-19 lockdown was successful.

III. RESEARCH QUESTIONS

1. How effective was the criteria used by the government to identify beneficiaries in the informal sector of the cushion allowance?
2. What were the challenges faced during the planning and actual disbursement of the cushion allowance?
3. To what extent did the cushioning allowance manage to help the informal sector?
4. What suggestions can be taken onboard to improve such a government initiative in the future?

IV. LITERATURE REVIEW

The Theory of Planned Behavior and Disaster Preparedness

Disaster preparedness involve the preparations and adjustments such as storing food and water, preparing a household emergency plan, preparing an emergency kit, and other activities that reduce risk or injury and damage (Najafi, Ardalan, Akbarisari, Ali & Noorbala, 2017). The theory of planned behaviour can be directly applied in the domain of disaster risk reduction. Actually, disaster preparedness is a health protective behaviour, so the behavioural approaches have taken centre stage as a means of it (Najafi, et al, 2017). Effective interventions to promote disaster preparedness require a thorough understanding of the factors that influence performance or non-performance of disaster preparedness behaviours (DPB). The relative importance of attitude, subjective norm and the relative importance of intention and perceived behavioural control in the prediction of behaviour are expected to vary across behaviours and populations (Najafi et al, 2017). It is hypothesised that intentions to do DPB, can be predicted from attitudes, subjective norms, and perceived behavioural control with respect to the behaviour; and that actually doing DPB can be predicted from intentions and perceptions of behavioural control (Ajzen, 1991). The prediction of DPB, however, depends on the chronological stability of intentions and perceived behavioural control. If these variables change prior to observation of the behaviour, they can no longer permit accurate prediction. In addition, precise behavioural prediction also depends on the actual perceived behavioural control (Pearce, 2003). Only if perceptions of control are reasonably accurate will a measure of this variable improve prediction of behavioural success.
Disaster Management Theory

Disaster management therefore must always concern itself with analysing potential threats, protecting against those threats, having contingency plans ready should threats materialise, and finally have a concrete plan or system in place to repair any damage sustained (Alfredo, 2017).

Due to resources being scarce, and time limited, it is impossible to protect effectively against every threat, so targeting efforts toward what is more likely seems quite practical (Moe & Pathranakakul, 2006). Yet the problem does not always lie with the known risks, sometimes it lies with the unknown risks. That makes it difficult to accurately predict events in the medium and long-term future, making the proposed disaster management approach problematic. According to Alfredo (2017), this problem is even further compounded by the ‘unknowns’ which are events that may be impossible to predict or anticipate, yet never the less can have profound effects on society at large. Furthermore, the sheer number of variables at work within complex and dynamic systems such as an entire society, makes it virtually impossible to predict certain events that can have a revolutionary impact on the system as whole.

Social protection concept

Social protection is taken to refer to the public actions taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable within a given community or society (Norton, Conway & Foster, 2001). Social protection thus deals with both the absolute deprivation and vulnerabilities of the poorest or most affected in the face of shocks and life-cycle events. The ‘public’ character of this response may be governmental or non-governmental, or may involve a combination of institutions from both sectors (Estevez-Abe, Iversen & Soskice, 2001). Social protection is therefore an integral component of any strategic effort to reduce the incidence and severity of poverty (Ahmad, 2013). Social protection must be designed so as to provide for basic material needs while fostering the inclusion of the recipients in the mainstream of society. As such this constitutes social assistance, which encompasses public actions which are designed to transfer resources to groups deemed eligible due to deprivation usually defined by low income, or in terms of other dimensions of poverty (e.g. social or nutritional status). From this description, it can be seen that social protection as a field of policy and action overlaps with various other programmatic approaches which seek to deliver assistance to the poorest, or which deal with strengthening the livelihoods and reducing the vulnerabilities of poor producers (Barrientos & Hulme, 2016).

Principles for social protection policy and programme responses include; being responsive to the needs, realities and conditions of livelihood of those who they are intended to benefit; affordable in the context of short and medium term budget planning for the public budget. That should be sustainable, both financially and politically with a requirement on government to ensure that the state’s role in social protection reflects an adequate level of public support for interventions to assist the poorest and mainstreamed institutionally within sustainable structures of governance and implementation whether within state or civil society structures (Barrientos & Hulme, 2016).

V. METHODOLOGY

The study adopted the interpretivism philosophy, inductive approach and used a survey design (Gray, 2019; Myers, 2019; Neuman, 2013; Punch, 2014) to cover the informal sector players who were the key informants in the major operational areas in Harare, the capital city such as; Siyaso in Mbare, Gazaland in Highfield, Area 8 and Makomva in Glen View and Chikwanha Zengeza in Chitungwiza. Also, the informal sector traders’ association, local authorities and the government ministry incorporating the informal sector officials were involved. Purposive and snowballing sample techniques were used to identify participants who were interviewed (Fluck, 2018; Leedy & Omrod, 2016; Merriam & Grenier, 2019). Data collected was then analysed by largely using the content analysis and narrative methods since this was a primarily a qualitative study (Creswell, 2014; Hennink, Hutter & Bailey, 2020; Markey & Gass, 2016).

VI. FINDINGS

Identification and registration of beneficiaries

The criteria used had several flaws which made the exercise appear unprofessional. To call for individuals to submit applications for the cushioning allowance using WhatsApp (cellphone) defies logic. It would have been better to use registers of those who pay to local authorities or are registered with relevant trade associations or the parent ministry. Furthermore, a number of informal sector players are found countrywide including growth points and small towns and could have failed to communicate and register.

Combining SMEs and the generic informal sector is very difficult given the large numbers involved. Furthermore, most SMEs could have been registered and they have mostly overheads like rentals and rates (water and electricity) unlike for example most vendors, who do not pay anything to local authorities or remit taxes to ZIMRA, yet the quantum of the cushion allowance could have been the same.
Using cellphone (sms) texts to register on Ministry WhatsApp numbers had several challenges such as poor network resulting in either non-delivery or delays in transmission.

- A number of those in the informal sector had gone to their rural areas with their families for fear of contracting the deadly COVID-19 pandemic that was largely exposed to congested urban areas like high density suburbs. Some wanted to manage the cost of living since urban life is by far more expensive compared to rural life.

**Adequacy of the cushion allowance**

Payment of ZWD 200 (rtgs) for someone with a family to look after, pay monthly rentals and other rates exacerbated by an inflationary economic environment and protracted delays in funds disbursement, made that not only inadequate but many participants dubbed that a futile desperate government exercise meant to hoodwink those affected and the public. It appeared to be more of a psychological and political move. A few acknowledged the government spirit albeit under very constrained government budget which was being overstretched by the need to resuscitate the dilapidated health institutions (hospitals), fighting the effects of a relatively 2019-2020 agriculture drought season and also trying to cater for the welfare of the large contingent of returnees from other countries who were initially to be accommodated for a mandatory 21 days at holding centres across the country.

- The timelines or timeframe to mitigate the hardships which could take 3 to 4 months to return to business normalcy with some failing risk of closure (liquidation) made the likely once off payment due to financial constraints very inadequate to help meaningfully.

**Challenges of disbursement of funds**

A plethora of problems was noted which included:

- Verification or authenticity of the applicants was very difficult due to movement restrictions in line with the lockdown requirements which affected the credibility of the approved applicants’ database for payment.
- Government budget constraints. There were delays that hardly no payments had been made within the first 5 weeks after the plan to cushion had been mooted. The ZWD200 million original budget to cushion vulnerable individuals was not clear on how many SMEs and those in the informal sector in towns and cities could all be covered
- Furthermore, it was not clear whether the payment was to be a once off or ongoing depending on the lockdown.
- Use of registered eco-cash number as a form of payment, was a barrier to some who had not registered for such a service facility but still were in dire need of such assistance.
- Leaving initially those in rural areas but who later incorporated meant that the actual budget was difficult to come up with and the measures earmarked to safeguard corrupt activities of funds mismanagement (embezzlement) became difficult to implement.

**VII. CONCLUSION**

While the Zimbabwe government initiative to cushion the informal sector during the lockdown was very noble and novelty, the lack of logistical framework of identifying the deserving members, proper documentation and records of the players coupled with bureaucratic tendencies which caused serious delays in disbursement of the insufficient funds, made the exercise to be less effective contrary to its intended purpose.

**VIII. RECOMMENDATIONS**

In light of the aforementioned findings and the conclusion, it would be prudent to address the challenges raised inorder to improve management of any future disaster(s).

- **Properly planned operational places with basic hygienic facilities**
  Foremost, proper and suitable places for the Informal sector enterprises conforming to urban planning standards should be adhered to. These should have basic facilities like toilets, water, bins and regularly cleaned.

- **Proper database of relevant associations**
  All informal sector players should be mandatorily be registered with the local authorities and also with a trade specific association including the nature of their business operations. This would make coordination very easy and also identification of who would be beneficiaries

- **Creation of a budgeted disaster management fund**
  Government should set aside, a disaster management fund to take care of contingencies like natural disasters. This should be mooted along the National civil protection unit fund. This should be incorporated in the mainstream national budget.

- **Training to improve business acumen skills**

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Entrepreneurship training to cover key management aspects of business planning, bookkeeping, financial prudence, financial management and formalisation of enterprise is needed.

- **Opening of bank accounts**
  Mandatory opening of business bank accounts should be emphasised and reinforced before allocating the place to operate from, as well as, when renewal of the license is due. This will mean that the informal sector should not operate from hand to mouth but could have savings to fall back on during hard times or business downturn.

- **Stakeholders workshop to improve informal sector coordination**
  Key stakeholders should have a coordination mechanism that helps to discuss or review informal sector operations. These should comprise, the associations, donor community, local authorities, parent ministry and financial institutions (banks) representatives

- **Controlled and audited disaster fund**
  This should be done to avoid corruption on payment criteria since government funds are public funds of which accountability and transparency are pivotal to buttress sound corporate governance in government systems and structures. Both internal and external audits should be conducted especially after every disaster.

**REFERENCES**


