

RESILIENCE AND REINVENTION: THE JOURNEY OF MIGRANT-OWNED MICRO ENTERPRISES IN SOUTH AFRICA BEFORE, DURING, AND AFTER COVID-19



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ABSTRACT

This paper follows foreign migrant-owned microenterprises in South Africa, tracing their paths before and after the COVID-19 pandemic. Research on micro-enterprises during the pandemic is generally inclined toward finding the impact of COVID-19 without a migration analysis. This paper bridges this gap by centering on migrant-owned businesses since they may have been affected by being owned by foreigners, a vulnerable population. The paper utilizes qualitative data to evaluate the pandemic's impact on business operations, financial security, and survival mechanisms. Furthermore, it assesses the post-pandemic revival process and locates migrant-owned small businesses' experiences in debates on migration, informality, and entrepreneurship. The primary findings of the paper illustrate that migrant-owned small businesses performed relatively well before the pandemic, with most of the owners earning above South Africa's monthly minimum wage. The paper also discovered that many foreign-owned small enterprises were impacted by a decline in demand during the lockdown, resulting in a loss of revenue, while some have struggled to recover post-COVID-19.

Keywords: South Africa; COVID-19; Small Businesses; Migrants; Micro-Enterprises

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INTRODUCTION

This paper analyses the path followed by foreign-owned micro-enterprises in South Africa (SA) before, during, and post-COVID-19 to reveal the impact of the pandemic on these businesses. The coronavirus disease was initially detected in China and later spread to different regions of the world. In SA, the first case of COVID-19 virus was confirmed on 1 March 2020 and the cases increased to 402 in a period of 18 days (Modisenyane et al., 2022). This quick rise in the number of confirmed cases compelled Cyril Ramaphosa, the president of SA, to announce a countrywide hard lockdown on 23 March 2020 to curb the virus from spreading and to prime health services for a surge of COVID-19 cases (Mukumbang et al., 2020). The lockdown restrictions paused numerous economic activities (Wegerif, 2020), but these economic operations continued only in sectors viewed as essential, such as those trading in food and medication (Cele & Tshikovhi, 2023). The migrant-owned businesses examined in this paper are classified as Small, Medium, and Micro Enterprises (SMMEs) with under 250 employees (McKinsey & Company, 2020). SMMEs are further split into micro enterprises (fewer than 10 employees), small enterprises (10 to 49 employees), and medium-sized enterprises (50 to 249 employees) (McKinsey & Company, 2020). This paper concentrates on migrant-owned micro-enterprises, which will be referred to as migrant-owned small businesses or migrant-owned enterprises.

The SMEs compose 98% of businesses in SA and they employ 50%-60% of workers in almost all sectors while constituting a quarter of the private sector's employment growth (McKinsey & Company, 2020). SMEs are less resilient during times of crisis because of limited savings, a small client base, and limited ability to handle business pressure (Nsomba et al., 2021). This suggests that the pandemic may have affected SMEs' resilient capacity. McKinsey and Company (2020) argue that SMEs in SA were already suffering from a contracting economy, such that the pandemic had worsened the dire situation for these businesses. Much research on the impact of the pandemic on micro-enterprises has adopted a general approach without looking at it from a migration perspective (see for example, Rogerson, 2021; Ojugbele et al., 2022; Chidau et al., 2022). An investigation by Nsomba et al., (2021) centred on the effect of COVID-19 on SMEs from a market access and competition policy lens. Scholarship focusing on migrant-owned business ventures has assessed migrant business owners' motives to establish businesses (Arias, 2019; Peberdy, 2017; Kalitanyi & Visser, 2010); and the challenges confronting them (Ojugbele et al., 2022). This paper contributes to this pool of literature by concentrating on the impact of COVID-19 on migrant-owned micro-enterprises.

To explore the effect of the pandemic on migrant-owned micro enterprises, this paper is guided by the ensuing objectives to compare migrant-owned micro-enterprises performances in SA before, during, and post-COVID-19 pandemic and to evaluate the effect of the pandemic on migrant-owned micro-enterprises in SA. This paper debates that the pandemic severely impacted migrant-owned micro-enterprises in SA, and they could not access government relief, prompting their owners and workers to survive from their savings and handouts from clients. To elaborate on this argument, this paper is organised as follows. The paper commences with a review of the body of literature on migrant-owned micro-enterprises, then a section on methodology unpacking the methods applied to collect data from the migrants, and concludes the paper with a presentation, analysis, and discussion of the findings.

LITERATURE REVIEW

Experiences of Migrant-Owned Micro-Enterprises in SA

Akintola and Akintola (2015) claim that most immigrants come to SA without skills, whereas those possessing skills often lack the documentation needed for employment. The absence of documentation and widespread unemployment force many foreign migrants to start small businesses to sustain their livelihoods, with informal street vending being their most common business venture (Arias, 2019). However, Kalitanyi and Visser (2010) argue that African migrants are confronted with and subjected to a continuous onslaught of hostility in SA, prompting a considerable proportion of them to apply their entrepreneurial skills to start small businesses. These businesses emerge from funds generated through personal savings and loans from family (Muchineripi et al., 2022). According to Peberdy (2017), foreign migrants mainly venture into vending and manufacturing. They sell apparel, footwear, toiletries, and beauty products. At the same time, those in manufacturing are involved in metal fabrication, making gates, window and door frames, furniture, and making arts and crafts such as weaving baskets. Foreign migrants with small businesses that provide services do hairdressing, tailoring, and shoe repairs (Peberdy, 2017).

Before the COVID-19 pandemic, foreign-owned small businesses faced challenges like xenophobia. Xenophobia has contributed to the restricted growth of small businesses owned by foreign migrants, and literature notes that most foreign migrant-owned businesses are micro or survivalist (Khosa & Kalitanyi, 2014; Asoba et al., 2020). Ojugbele et al. (2022) add that xenophobia had severe effects on foreign migrant small businesses in SA due to a wave of attacks before the COVID-19 pandemic, and it can be argued that businesses were left struggling for survival. On the other hand, there is evidence that foreign migrants operated successful small businesses in SA in the pre-COVID-19 period. For instance, Somalians running spaza shop businesses in Delft township of Cape Town outclassed locals and forced them to cease business operations (Charman et al., 2012). Radipere and Dhliwayo (2014) studied the business performance of South African and foreign businesspeople running SMMEs in Gauteng. They discovered that foreign migrants were innovative and created market niches for certain cultural foods such that they became everyday foods for instance Italian pizza and Chinese food. Thus, it can be said that foreigners operating food businesses performed relatively well before COVID-19. Kalitanyi and Visser (2010) reveal that effectively managed foreign migrant-owned small businesses often create employment for South Africans. Additionally, foreign-owned small businesses result in skills transfer as South Africans employed in them learn or receive entrepreneurial skills.

COVID-19 and its related lockdowns caused inexpressible damage to small businesses, prompting many to halt operations, restricting business efficiency, and reducing income generated (Ojugbele et al., 2022). Rogerson (2021) claims that in SA, COVID-19 resulted in lockdown regulations in March 2020 that prohibited businesses from transacting, except for those producing and trading vital goods and services who were required to scale down operations. Small businesses providing essential goods and services, such as spazas and street traders, were allowed to operate after amendments under level five (Department of Co-operative Governance and Traditional Affairs, 2020), but these businesses could only operate after obtaining municipal licenses (Bamu & Marchiori, 2020). Rwafa-Ponela et al. (2022) report that most municipalities gave out permits to South Africans only, prompting law enforcement agencies to close businesses owned by foreign migrants. Foreigners without permits assumed numerous strategies to continue business at the same time ensuring that they are not caught by law enforcement

agencies. Mbeve et al. (2020) noted that Zimbabwean informal traders in the central business district of Johannesburg utilised forged permits to operate.

Chidau et al. (2022) state that many migrants who own small businesses in Ekurhuleni confessed that the pandemic had affected them, resulting in poor business output for the 2020 and 2021 financial years. Crush and Tawodzera (2024) report that most foreign migrants operating food businesses revealed a decline in revenue generated and profit due to reduced transactions and cash flow caused by lockdown and physical distancing guidelines. Findings by Ogunlela and Tengeh (2020) reflect that foreign migrant businesses were unprepared for COVID-19 and associated lockdowns and further stress that many businesses might shut down because of financial distress should the lockdowns and the pandemic continue. In response to the challenges that confronted small businesses during COVID-19, the government aided them, but the assistance benefited small, registered businesses wholly owned by South Africans segregating informal businesses and those owned by foreigners from this aid. Afterward, the government introduced the Township and Rural Enterprise Programme (TERP) to loan and offer grants amounting to R10,000 to small businesses meeting the criteria, and in September 2020, minimal funding of R1000 was extended to fruit and vegetable traders (Köhler & Hill, 2022). To receive TERP, small businesses needed to be tax compliant with the South African Revenue Services and contribute to the Unemployment Insurance Fund which meant informal businesses were discriminated against (Köhler & Hill, 2022). Ogunlela and Tengeh (2020) noted that even though the government introduced a raft of measures to bail out small businesses, foreigners owning small businesses pointed out that they did not benefit from these funding facilities.

Ojugbele et al. (2020) discovered that to survive the COVID-19 onslaught, 4% of foreign participants owning businesses in SA were funded by banks, 2.7% got assistance from Non-Profit Organisations and 50% received assistance from social networks such as acquaintances, relatives, and tribal associations. Mbeve et al. (2020) illustrate in reaction to lockdown restrictions and associated challenges, Zimbabwean informal traders in Johannesburg were innovative and created new strategies to adapt to the new normal. Some began to work virtually and used online platforms to advertise their products while others looked for other business opportunities to sustain their lives. They had to take up new business ventures such as offering household services, for instance, home cleaning and laundry services, for a small payment. Ojugbele et al. (2020) further claim that despite the instability of foreign-migrant-owned small businesses during COVID-19, the owners were confident and believed their businesses would pull through and recuperate from the harm experienced because of COVID-19 and its related lockdowns.

Having unpacked migrant's motivations for venturing into business and the state of some migrant-owned businesses before and during the COVID-19 period in this section, the next section unpacks the methods that were used to gather data on the impact of the COVID-19 pandemic on migrant-owned micro-enterprises in SA.

METHOD

This paper adopted a qualitative methodology to study migrant-owned micro-enterprises in SA before, during, and after COVID-19. The paper employed phenomenology which "is a technique for qualitative research that highlights the commonalities among those with comparable experiences" (Satsatin et al., 2023, p. 20). Thus, migrant-owned micro enterprises had comparable experiences on how well or poorly they performed before, during, and post the pandemic. This paper's data was first collected in 2020 during lockdown level 3 with migrant micro-enterprise owners in SA. Follow-up interviews were

conducted towards the end of 2022 to understand the post-COVID-19 experiences of these migrant-owned small enterprises. Participants were purposefully selected depending on whether they were migrant micro-enterprise owners. The sample was increased through snowball sampling whereby interviewed participants were asked to refer the researchers to their family and friends who owned micro-enterprises. Thus, 10 interviews were conducted face to face and in English and transcribed by researchers for analysis. Table 1 sums up the profiles of the participants interviewed.

Table 1
Participants information

	Name	Type of Business	Gender	Nationality
1	Nguema	Car mechanic	Man	Zimbabwean
2	Bruno	Art and Crafts trader	Man	Zimbabwean
3	Phatisani	Art and Crafts trader	Man	Zimbabwean
4	Bernard	Broom and feather duster trader	Man	Zimbabwean
5	Rishabh	Persian carpets trader	Man	Pakistan
6	Donald	Tree feller	Man	Zimbabwean
7	Stiles	e-hailing driver	Man	Zimbabwean
8	Jean	Clock and watch repairer	Man	Togolese
9	Gordon	Juice producer	Man	Zimbabwean
10	Moise	Tailor	Man	Congolese (DRC)

Data from interviews was supplemented with document analysis of various media publications and academic literature on foreign-owned SMMEs in SA. Thus, these data collection methods helped to triangulate the data, which increased the validity of the paper's findings, as suggested by Carter et al. (2024). The documents and literature that were analysed in this study were downloaded on Google search using keywords such as the COVID-19 pandemic and foreign-owned SMMEs in SA, foreign-owned SMMEs after the COVID-19 pandemic in SA, and the impact of the lockdown on foreign-owned SMMEs in SA. These keywords yielded a variety of data sources that were analysed for themes in this paper.

In this study, analysing, collecting and triangulating data were not separate processes because interviews and document analysis involved endless critical work that pointed to new questions and gaps that were explored through any of these two data collection methods. This was done so that as interviews unfolded, the researchers identified similarities and patterns in participants' storylines and coded them into different themes. Some themes would present gaps rather than answers, and the researcher would fill these gaps through document analysis. The data analysis followed a thematic analysis procedure as Braun and Clarke (2011) suggested. The study got ethical clearance from the University of Johannesburg Faculty of Humanities Research Ethics Committee. Participants were given information sheets that explained the scope and purpose of the study and they gave their consent verbally which was recorded during the interview. The identities of participants are concealed by using pseudonyms.

RESULT AND DISCUSSION

Motives For Migrating To SA And Venturing Into Business

Anderson (2006) notes that countries with thriving economies usually attract many migrants. The same can be said about SA, which is perceived as a sanctuary by foreigners seeking employment who believe it is an environment with opportunities lacking in their home countries (South African National Defense Forces, 2014). With limited formal

employment opportunities in SA, foreign migrants form small businesses to generate income (Tengeh et al., 2011). Thus, the rise in the number of small businesses created by foreigners in the Gauteng province of SA results in more scrutiny of these businesses (Chikwendu et al., 2015). Usually, these businesses are run by foreigners from the African continent (Mthembu-Mahanyele, 2002; Chikwendu et al., 2015) and Asia (Mthembu-Mahanyele, 2002). Lazear (2005) argues that foreign-owned small businesses mainly concentrate on selling or providing services and not production, such as trading in cultural artifacts, ornaments, food, hairdressing, and car repair services. The findings of this paper demonstrate that foreigners in SA migrate mostly on economic accounts and often establish small businesses depending on their skills to navigate unemployment and create more income than what they earned in their home countries or from their previous work in SA. The quotations best capture this.

Here, it is better because the currency of South Africa cannot lose value like the currency of Zim. So, here (in SA), you can budget your things rather than in Zimbabwe, where I worked as a mechanic, and you can have your money today, and then tomorrow, the value of the money will be nothing. I decided to come to South Africa because of that in 2016. No one could provide me with a job even though I have qualifications. Since I did not want to starve and take care of my family in Zimbabwe, I opened this small workshop where I work with two assistants (Nguema, Interview, 2020).

Like the aforementioned quote from a car mechanic, the quote below also shows that the tree feller migrated to SA in search of employment and eventually ventured into business.

I am from Zimbabwe, and before coming to South Africa, I worked for a tree-logging company but got retrenched because of economic problems back home. I then made the journey to South Africa in 2008, and I first worked with former workmates who had come here before me and established a small business in tree felling. I raised some money to buy my equipment and a bakkie and I started working on my own in 2015 to make more and take care of my family (Donald, Interview, 2020).

Like the previous participants, Phathisani, an art and craft seller from Zimbabwe migrated to SA to find employment but ended up setting up a business to increase his income. The participants' narratives indicate that foreigners seem to bring the skills they acquired in their home countries to SA and economic reasons primarily compelled most of them to relocate to SA in search of better employment opportunities. However, some foreigners operating small businesses in SA were moved into the country on political grounds.

I am coming from West Africa, and I am Togolese. The reason I am here is political; I didn't come here to look for a job. I'm hiding from my political people from my home because they want to arrest me and put me in jail. I left my wife and two kids at home. I was struggling at first, and I started doing a car guard job after a security job, from there, I saved some money, and I put myself in school to learn to repair watches. So, I am still learning it bit by bit. I am doing it also to survive (Jean, Clock and watch repairer).

The quotation shows that even though Jean is a political refugee, he was forced to find a job to survive, which was instrumental in saving money and learning a new skill

vital to starting his business. The reasons for migrants coming to SA, which are both economic and political, resonate with literature. In this regard, Akintola and Akintola (2015) and Bauer and Zimmerman (2018) reveal that socioeconomic and political reasons, such as income inequalities, employment opportunities, and conflict, influence cross-border migration to SA. The findings of this paper show that some foreigners came to SA to further their education, and they ventured into business part-time. Stiles is a good example because he came to SA as an undergraduate student, and at the time of the interview, he was pursuing his PhD while being an e-hailing driver part-time. He noted that it was a very good and flexible side hustle that brought another income stream.

This paper's findings presented in this section show that while foreigners escaped from unstable economies and lack of job opportunities in their home countries, they still encountered the same situation in SA, which forced them to venture into business. Some were lucky to have menial jobs, but the wages were insufficient, prompting them to start small businesses. Additionally, most of the small business owners who are foreign migrants possess skills that assist them in setting up businesses. This contrasts with literature, for instance, Tengeh and Lapah (2013) and Akintola and Akintola (2015), who indicate that foreigners migrate to SA without skills, which pushes them to venture into business for survival.

The Pre-COVID-19 Situation

The accounts of earnings before COVID-19 provided by foreign migrants operating small businesses in SA indicate that their businesses were performing well. All the interviewed participants disclosed an average monthly income that was above the national monthly minimum wage. The Department of Employment and Labour (2021) shows that from 1 January 2019, the national minimum monthly salary in SA was just below R3 900. The narratives of the foreign migrants below show their monthly earnings before COVID-19 that were above the minimum wage.

I fixed an average of 15 cars a month before COVID-19 and I would take home R5000 after paying rent and my assistants (Nguema, Interview, 2020).

The quotation also demonstrates that while foreigners venture into business to cushion themselves from the effects of unemployment, they also create employment for others. In the same vein, a craft and art seller narrated that he had diversified his business so that he could make more. This is what he shared.

...So, I also sell books and jewellery since it can be quiet on the side of art, but I made approximately R4000 to R5000 every month before COVID-19 disrupted business (Phatisani, Interview, 2020).

This narrative shows that diversifying businesses had helped migrants to boost their earnings beyond the minimum wage before the pandemic. Other business owners indicated that their income differed according to the seasons of the year but still earned above the minimum wage regardless of the month of the year. The quotation best captures this.

In terms of monthly income, it is very difficult to track because of different months and different situations, but on a good month like November or December, it was about R8000, sometimes dropping significantly to about R5000 since I am not doing that full-time. It is something I will do when I am free (Stiles, Interview, 2020).

The accounts of some participants depicted that those who operated small businesses part-time could still earn beyond the national monthly minimum wage of R3900 before the pandemic. Compared to other participants, some foreign migrant small business owners generated more money per month because of COVID-19, reflecting that they were not just surviving but thriving and had a higher standard of living.

...I have my own business and share this shop in this shopping centre with four other guys selling different things. I sell Persian-style carpets from Turkey. This is our third year in business now, and before COVID-19, I was making roughly R20,000 every month (Rishabh, Interview, 2020).

Some participants did not provide estimates of their monthly income before COVID-19. However, their narratives illuminate that their businesses were performing relatively well before the pandemic because of the number of employees they had, which translated into more income for the owner. This was the case with Gordon, who was producing and distributing Juices in Cape Town while employing six workers. The idea of migrant-owned enterprises employing people corroborates with Kalitanyi and Visser (2010) who revealed that effectively managed foreign migrant-owned small businesses often create employment. This also challenges the narrative that foreigners in SA steal jobs meant for locals (Kalitanyi & Visser, 2010). The participant's earnings before COVID-19 presented above illustrate that they all generated income above the national minimum wage. This highlights better financial stability before the pandemic, which, to a certain extent, is an indication of their capacity to meet their basic needs. This corroborates with literature that argues that foreign migrants operated successful small businesses in SA in the pre-COVID-19 period (see for example Charman et al., 2012; Radipere & Dhlwayo, 2014).

The Impact of COVID-19 on Migrant-Owned Small Businesses

Rogan and Skinner (2020) demonstrate that COVID-19 measures adversely affected small businesses, as many were not allowed to operate during the initial phases of the hard lockdown. The excerpts from interviews with participants reflect that the hard lockdown regulations had undesirable impacts on small businesses owned by foreigners in SA since they were not considered essential and could not work, prompting workers in the sector to survive on savings. In contrast, others lived on handouts from their clients. These measures also prompted some small businesses to operate clandestinely, generating relatively lower income. However, despite the adjustments during the hard lockdown authorising some businesses to operate with permits from municipal authorities, many resumed operations after the hard lockdown during level three, but business was low and had been affected by COVID-19. The quotation highlights as follows:

We did not budget for the lockdown. It was just a surprise, but they were few savings. We opened in the middle of stage 3 (2020), but things were different. Business decreased as many people started working from home, and they were not driving a lot and feared getting COVID-19. The number of cars that came for service decreased to ten or even less per month. It became hard for us, and we struggled to pay rent for the workshop and even where we resided. Everyone was managing to buy food, but no more than that. I could not send anything for my wife and children, and my wife had to support me at times with the little she earned as a teacher in Zimbabwe since they kept receiving their salaries (Nguema, Interview, 2020).

The quote aligns with literature that shows the severe impacts of the pandemic such as reduced income on small businesses (Ojugbele et al., 2022; Rogerson, 2021). The findings of this paper show that during stage three, many businesses were allowed to open, but business was low due to COVID-19-induced changes, and family became a source of financial support for some of the foreign migrants. The role of savings in cushioning the lives of foreign migrants operating small businesses is also explained as follows:

During level five and level four, I was at home and was not working. I just survived with the money I put aside to eat bit by bit, and luckily also, our Embassy gave us something to survive. When I went to work in level three, people did not know that I was back at work, and some did not like walking around for fear of COVID-19, so I would go for days without a single customer coming (Jean, Interview, 2020).

This quote shows that in the absence of government support, formal institutions, for instance, foreign embassies in SA, played an important role in ensuring that citizens of their countries, including those surviving on small businesses, were supported under the hard lockdown. The excerpt also shows that business was low even though the lockdown rules allowed people to go back to work. Donald is another foreign migrant business owner who relied on savings under the hard lockdown. He added that even after the hard lockdown they still could not get jobs because people did not want strangers on their residential properties, fearing that they might bring the virus to them. This shows that the fear of contracting the virus affected trading for some businesses when they recommenced operations as people tried to reduce contact with people or take the products of strangers into their homes. In addition, some business owners highlighted that clients were critical in assisting them when business was low during levels four and five in 2020. The excerpt best captures this.

I was not working under the hard lockdown and there was no income coming. There was nothing, but I had numbers of some of my clients, so I could tell them that I did not have maize meal at the house. Some of them did help me. But when I started working during COVID, it was much slower than before because it is like if you look at these conditions of Coronavirus, people did not trust anymore; it is like before, if you were to buy that bangle, you do not think about Coronavirus and all that but during COVID-19 people were not the same but some they think maybe I might get corona. So, business was down, and people were not buying. There was fear now, but because of God's grace, you know something was coming (Bruno, Interview 2020).

The fact that some foreign migrants had clients' contacts and felt comfortable calling them seeking assistance illuminates relationships extending beyond business. While Bruno seems to have called his clients asking for help, Phathisani's narrative shows that clients called him to check how he was keeping since the business was down. He also noted that he was working from home like what some businesses did.

During Level 5, I had to stay at home and I was working from home luckily I had also some other customers to whom I supplied my artwork, and by the time when we went to lockdown Level 5 some of them managed to contact me because they knew the situation I was going through and that I made a living through selling. So, some were helping with money, some with food and

groceries and some were even giving me some jobs to do while I was staying at home. However, COVID stopped me from making new clients because I was not able to market my artwork on the streets (Phathisani, Interview 2020).

The aforementioned quotation shows that the lockdown blocked Phathisani's business from growing as he lamented that he could not make new clients since he had to work from home and service his old clients. The narratives above highlight that social networks, especially family, friends, and clients, were vital in helping migrants cope with the effects of the pandemic. This corroborates with Ojugbele et al. (2020), who discovered that to survive the COVID-19 onslaught, 50% of foreigners owning businesses in SA received assistance from social networks such as acquaintances, relatives, and tribal associations. As already mentioned, informal businesses dealing in food were allowed to operate, but surprisingly, for one participant, business was very low.

We were affected in so many ways to start with some shops closing. I can give you an example of two shops we used to supply in Cape Town called Food Lovers Market. Both closed completely, and one of them was our best shop in terms of performance. They were selling a lot of juices daily compared to all the other supermarkets, restaurants, and hotels. Those that remained open like Spar because we were supplying Spar supermarket, but there was a dramatic change in the pattern of demand. Where we used to supply, for example, 400 juices a week, and they would all sell out, we saw a tragic and dramatic decline from 400 a week to less than 15 juices a week. There is no way we can supply 20 juices in one restaurant or one supermarket and be able to meet our costs, pay the guys you know, meet all the basic and fixed costs. We decided that it was within a matter of about a month we had already made up our mind, and then we said, look, we cannot continue operating like this (Gordon, Juice producer).

The effects of COVID-19 on Gordons' business can be best understood within his idea that his target market was tourists in Cape Town and the closure of borders and movement restrictions meant that the tourism business was shut. Another dimension is that people lost employment or those who were lucky to keep their jobs had their income reduced implying that buying health products was a luxury for many.

The findings in this section resonate with Ogunlela and Tengeh (2020) who noted that foreign migrant businesses were unprepared for COVID-19 and associated lockdowns. The narratives of participants running small businesses presented in this section indicate that a few of them made a living through the little that came from their businesses, while the majority were forced to rely on other means to sustain their livelihoods as their businesses could not take care of them. This corroborates with Mhlangu (2023) who discovered that COVID-19 led to immense difficulties for informal businesses together with the livelihoods reliant on the sector because economic activities were halted when the number of reported cases was high.

The Post-COVID-19 Performance of Small Businesses

From the 31st of May 2020, SA moved into level three, which allowed any work to be done outside homes and allowed all people to travel to and from work (Rogan & Skinner, 2020). The President of SA announced the termination of the National State of Disaster on the 4th of April 2022, which had been in place since 15 March 2020 (Republic of South Africa, 2022). Aljazeera (2022) discloses that on 23 June 2022, the country revoked the

remaining COVID-19 regulations, including putting on masks in public, limits on public gatherings, and proof of vaccination at the country's entry points. Thus, it was necessary to investigate the performance of foreign-owned small businesses post-COVID-19 until the end of 2022. All small business owners in this study commented that COVID-19 resulted in many changes that ultimately affected their business post-COVID-19. While many migrant-owned small businesses survived without government support but struggled after COVID-19, some businesses, even those considered essential under the hard lockdown, folded after COVID-19.

We completely closed down anticipating that perhaps in the next few months, things might change but as you are aware the whole of 2020, of course, they tried to ease the alert levels of lockdown from levels 5, 4, 3, 2 until 1 but we never recovered from that because actually, we ended up selling some of our assets so that we can meet some of our short-term obligations so that is on the business side. As a foreign national it was difficult for us to get what they called COVID loans. We did apply with FNB because we bank with FNB, we were hoping that by then a lot of banks were talking about these loans given to businesses. So now we said we need to refocus and re-strategise. That is how far we go to be affected by this thing we call COVID-19 from the business perspective (Gordon, Interview 2020).

The quotation shows that some foreign migrant-owned businesses did not receive government assistance or loans, resulting in their collapse and the subsequent loss of employment for some people. The reason for the failure of migrant-owned businesses to get loans is aptly captured by the Parliament Monitoring Group (2020) which indicates that the South African government prioritised giving COVID-19 loans to businesses owned by locals over those owned by foreigners. This situation aligns with literature that shows that, indeed, migrant-owned businesses were segregated from accessing government relief measures (Köhler & Hill, 2022; Ogunlela & Tengeh, 2020). The excerpt also highlights how migrant-owned businesses struggled to remain afloat after the COVID-19 lockdown.

It is very slow on some days after COVID-19. There are days when I come here, and I would not even touch even one watch. Like I would go home empty like that on some of the days. We are just surviving by luck after COVID-19 (Jean, Interview 2020).

This shows that business was very bad after COVID-19 which resulted in loss of clients for most businesses. This meant the livelihoods of those involved in the business were also affected way past COVID-19. Bruno's narrative shows a dimension through which COVID-19 affected him.

After COVID-19 people stopped using cash a lot because of fear of COVID-19. Some people thought I was giving this money to someone with Coronavirus and people do not even carry cash nowadays they use cards so then someone wants something, he does not have the cash he believes that the cash might have corona (COVID-19) then we lose business because we do not take swipe but cash only (Bruno, Interview 2020).

This highlights those businesses that took cash only for payments suffered post-pandemic as more people began to shun cash, opting for online payments in fear of contracting COVID-19. Even though their carpet-selling business experienced increased

sales during COVID-19, which was mostly prevalent during winter, the business had a completely different experience after the pandemic.

Now, it is not as it was pre-pandemic because people are unemployed after losing jobs because of COVID-19, and they do not have the money to buy things now. So, it is worse than it was during the pandemic right now (Rishabh, Interview 2020). Although traveling restrictions were no longer in place, people continued restricting their movements for fear of contracting COVID-19, which hurt people selling their goods on the streets.

I think I have been working every single day post-COVID-19 to make up for the losses suffered during COVID-19, but it is different from the pre-COVID-19 days. It is difficult to earn the money I was earning before COVID-19 because some people lost jobs, and there is this trend of people working from home post-COVID-19, which did not exist before COVID-19, so we are transporting fewer people to work now (Stiles, Interview 2020).

COVID-19 resulted in a new trend of working remotely, which means the number of people working from offices reduced, and this had an undesirable effect on businesses involved in the transportation of people. However, for some participants, business started recovering in the post-pandemic era as they started getting more clients even though it was not the same as before. This was the case with Moise who explained that.

When the country opened up, business started improving, more people were coming, and we started getting more money. It is not like what we were getting before, but it is better, and things are still improving. Working from home and with family was a blessing for my business as we did not have rentals for business and costs to pay workers. My wife was understanding when we did not do business, and we shared the little we had (Moise, Interview 2020).

From the narratives of the participants, it is evident that most small businesses survived the onslaught of COVID-19 and continued without the support of the state or financial institutions. Despite this, some of these businesses saw their sales plummet due to a myriad of COVID-19-induced changes. Many people lost jobs during COVID-19 and no longer had money to spend, some people continued working from home after COVID-19 and rarely traveled, people stopped using hard cash for fear of contracting the virus and opted for plastic money or online payments, which was a disadvantage for some businesses as they did not have online platforms to receive payments and COVID-19 forced some clients to relocate disadvantaging these businesses.

CONCLUSION

This paper focused on the impact of the COVID-19 pandemic on migrant-owned micro-enterprises in SA. To do this the paper looked at how the businesses performed prior to the pandemic. This was key as it helped in comparing how businesses performed during and after the pandemic. The paper's findings show that migrants have migrated to SA in search of greener pastures and that most of them ventured into business after having struggled to find employment or to supplement their incomes. The key findings of the paper are that prior to the pandemic, migrant-owned small businesses were doing well, as some of them were employing people, managing to pay them, and meeting all their running costs. More so, the business owners highlighted that after paying all their business costs, they would remain with money that was above the minimum wage in SA.

The paper has also found that the COVID-19 pandemic has affected migrant-owned small businesses in that during the hard lockdown, most of the businesses could not operate, and when the lockdown was eased, some of the businesses closed completely. In addition, participants highlighted that during the hard lockdown, when their businesses were not operating, they managed to survive through their savings and help from social networks (friends, family, and clients). While the South African government came up with various relief measures for businesses, migrant-owned businesses seem to have struggled to access these relief measures, which aided in some businesses' failure or struggle to recover. Even though some businesses recovered, their performance was low compared to how they were before the pandemic.

Thus, this paper concludes that migrant-owned businesses in SA were severely affected by the pandemic which resulted in some of them closing while some underperformed during and after the pandemic compared to how they were before the pandemic. Drawing from the findings of this study, it is suggested that future research can look at comparing migrant and local owned small businesses and can also focus on white migrant owned business since this study was predominantly on African black migrants. In addition, more female owned businesses may need to be focused on since this study's sample consisted of more males than females.

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