

Kasinomics

The unseen economy

Like the movie the Matrix, the informal economy is invisible, but all around us – like a mist drifting by our car windows, hanging around on street corners, covering the townships. It is growing in an urgent organic pace unmatched by the formal sector.

Consider that ...

- 50 000 kasi kos / informal food takeaways selling everything from the township burger called a kota to vetkoeks, shisanyama's and amaplate food trucks. This sector turns over in excess of R90 billion a year. 200 000+ people are employed in this sector.
- The muti market is worth R18 billion in turnover employing almost 150 000 people and serving 27 million customers.
- 80 000 auto businesses – kasi mechanics, services, panel beating, car wash, tyres, sound systems.
- There are more than 70 000 hole in the wall spaza shops, 30 000 spazarettes (informal supermarkets) and cash&carries turning over more than R150 billion rand a year.



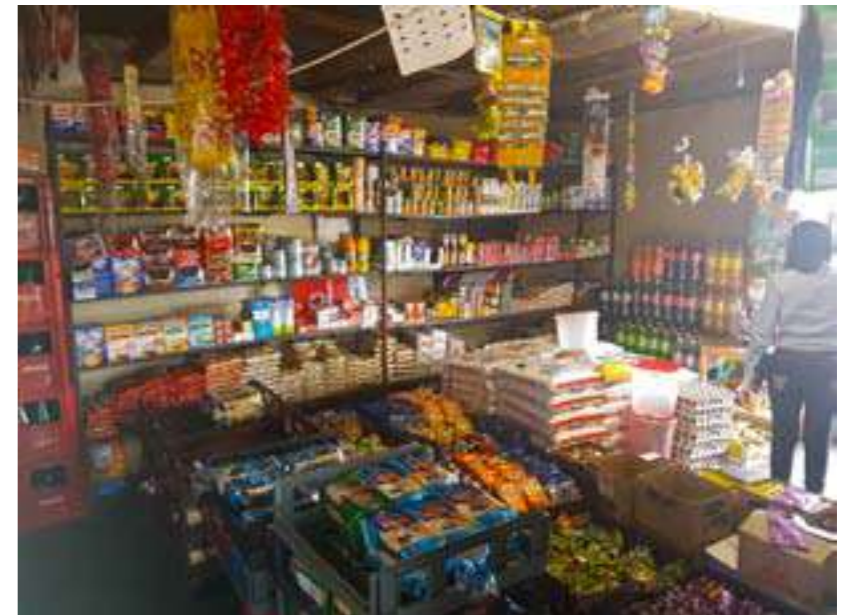
- 500 000 hawkers or table top vendors earning on average between R1 500 to R3 000 each a month in profit. Up to 60% of municipal fruit and vegetable market trade is from this sector and the kasi kos sector.
- 150 000 hair salons ranging from home backrooms to colourful corrugated iron dunusa (barebum) style sell hair pieces and stylings worth millions every weekend. R10 billion in stylings and cuts alone.
- 60 000 school mamas at township schools selling snacks and meals.
- And there are a multitude of other businesses in these sectors including:
 - Kasi building, renovations, gates, burglar guards, chrome gutters, etc
 - Services – plumbing, electricians, catering & event suppliers tent, toilet and chair hire
 - Alcohol – taverns & shebeens
 - Cultural – muti, livestock, sangoma, inyanga, unveilings, funerals
 - Rental / Property – backroom & spaza rental
 - Financial – mashonisa, stokvel, masicwabisane.

But, like the matrix, this trade and its scale is invisible to us. We don't see its gleaming corporate headquarter. We don't recognise its multitudes, as they are in a caravan on the side of a road, a pile of veggies on a crate, or a little chemist under a highway bridge. Yet in many ways our economy is being sustained and driven by this sector. Not only are these outlets and traders paying VAT on their substantial purchases, but they are employing people and bringing in household incomes on a massive scale. In most cases the average Rand circulates more often in a township informal economy than a formal one.











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