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"Snuk's work": informal means to formal ends in South Africa's rural economy

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The South African government's attempts in recent years at reining in the so-called 'second economy' has been accompanied by a proliferation of activities aimed at generating income and financial opportunities in the context of continuing and pervasive unemployment. This paper is about the government's intervention into these activities, and the kinds of actions and economic exchanges that emerge in addition, or in relation, to these. It considers the barriers that prevent people's entry into the financial mainstream, and the ways in which 'informal' economic activities are a necessary part of overcoming such obstacles. Specifically the paper considers two organisations operating in a rural area of northern KwaZulu-Natal. One is a locally organised community bank, now with official accreditation and funding from a micro-finance branch of the Department of Trade and Industry. The other is a saving club founded in 2002 by a local radio station DJ.