

# An Analysis of the Survival Strategies Adopted in Times of Economic Downturn: The Case of Retrenchees in Bindura, Zimbabwe

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**Abstract:** *The study explored the survival strategies used by retrenched employees during the period 2013 to 2015, when Zimbabwe's economy is experiencing arguably its greatest challenge. Motivation for the study was premised on the need to share the former employees experience as a platform upon which a resolve to tackle the root causes of the economic crisis. Employing a descriptive qualitative approach, the study revealed that most of the retrenchees in Bindura now survive on gold panning, merchandising as well as subsistence farming. The study also shows that despite the harsh economic climate in the country, most retrenchees prefer to stay put rather than emigrate to other countries. The study calls on responsible authorities to expedite the measures that would see the country reversing the current economic environment. In the meantime, funding agencies should also consider and prioritise retrenchees in their funding commitments to ameliorate their suffering*

**Keywords:** survival strategy, economic crisis, retrenchment

## 1. Introduction

Zimbabwe is currently going through a tough period economically. Independent sources suggest that the country's unemployment rate is above 80% (Robertson, 2015). A manufacturing sector survey commissioned by the Confederation of Zimbabwe Industry (CZI) in 2014 show that the level of capacity utilisation in the manufacturing sector plunged from 57% in 2011 to 39% in 2013. The government is also surviving on a tight budget as evidenced by its failure to remit salaries to its employees on time. In the year 2014 alone, official statistics show that more than one hundred and twenty firms closed down rendering more than ten thousand workers jobless (NSSA bulletin, 2015).

## 2. Problem Statement

The under-performing Zimbabwean economy has created a nucleus of retrenchees from both the private and public sectors, essentially depriving most households of a steady source of income. Yet, according to the principles of economics, human life has some basic necessities that must be financed for one to survive (Mohr and Fourie, 2004). Therefore the study seeks to determine the survival mechanisms that have been employed by retrenchees to meet the daily necessities.

## 3. Research Objectives

- 3.1. To determine the survival strategies used by retrenchees in Bindura town
- 3.2. To establish aspects of retrenchees welfare worst affected by the current economic challenges

3.3. To ascertain whether retrenchees have any plans to relocate to other countries as an escape route from the country's economic problems

3.4. To find out what retrenchees believe are the root causes of the economic crisis in the country

## 4. Research Questions

- 4.1. What survival strategies are used by retrenchees in Bindura town?
- 4.2. Which aspects of the retrenchees welfare have been the worst affected by the current economic challenges in the country?
- 4.3. Is relocation to other countries an option for the stranded retrenchees?
- 4.4. What do retrenchees think are the root problems of the current economic crisis in the country?

## 5. Significance of the Study

Understanding the survival strategies and the future plans for retrenched workers is a critical component for authorities and charity organisations who might have some mitigatory programs for the retrenchees. More broadly, the study opens up on an area that has often been of interest to academics and policy makers alike, which is how the average citizen has been able to fend for him/herself in the face of an unprecedented economic collapse. Lessons derived from the study are bound to assist in the designing of effective policy prescriptions that hopefully will reverse the current economic scenario, to the betterment of not only the retrenchees in Bindura town, but the general citizenry of the country.

## 6. Research methodology

The study employed a structured questionnaire as the main data collection instrument in order to get a standardised pattern of response to the questions posed. The structured questionnaire was seen as the best in that it allowed allows for comparison of responses without jeopardising the study objectives. An additional „comments” section was included in the questionnaire and this provided the respondents to add flesh to their various responses.

## 7. Sampling Procedure

The research was conducted in Bindura’s high density suburbs namely Chipadze and Aerodrome and Chiwaridzo. A combination of stratified and random sampling procedures was conducted. Making use of Bindura municipality area demarcations, each of the three locations were demarcated into specific, identifiable area zones. Thereafter, two area zones were randomly selected per each of the three residential areas. Respondents in each of the identified area were picked randomly, and to qualify as a respondent, they were supposed to be retrenchees.

## 8. Delimitations of the study

The focus of the research was on retrenchees from across the economic divide in Bindura town, the main commercial area of the mashonaland central region, located some ninety kilometres north of Zimbabwe’s capital city of Harare. Out of the seventy questionnaires that were distributed to the targeted sample, forty seven (67%) were returned fully completed.

## 9. Brief review of relevant literature

Survival strategy is a specific stress response which include specific adaptive and maladaptive, biological, psychological and social constituents (Valet,1998). It is a discrete phylogenetic templates which has evolved as specific stress responses to aid survival. It provides the framework for characterization and categorization of traumatic stress, as well as fulfillment phenomena.

An instructive study pertinent to survival strategies was the one done by Hungwe in 1998. The study explored challenges faced by the Midlands State University (MSU) workers and analyzed the survival strategies used to deal with the identified challenges during the height of the economic crisis in 2007. Participants comprised 40 teaching and 21 non-teaching workers. The results revealed that, the six major challenges faced by MSU workers were lack of adequate remuneration, consumables, transport, electricity, office space and economic hardships. The most popular survival strategies to deal with such challenges were fiddling and escaping. The study revealed that most of the coping strategies employed by participants were not means of resisting the university but means of overcoming constraints caused by the university and thus facilitating university business.

## 10. Research Findings

### 10.1. Survival Strategies

The study revealed that most of the former employees have resorted to gold panning (43%), buying and selling (28%) and subsistence farming (23%) as survival strategies. Most respondents noted that the current hardships fell short of the economic challenges experienced in 2008 when shops were virtually empty. Then, like now, they had survived on the same strategies that had seen them through arguably the most difficult time economically in Zimbabwe. Probed on the legality of their chosen survival paths, most respondents expressed the view that their operations were above board, especially in view of the fact that the government had openly admitted that the country was experiencing economic hardships.

However, not all respondents registered success in their chosen survival paths. Those involved in gold mining intimated that the town has been swarmed with people from all walks of life and in the fierce competition ensuing, some locals were losing out. Those involved with farming noted the unpredictable weather pattern as their main worry while the buyers and sellers also noted the fiercely competitive environment as a drawback. Most traders, according to the study, were involved in horticultural products as well as old clothes from neighbouring Mozambique (*mabhero*)

### 10.2. Which aspects of the employees life was the most needy?

Food (44%), shelter (rentals) (28%) education (school fees) (15%) and health (medical expenses) (9%) were highlighted as the most critical needs by the respondents. Owing to the fact that Bindura town is a predominantly farming area, most respondents noted that food (maize and horticultural products) was readily available to a point where there have not been reported cases of starvation. Fears, were however, expressed that this positive picture could change drastically in the event of a drought, a phenomenon described as not far-fetched given the fact that other regions in the country were experiencing it. The study revealed that a significant number of respondents who could not afford rental charges in their preferred areas of dwelling had downgraded to less expensive (and inferior) residential areas. Thus some respondents had moved from low to medium or high density areas. Some had remained in same lodgings but now occupied less rooms compared to periods before when they could afford more rental rooms. The researcher was also informed of people who had decided to relocate to neighbouring farms and mines.

Fifteen percent (15%) of the respondents felt that education (school fees for their kids) was the most needy area. A recurring view among respondents was that an educated kid was an asset for whom the parent could bank on to uplift the fortunes of the family. A surprising observation on education was the fact that most respondents expect their kids to get a decent job after graduating from tertiary in the foreseeable future. This was surprising, given the current state of the economy, which is experiencing a steady decline. As with shelter, cases of downgrading in education

were also noted, some having recalled their kids from boarding schools to local and less expensive schools due to economic hardships.

### 10.3. Any plans to relocate to Another Region/ Another Country?

More than half of the respondents (69%) said they did not plan to relocate to another region or another country, with most citing the fact that Bindura town was better because food was plentiful and also the availability of gold mining prospects made the regional habitable even in the most difficult time. A significant number of respondents noted that relocating was out of question because they were already spent forces who would not be able to make it in new areas. Some cited the educational needs of their kids as a factor in staying put and also the fact that they did not have the required documentation to resettle in a foreign country.

However about one quarter of the respondents said they were seriously considering relocating with South Africa and Mozambique as the most mentioned destinations. A notable feature was that the younger respondents were more receptive of the relocation suggestion compared to their aging counterparts. According to the study, Mozambique is seen as a more attractive destination than South Africa, the latter being associated with xenophobia.

### 10.4. What do they think was the root cause of the economic meltdown in Zimbabwe?

Responses on the not causes on the current challenges in the country were mixed and diverse. About 20% of the respondents felt that the current challenges and the one in 2007-2009 was some punishment of some sort from God for sins committed by Zimbabweans from time immemorial. By administering this punishment, God was trying to force Zimbabweans to repent and mend their relations with him. Citations from the bible to this effect were made.

More than one third (37%) of the respondents blamed politics, arguing that economics and politics were like inseparable twins. In this regard, a call was made to the politicians to ensure that their house was in order and this would translate to the healing of the economic curse.

Less than one fifth (16%) of the respondents felt that the current challenges were natural to any economy, noting that economies the world over undergo these cycles of boom and depression. Zimbabwe was going through the depression phase, and with proper and timely response, the country would bounce back at some point in the future.

About 10% mentioned that the sanctions imposed on the country by the international community were to blame for the current economic challenges, and the same group also believe that if the sanctions are lifted the country will again prosper.

Other responses ranged from the unpredictable weather patterns which was seriously hurting agriculture, the backbone of the country's economy to corruption by some senior decision-makers in both the public and private sector.

## 11. Recommendations

The study confirms the need for the decision makers to urgently address the current economic problems to ameliorate the suffering being endured, not just by the retrenched but the general populace. The research reveals that most retrenched, despite their current plight, are not prepared to relocate to other countries and believe that the country can get it right again. What is needed is commitment by those in decision-making positions, and a focus on serving the interests of the populace as opposed to the pursuit of self-interests.

In the interim, fund providers (non-governmental organisations and funding agencies such as Small Enterprises Development Agencies) are implored to target retrenched with funding initiatives.

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### Author Profile

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