

'I Am Not a Banana': Risk, Violence, and Entrepreneurship in Cape Town's Taxi Industry

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It might seem a straw man to argue against economic theories that are based on the intellectual heritage of Milton Friedman and the Chicago School . After all, only the staunchest anti-empirical scholars will persist to argue that rationality and freedom are economic realities and fail to see that they are economic ideologies, albeit very powerful ones. This paper will not debunk these economic ideologies – scholars such as Bourdieu, Appadurai, and Gudeman have done so very successfully – but turn to the empirical reality to show how economic practices are part of wider socio-political constellations. This paper explores the reconfiguration of Cape Town's taxi world, an industry that at first glance seems to be an unregulated, cut-throat, and free business.

A closer look at the industry reveals how crucial the impact of government regulation has been, also regulation that was not directly aimed at the taxi industry, and how taxi owners constantly try to forge a space within changing political restraints. In order to protect business interests, entrepreneurs feel that they have to display their willingness and ability to use violence. Business owners have elaborate stories that highlight how they can almost miraculously triumph over violence. They explained to me that if you shy away from violence you will be identified as 'a banana': a person that is without a pit, without strength and therefore an easy target for 'skollies' and other thugs. The readiness to use violence contributes to the negative image of the taxi industry and was a major concern when the government organized the 2010 World Cup. To diminish the risk of violent incidents – rumors had it that self-enrichment by government officials was more important – new government regulation was set in place to exclude taxis from some of its most profitable routes. These regulations resulted in a number of violent incidents that only confirmed the taxi industry's reputation and legitimized more government measures. The taxi owners' dilemma is that in order to survive, they need to show they are no bananas, even if this undermines the business in the long run. The government's attempt to control the taxi industry also led to regulations that force taxi owners to purchase new vehicles and take out insurance policies. Here too, entrepreneurial risks are strongly intertwined with rumors about the 'true motive' of these measures, namely corruption. Such rumors are strengthened because many taxi owners find that the insurance policies do not address the risks they experience. Based on ethnographic research and interviews with taxi owners, entrepreneurs in general, and people working in the insurance sector, this paper examines the reconfiguration of the taxi industry in relation to violence and government's attempts to control an industry that is weighed down by a negative reputation.

