

**THE ROLE OF THE LOCAL AUTHORITY IN ACCOMMODATING STREET
TRADING: THE CASE OF MANZINI CITY COUNCIL IN SWAZILAND**

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Declaration

This dissertation represents the original work of the author and it has not been submitted to any other University. Where use has been made of others work it has been duly acknowledged and referenced in text

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CHAPTER ONE: INTRODUCTION

1.1 Background to the Study Area

In recent years, there has been increased attention given to the role of institutions in promoting business entrepreneurship. As a result in development studies the focus on the role of institutions generally, and good governance in particular has been strengthened. As Goetz (1997:1) pointed out, getting institutions right has been central in development discourse and practice. May, (1998) draws attention to the role of institutions in addressing poverty and inequality. The study therefore attempts to contribute to the academic debate and policy discourse about the role of municipalities as institutions in development through nurturing the informal sector. It further focuses on the role the Manzini municipality has played with regard to street trading within the central business district of the city area.

The kingdom of Swaziland is a land-locked country situated in South-eastern Africa. It is bordered by South Africa to the north, west, and southeast and by Mozambique to the east. In terms of physical size it covers about 17,363 square kilometres, a territory about 0.7% the size of Sudan, Africa's largest country. Notwithstanding its size, Swaziland is well endowed with rich and varied resources, largely natural resources. Indeed the country's potential for economic growth and development is simply disproportionate to its size. Despite its small size, Swaziland has got one of the highest per capita income levels in sub-Saharan Africa (Rwomire, in Wekwete *et al* 1994). It is worth noting though that judged by such development criteria as life expectancy, literacy, health care provision and income distribution, Swaziland still lags behind countries of similar income levels. The population of Swaziland is estimated to be just over a million people.

Unlike many countries in Africa, Swaziland is characterized by an ethnic and cultural homogeneity. However it is amongst those countries whose population is growing at a rapid rate.

By international and continental standards, there is nothing sensational about the absolute size of the country's population. However, the current rate of 3.2%(based on 1997 census) at which the population is growing is worrisome and considered to be amongst the highest in the world.

Swaziland is basically an agricultural country heavily dependent on the agro-industrial production of sugar, leading in exports followed by wood pulp. With regard to employment there were signs of employment creation in the 1984-1988 period, in the formal sector. Since then, the Swazi economy has tended to fluctuate between decline and stagnation on the one hand and prosperity on the other. These mixed economic fortunes could be largely attributed to several factors, such as declining markets for some of the agricultural and mineral products, high population growth rate, and drought. Unemployment has emerged as a serious problem. According to one report, on average, 28.5 % of the labour force is involuntarily idle. Furthermore, 59% of the unemployed is composed of young people between the ages of 15 and 29 (Mensah 1991:5). As a result, a large surplus of the labour market has low wages and poor working conditions. During the past years, partly as a result of unemployment, worker militancy and crime have assumed epidemic proportions. Criminal acts reported in local newspapers include such crimes as armed robbery, shop break-ins, illegal trading, car theft, smuggling, circulation of counterfeit notes, fraud, illegal settling, drugs peddling and murder.

Another reason for the stagnation and decline has been that the economy itself has become less dualistic and therefore depending on one agricultural commodity- sugar the share of which, exports earnings has declined over the years. Swaziland belongs to the Southern African Customs Union (SACU), which is dominated by South Africa. Because of its geopolitical exposure and close linkages with South Africa, Swaziland's capacity to determine its economic destiny appears to be severely limited. Owing to its geographic location and close institutional linkages with South Africa, economic developments and policies in Swaziland are strongly affected by those in South Africa. As an example, in the mid-1980s, over 90% of the country's total imports originated in or

passed through South Africa. While Swaziland is free to pursue an independent exchange rate policy, the national currency (Lilangeni) is pegged at par to the South African Rand.

One of the most serious threats to sustained prosperity is the problem of unemployment, which can be attributed largely to accelerated population growth, and rural to urban migration, as well as automation in vital sectors of the economy. The emergence of foreign owned, capital intensive and mechanized enterprises, especially in the agriculture sector, has substantially contributed to the reduction of the labour intensive and/or unskilled jobs available.

1.2 Urbanization in Swaziland

This phenomenon as in many developing countries has been a consequence of colonialism. It was only at the beginning of the twentieth century that the roots of urbanization were laid. Settlements were established at Mbabane, Manzini, Pigg's Peak and Siteki as administrative, commercial and strategic headquarters of colonial regime. Taxation, land shortage, rising population densities and a wage economy forced Swazis to leave their homesteads in the traditional rural sector for the colonial urban areas as early as 1907, this trend has continued until to date.

Swaziland's urban population has been estimated over 200,000 by the mid 1990's its growth has been fast especially in the two main cities Mbabane and Manzini-Matsapha and along the corridor inbetween in the so-called Ezulwini Valley. Swaziland's primate cities are Mbabane and Greater Manzini, which include Matsapha and surrounding spontaneous urban settlements. The population of Greater Manzini is estimated at 100,000 inhabitants yet that of the capital city Mbabane is at over 80,000 inhabitants as shown below.

Area	Period of projected urban population					Annual growth 1986-2001 as %
	1986	1991	1996	2001	2006	
Total Swaziland	712	837	985	1158	1310	3.2
Total rural	557	649	756	879	971	3.1
Total urban	155	188	229	279	339	4.0
Greater Manzini	46	60	79	102	129	5.2
Mbabane	38	51	67	88	113	5.5
Other urban areas	71	82	95	110	127	3.0

Table 1. Urban population projection for Swaziland 1986-2006, population figure's expressed in thousands (000)

Source: DVH consultant projects, Oct. 1989

Poverty in Swaziland is indeed characterized by a strong rural dimension, but the vulnerability of the urban poor cannot be overlooked. The rate of urban population growth over the last two decades is estimated between 5 to 6 percent per annum, driven by high levels of rural-urban migration. Many of these migrants have been drawn to the major gazetted company towns. All Urban areas such as Manzini or Mbabane) and have accumulated in the peri-urban areas of both these towns. This is reflected in the differences between poverty levels across different urban areas. The level of poverty in the large gazetted towns is much higher than in the small company towns. In fact, the share of the population of gazetted towns who live in poverty (40.6 percent) is almost as high as the share of rural Swazis in poverty (42.8 percent).

The Company towns have both low poverty ratios as well as a low share of the total core poor. The public policy implication is that

they are a low priority for poverty-targeted interventions. The reality of a small country such as Swaziland is that household ties extend across rural-urban boundaries, as do livelihood strategies involving migration, remittances and so on.

The population is essentially "rural-urban" in nature. Yet the dynamics of rural and urban poverty are not identical.

There needs to be sufficient labour market demand to absorb the continuous new entry into the labour-force and households must be able to invest in the skills for which there is market demand. Unemployment levels are high: Unfortunately, in the mid- and late-1990s unemployment in Swaziland has been in excess of 20 percent and rising as job-creation fails to keep pace with high population and labour force growth. The private sector formal employment level has actually fallen from about 65,000 in 1990 to about 61,000 in 1995 (IMF 1997). In 1995, the overall unemployment rate for Swaziland was 22 percent, with the problem being worse in rural areas (25 percent) than in urban areas (15 percent) (WB 1995). For the age group 15-24 years, the problem is acutely worse, with national unemployment levels above 40 percent. And it is estimated that over 40 percent of the core poor are unemployed (World Bank estimates, 1995).

Migrant labour opportunities have declined. As unemployment in South Africa rises, migrant workers from neighbouring countries such as Swaziland find it increasingly difficult to find employment and are returning to their home countries. For example, in 1990 there were over 16,500 Swazi migrant workers employed in South Africa however this figure has declined drastically to as low as just over 10,000 (IRIN)

1.3 Definition of the problem

The local authority in the city of Manzini is faced with the challenge of realizing the importance of the informal sector, street trading in particular as an important activity in facilitating the well being of the urban poor. From the time the city was still regarded as a small town, the practice has been the adoption of repressive measures enforced to suppress street trading, particularly in the central business district (CBD) of the city. As a result, the local authority has amongst its staff

policing squads or warders whose job is to move around the streets chasing away, and locking up street traders and confiscating all those products that are being sold by the street traders operating informally. Not long ago, the local authority erected structures in the form of shelter in designated areas aimed at accommodating street traders in which they would be stationed in carrying out their business.

According to the local authority, a compromise was reached with the traders to be registered so that it is able to budget in terms of space to be used for this exercise. Despite this move by the local authority, the number of informal street traders lately has soared markedly. The increase has also been accompanied by a majority of these informal street traders invading streets at strategic positions that were never designated for street trading. This has led to the local authority once again engaging more repressive measures in dealing with this trade.

As a result, the local authority has recruited more warders or policing squad members working together with the Royal Swaziland Police to chase those illegal traders away or arrest them and confiscate their items. This has posed serious problems for vehicle drivers in the city center who from time to time have to suddenly apply brakes while avoiding informal street traders running away from policing squads. The main problem now is that the local authority is in a dilemma in that while they have seen the importance of providing shelter on some designated trading sites, repressive measures have become even more severe and there is no hope that they will be relaxed sometime soon.

1.4 Reasons for embarking on the study;

The whole idea of embarking on this study is to highlight the key features existing in the study area with regard to street trading, paying attention to the role played by the local authority in the sector's existence. The aims of the study include:

- To establish if the local authority has dealt with the issue of street trading exhaustively.

- To establish other major causes for the sudden rise in people involved in this trade besides those known.
- To investigate the significance of locating at strategic points with this trade.
- To verify if this trade is dominated by illegal immigrants as purported.
- To an extent, to establish the institutional capacity of the local authority in dealing with such problems.
- To establish if this sector is accorded the attention it deserves given the decline in employment opportunities within the formal sector.

1.5 Research questions

Are there any indications that the local authority is seriously addressing the needs of the working urban poor in accommodating street trading within the confines of the CBD? And are these moves adequate

- Does the local authority have enough institutional capacity in dealing with this trade at the moment?
- Are there any interventions that may prove to be efficient in confronting this issue from the local authority's point of view?
- Does the local authority have a mechanism of amicably resolving the issue of illegal immigrants?
- How does the local authority handle conflict of interests issues particularly with regard to unfair competition for formal traders?
- What are the policy guidelines and regulations with regard to this trade. If none why, and if existent how do they operate, and how flexible are they? What control does the local authority have over products to sell and times of operating?

- What lessons may be learnt from other cities such as Durban as a point of reference regarding this trade?
- What interventions may be drawn from international experience as a precedent regarding this trade?

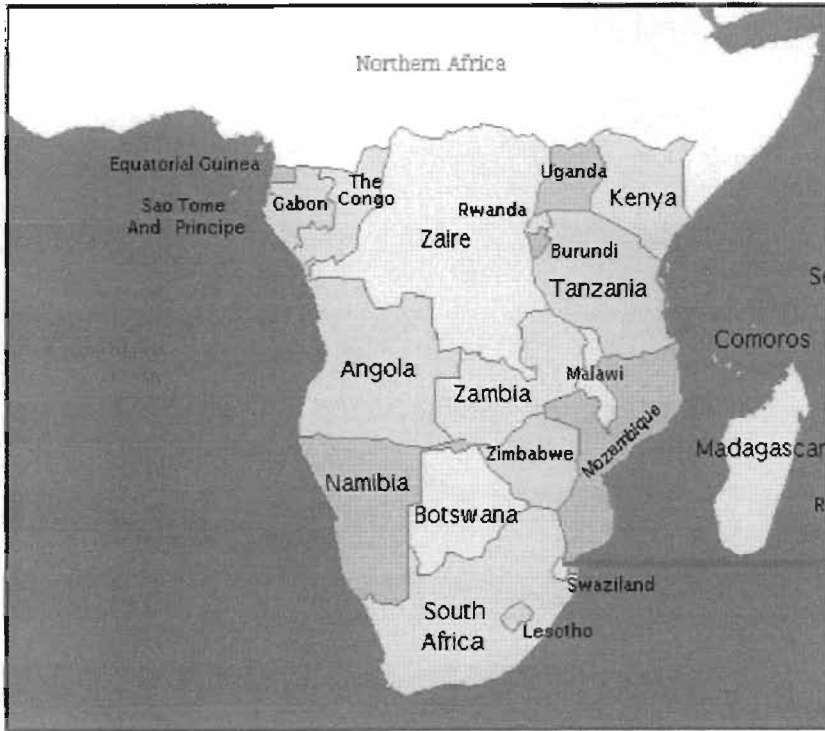
1.6 Hypothesis

The current measures employed by the local authority in addressing the needs and dealing with issues of the informal traders in the Manzini City Council are largely inadequate.

1.7 Research Methodology

1.7.1 Introduction

The kingdom of Swaziland is a land-locked country situated in South-East Africa. It is bordered by South Africa for the better part and by Mozambique to the east and it is the case study area for this research.



The main objective of this study is to assess the current situation in the study area with regard to informal sector activity, and street trading in particular. In going about this, various data sources have been employed to gather information on the study area using different methods and techniques.

The following methodology was used in this research:

1.7.2 Primary Sources:

Physical Survey of the trading sites

This was in the form of site visits particularly to the trading zones with the assistance of photographs as shown in the various plates taken from the study area.

Figure 3. on page79, Shows the location of trading zones within the central business district

The tasks or steps involved the mapping of street trader sites and an analysis thereof.

1.7.3 Observations

Another task that was undertaken in this research was to observe the activities taking place in the central business district of Manzini City. This was done to complement those comments that were recorded from the respondents. While conducting the interviews, particularly with the street traders, some photographs were taken to illustrate key points in reinforcing comments from the interviewees. Observations were also captured by means of taking photos assessing how realistic the local authority has been in allocating designated sites, with particular attention given to whether those sites command a reasonably high traffic volume of pedestrians. Another reason for undertaking site observations was to enable a better understanding of the situation that is being assessed in the city without relying on information provided by the respondents only, in this case municipal authorities and the street traders. Observations were also meant to supplement information where there have been gaps in information provided by key informants.

1.7.4 Interviews

Much information was gathered through the use of interviews and administering questionnaires. The questionnaires were administered to a total of thirty-five street traders and a copy of the questionnaire is attached as Appendix 2. The structured interview was preferred over questionnaires for City Council officials, due to the fact that it was expected there would be at least one department that could furnish information on street traders and obviously in that department there would be one official who was assumed would be well versed on all issues pertaining to this trade. Open-ended questions enabled fluid interaction between the respondents and the interviewer. The following people and institutions were therefore key informants in the collection of data.

Interviews with Municipal officials

The Chief Executive Officer

It is believed that the Chief Executive Officer understands the entire machinery of the operation of the local authority. He, however, did highlight that he was still new in his position and therefore had limited information but would try the best he could to be helpful in responding to the prepared questions. He further referred to the department that deals with street traders hands on, and on a daily basis, which he said was most relevant to make an in-depth contribution to the research.

Chief Health Inspector:

The same questions that were used with the Chief Executive Officer were also used with the Chief health inspector. The responses were surprisingly interesting for they were both impressive. It is worth noting though, that with this informant there was documented evidence that supported his responses since most of the files that concern street traders were in his office.

Street traders:

The interviews conducted on street traders have been purely based on prepared questionnaires. The same set of questions were used to cut across three categories of street traders, namely, those trading under

shelter, those trading on designated areas without shelter, as well as those that trade in the Main Market. In all there were 35 traders interviewed sampled systematically such that in any visited site every fourth shall be selected.

Butimba BeMaswati: (An NGO working with street traders)

One of the key weaknesses in street trading in Third World countries has been that the traders have not been organised. As a result, the research tried to elicit information from a non-governmental organisation to establish the role it plays, and the kind of assistance it provides to street traders. Interviewed was the chairperson of the above-mentioned organisation.

Most of the interviews were conducted in the period between July and August 2002.

1.7.5 Secondary Sources

As noted in chapter two of this report, the information had to be collected and collated using the available data about the topic. This serves as a foundation for the rest of the research. This is primarily the books and journals and newspaper articles that were written by different authors. The following sources had to be explored in order to make a substantive argument about the topic.

Main sources of secondary information:

In this instance one had to compile literature on the following aspects relating to this topic.

- Literature on the informal sector in general, and various debates that have emerged on the whole issue of the informal economy the world over.
- Literature on street trading in the study area as in the situational analysis of the trade, its emergence, and responses that followed thereafter.
- Case studies that have been conducted by various academics and institutions as well as organisations on

street trading and advancements thereof in the international arena.

The literature forms the cornerstone of this research in that it relates theoretical debates that have emerged to the realities or the actual situation on the ground, as well as documenting case studies that are useful. The debates and case studies help in drawing lessons to inform actions and decisions in the study area, and bring insights on making the necessary recommendations.

1.7.6 Conclusion and Recommendations

The analysis is meant to interpret the data collected in relation to the foregoing theoretical debates on street trading. On the same note, the analysed data should reflect on key issues that emerge on the chapter on international precedent. As will be shown the literature indicates that street trading in other countries has been researched and dealt with in great depth and the level of organisation amongst the traders is far more advanced than that in the study area.

It will be through the analysis and the interpretation of the collected data collated with other experiences that conclusions would be drawn leading to suggestions and recommendations.

1.8 Key concepts

The following key concepts are integral to the study.

1.8.1 Formal sector

This is a sector that is characterized mainly by its relationship with the government in that its economic activities are formally recognized and fostered by the government. It enjoys direct access to credit, and a formidable list of benefits that reduce the cost of capital in relation to that of labour, and it indirectly benefits immeasurably from the restriction of competition and protected markets through tariffs, quotas, and trade licensing. In essence it is officially recognized, fostered, nurtured and regulated by the state (ILO, 1972).

1.8.2 Employment creation

In almost all third world countries, there has been a crisis, which has its roots in inadequate supply of jobs on the one hand and excessive demand for jobs on the other. The importance of the problem is magnified by the fact that unemployment, while a problem on its own, contributes to problems of inequality and poverty. Thus most Third World countries experience developmental problems.

Clearly a situation like this calls for intervention and far reaching structural changes in our economies. Such measures may prove to be inadequate. However job creation stimulation may relieve some of our people from poverty, (Dewar, 1990)

1.8.3 Poverty alleviation

Poverty, is a condition that has many faces, changing from time to time and can be identified through the following elements, hunger, lack of shelter, poor medical care, illiteracy (unable to go to school and not being able to read and write), unemployment and living one day at a time, and fear of the future. It is characterized by poor living conditions, powerlessness and lack of representation and freedom (ILO, 1997). Most often poverty is a situation people want to escape such that it is a call for action.

The most commonly used ways to measure poverty is based on incomes or consumption levels. A person is considered poor if his or her consumption or income level falls far below some minimum level usually called the poverty line.

Poverty alleviation, therefore, is one way of reversing the situation by way of action in the form of establishing the informal sector as a source of employment thus reducing inequality as well as poverty.

1.8.4 Policy

This is a legal and regulatory measure that serves to guide the way development should take place. It may advocate for unequal development or equitable and integrated development

1.8.5 Rural-Urban migration

This refers to the phenomenon whereby there is movement of people leaving rural areas or the countryside to live in urban areas, searching for jobs with the hope to find paid employment.

1.8.6 The informal sector

In response to the crisis of our urban populations becoming increasingly poor, unskilled and unemployed, this affects levels of health, crime and general social stability. The informal sector is that part of the economy that is often ignored, in some respects helped, and in some harassed by the authorities, with enterprises and individuals within its operation largely outside the system of government benefits and regulation. As a result there is no access to formal credit institutions and main sources of transfer of foreign technology. Many economic agents in this sector operate illegally, even if they are pursuing similar economic activities to those in the formal sector. Illegality here is not necessarily due to the nature of the economic activity but to an official limitation of access to legitimate activity. It may be mentioned that the limitations may be flouted with virtual abandon while at times they may be effective. Third World governments have identified the stimulation of the informal sector as a central plank current strategy and have suggested a number of initiatives to promote it.

1.8.8. Development of the informal sector

Defined from the perspective of the International Labour Organization (ILO) report on Kenya, the informal sector is that part of the urban economy in Third World countries characterized by ease of entry, small and competitive individual or family firms, petty retail trade, labour-intensive and adopted technology, poor working conditions, low levels of health and education, as well as unregulated and competitive markets with skills acquired outside the formal school system. The sector often provides a major source of urban employment and economic activity.

Primary objectives for the development of the informal sector, are the reduction of unemployment, poverty, ignorance, disease, income inequality and choice restrictions. These objectives are incorporated in the

developmental goals of countries in Sub-Saharan Africa in particular. However the progress towards the attainment of development (and therefore movement from the lower to higher levels of social welfare) is made difficult by the ever-changing economic circumstances inside and outside each country. This is why it becomes necessary to evaluate the development strategies pursued with the aim of increasing their effectiveness, (Todaro, 1992)

1.9 Outline of contents

The flow of this dissertation is enhanced through chapters that are organized in subsections. Structuring the chapters in a sequence, that would enable, understanding the entire document making it to follow the storyline.

Chapter One

This chapter alludes on the introductory background of the study area, the research methodology employed in the collection of data, and the analysis thereof to be followed to give meaning to the data with reference to the study area. It enables a collation of secondary source data and primary sources enabling an informed analysis, discussion, conclusion and recommendations.

Chapter Two

This chapter mainly deals with the review of literature and a theoretical framework for the study. It starts off by tracing the historical background of the informal sector from the early 1970s and advances that have been made since then. It looks at the emergence and the recognition of the sector in general and attempts to relate this to the study area. It further traces trends followed by street trading in neighbouring South Africa and Durban in particular.

Chapter Three

This chapter deals mainly with what is referred to as the international precedent with regard to street trading. As mentioned earlier, given the high levels of unemployment and increasing job losses in the formal economy the world over, and in Third World countries in particular, the informal sector is increasingly becoming the main focus and is likely to increase significantly in importance. The chapter therefore highlights experiences by street traders in other countries, problems encountered,

success stories and attempts to close the gap between street traders support needs and services by local authorities.

Chapter Four

There is limited information on street trading in the study area. Yet there are indications that internationally so much has been done with regard to the informal sector. This chapter therefore seeks to allude on the developments that have taken place in the study area picking up issues as a form a situational analysis. Comparison is made where necessary.

Chapter Five

This chapter draws from what has been discussed in the theoretical debates and related issues in preceding chapters. It then proceeds to highlight those experiences that have been learnt from the case studies making reference to similar cases that have been picked up from the study area. It then concludes by making an evaluation of indicators of success and positive dimensions that have been identified internationally. The chapter concludes by taking a look at gaps that have been identified with regard to street trading in the study area and making recommendations thereafter.

Chapter 2

Conceptual framework

2.1 Introduction

The informal sector, usually dismissed by economic planners, has become increasingly important to Third World governments as they struggle to address poverty and unemployment. Such is this emphasis, that the informal sector has attracted attention both in Third World governments and International development agencies, as an important source of employment. It is notable that over the last two decades, attitudes towards the informal sector have undergone some radical changes. This has led to the recognition of the urban informal sector as an important avenue for attainment of development goals. Matsebula (1996) argues that even regional organizations such as the Organization of African Unity have urged member states to create a network of such activities by actively promoting and encouraging this sector.

The main cause for the change in focus with regard to this sector could be attributed to a multitude of factors. Much of the labour that cannot be absorbed into formal employment results from high rural-urban migration, which is in itself a consequence of increasing uneven development the so called rural-urban divide. Consequently the rates of urbanization in the developing world have been relatively high and are projected to remain high. This is a concern because among other reasons, the urban informal sector will not be able to generate enough jobs to absorb all of these people. But it is now increasingly realized that the urban informal sector has a high potential to contribute significantly and meaningfully to people's livelihoods.

2.2 Overview of debates with regard to the Informal sector

The duration of urban unemployment episodes is likely to have increased, as have pressures on the urban informal sector to absorb new entrants and lay-offs from the formal sector. Mainstreaming development in the International Labour Organisation requires a specific focus on the problems of the working poor. It has long been apparent that the process

of economic growth is inadequate to absorb surplus labour into the formal economy. In developing economies, uneven rates of growth and changes in the organization of production have led to pervasive in-formalization. It is among workers in the informal economy that the problems are the greatest, with their rights, least respected. They who are underemployed and poorly remunerated, without social protection, and their social dialogue and participation have little meaning. The International Labour organisation needs to establish a coherent policy for the working urban poor, specifically in the areas of employment generation, social protection and social organization, where their needs are most acute.

Much of the discussion on the problems of Third World countries has focused on the dualistic nature of developing countries national economies, the existence of a modern capitalist sector geared towards capital-intensive large-scale production along a more traditional sector that is not regulated by central government. In recent years this dualistic analysis has been applied to urban economies. Matsebula (1996) asserts that the existence of the informal sector was formally recognized in the early seventies following observations in several developing countries that massive additions of the labour force failed to show up in unemployment statistics. The bulk of new entrants to the urban labour force seemed to create their own employment, or to work in small- scale family owned enterprises. Subsequent studies have revealed that the share of the urban labour force engaged in informal sector activities (legal ones) range from 20-70%, with an average of 50%. With the unprecedented rate of growth in urban populations, particularly in developing countries, expected to continue and with the increasing failure of the urban formal sector to absorb the additions of the labour force, more attention has been devoted to the role of the informal sector in serving as a solution to growing unemployment and abject poverty.

It is apparent that different developmental philosophies give rise to different conceptualizations of the informal sector, and this in turn underlies the numerous and varied attempts which have been made to define this type of activity. To clear the confusion that had arisen as to what constitutes the informal sector, the International Labour Organisation (ILO) mission in Kenya (1972) characterized the sector.

Preston-Whyte, (1990) argues that there are a number of definitional stratifications and distinctions on this sector. One important division, which appears to have arisen at the theoretical level, is the unit of analysis as to whether it should be the business or activity, or the household unit. The approach to be taken here is that from a theoretical point of view, and in terms of explaining the nature and characteristics of these activities clearly, the household is a crucial variable in terms of both income generation and distribution. However, if the concern is with the policy and the impact on informal activities of outside stimulatory agents, then the emphasis is better placed on the business as a unit.

The definition adopted by the ILO mission to Kenya in 1972 on the informal sector is one that is widely used. Here the informal sector is described by identifying a set of characteristics by ease of entry, small and competitive individual or family firms, petty retail trade, labour-intensive and adopted technology, poor working conditions, low levels of health and education, as well as unregulated and competitive markets with skills acquired outside the formal school systems, which sets it apart from the formal sector. However this definition has not been accepted in some quarters. As a result there have been disagreements about it. The central issue being disputed is whether there exists a set of activities, which possess sufficient common characteristics to warrant being combined into a single analytical category of informal sector, (Manning, 1992). This concern has two elements with the first surrounding the reductionism involved in combining a highly heterogeneous set of activities into one category. The second involves the dualistic assumptions that the concept of informal sector makes about the relationship between the sector and the rest of the economy. These concerns have led to some analysts (Peattie 1987, cited in Castells and Portes, 1989) to argue that the concept should be discarded in favour of more precise concepts such as small-scale enterprises and micro-enterprises when referring to specific types of economic activities.

Others have argued that the roots of the informal sector lie in poverty, associated as it is with rapid urbanization, squatter settlements, slums and unemployment and as such the informal sector is best seen as a

sociological phenomenon (Sethuraman and Ahmed, 1992). Analysts have questioned the wisdom of reducing all characteristics of informal sector enterprises to a few common features. Given that the informal sector comprises production, trade and service activities, it is clear that enterprises within these economic sectors have vastly different characteristics in terms of size, activity, and use of resources, and conditions, opportunities and problems. This diversity lies at the heart of the critique of definitions such as that of the ILO, which attempts to classify this wide range of activities into one homogenous group.

One of the serious disagreements that has dominated current debates on the role of the informal sector in developing countries is around the issue of the relationship between the informal sector and the rest of the economy. Many concur of two parallel economies operating side by side. There are inaccuracies with this on two counts; firstly it ignores the link between the informal sector and other parts of the economy; secondly it ignores the reality that many individuals participate in both sectors concurrently.

In light of what has been discussed, it becomes apparent that there may be various positions taken in the debate. There is a distinction between those who perceive the informal sector as integrated into the rest of the economy, and those who perceive the informal sector as isolated from the rest of the economy. Hart (1973 cited in Manning, 1992) adopted a position, which portrayed the sector, as a set of activities, which existed parallel to the formal economy, yet was an efficient and viable segment of the economy composed as it was of the self-employed. The other approach is that adopted by Tokman (1978) in his theory "Latin American marginality" that assumes that the informal sector is an autonomous segment of the economy. The difference from Hart is that the informal sector is perceived as subordinated to and dependent on the formal economy rather than it being complementary to it.

On the view of the informal sector's integration to the economy, there have been two approaches. The first argues that the informal sector is integrated in the rest of the economy in a relationship of complementarity

and support. This is said to contribute towards the efficiency of the informal sector in the process of capital accumulation (ILO Kenya mission). However the view of complementarity of the linkages has been criticized by the “petty commodity theorists”(Moser, 1984) who perceives the informal sector to be strongly dependent on the formal economy and therefore inhibited from growing.

This approach may be distinguished from the Latin American marginality theorists in that the latter do not acknowledge the existence of significant linkages between the two sectors. Whilst the petty commodity production theorist’s argument is premised on the recognition that extensive linkages exist. Given these concerns with the term informal sector the question is whether there is any value in continuing using the concept in our analysis. Peattie (1987, cited in Castells and Portes, 1989) argues against the use of the concept suggesting that the discussions of the “informal sector” should start by barring the use of the term. For the purpose of the study, the question that requires addressing is – What are the characteristics that conceptually “unite” the activities grouped into the informal sector. Since some argue that the informal sector is a sociological category synonymous with the urban poor (Sethuraman, 1992), while another interpretation is that of the informal sector as an economic phenomenon, that is a group of enterprises which are characterized by similar economic characteristics, such as those outlined in the ILO definition. A third interpretation focuses on the institutional context in which informal enterprises operate, arguing that this distinguishes the informal sector from the formal sector.

The sociological interpretation is valid in my view, only in defining part of the informal sector, that is, the poor who are engaged in survival activities. The economic interpretation of the informal sector leads to a set of economic policy prescriptions for informal enterprises yet this approach suffers two weaknesses; it focuses only on the enterprise. And ignores the sociological dimension of the informal sector that is, that some individuals in the informal sector are not interested in profit making but they are trying to make a living.

Secondly it perpetuates the notion that it is possible to ascribe a set of economic characteristics to all enterprises in the informal sector despite differences in size, sub-sector and resources.

Castells and Portes (1989) argue that the basic difference between informal sector and other economic activities revolves around institutional status of the enterprise. They note that it is the existence of regulations that leads to the category of "informal" since the absence of regulations would allow all enterprises to operate in the way that has come to be associated with informal activities. According to Castells and Portes (1989,12), informal economic activities are characterized by processes of income generation that have central feature: they are unregulated by the institutions of society, in a legal and a social environment.

The definition has got serious implications for policy frameworks in that, policy requires a more detailed classification of the informal sector, and the understanding of the differences within the sector. As well as distinguishing between categories such as the survival activities of the poor, micro- enterprises, small scale enterprises each of which require a policy, which is sensitive to the distinctive features of that group.

Matsebula (1996) elaborates on the urban informal sector with reference to Swaziland. He asserts that like anywhere else in the world the importance of the informal sector as a strategy derives from revealed inability of the formal sector to absorb all job seekers on the one hand and the revealed ability of the urban informal sector to provide a significant number of employment opportunities on the other hand. In Swaziland, like most Third World countries the formal sector has failed to absorb all job seekers. This has occurred in spite of massive support from central government through socio-economic infrastructure, industrial parks or estates, and tax and non-tax incentives. On the other hand the urban informal sector has provided employment opportunities without much support from government and at times in the face of a hostile environment of restraining laws and regulations, lack of business premises, lack of incentives and policing squad harassment.

In Swaziland by the eve of political independence (1968) the urban informal sector was definitely a visible and significant feature of the economy. By the mid-1980s it was contributing around 10% to national employment and 2% to value added (Matsebula 1996). Employment in the urban informal sector was growing at an annual rate of 15% (Matsebula 1986c: 7) as opposed to a decline in formal wage employment of around 1% (Swaziland Employment Wages, 1988, cited in Matsebula 1996). As a result even if Swaziland's urban informal sector is small in relation to other parts of Africa, as observed in ILO (1977, Ch. 5), and Addo, 1991 cited in Matsebula, 1996), it's certainly significant and growing in size. Estimates for the 1990s put the contribution of the Urban Informal Sector to national employment at 22% and to the value of added tax at 7%.

2.2.1 Responses to the informal sector

Given the above scenario what has been the official treatment of the urban informal sector? The answer can be provided from the perusal of the national development plans that have been published since independence in 1968. These provide an official view of development strategies. To a large extent the urban informal sector has been treated residually. Matsebula, (1996) argues that while its existence is acknowledged either explicitly or implicitly, its potential for being an effective means of development (i.e. reducing unemployment, poverty, income inequalities and choice restriction) has not been actively exploited. For instance there is no mention of the informal sector in Swaziland's first two National Development Plans in the period of 1968-72 and 1973-77.

The first mention of which is in the third plan that runs from 1978-82, which states that a significantly small number of Swazis make a living on informal activities in towns and that this sector does not attract a large part of the population.

This description with no intention to focus on the urban informal sector as a viable route towards development reflects an implicit view that benefits of economic growth in the formal sector would "trickle down" to the rest of the economy. Under such a view, the urban informal sector would disappear with time. An analysis of

other countries by the ILO (1990a: 3) concludes that in the early 1970s most African states held the belief that the so-called informal sector was still at its infant stage. It would sooner or later disappear with rapid economic growth, especially growth in the modern sector based on the western mode of production and organization. In this regard Swaziland was no exception.

In a review of the economy's performance over the third plans period conducted in Swaziland's fourth National Development Plan (covering 1983-87) it was found that approximately 3170 persons each year have been absorbed into non-formal or else unemployed in a total population estimated at 760 000 in the 1986 census. In spite of the recognition in that review to the effect that "the formal sector's share of employment has decreased compared to the non-formal sector" (p.81), there was no systemic attempt to promote the urban informal sector. There is certainly no mention of the urban informal sector in the set of strategies enumerated in p.296 of the plan, (Matsebula, 1996).

In subsequent Development Plans there is no mention of the Urban Informal sector at all. According to Matsebula, (1996) this omission could be given two possible interpretations: One is that the official perception of the urban informal sector as playing a residual role in the economy has become so firmly entrenched that it has been unnecessary to allude to it altogether. The other is that the official strategy is to promote the formal sector with the hope that business units will naturally graduate from the informal sector into the formal sector after the "trickle down" effect has occurred.

Whatever interpretation is adopted the fact remains that the urban informal sector has not received the kind of attention or focus, which reflects an appreciation of the role it could play in development. Neglecting the informal sector of the economy could be dangerous to the extent that its absorptive capacity may be impaired thus exacerbating the unemployment problem. According to the ILO, 1991 report on the basis of findings from 52 studies in 21 African states it is obvious that the "safety

valve” role of the urban informal sector cannot be relied upon indefinitely. Unless action is taken to raise productivity in this sector, it will not be able to absorb the labour that cannot secure jobs in the formal sector. All of this points to the need for embarking on an aggressive programme to promote the urban informal sector. By the same reason it seems the Swaziland government needs to take a much more positive stance to promote the urban informal sector. Given the unlikelihood of the urban formal sector to absorb all the unemployed.

In light of the above analysis it becomes important for central government through the local authority to develop the urban informal sector. This can be done through appropriate development strategies explicitly incorporated in the National Development Plan as well as Development policies.

2.2.2 Street trading and informality

Street vending is a global phenomenon that has seen millions of urban dwellers earn their living through selling a wide range of products and services in the streets. In developing countries it is estimated that more than forty-five percent of the work force is in the informal sector of which street trading has a significant share particularly for countries in Asia, Latin America and Africa. The study seeks to make an analysis of the trade with regard to the study area, particular attention would be given to its recognition, regulation and experiences, actions that have been taken and consequences for those actions. It would then draw on both international and South African experience reviewing appropriate policy approach responses, and practices and trends towards street trading. Existing literature has contributed valuable information on the nature, operation and other aspects of micro enterprises, particularly street vending (Tinker, 1997; Yasmeen, 2000).

Our knowledge of this diverse sector indicates that selling both raw and prepared foodstuffs as well as other products in public space environments is an important livelihood, often for women. From a consumer's standpoint, the sector can and often does provide low-cost food to a variety of urban residents, particularly in the large cities in developing countries. Street food facilities - one of the most prevalent and

visible examples of the informal sector can also enhance the quality of urban public space when they are properly managed so as to mitigate conflicts with pedestrian and vehicular traffic.

Several challenges are conventionally identified to make the informal sector more viable, including the need for proactive dialogue with municipal authorities, legal recognition of the sector and improvements in food hygiene (Argenti, 2000). Recently, the need for access to micro financing and social protection of this sector has come to the fore (Carr, Chen and Jhabvala, 1996; Cohen, Bhatt and Horn, 2000; Lund, Nicholson and Skinner, 2000; Lund, 2000). This study will argue that securing access to urban space - a highly coveted commodity in rapidly growing cities - is a political issue that is best addressed when these micro entrepreneurs are well organized among themselves.

2.2.3 Importance of the "informal" sector

The "informal" sale of products including in particular both raw and prepared foods is a distinguishing feature of most cities in developing countries. It is important, first, to define "informal sector" (IS) - particularly with respect to products distribution. The term "informal" is sometimes inaccurate and many argue that other terms are more appropriate (McGee, 1996). The debate about the utility of the term is beyond the scope of this study. It is, nevertheless, important to realize that the term "informal" can sometimes be misleading because many micro entrepreneurs are, in fact, legally recognized in some way and are sometimes members of organizations such as trading associations, cooperatives and unions. The informal sector practically encompasses production processes that rely on certain levels of working capital as against fixed capital. Formal contracts between employers and employees or between buyers and sellers are rare and the often-invisible activities involved usually fall below, or outside, the fiscal net (ILO, 2000a).

The above category includes micro enterprises such as food hawkers, as well as independent service providers such as cooks. As far as the municipal authorities are concerned, these enterprises - particularly street foods, as they are present in public space - are viewed as part of a

legal and regulatory sphere which in results the contradiction of policies and practices being directed toward them.

2.2.4 Economic impact of the informal sector

In many cities in developing countries, a significant percentage of the population is engaged in informal employment. This can be as high as 45 percent, in some cities as in Calcutta, or 50 percent, in Jakarta (Harper, 1996: 99). Much of this informal business involves the sale, processing and distribution of foodstuffs, other products and services. Therefore, the informal sector as an income-generating activity is an important livelihood for urbanites but often does not figure in a country's national accounts or in its official economic development policies. In times of economic crisis, city dwellers tend to resort to the informal sector for both employment and the purchase of goods and services, as the recent Asian downturn has shown (Yasmeen, 2001). This true "free market" therefore serves as the safety net economy when more formal structures break down (McGee *et al.*, 2001). In most cities, in order to manage the sector effectively, particularly with respect to traffic and hygiene issues, a proactive dialogue needs to be established among those earning their livelihood in the informal sector, the municipal authorities and other local stakeholders such as the police and general public.

2.2.5 Gender relations

Recognizing the significant contribution of the informal sector is of crucial importance for gender relations because women's work is disproportionately located within this sphere compared to that of men. Much of women's work is therefore invisible to policy-makers, who do not see the informal contribution in most official documentation. This explains why, for example, Philippine statistics indicate that, on average, fewer than 60 percent of adult women are "economically active" (ILO, 2000b). In fact, Philippine statistics tend to underreport women's extensive involvement in informal employment in small, dry-goods shops selling food and other household items and as food vendors (Etemadi, 1998: 4). Again, in times of economic crisis, men are drawn in greater numbers into informal activities, sometimes altering traditional gender

patterns within the sector. Data gaps related to the informal sector in general often result in inappropriate municipal policies being formed.

2.2.6 Political consideration

The informal sector particularly street foods - can be well organized. Some vendor organizations define their political alliances in direct opposition to the municipal authorities whereas others have a more conciliatory approach, depending on the history of their relationship with local government. Traditionally, the municipal authorities have defined street food vending in particular as undesirable and have made this type of activity illegal in an attempt to eradicate the sector altogether. Fortunately, a more conciliatory approach has developed of late in recognition of the fact that it makes more sense to regulate and manage the sector than eliminate it. This more cooperative approach often results in the elimination of bribery, protection rackets and other corrupt practices that can plague the informal sector in urban areas, and in significant cost savings and improved services for vendors, and an increase in municipal revenue (S.M. Syed, Chief Executive, Karachi Municipal Corporation, 2000, personal communication).

The informal sector needs proactive dialogue with municipal authorities, legal recognition and improvements in such things as food hygiene, access to credit and social protection.

2.3 The Informal sector in Swaziland

One dominant feature of the urban informal sector in Swaziland is street-trading. This trade is the most booming as those that are involved in it have just had some break through. Street vending was not allowed in Swaziland and those that had ventured risked their lives and their produce as law was being enforced to discourage this trade. Street vending is in the cities particularly in Mbabane and Manzini where police and municipal squads chase up the women and confiscate the items they sell. The raids are done almost everyday and the items are collected and not released unless the owner pays a fine. The officers would also take these items for their own personal gains. The owners are sometimes picked up and jailed for at least a day or two and could only be released by paying a fine. To avoid being locked up the women leave their items

and stand at a distant, watching customers come and pick whatever they want and come closer only to collect money for a sale.

The situation has however improved after the local authority made a kind gesture by constructing shelter for registered informal traders. This came through the inclusion of street vendors on the agenda by the Swaziland Federation of Trade Unions (SFTU). This agenda called upon the government to allow street vending to be freely carried out, this call has forced municipalities to also open up suggestions of how best the trade can be done.

Things got complicated immediately the municipality completed the provisional structures for the street vendors. There was a sudden surge of the trade particularly streets that the vendors feel are convenient and command a reasonable pedestrian traffic yet the local authority had not designated them for street trading. A majority of those traders not using designated areas were illegal immigrants from neighbouring Mozambique. It is through this conflict of interest that the local authority resorted into its previous stand of reinforcing repressive laws as well as harassment.

2.3.1 Context

Revised statistics from the 1997 census indicate that in Swaziland population grew by 2.9% per annum between 1986 and 1997 compared with an annual average of 3.2% the previous decade. The Central Statistics Office placed the population at 1.162 million for 2001 and this was expected to rise to 1.705 million by 2011 assuming constant fertility. However, indications are that the previous birth rate of just over six infants per woman has declined so these figures are likely to reduce. This leaves no room for complacency and the population growth rate needs to be further reduced. Thus the establishment of a formal population policy, designed to regularise the fertility rate, remains vital.

2.3.2 Employment Situation in Swaziland

In 1991, 18.2% of employable people were without jobs and the latest figures show that this has risen to 22.7%. From 1991 to 1997, annual

growth rates in the private and public sectors were just 1% and 0.7% respectively and some estimates are that up to 40% of the working age population is either unemployed or under employed. This is exacerbated with only 20% of about 10,000 school leavers absorbed into the job market each year. However, through the efforts of the Swaziland Investment Promotion Authority and other investment agencies, several potential investors are set to commence operations in the country and recruit staff.

Preliminary data indicates that during 2000/1, 802 new jobs were created in the formal sector and overall employment stood at 11,578 - an increase of less than 1% over the previous year. Which is even low for a small economy like Swaziland but the informal sector contribution is limitless

In the private sector, which is the largest employer, there was an insignificant increase of 0.2% in employment to 61,109 from 61,003 jobs in 2001. Employment again increased in the transport industry, as well as in sugarcane production and forestry. The increase was again undermined by reduced jobs in the manufacturing, mining, distribution and service sectors where redundancies were necessary.

Employment in the public sector was up by 2% during the year, which is not in line with government's policy of curbing expenditure and containing the size of the civil service. The budget set aside for salaries was E1, 234.5 million that represents 54.4% of the recurrent budget, which does not compare favourably with other developing countries. Public sector employment increased from 32,210 to 32,854 jobs.

The formal sector remains an important pivot for job creation and the promotion of Swazi-owned businesses is a priority for relieving unemployment. However, this sector showed only marginal growth of 0.3%, from 17,563 to 17,615 jobs during the 2000-2001 review period.

There is no new data on job openings for Swazis on the South African mines, traditionally a fairly important source of income. The previous year (2001) showed a continued decline in keeping with trends, falling

from 10,338 to 9,307 jobs and there is no reason to believe there has been an improvement. According to the Swaziland business year book, (2001) unemployment stands at 40%, while concerted efforts to lure foreign investment to the kingdom has somehow reduced the unemployment figure from the historic high of 45 percent in 2001. For many Swazis the desire for a job cannot be met by limited opportunities in the formal sector. Taking into account street vendors of fruits, vegetables, used clothes working under trees in city parks and boys washing cars at stream beds -people at the margins of the economy, indications are that in excess of 270,000 people are employed or engaged in some form of income-generating activities.

2.4 Conclusion

The main thrust for carrying out this study was based on the premise that the issue of the informal sector volatile in most municipalities and there has to be some intervention of some kind from the local authority's point of view,

Furthermore the informal sector, street trading in particular is not unique to Swaziland it is evident in cities all over the world which is why international experiences with regard to the informal sector is hoped may shed some light in view of advances that have been made. International experience has revealed that organizations are imperative in order for informal workers concerns to be attended to by formal unions or local government. In some cities policy documents have been adopted to facilitate recognition and to enable local authorities a legal instrument for use with regard to the informal economy.

Chapter 3: International Precedent's

3.1 Introduction

The case studies approach was thought to be helpful in attempting to analyze the situation in the study area. Street trading as part of the informal economy drew attention in the early 70's yet Swaziland got independence in 1968. It is therefore believed that the informal sector would have been embraced as early as then. This is because the absorptive capacity of the country's employment base was limited as evidenced in the high incidence of migrant labourers in neighbouring South Africa.

International precedent is also aimed to look at advances that have been made with regard to street trading in those selected case study areas. These are hoped would bring about set trends and identify gaps with regard to the study area. Chosen amongst the case studies are India, the Philippines, in which it is believed great strides have been made in Street trading. Kenya was the only target country by the ILO mission in 1972, on projects on employment in Africa, while South Africa with the collapse of the apartheid regime in the early 1990's promises to have made such a commendable progress as well.

3.2 Street trading in India

3.2.1 Overview.

Urbanisation is the most significant all India phenomena of our times. The city has today become an engine of growth, the main job provider. Twenty nine per cent of the people of the country generate 60% of the GDP. However, most cities remain ill prepared to address the problems of poverty. Planning and governance continues to be the preserve of the politician-mafia-bureaucrat nexus. Whatever policy does exist is poorly implemented, (Sundaram, 1997)

There is unabated official and social hostility towards the informal sector, even though the formal sector has ceased to grow, having reached saturation point. As the cost of creating jobs in the informal sector is very low, it needs to be integrated into the context of the overall macro-

economy. However, first to be removed are the obstacles in the way of the informal sectors functioning.

Every social system must cater to the needs of its members to enable them to survive; it must have effective means of allocating and distributing resources. The vendors provide a wide array of goods and commodities to the urban populace at reasonable prices and convenient locations. The type of goods they sell makes an interesting study – from daily needs like vegetables, fruits, fish, meat and snacks to occasional needs like flowers and readymade garments. A survey conducted by the Indian Institute of Health and Hygiene counted 300 types of eatables sold by the hawkers of Calcutta. It would be hard to find an urban Indian who doesn't purchase something from a vendor. The middle and lower class consumer specifically prefers to purchase from them, though even well off citizens purchase many commodities given reasonable prices.

3.2.3 The Organisation of Street Traders

Vending has been a profession since time immemorial, with street vendors an integral part of India's urban history and culture. Shopping and marketing, in a traditional Indian sense, has primarily been informal. Social interaction is integral to Indian markets in contrast to the mechanized and sterile concept of shopping favoured by modern market and super market structures.

Vendors exhibit remarkable entrepreneurial skills. Purchasing of commodities is no easy task with constant market fluctuations. Besides, middlemen have a major say in the wholesale markets. Commodities have to be synchronised with both consumer tastes and paying capacity. As most vendors deal in perishables, the goods have to be sold at the right time.

Studies show that the largest concentration of vendors is in the age group 16-35 years. They also indicate that vending involves enormous physical labour. A vendor starts early in the morning with the day's purchase. The marketing place is invariably far from his/her residence. Bringing large sacks of vegetables and fruits and loading them in a rickshaw cart is a tedious job. These customers have a torrid time, arranging, cleaning,

sorting, weighing and dealing with customers. Hawkers are on the move from one lane to another irrespective of the heat, wind, rain and cold. Calling out loud to attract buyers, consumes time and energy.

Indian social institutions show an uncanny ability to adjust and adapt to changing societal conditions. Agriculture is organized around the family labour, with the entire family engaged in various stages of agricultural production, i.e., sowing, harvesting and so on. The same system has crept into urban areas; it is not uncommon to find the entire family involved in the micro-enterprise. Thus, on a roadside tea stall, while the husband looks after customers, the wife prepares tea and snacks, and children wash utensils. The same is true for vegetable and fish vendors where the husband purchases commodities while the wife sells.

Planners remain oblivious to the role of vendors who are victimised, harassed, marginalized and pushed from one area to another. Pushed to the city in search of employment, they take to vending, as self-employment for it is an easier option, perhaps the most promising avenue for the poor. Many vendors were erstwhile workers, who after the closure of mills and factories took to vending. Some are victims of displacement caused by developmental projects. Sometimes they are survivors of natural disasters. Often they are simply looking for work.

City officials regularly subject vendors to mental and physical pressures. At times this has led to riotous situations, loss of property, or monetary loss. A major problem is that master plans prepared for cities do not allocate space to vendors/hawkers, as planners blindly imitate the western concept of marketing, ignoring Indian traditions. No wonder, weekly markets struggle to survive and natural markets are ignored. The policy statements of the regional development authorities talk of making provision for trading and commercial activities, which unfortunately is interpreted as making provision for rich traders and big business, Asef, (1997)

Vendors have to deal with multiple authorities – the Municipal Corporation, regional development authorities, and district administration. This leads to exploitation and extortion. In many cases

the positive steps taken by one authority are nullified by the actions of others.

The municipal corporation laws, based as they are on 19th century British practice, are outdated and detrimental to the peaceful conduct of business by vendors. Harassment stems from an absence of official recognition of the rights of street selling and vendors' lack of political and economic power. Instead of regulating vendors, municipal corporations treat them as a nuisance and an irritant; their policies and actions are aimed more at removing and harassing them rather than at regulation. For example, in cities like Patna and Lucknow, the contract for collecting municipal tax is auctioned off to contractors who exploit the vendors, such that despite payment of tax they have no security of selling. Given the cap on the number of licences permitted, corruption becomes endemic.

In their work, vendors have to confront the many arms of the police: railway, traffic and municipal wardens. The police also play a major role in evictions. As such, vendors are forced to dance to the tune of the police, paying bribes in cash and/or as goods.

The most frightening experience for the vendors is, however, the regular eviction carried out by the district or municipal administration. They fear the very sight of the eviction team, which is known locally by different names. Evictions in which they destroy temporary shelter and confiscate the products and lock up the traders concerned, takes a heavy toll on their business since they have to restart the cycle of building up working capital.

In many cities vendors have to part with substantial money in order to ply their trade. Many cities have launched 'beautification' drives to attract foreign capital, which have intensified the eviction process. Many citizens' groups too have joined the campaign against vendors, believing falsely that cities without vendors would be clean. As a result, a large portion of vendor's income is drained away and he/she is not able to carry on the business with dignity and peace.

Voices have been raised against harassment, torture and exploitation by the police/municipal authorities and mafia, with every city witnessing protests by vendors. Some organizations have even established links with political parties, whose intervention has temporarily helped, resolve matters. Most, however, prefer to independently negotiate with the officials. Agitations and demonstrations have helped build solidarity and generate pressure on the officials.

These protests have helped the unions in gaining relief – stopping of evictions, extortion by police and anti-social elements, issuing of licences, allotment of space and construction of markets, declaration of hawking zones and so on. In most cases, the administration only responds by making cosmetic changes. A holistic approach and a genuine desire to settle matters amicably between all stakeholders has, however, remained elusive.

There have broadly been five types of attempts to organize vendors:

- 1) Where exploitation crosses the maximum tolerance limit and informal leaders take the initiative, resulting in protests, etc. Such collective actions have fostered solidarity and helped mould organizations. Where the struggle results in fostering long-term sustenance, some organizations are registered. However, most remain unregistered and gradually fizzle out. They can be revived if the situation so demands.

- 2) Where a spokesman type of organization takes the initiative to organize vendors. These organizations act as catalysts in the formation of vendors' organizations. While proceeding systematically with the struggle, they place emphasis on capacity building of the vendors themselves. These organizations also successfully demonstrate methods of negotiating with the administration.

- 3) Through central trade unions, which either organize unions or affiliate independent ones. Such unions exist in most cities. In large cities there are several small unions affiliated to a central trade union.

4) In the case the vendor is protected by political parties, such organizations are generally amorphous with no regular membership and elected leaders, with leaders of political parties liaising between government, party and members. In many such situations, political parties have advocated the cause of vendors. Unfortunately, we often see a change in the perspective of political parties and leaders, once in power.

5) Where organizations are transient, particularly in the main business centres. These organizational attempts could be initiated by individual leaders or established organizations. Vendors join if they perceive these outsiders to be powerful. However, such organizations tend to depend far too much on individual leaders.

Attempts have also been made to form a federation of unions at the city and state level. Such federations have succeeded in elevating the issue to a higher level and pitch. For example, in Mumbai, 40 different unions came together to form the Pheriwala Action Committee. This committee has representatives elected from its constituent unions. It chalks out common programmes and lobbies on various issues affecting street vendors. The Self Employed Vendors Association of Karnataka (SEVAK) is another example of a body that functions at the state level and provides a platform for vendors of Karnataka to struggle for their rights.

Vendors belong to the business community and every customer is critical and each day is important. This deters the formation of effective and strong organizations as vendors participate only when threatened with eviction. Otherwise they prefer to handle localised problems by shifting the stall a metre or two or by bribing the police and other authorities. Given half a chance, they would rather negotiate and settle the matter individually. Only when it is a problem faced by many do the unions intercede, as it is cheaper and less time consuming.

However, it is only during eviction that the anger, frustration and resentment come to the fore. Many unions try to reason with the traffic police to stop fining vendors who are not really creating traffic problems. At the same time vendors are encouraged to stop bribing the police and to resist police brutality. An important setback to organization building for

vendors is the corruption in distribution of space and stalls. After years of struggle some vendors may succeed in pressurising officials to construct a market. But others use their contacts and money to get the shops allotted to them if the unions are not strong and vigilant. No wonder, only a few vendors are rehabilitated while the status of the roadside vendors remains unchanged.

Sing, (1994) argues that efforts at organizing should simultaneously be accompanied by positive image building of the vendors. The point to remember is that they have been forced by circumstance to be vendors; that they are there not only to make ends meet, but also to distribute commodities to the consumers. A documentation of live stories, the hardship and physical labour involved, dependence on informal credit, fluctuations in the market and above all the harassment and extortion needs to be disseminated to the larger society. The print and electronic media too need to be sensitised. Only then will society understand their issues as also not blame them for price increases.

Many unions have approached the courts who have conferred favourable judgements. The Supreme Court gave a landmark judgement in *Sodhan Singh vs NDMC*, declaring hawking and trading on pavements a fundamental right, subject to 'reasonable restrictions'. Similarly SEWA was successful in securing space for vegetable vendors of Manek Chowk, Ahmedabad. In a writ petition, the Supreme Court ordered the Ahmedabad Municipal Corporation to accommodate 218 women vegetable vendors on the terrace of the existing vegetable market and to issue them licences. It also directed the formation of a Topla Bazar Committee, consisting of representatives from the corporation and vendors for managing the vegetable market.

In 1985, the Supreme Court in the *Bombay Hawkers Unions vs Bombay Municipal Corporation* directed that each city should formulate schemes, which would include hawking and no-hawking zones. Unfortunately, the municipal corporations either shy away from initiating action or further complicate the matter. Mumbai provides a classic case of the latter as a result of which the Supreme Court directions have remained unimplemented. Similarly, even though many High Courts have

pronounced favourable judgements, the corporations and municipalities have ignored them.

Though years of struggle have yielded positive results, the problems mentioned at the outset persist in most of India's cities. Also no attempt has been made to place the struggle in a broader perspective and few sustained efforts have been undertaken for structural change. Consequently, most struggles still depend on the goodwill of a handful of people in government (NIUA, 1998). There is no institutionalisation of a process to enable vendors to sell their commodities peacefully. A holistic approach targeting all the stakeholders demands changes in anti-vendor laws, a pro-vendor policy, creation of institutions to enable participation of vendors in urban governance, changing the mindset of the planners, the police and the society at large, and building the capacity of the vendors (Sing, 1994).

Vendors have in the main concentrated on the local level and negotiated with local officials for space. In the process they often end up bribing the local officials, either in cash or kind or even both. This leads to uncertainty and a dependence on the officials. Gradually, vendors begin to accept that their fate is dependent on the officials. The local administration remains insensitive and at times brutal. Only rarely are positive steps taken. In such a situation, networking among organizations involved in organizing street vendors assumes significance.

Networking not only gives strength to each organization but also through an exchange of information helps provide a larger perspective to the struggle (Chadha, 2000). Above all, it helps identify spaces for intervention in policy-making. Networking between organizations – local, city, state, regional and national can easily facilitate multi-pronged intervention. Thus, the level of intervention, along with the pitch of struggle, has to be raised.

A major recent development was the formation of the National Alliance of Street Vendors, India in September 1998. The national alliance is a coalition of various trade unions and voluntary organizations, working to

protect the rights and improving living conditions of hawkers and vendors. Over 225 organizations from 49 cities in 22 states of the country are today part of the national alliance. Vendors have to deal with multiple authorities. This leads to exploitation and extortion. In many cases the positive steps taken by one authority are nullified by the actions of others (Dewan, 2000).

Cooperatives can also be a powerful mechanism for organizing the street vendors. As cooperatives are profit-oriented organizations, they suit the needs of vendors who are instinctively entrepreneurial. However, capacity building is needed to manage the organization properly and meet statutory requirements. Cooperatives would enable vendors to pull in resources, avoid duplication of effort and rid themselves of exploitative forces relating to their trade. The Self- Employed Women Association (SEWA) has successfully set up many such cooperatives while Nidan in Patna is in the process of establishing similar cooperatives.

Being busy, vendors find little time for organization. Their daily routine is hectic. A lack of time is just one factor. The conflict for space among vendors is another. Getting vendors to attend meetings has been difficult. Vendors are also on the lookout for customers, so if a meeting is held near their stall, the mere appearance of a potential buyer distracts them. There are other obstacles as well. Street vendors are not a homogenous lot and deep-rooted social and cultural divisions exist. Previous experiences of foul play are common. Unscrupulous street-smart organizations have looted money through false promises. Sometimes their leaders have misappropriated funds or indulged in corrupt practices. In Patna, for example, many court judgements against encroachments have resulted in the removal of the poor, leaving the rich untouched.

The forces working against the vendors are very strong. Alarm bells ring whenever there is the slightest attempt to protest against exploitation. If this is not successful brutal force is used against vendors. Leaders are threatened, tortured and even murdered. Since earning for the family is primary, the struggle takes a back-seat.

Men dominate most markets and few women have access to even the so-called unauthorised markets. They are either scattered along the roadside

or are mobile, which makes them more vulnerable. In such situations, organizing women vendors is difficult, unless it is at their residence.

Another powerful route to organizing vendors is through self-help groups. This idea, which began in the last decade, is now gaining momentum. The entire face of the struggle could change by strengthening this movement because of its participatory nature. A group of 10-20 people can be organized and also linked to banks for meeting working capital needs of vendors.

Self-help groups initiate the process of organizing, facilitate discussion, and inculcate the habit of savings and linking up with banks for credit. Though the right to sell is a top priority, another focal point for organizing the vendors could be through micro credit. The exploitation through informal money lending systems is well known. A common practice is taking Rs 100 in the morning from the moneylender and returning Rs 120 in the evening. In Bangalore, vendors take Rs 80 and return Rs 100 in the evening. In Patna, the system is almost institutionalised and moneylenders' even issue passbooks. Against a loan of Rs 500, Rs 10 is to be returned daily for 60 consecutive days. The interest, if calculated on a reducing balance basis, is abominably high. Lack of sales, pressures, of daily life eviction and extortion create a deficit of working capital. The traders easily fall into the trap of moneylenders and find it difficult to extricate themselves.

The size of unions determines the level of participation. It is common to find small unions ranging from 100 to 200 members. These are small, effective and member-driven. Participation keeps alive the interest and enthusiasm of vendors; otherwise membership boils down to the payment of a fee. The vendors then feel that having paid a fee their duty is done, and place all responsibility on union leaders.

Capacity building of vendors and their organizers must be woven into organization building tasks. Many organizations have initiated worker education classes aimed at leadership development, awareness of legal rights, municipal corporation procedures, sharpening negotiating skills, dealing with police, managing their organization better, learning accounting procedures and so on. Many organizations have also begun

imparting training in the identification of friends and enemies, on the working of multiple authorities. It is important to register the organization and train people to manage it, for organizations functioning at an informal level lack legitimacy to negotiate. Exposure and exchange not only fosters professional solidarity, it helps in learning about the various mechanisms to strengthen their livelihood. Knowledge of what happens elsewhere develops self-confidence. Most organizations neglect this aspect. Without incorporating these processes, struggles will lack the capability of bringing about structural change.

Equally important is the struggle for acquiring identity cards. Since they carry an image, they facilitate mobilisation while promoting a feeling of belonging. They have also been useful in deterring exploitative authorities from harassing vendors.

3.2.5 Conclusion on organisation

Problems differ according to the type of commodities vendors trade in, the working capital required, the extent and nature of extortion, the space needed to sell and so on. Efforts at organization should take into account the dynamics of the trade involved; this makes the organization strong and the solutions lasting. For example, organizing vegetable vendors requires an understanding of their trade, i.e., perishable goods, low but timely credit support and the seasonality of the commodities.

Efforts at organizing should simultaneously be accompanied by positive image building of the vendors. The point to remember is that they have been forced by circumstance to be vendors; that they are there not only to make ends meet, but also to distribute commodities to the consumers. A documentation of live stories, the hardship and physical labour involved, dependence on informal credit, fluctuations in the market and above all the harassment and extortion needs to be disseminated to the larger society. The print and electronic media too need to be sensitised. Only then will society understand their issues as also not blame them for price increases.

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In 1985, the Supreme Court in the *Bombay Hawkers Unions vs Bombay Municipal Corporation* directed that each city should formulate schemes, which would include hawking and no-hawking zones. Unfortunately, the municipal corporations shy away from initiating action. Mumbai provides a classic case of the latter as a result of which the Supreme Court directions have remained unimplemented. Similarly, even though many High Courts have pronounced favourable judgements, the corporations and municipalities have ignored them (Bhatt, 2000). Most street vending organisations in India have formed alliances. The alliance has urged the government to formulate a national policy keeping in view, the following:

- Give vendors legal status by issuing licences and providing appropriate hawking zones.
- Protect and expand vendors' existing livelihood.
- Promote and develop the natural market system.
- Make street vendors a special component of the plans for urban development by treating them as an integral part of the urban distribution system.
- Include vendors in town and city master plans.
- Issue guidelines for supportive services and social security at local levels.

- Set up a social security fund for street vendors.
- Promote self-governance among hawkers and vendors.
- Set up appropriate, participative, non-formal mechanisms like tripartite or multipartite committees with representation from street vendors and hawkers, NGOs, local authorities, the police and others.
- Provide street vendors with relief in situations of disasters and natural calamities.

The formation of the alliance has given a boost to subaltern struggles everywhere. One of its first acts was to organize a series of meetings in important cities.

Planners, administrators, police officials, corporation officials, vendors and representative of local organizations were invited to these meetings. The dialogue has now started yielding results in some cities. The Bangalore Municipal Corporation is now in the process of issuing licences and allotting space. The School of Planning and Architecture, Delhi has undertaken a study to include vendors in the new master plan of Delhi. A dialogue with the Planning Commission is underway. There is an effort to start such a dialogue in every city.

Information gathering forms an important aspect of any movement. A study has been conducted in nine cities of India covering various aspects like municipal laws, policies and their implementation, planning for the cities, perception of consumers, socio-economic aspects of vending and its linkage with other sectors, (Bhatt, 2000). The study is almost complete and any future strategy shall be based on its findings. Many partners of the alliance are also gathering information on their own. Simultaneously, attempts at increasing the visibility of vendors through the print and electronic media, and a quarterly newsletter, *Footpath Ki Aawaz (FKA)*, have been initiated. FKA has emerged as a strong medium of communication and source of information about others activities/organizations. Many vendors have written articles and poems about their experiences. The newsletter is also circulated among other sections of society.

The National Alliance has adopted a multipronged approach, which, among others, involves supporting localised struggles while taking up issues at the regional and national levels. Alongside scrutiny of anti-vendor laws, dialogues have been initiated to reduce hostility, and to publicise the contribution of vendors in economic growth as well as employment generation. Given the steady deterioration in the situation, however, what is most needed is the formulation of a national policy. It is towards this end that the National Alliance of Street Vendors India's (NASVI) efforts are presently focused. Vendors are perceived as faceless individuals, strangers in the city selling small items, at times carried on the head, in baskets or small carts. They could be squatters in the marketplace or in residential areas or may be mobile in search of customers. The areas where the vendors operate could be affluent, middle class or lower middle class colonies or slums. Most slum dwellers, in fact, depend on them for their day-to-day provisions.

3.3 STREET TRADING IN CEBU THE PHILLIPPINES

3.3.1 Overview

The informal sector is important to the poor in Cebu and one of the most important areas of activity is informal trading generally in the Streets. During the early to mid 1980's, the situation of street vendors in Cebu was very difficult. The municipality was hostile to their activities and stalls were regularly demolished. In 1984, one of the existing vendor's association proposed that the established groups should work together particularly to provide a united front against demolitions, and to strategise and negotiate rather than simply resist.

3.3.2 The organisation of Street traders In the Philippines

Vendors in Cebu have formed associations, which now include more than 60 member organisations. The umbrella association, Cebu City United Vendors Association (CCUVA), represents approximately 7000 members whose groupings are based on geographical location. For several years

the CCUVA has been engaged in dialogue with the city of Cebu. The association has been in constant consultation with councillors in an attempt to gain legal recognition of vendors in the city.

CCVU recognised the fact that vendors who are located outside the public market are those that need organisation since they lack formal access to stalls from which they sell their goods and often obstruct pedestrian and vehicular traffic resulting in conflict with municipal officials. Their selling spaces are therefore classified as illegal and vendors are often asked to relocate or their stalls are simply demolished because they are seen as encroaching on public space. Many of CCUVA's mobilization efforts are geared towards securing access to space by employing strategies of forming associations that are valid under Philippines law.

In conjunction with the national "Coalition for the recognition and empowerment of street traders" CREST an effort is being made to guarantee security of tenure of the work places for street traders to be upheld by all Philippine cities and local authorities.

In 1984 one of the established associations proposed that they should work together to effectively resist demolitions. As a result the CCUVA was formed from thirteen existing groups. In the subsequent years the association became more experienced in resisting demolitions, often unsuccessfully. The leadership then began to recognise the need to strategise and negotiate rather than simply resist. In 1988 following the fall of one time unpopular president Ferdinand Marcos and the return to democracy the association had several years of pro-active negotiation behind them, with seventy five percent of the membership being women.

Still in 1988 when Mayor Osmena began his term of office, he proposed the complete elimination of street vending in the city. The vendors responded by strengthening their lobbying of the administration. In the early 1990's an established committee carried out a vendor's management study by the local authorities. The committee concluded that activities should be legalised in some parts of the city. The Supreme Court did not agree though but the authorities adopted a policy that

demolitions should only be considered when a complaint is made by the other users (Devas, 2000)

In 1998 CCVU held its seventh convention a one-day event in which there were special messages of solidarity conferred by the mayor as well as two city councillors. While this engagement with municipal authorities is encouraging, it is clear that many tensions remain between the objectives of the Cebu City municipal government and the CCUVA regarding policies and procedures related to street trading. The city reached compromises with vendors over the use of public space as evidenced by the Mayor signing a covenant with CCVUA in July 2000 (Yasmeen, 2001)

3.3.3 Conclusion on Street trading experiences in the Philippines

In recent years CCUVA has boosted its membership and refined its strategies to engage with, rather than simply confront, municipal authorities and legal system in order to have its members recognised. In all CCUVA could be considered a model for vendors in other cities in need of organisation at grassroots. In that street vending has become more acceptable over the last ten years. Traders are able to find niches in the city from which to make a living without harassment or with only low levels and the negotiation as well as lobbying skills of the organisations are even stronger than was the case before. This would enable amongst other things, engaging in policy development, organising, strengthening street vendors and facilitating access to credit and social security services.

Street vending has become more acceptable over the last ten years. It should be mentioned however that in some areas demolitions have continued creating more difficulties for the urban poor with few alternative sources of livelihood. Whilst SPEED (the Squatter Prevention Encroachment Elimination Division), in the municipality provides some support to keep areas tidy and acceptable to other users, vendors dread the operations of speed. An overall assessment is that the relationship between the vendors and SPEED has been distant but cordial. As a result due to continued difficulties the city authorities have by

1999 established a technical working committee to recommend new practices.

Within the vendors themselves there has been a mixed experience in organisational development. Leadership struggles mean that groups come together in some cases affiliated to city-wide federations only to break up a few years later. Whilst successful organisations have offered greater security to groups problems remain. In some cases union leaders are vulnerable to pressure from membership and this weakens unity and capacity. Despite this associations have made some success in resisting enforcement.

3.4 STREET TRADING IN KENYA

3.4.1 The ILO mission of 1972 the "informal sector" is born

The Kenya mission, in 1972, was the first comprehensive employment mission to Africa. It took place in the missions' "glory days", and enjoyed both the strengths and weaknesses; undoubtedly one of its most lasting legacies has been the concept of the informal sector.

In the Kenya report, "Employment, incomes and equality", not only was the phrase "informal sector" coined; but this concept played a key role in the whole analysis of the employment situation. Chapter 13 of the report is devoted entirely to the informal sector. A separate section of the initial summary and recommendations is on the informal sector. Technical paper 22 is on "the relationship between the formal and informal sectors". And throughout the various other chapters and sections, separate comments and observations are included on the formal and informal sectors.

This report played a seminal role for the concept of the informal sector. Even today, it is hard to find a better definition or description of it, nor a better analysis of why it is an important contribution to the development dialogue.

The popular view of informal sector activities is that they are primarily those of petty traders, street hawkers, shoeshine boys and other groups 'under-employed' on the streets of the big towns. The evidence presented in Chapter 13 of the report suggest that the bulk of employment in the

informal sector, far from being only marginally productive, is economically efficient and profit-making, though small in scale and limited by simple technologies, little capital and lack of links with the other ('formal') sector. Within the informal sector are employed a variety of carpenters, masons, tailors and other tradesmen, as well as cooks and taxi-drivers, offering virtually the full range of basic skills needed to provide goods and services for a large though often poor section of the population.

Often people fail to realise the extent of economically efficient production in the informal sector because of the low incomes received by most workers in the sector. The report states that, a common interpretation of the cause of these low incomes (in comparison to average wage levels in the formal sector) has been to presume that the problem lies within the informal sector, that it is stagnant, non-dynamic, and a net for the unemployed and for the thinly veiled idleness into which those who cannot find formal wage jobs must fall. It is hardly surprising that this view should be widespread, for academic analysts have often encouraged and fostered such an interpretation. From central Nairobi, with its gleaming skyscrapers, the dwellings and commercial structures of the informal sector look indeed like hovels. For observers surrounded by imported steel, glass and concrete, it requires a leap of the imagination and considerable openness of mind to perceive the informal sector as a sector of thriving economic activity and a source of Kenya's future wealth. The report argues that such an imaginative leap and openness of mind is not only necessary to solve Kenya's employment problem, but is entirely called for by the evidence about the informal sector. There exists, for instance, considerable evidence of technical change in the urban informal sector, as well as of regular employment at incomes above the average level attainable in smallholder agriculture. The informal sector, particularly in Nairobi but to varying degrees in all areas, has been operating under extremely debilitating restrictions as a consequence of a pejorative view of its nature.

There is evidence as time progresses indicating growth in employment through the informal sector in spite of obstacles and lack of outside support, the evidence suggests that employment has probably increased

a lot more faster in the informal than in the formal sector. It is therefore impossible to judge how the employment problem has changed merely from the data on employment in the formal sector.

Analysis also shows that Informal sector activities are largely ignored, rarely supported, often regulated and sometimes actively discouraged by the Government."

Chapter 13 and Technical Paper 22 in the body of the report goes on to develop and to substantiate these statements in the introduction. It provides an excellent and succinct statement both as to what the informal sector is and, especially, why it is an important conceptual tool for understanding and effecting the development process. It touches virtually all the issues, which this new concept stirred up. Till to date, over a quarter of a century and several library shelves of research later, the evidence over these years has emphatically confirmed this report's perspicacity, even though some of these issues are still disputed.

It also seems important to note how positive the report is about the informal sector, its efficiency, its innovativeness, and its resilience. This is in rather sharp contrast to the "miserabilist" attitude, which is now so prevalent towards the sector.

It is a point worth noting that the Kenya report, acknowledges that the informal sector idea originated not with the high-level foreign "development experts" brought in for the mission but from the work and the staff of the Institute of Development Studies of the University of Nairobi, a fact which has been generally forgotten since then. In other words, it was not the ILO, which invented the concept of the informal sector. It came out of the thinkers and analysts of the Third World. The ILO basically picked it up and gave it broader currency. This fact may help explain why the concept was rather slow to be accepted in the high levels of the Development Set but quickly embraced by the Third World itself.

3.4.2 Street trader condition in Kenya

Street trading provides a major source of income to a large number of Kenyans, a greater percentage of which are women. Both central and local government has recognised this fact. As a result there has been programs put in place to support small and micro enterprises. A recent study carried out by the University of Nairobi's Institute of Development Studies has revealed that street vending is the most regulated of all informal sector activities (Mitullah, 2002)

For a long time, urban authorities have viewed street vendors as illegal traders and as a 'nuisance', which is bound to disappear. However, there is evidence that most local authorities have recognized the need to incorporate street vending into urban planning.

Most authorities do not allocate vending sites. Many vendors operate on open ground, with no shelter or basic services. The authorities are reluctant to allocate sites within the Central Business District (CBD). They argue that the CBD is not planned to accommodate street trading and that it would cause congestion and insecurity. Street vendors are also seen as a threat to formal businesses, which pay license fees and other charges to the local authorities.

It is interesting to note however that such perceptions are now changing. The Machakos Council has set aside vending sites and the Nairobi City Council has identified possible sites. Street vendors prefer operating in the CBD, where they have easy access to customers and they have their own methods of identifying and allocating sites. However this exposes them to harassment by the authorities since enforcement officers arrest them. Their goods are confiscated and their structures are demolished without notice. They are also evicted to allow planned development to take place.

Vendors are not aware of all the policies and regulations that apply to their businesses. This is partly because there is so little communication between them and the authorities. There is no appropriate forum where they can be informed about the by-laws. Lack of information makes compliance virtually impossible.

3.4.3 The Organization of Street traders

The street vendor organizations which do exist in Kenya have been said to be ineffective thus not efficient as a result weak (Mitullah,2002). Many are business-cum-welfare groupings. The Institute of Development studies (IDS) in Nairobi University found only five bodies which are pure street vendor organizations: the Kenya Street Traders' Society (KSTS) and the Kenya National Hawkers' Union (KENAHU) - which operate nationwide - and the General Street Traders (Kisumu), the Kisumu Hawkers' Association and the Migori Small Traders Society, which are local organizations. These associations focus on advocacy and occasionally negotiate with the urban authorities. They have not yet achieved much. Some of the business-cum-welfare groupings also address street-trading issues, particularly when traders are faced with severe harassment or threatened with eviction.

In order for street vending to thrive in Kenya, there should be radical urban policy changes, which are needed to integrate street vending in planning and decision-making. Existing street vendor associations must be given recognition and support so that they can voice concerns and the needs of their members.

3.5 Street trading in South Africa

3.5.1 Overview

Street traders in South Africa have generally been viewed in the same way as 'birds in the cornfield' to borrow Stadler's analogy from his study on squatter movements in Johannesburg (Stadler 1979). From their establishment in urban areas around the turn of the century, it took more than 40 years and the implementation of a comprehensive net of repressive apartheid legislation to chase them out. But various social, economic and political pressures became too powerful, and in the early 1980's a slow deregulation process started which saw a flood of street traders entering into the city. .

There have been changes in the legal and regulatory environments of street vending under apartheid in Durban, the largest city in the KwaZulu-Natal province of South Africa, compared to the patterns and characteristics of street trading in post-apartheid Durban. However even

in post-apartheid Durban, despite democratic elections and ideological transformations, street trading is still perceived as problematic and parasitic to the urban economy. This persistence of anti street-trade ideology, together with continued uncontrolled and unlicensed mass street trade, suggests that street trading can still be analysed as an important form of resistance, in addition to being a vital survival strategy for the urban poor in South Africa. By seizing or conquering the streets of Durban, street traders boldly defied and undermined the grand apartheid urban project, and through this important symbolic occupation gradually forced forward a de-racialising of the city, setting an important precedent for later mass non-compliance.

Street trading is often placed at the marginal end of informal sector activities, but there are variations, as some sectors of the street market economy are more profitable than others.

3.5.2 A political history of street trading in Durban

The history of street trading and other informal sector activities in urban areas in South Africa is closely linked with the processes of African urbanisation, the development of influx control measures and segregation policies, and the changing legal environments regarding the regulation and deregulation of the South African economy. During the height of apartheid—from the late 1930s until the early 1980's, street traders in South African urban areas were subjected to a well-entrenched tradition of repression, harassment and prosecution (Rogerson and Hart 1989). In the first three decades of the twentieth century, street trading flourished in Durban, as it was allowed to operate with relative few restrictions.

Influx control measures were designed to limit the African presence in Durban according to labour needs and to satisfy police and ratepayers' demands for segregation. But these policies were not fully carried out and failed due to massive defiance. Street traders established themselves around key transport nodes and outside other sites of economic and social activity, such as the hostels labourers working on daily contracts at the port, around the many eating places and illegal liquor houses (*shebeens*), and both inside and outside formal and informal market places that emerged.

Repressive measures were enforced in other informal markets such as traditional medicine and legislation became too harsh for viable street trade. It was only with the revival of street trading in the 1980's, that such markets re-established themselves on the streets of Durban again.

3.5.3 Apartheid and Anti street-trade legislation in Durban

As mentioned above, street trading has been viewed in the same way as the notorious birds in the cornfield. There are several factors, which prompted South Africa's anti-street trading policies. Firstly, like their counterparts in other cities in the world, hawkers in South African urban areas have suffered from conflicts between different ideologies of development, modernity and notions of urban aesthetic (Rogerson and Hart 1989). Street trading in Durban has always been stereotyped as anti-modern, unsightly, uncivilised, unsanitary and even criminal. This is partly due to the nature and perceptions of many of the goods and services involved in the street markets, which have primarily been targeted for 'non-whites' (traditional medicine, various processed foodstuffs etc.). The 'sanitary syndrome' has had a powerful influence on South African urban policy, and street trading was generally seen as a particular threat to public health and order (Rogerson, 1993).

The repressive legal and regulatory systems made it almost impossible to trade before 1980. Legislation pertaining to street trading was as elaborate and strict in Durban as in other cities in South Africa. There were a number of acts, ordinances and by-laws at the various levels of government that restricted street trading. In general, the most important official instrument to control and regulate street trading has been the concession or withholding of trading licenses (Rogerson 1989).

3.5.4 Deregulation of street trading in the 1980's

The experience of street traders in Durban and other apartheid cities was up until the early eighties marked by regular harassment by city officials in the form of arrests, confiscations, and fines. But despite the harsh legal and regulatory environment, there was defiance and resistance, led mainly by African women who now dominated in this small, marginal and survivalist sector of the informal economy. To these women, who had no

other means of survival, the constant threat of prosecution was regarded as less of a burden than the threat of starvation (Naidoo 1993).

In the early 1980's, the Durban local authorities started to reconceptualise street trading at the same time as street trading experienced a dramatic growth. As a result of increasing mass defiance by street traders, the city ran increasing costs of policing the small enclaves of street trade that started to emerge in the Warwick Avenue area. At the same time members of the liberal Progressive Federal Party (PFP) took over control of the city council and other local positions. They slowly came to realise that law enforcement was becoming increasingly impossible, and started to concede the economic immorality and dysfunctionality of existing legislation. But there were also other important reasons for this shift in policy: massive urbanisation due to the collapse of apartheid influx control measures; escalating urban unemployment; organised mass resistance and strong international pressure against apartheid; increasing international focus on the informal sector and its potential contribution to solving problems of unemployment and poverty, and finally; the general international move towards economic liberalisation.

These developments resulted in the launch of two studies into street trading in Durban: the 'Market Survey' in 1983 and the 'Hawker Report' in 1984 (City Engineer's Department; 1983, 1984b). The reports, which studied the street market system, its extent, location, and policy options for street trading in general, marked a watershed in official policy towards street trading in Durban, and later in other South African cities. The reports concluded that the illegal status of the street trader had to be re-evaluated, which was perceived as radical at the time. The original plan was to move all informal sector activities out of the central business district in a typical apartheid separate-development fashion, so that the highways and freeways could continue to dominate the Warwick Avenue area. But the Market Report (1983) pointed out that this market area was important precisely because of its location and the flow of pedestrians created by nearby transportation facilities and stressed the need for the market system to exist in the area.

The Hawker Report (1984b) investigated the role of street trading in Durban's economy, and argued for a more flexible approach towards the regulation of street trading. It recommended a simpler licensing procedure, but more importantly, it introduced the idea of a number of 'immune zones' in the central business district where hawkers could operate on a 'free for all' or 'first-come' basis. The report considered that an element of control was essential to any functioning street trade economy, but emphasised that control measures should be fair to those within the system.

The two documents were relatively favourably received, and the necessity for this form of trade was later recognised in principle by the City Council. In 1985, a sub-committee was established to find practical ways of implementing more favourable policies towards street traders. In addition to implementing designated trading areas, a more lenient policing approach was adopted by city officials. Another outcome of the report was the introduction of a new vending license to replace the archaic hawker license. This move created a simpler and more appropriate set of licensing requirements (Rogerson 1989; Naidoo 1993). But the 1985 'Sub-committee Hawkers' and later bodies failed to come up with clear policy statements, and practical plans for management structures and control measures within the 'immune zones'. The policy approach adopted in Durban differed from other South African cities in that it attempted a more loosely regulated control system (Rogerson 1989).

Three years after Durban's re-conceptualisation of street trading came the 1987 White Paper on Privatisation and Deregulation. This central State policy document saw the imperative for encouraging entrepreneurship and stressed that the approach to regulation should emphasise the promotion of economic activity and be less directed towards their control. Although Durban's approach towards street trading in principle was in line with this deregulation move, officials in Durban were still struggling to find practical ways of putting these principles into action.

The policy of non-prosecution towards the end of the 1980s contributed to a dramatic increase of street trading in Durban, which had the positive effect of creating much needed employment, but also gave rise to a

number of problems. The deregulation process resulted in problems of co-operation, as street traders were uncertain of their rights and city officials were unable to respond to problems and complaints, which again resulted in the public perceiving a lack of interest or initiative on the part of the City Council. An increasing number of complaints came from the media and commuters', ratepayers' and residents' associations about the growing 'problem of street trading'. Ironically, this relative lack of official regulation and control also brought in new problems for the street traders. New sorts of informal control mechanisms came in to fill the void, including 'take-overs' of trading areas with extortion of 'rent', informal supply cartels with their own means of controlling prices, and protection rackets. This mainly targeted female traders and those with the least resources and connections.

The opening up of informal trading also introduced new conflicts between traders, often based on race (Indian vs. African vs. whites), or stemming from newcomers who had no respect for, or knowledge of, the existing 'informal' rules governing the organisation of street trade.

3.5.5 The post-apartheid street trading boom in the 1990's

The 1990's saw the boom of street trading in Durban, with the numbers of street traders reaching a formidable 19,800 in 1997 (Markewicz Report: *Daily News* Aug. 21 1997). The lenient policies formulated in the mid-80s were seen as one of the reasons for this growth. Other important factors were natural disasters (two floods and a severe drought) and the severe political violence that dominated the province in the 1980's and 90's, which drove people from their rural homes and into Durban. Although Durban is a major industrial city, most of these urban newcomers were forced into informal sector activities to make a living due to a lack of other employment opportunities and insufficient skills.

In 1991 the Business Act (No. 71 of 1991) regarding the licensing and carrying on of businesses was passed by Central government. The Act introduced a new dispensation for street trading, restricting the powers to make regulations or bylaws to prohibit street vending. Durban local authorities were not content with certain definitions and provisions of the Act, as they wanted greater control of street trading. For example, the Act

did not authorise Durban's 'immune zones'. During the following years Durban officials worked hard to amend sections of the Business Act, as it took away their legislative means to regulate street trading.

A unique situation occurred where a degree of anarchy in Durban's streets prevailed for almost three years. The informal management problems faced by street traders in the late 80's were intensified. In 1995, the *Sunday Times* reported that 'sidewalk syndicates' had hijacked informal street trade and had started terrorising traders in Durban, by charging up to R1, 000 (US\$300) a month for what should have been free prime trading sites. A city official claimed that immigrants from Pakistan, Nigeria and Zimbabwe had taken control over large portions of Durban's streets, and this was pushing out the genuine traders who were 'trying to make an honest living' (*Sunday Times* Nov. 19, 1995). But this was merely a publicity stunt, as the local authorities used these blown up headlines to push for strict by-laws instead of accepting responsibility for the situation.

3.5.6 The politics of street trading in post-apartheid Durban

The early 1990s were dominated by the lack of state legitimacy followed by an unstable political climate due to the negotiations leading up to the democratic elections in 1993. Being in the international focus, white administrators were increasingly bound by an emerging 'political correctness' focusing on human rights and democracy, which made it practically impossible to attempt to clamp down on informal trading. The Durban authorities were forced to sit down and formulate new street trading by-laws, which turned out to be a complex process. The Informal Trading and Small Business Opportunities Department (ITSBOD) was established in 1993 to help address the growing problem of street trading and the lack of functional legislation, and to negotiate with street traders who by now had organised themselves into various bodies all claiming representation in the process. Not all of these organisations were taken seriously, as some of their leaders operated more in self-interest. Starting a street trader organisation became a lucrative business for a few power hungry entrepreneurs. There were however a few exceptions from this trend. Most important was the formation of the Self-Employed Women's

Union (SEWU) in 1994, which has in a professional manner evolved into a powerful voice for female street traders and other self-employed women around the country.

The new street trading by-laws were finalised in September 1995, and implemented in January 1996. Street trading now became restricted to two areas; the Central Business District core and the Beachfront, and on specific demarcated sites. Traders could operate only between 6 am and midnight and overnight sleeping at the place of trade was forbidden. The erection of any structures was prohibited, and certain health and hygiene provisions were laid out (Municipal Notice 96 of 1995).

The new street trading by-laws were met with strong opposition from street trader organisations. SEWU and other organisations complained that they were not consulted in the drawing up of the new by-laws. They forcefully argued that the new laws automatically criminalised street traders, and in particular the prohibition of sleeping over night at the places of trade, as there had been a long-standing demand for the provision of overnight accommodation. In addition, the by-laws ascribing comprehensive cleaning responsibilities to street traders amounted to a shift of public responsibility onto marginal street traders. In fact the City had a responsibility for the workplace of the traders, they claimed. Despite these and other objections, city officials immediately started various 'clean up operations' to clear the streets of illegal trade.

The year 1996 was marked by this tough stance towards street trading. There were raids in September 1996, when over 40 heavily armed policemen and several rubbish disposal trucks moved into the Warwick Avenue area removing illegal shelters that were erected by *muthi* traders in Russell Street and Leopold Street. Madlamini Khumalo, branch leader for SEWU in Russell Street handed a memorandum to the City Police condemning the police action. The statement said: "We find it unacceptable that police are sent in to harass us without the responsible authorities being able to provide us with any alternatives" (*Daily News* Sept. 30, 1996). She further told the newspaper that ITSBOD had promised them a new market for the last two years, and

called on the department to allow the traders to trade as they did until a new and more suitable place was found for them.

3.5.7 The de-politicisation of post-apartheid development

The deregulation process in Durban since the 1980's has, as mentioned earlier, been dominated by confusion and conflict due to the absence of a clearly articulated management policy. Even after the implementation of the new comprehensive bylaws, street trading was still largely uncontrolled and unregulated. The period has also been marked by official passiveness or incompetence in dealing with the street trader problem. In spite of substantial funds allocated from central government via the Reconstruction and Development Programme (RDP), and a wealthy municipal economy, the Durban local authorities have not yet managed to implement any major improvements for street traders.

City officials have expressed this quite openly by blaming 'development' delays on the chaotic state of street trader politics. This has created much conflict, as street trader organisations have constantly complained about a lack of representation and consultation in the process.

The politics of street trading has not undergone the changes one could expect from the introduction of democracy, and the city bureaucracy has constantly blamed local politicians for their lack of engagement. The political transformation has created an increasingly powerful but conservative African middle-class, which has brought lots of hope but little practical results for the urban poor. Street trading was still perceived as a major problem and an eyesore in the urban landscape one wishes to present to the booming tourist industry.

There has also been a lack of co-operation both within and between street trader organisations and local government bodies. Street trader organisations have been competing for members and representation. Some divisions are due to racial and gender tensions, as some organisations - although not always officially - are essentially Indian, African, or female based. For example, SEWU (Self-Employed Women's Union) have by virtue of their exclusive statutes pitched themselves against the other male-dominated organisations in the name of 'female

empowerment' in order to attract members. At the same time, the various local government departments involved in the issue (Informal Trade, City Police, City Health Department, Urban Planning and Design, Architecture, Parks and Recreation, Urban Strategy) are also not well co-ordinated in addressing the problem. The relationship between the Informal Trade Department and the various street trader organisations is still tense. One of the problems noted by SEWU officials is that the department is still filled with the same people who harassed street traders under previous administrations. Both the director and the manager are former police officers, who SEWU claim have not managed to transform into a post-apartheid reality.

3.5.8 Durban's street markets today

According to a recent report, Durban's 20,000 street traders earn between R200 and R1000 (US\$30 to US\$150) per month, totalling a monthly earning power of over R3.8 million (US\$600,000) (Markewicz English & Associates 1997). Interviews in the Russell Street *muthi* market, which is one of the biggest markets in Durban, have revealed that some traders can earn up to R3 000 - 4 000 (US\$450-US\$600) per month. Another study on the Russell Street *muthi* market revealed that the total incomes earned (including operating costs) is estimated to be between R1.06 million and R1,58 million (US\$150,00-240,000--which are probably underestimates), providing jobs for between 600-1000 people (including assistants and gatherers), and servicing 80% of the African population (Institute of Natural Resources 1996). African women still dominate street trading in Durban.

Despite the new by-laws and licensing system, the degree of control has been only limited, as most of the traders operate outside these restricted areas and without licenses. In the demarcated trading areas, more people tend to have licenses due to frequent controls, but even here 'illegal' trading still dominates. The reason for illegal trade's dominance is believed, people do not wish to comply with the new regime, which they still deem unfair. Using this argument there is an indication of a fundamental disjuncture in society-state relations over what makes the rules of the game, and what they should be. The fact that there still

exists an illegal horde of informal traders suggests that people, through their non-compliance, wish to change the present dispensation.

3.5.9 Street trading as survival and resistance

How can we understand these changes in the form and extent of street trading in Durban? It is clear that any explanation or analysis of these changes has to encompass both the structural forces of economic and political apartheid state oppression and the agency of micro-level strategies of resistance. What were the prime forces behind the policy change in the 1980s? How did people survive in a repressive apartheid city or, more precisely, on what basis did people respond over time? The two questions seem to have an inherent reciprocity. Not bypassing or dismissing structural developments, focus shall mainly be on the specific forms of responses from below. It is true that structural changes (i.e. the organic crisis of the apartheid state since the 1970s) created viable conditions for the massification of defiance, and that structural economic factor such as unemployment and poverty actually forced many individuals to defy the law despite the severe threat it posed.

Notwithstanding the fact that hawking was a last resort for accumulation, i.e. a survivalist strategy for desperate urban marginals, it should be highlighted that historically it is an important fact that these first traders, by boldly braving the law, created a vital platform for later mass non-compliance. The defiance of these street traders, and the later mass street trading, by defying the apartheid urban principles, targeted one of the most important symbols of white supremacist ideology.

The urban centres were the ideological and material power nodes of the apartheid state, which was evident in the regime's commitment to defend them from the 'disorganisation' pressures of 'blackness' at all costs. By invading these apartheid shrines, street traders inspired others and forced forward a redefinition of urban space.

Margaret Levi has developed a 'logic of institutional change', which incorporates an analysis of both the structural impositions of dominant institutions and the responsive agency of the weak, which contains useful

elements which can be applied in analysing the developments in street trading in Durban since the 1980s (Levi 1990). Her account of the strategic and behavioural withdrawal of consent to current institutional arrangements is the most interesting part of her theory, as it involves actors with maximising interests.

Compliance as consent is contingent on the approval of the social bargain. It is the 'norm of fairness' that generates contingent consent, which means that people only comply with an institutional arrangement they deem fair and that is collectively informed and adhered to (Levi 1990, 409). Contingent consent can therefore be withdrawn if the initial gains from the trade are seen as insufficient, and an interest develops in changing the institution so as to achieve a better deal. This, she says, can either happen (1) when a group has new increased resources at its disposal that permit it to reject the current institutional arrangement, (2) when the dominant institution loses resources, (3) when a general change in consciousness occurs, (4) when people believe that others are failing to comply, or (5) when those wielding institutional power break their end of the social bargain.

The crisis of apartheid can easily be interpreted as being (amongst other factors) a result of increasing mass popular non-compliance, and a far too costly (both financially and morally) law enforcement structure.

But successful collective action by the relatively weak is often extremely difficult because they lack the resources, organisational skills, and mechanisms through which to organise. Individual - but collectively informed - non-compliance, she argues, circumvents these collective action problems, and may enable those who are non-compliant to evade repression (Levi 1990, 414). For Levi then, the best scenario for their success is when subjects '...take advantage of any new resources that come their way', or take advantage of any reduction in the relative bargaining power of those who control the institution (Levi 1990, 413).

Both the '...generation or discovery of new resources by challengers, and the deterioration of the resources of those currently defining the institutional arrangements' (Levi 1990, 414) are important elements of Levi's theory, and, this is true and highly applicable on the Durban street

trade experience. Urban street trading, together with other informal sector activities created new economic resources that enabled people to sustain themselves as the illegitimate state denied the provision of social and public services, security, and adequate formal wages. These survival strategies deflected demands on the state, and led to a certain degree of independence and disengagement from the state, which made it easier and safer for individuals to defy. As I have shown above, popular non-compliance which was inspired by the first defiant street traders was a vital force in bringing about liberalisation and deregulation in street trading. For the brave 'pioneers'—mostly women--the choice of non-compliance was extremely difficult to make as they did not have the strength of numbers and could not know whether others would follow. The larger the number of people who refuse to comply the less risk there is for others who do not comply and the greater the incentive for others to join their ranks (Tripp 1997, 8).

However, several factors benefited the defiance of the pioneers. First, this type of non-compliance is often less threatening to the regime as it avoids direct confrontation and does not require a direct response (Tripp 1997, 8). Secondly, one of the most effective ways subordinates may express resistance through defiance is by embedding it in a larger context of symbolic compliance. Cross,(1998) argues that street vendors in Mexico City successfully resisted regulatory controls within the context of intense loyalty to the ruling party regime. Likewise, the public defiance of the first female street traders in Durban enjoyed *relative* immunity from summary violence due to their structural appeal to the same patriarchal values of religion, family, and morality to which the apartheid regime gave constant lip service. In a public ideology that implicitly respects women in their roles as mothers and breadwinners, a violent attack on women (even African women) acting in this particular capacity would have been quite awkward for the public standing of the apartheid regime.

The history of apartheid urban policy suffered chronically from such contradictions and moral inconsistencies, but the new liberal regime in the Durban City Council in the 1980s made an effort to encompass issues of conflict deal with the inconsistencies. As with any dominant

ideology, this ideology not only excluded certain forms of activity as illegitimate it also, perhaps inadvertently, created a small niche of opportunity that was utilised by these desperate mothers. By clothing their defiance in the hegemonic dress, so to say, these women were able to challenge the regime.

In addition to the agency of contingent consent, Levi mentions the importance of decisions by institutional managers that have the unintended consequences of undermining their own power. This too is relevant for the case of street trading in Durban. For the Durban local authorities in the early 1980s, the massive non-compliance of street traders was a clear indication that the confidence and legitimacy had already diminished considerably to an extent whereby coercion in this context would imply an even greater loss of power at a greater cost and risk. But by starting a deregulation process without a clear vision of what they wanted to achieve, and without proper instruments of implementation and control measures, and most importantly lacking popular legitimacy, the process soon led to anarchy.

3.5.10 Conclusion on Informal Resistance

The formidable growth of the informal economy is probably one of the most important developments in Africa in the 1980s, affecting virtually every stratum of society (Tripp 1997). Street trading, especially in the major urban areas, is probably one of the most visible and economically important manifestations of this 'informal' economy. The 'informal economy' can also be seen as an important form of resistance, both in its practical organisation and ideological substance. This can be done by drawing ideas from the increasing body of literature that deals with the more subtle and fugitive forms of anti-hegemonic utterances, and how these may generate change (Scott 1985, 1990; Levi 1990; Tripp 1997).

Scott (1990:122-123) points out at Levi's proposition that spirit possession in many societies represents "a quasi-covert form of social protest for women and marginal groups" (in Scott 1990:141-142). According to Levi, 1990 the market place enabled people to gather spontaneously and independently, and offered the all-important anonymity, which crowds create. Likewise, the conquered urban and peri-

urban street markets in Durban provided a conducive environment for establishing and maintaining informal networks and constituted an important forum for resistance discourses.

Street trading can provide some form of relief to post-apartheid problems of unemployment, housing, education, the persistence of a culture of non-payment for services, crime and other social problems. By creating jobs and incomes, and supplying a cheap and wide range of goods and services to the urban poor, the street market economy has an important role to play in the future South Africa. Projections indicate that the large-scale influx of marginalized communities will continue to flock and settle in urban areas in the foreseeable future. As a result, it is imperative that any future approach to street trading shifts its focus from development against street trading, to constructive development for street trading or in other words, to declare war on poverty itself, not the poor.

The general observation is that even though South African cities have had to overcome a turbulent historical past most of the issues that have been identified with Durban in particular are almost identical to that of the study area. For instance by location Manzini is at the centre of the Kingdom of Swaziland and it is mainly commercial, which explains why people from as far as Maputo come for trade in this city. While it may be true that “there is hardly any public policy consistent with the needs of street trading throughout the whole world”, a street trading policy would help to set overall direction and guidelines for the management and administration of the trade. In some cities in South Africa and elsewhere there has been policy guidelines with regard to informal street trading, key issues of the policy as identified internationally entail the following aspects:

- Improving access to capital: this is a crucial issue given the fact that in third world countries street traders are normally excluded from lending spectrum such that they rely on their own internally generated funds which are very limited. Moreover financial institutions base their lending policy on evaluation of degree of security. The study shall investigate if the local authority has

mechanisms in place or specialised institutions specifically structured to develop lending policies to street traders.

- Improved access to markets: local authority's involvement in the formation of selling organisations and lifting of regulations governing street trading in suitable sites.
- Provision of premises: looking at the establishment of bodies that would ensure that street traders have access to centrally viable locations in the city, locations in areas that command high pedestrian traffic volumes. Those areas of public transport terminals, the central business district and areas of commercial agglomeration.
- Training: It is obvious that most small business lack formal business training/illiteracy, skills in record keeping, marketing, sales, purchasing, financial management and manpower management.
- Regulation of traders: This shall look into the role of local authority officials with regard to harassment. To be examined shall be policies with regard to obtaining licences without any hassles, and the availability of enterprise zones.

It should be noted that the study is not that of a comparison between Durban and Manzini however reference is made with the aim of drawing lessons for some practices in the study area. Assessing South African cities, Durban in particular on prospects of the informal sector, generally such activities have potential for growth particularly those in retail trade. There is an indication that major results of policies developed and implemented to help this sector have made an increase to income earning capacity of the operations rather than business size and employment. Literature on street trading indicates that improving the conditions of street trader operators may offer significant prospects for poverty alleviation on a reasonably wide scale.

Street trader harassment by local authority officials in the case study area indicates that the official attitude is that they be controlled to the greatest possible degree. By contrast Dewar, (1990) states that in most

South African cities the existing policy plan calls for a new management approach which will shift the emphasis from that of enforcement to a more positive management style and the active promotion of street trading operations. In essence one of the factors that facilitate the effective implementation of street trader policy is to acknowledge street trading and locate it within the organisational structure of the local authority.

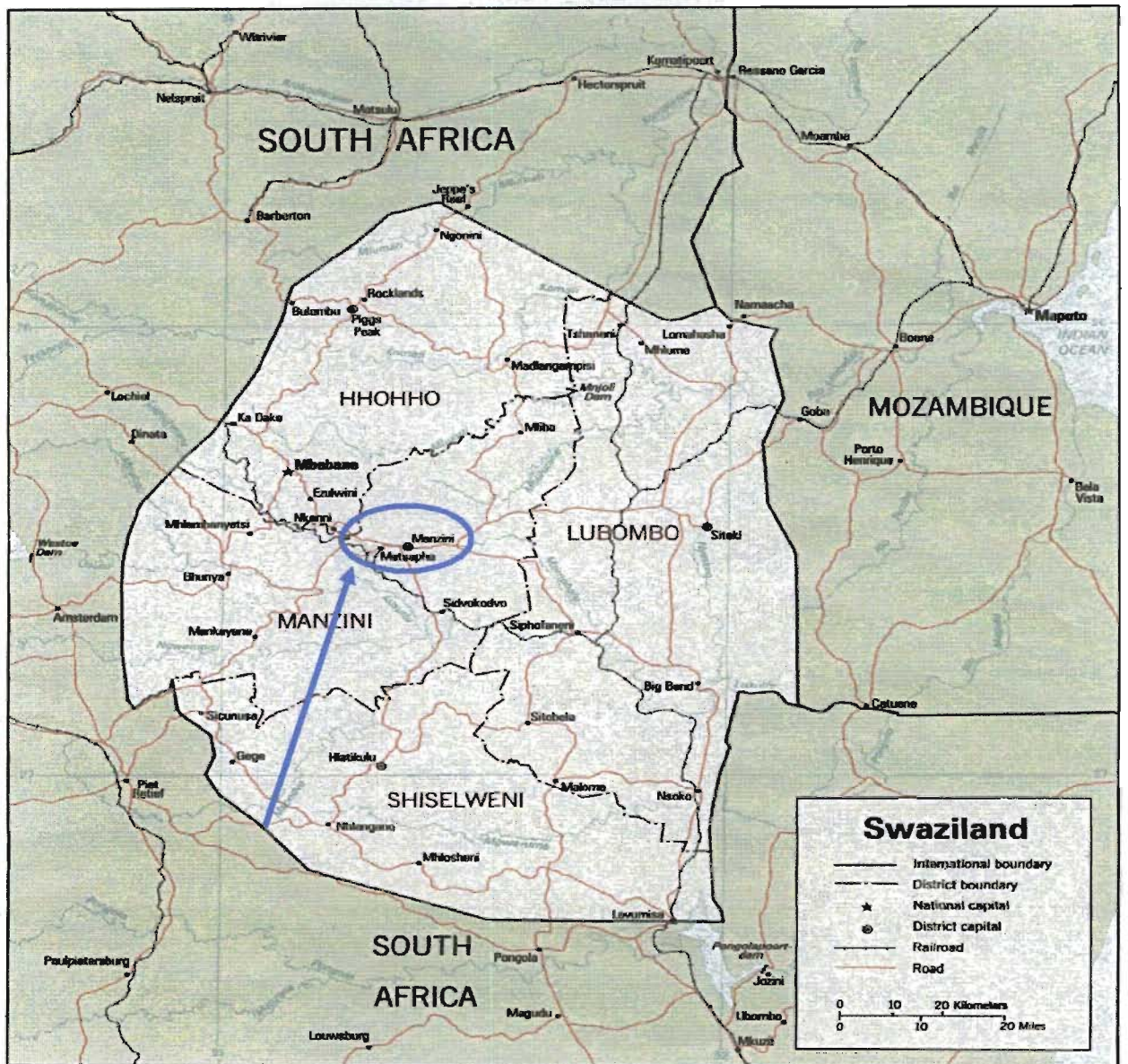
Lessons drawn from case study areas indicate that the best way to promote the interests of the urban informal sector is to facilitate the creation of membership based organisations. While it may be true that more research is needed on the various ways in which these nascent organisations function, more associations like those mentioned above are needed in developing countries to act as a collective voice for those involved in the urban informal sector. Such organisations can help informal sector workers to have access to finance, social protection and secure affordable spaces in which to conduct their business. The next chapter therefore shall explore the situation in the study area identifying similarities and contrasts with the case studies with the view of incorporating gaps that may emerge.

Chapter 4: Data Analysis and Interpretations

4.1 Introduction

This chapter forms the spine of the dissertation in that it makes a careful analysis of the situation on the ground in the study area. The background information obtained from the local authority health department provides a focus on key issues that underlie street trading in the case study area. On physical surveys and observation an ortho-photo map was used to indicate the zones as provided in the accompanying table, these were also complimented with pictures taken in some of the sites.

Interviews were used to gather information from the local authority officials, as well as with the chairman of an organisation that works closely with street traders, Butimba be Maswati. Structured questionnaires were also used to solicit information from a sample of the street traders in Manzini.



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Figure 2: Case Study Area
Figure 2: Case Study Area.

Shown here is Manzini city and its position almost at the centre of the small Kingdom of Swaziland. Of importance is the centrality as well as the convergence of all the major roads from other towns.

4.2 Background on the Manzini City Council and its approach to Street trading

In the early 1990's the Manzini city began to see a marked increase in street traders. This was caused by the relocation of the main bus terminus from the vicinity of the Main Market to its present location in the late eighties. In response to this the local authority took full responsibility of the issuance of permits to trade on the streets as well as the city Market as per the provisions of the urban government regulations.

This arrangement was however jeopardised by the interference of the Political Sector of the Kingdom. In 1995 the then Prime Minister Prince Mbilini after a lengthy debate in parliament made a press statement entitled "Don't Harass Vendors-Order 1995" this appeared on one of the local dailies the Swazi News dated 1st April 1995. The issuance of this statement made it very difficult for the City council particularly the Health Department to control and monitor the influx of vendors into the city. The number of vendors increased day by day and when the Wardens tried to control or chase them away, the vendors and the general public would refer council authorities to the press statement.

As council tried to tighten the controls the vendors on the other hand made their own strategies to continue selling on the streets illegally. They toyed-toyed and joined forces with the Swaziland Federation of Trade Unions (SFTU) in retaliation to the controls which still council continued to enforce. It is evident that the whole issue or concern for street vendors by government and the entire Swazi Nation was sparked by the control measures that were enforced by the Manzini City Council. The general public suddenly developed a great concern over the beatings and the locking up of these illegal vendors, claiming that these vendors were only trying to make a living to sustain their families and they are best left alone. This became a serious debate in the city and was repeatedly mentioned by media houses, and it eventually triggered an interest to politicians and the issue was further deliberated in parliament

Despite all this the Council wardens relentlessly continued with their work of controlling the vendors. The vendors then formed an association they called Butimba be Maswati. The traders that had their stalls in the

main market traders were against the operations of street traders as a result they formed their own association called Bambanani Timakethe Nehlule Ingwe, which could be loosely translated to “Markets United in fighting to defeat the tigers”. The misunderstanding became so serious that the two associations ended up at Eludzidzini royal palace to seek audience with the King. It is here that they signed an agreement which was accompanied by a Press Release by the then Minister of Housing and Urban Development Senator John Carmichael which clearly stated that all stakeholders should go back to their respective cities and form their own strategies on how to control and monitor informal sector traders.

In Manzini, a series of meetings were held with all the concerned stakeholders. Immediately after the signed agreement at the Royal Palace, Butimba beMaswati organisation, which was the umbrella body for the Street vendors at the time, did not want to strike a compromise with city council officials and the tension intensified. The Manzini city council then embarked on an exercise to allocate trading zones, there were some complications in that the association executive members submitted a list of 400 names for paid up members who were to be allocated trading stalls. During the allocation exercise the office used the lists, that were submitted by the, committees and it transpired that the list was far greater than the provided space or trading sites. A meeting was called and it was decided that allocation of sites should be in phases. While the first phase was implemented it transpired that committee members wanted to squeeze all their members into the available trading zones. The reason being that the members were made to pay monthly subscriptions to the associations. Some months after that there was a dispute in the executive committee of Butimba beMaswati. There was a split at executive level and the management and control of street traders became impossible.

It was at that time that the council decided on drafting a **Memorandum of Understanding and Agreement** –a document that was binding each vendor as an individual with the Council, not to deal with him or her under the umbrella of the Association. This document was then made and approved by Council. On the 5th November 2000 vendors were called to a meeting that was held at Malunge Pavilion where they were told about the City Council's decision and that council is not going to deal with

associations executive members. Instead it would now deal directly with an individual and as such it had a document which was to be signed by each vendor as an agreement or binding document that one had been allocated trading space by Council.

The vendors were then called to Council office and made to sign these agreements. They were then asked to nominate zone leaders. The health department of the City Council provided a list of the zones, and the number of vendors who were allocated spaces (A list of names for each zone is included as Annexure)

Table 2: Showing different zones as shown on figure 3 and street trader figures.

Zones	Original No. Of vendors	No. Of vendors to date	Location
Zone 1,	50	51	President Centre
Zone 2,3&8	365	385	Meintjies Street,Dunns and Thekwini
Zone 4	121	142	Bus Rank
Zone 5	12	13	Chisti Centre
Zone 6	13	15	Salesian
Zone 7	62	64	Magistrate
Zone 9	22	22	Ekhaya Butchery
Zone 10	69	76	Bus Rank- Ice

Source: Manzini City Council's Health Department

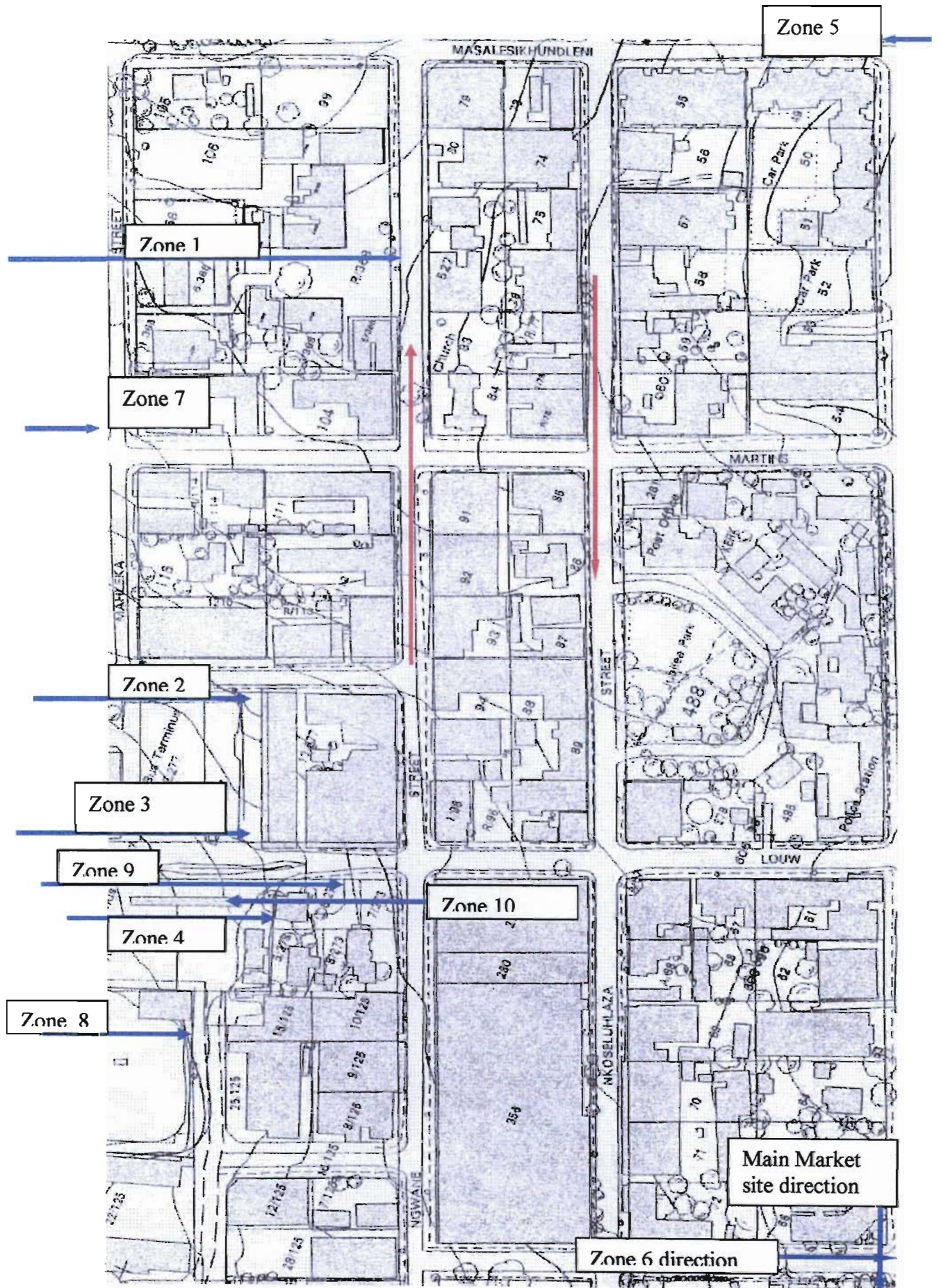
4.3 Institutional location of street trading responsibilities

In terms of institutional location street trading falls under the health department, the reason put forward was that the emergence of the sector to council raised concerns on health and the impact of the trade to the environment. This arrangement has serious implications in that many historically view it as a health problem that needs to be phased out while cleaning the streets. The planning department gets involved when officials from the health department seek advice on issues of conflict particularly with adjacent and surrounding areas. Institutional location gives an impression of the local authority's attitude towards street trading, and Skinner (1999) argues that much can be learnt about the priority given to an activity from where it is placed in the organisation of the bureaucracy. Key issues of importance here are authority or status accruing from the location.

In Manzini Street trading falls under the Health Department, which raises a lot of concerns. It is true that different departments have different attitudes to street trading however there is evidence that the health or cleansing departments for example are reputed to associate street trading with crime and grime. This therefore emphasises the importance of a policy that would positively guide and inform new attitudes towards the informal sector. In Durban there is a separate department for informal trading this promotes street trading as an economic, ensuring its incorporation into long-term urban plans and securing funding for infrastructural development.

4.4 Observation Results of the Physical Survey

The area observed as shown in **figure 3** includes two main streets in which vehicle flows all in one direction for each street (one way), these are Ngwane and Nkoseluhlaza Street. They run parallel to each other and they are the ones that command a great deal of pedestrian traffic. However when one identifies those designated sites or zones only one lies in one of the streets the President centre zone. The rest fall outside these streets and obviously this means less number of customers.



**Figure 3: Ortho photo Map
Scale 1:2500**

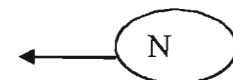


Plate 1. Shows the already congested Main Market of Manzini Officially Opened in **1983**.



Plate 2. Shows the type of shelter provided as well as its condition highlighting inadequacies to the end-user.



Plate 3. Shows site stalls and their sizes not enough for displaying products at the same time emphasising the importance of adequate shelter to protect products from weather elements that spoil products



Plate 4. Shows customers along Meintjies street taking a look at vegetables, and fruits before getting public transport back home



It should be pointed out though that due to the difficulty in accessing a relevant map that would clearly demarcate the trading zones, the relative size could be calculated as follows. Using the total number of vendors in each trading zone the size of the zone could be estimated since on average a trading stall per trader measures 1.2 square kilometres. As shown in the table that follows.

Zones	No. of Vendors to date	Land Area per square metre
Zone 1	51	612
Zone 2,3&8	385	462
Zone 4	142	170.4
Zone 5	13	15
Zone 6	15	18
Zone7	64	76
Zone 9	22	26.4
Zone 10	76	91.2

Table 3: Land Area occupied by each zone

A site visit to the Main Market shows that it is quite small already overcrowded and space is not enough even outside the market structure (**Plate 1**). The shelter that was provided next to the bus terminus is not enough in the sense that more than 60 percent of the traders in the entire city have not been provided with shelter.

The condition of the shelter as shown in (**Plate 2**) illustrates inadequacies as shown the roof is quite high exposing the products to the scorching sun particularly in summer. On another note, the absence of sidewalls exposes the traders to rain water during the rainy season. Still on the same issue this design does not allow the traders to lock up their products at the end of a days work. Given the fact that in Manzini there is no available accommodation for overnight stay the traders have to catch transport to their respective home in

the outskirts of the city. As a result products are left in the open for the whole night and may be exposed to theft.

4.5 Questionnaires with Street traders

The research survey indicated that a majority of street traders (90%) that were interviewed began trading in the early 1990's, and they are well established.

Year	Interviewee	Percentage (%)
1991	15	42
1992	10	28
1994	7	20
1997	2	5
1998	1	2
2000	0	0
Total	35	100

Table 4. Year in which trading began

There is virtually no form of assistance that vendors have received from either council or any other organisation. As a result there were different factors that influenced traders to operate in the streets as shown in the table below.

Factor	No.s	Percentage (%)
Assisted by fellow friend/family member	4	11
Employed first then owned business	3	9
Started with nothing	25	71
Savings from other income	3	9
Total	35	100

Table 5: How traders started their work

The figures in the table above indicate that more than 70% of the interviewed traders started with no assistance at all, whilst other family members assisted some. Maybe this could be explained by the reasons put forward by the respondents in undertaking street trading as illustrated in the table that follows,(table 5)

Reasons	No	Percentage (%)
Subsistence	29	83
To supplement income	3	8.5
Permanent activity to formalise	3	8.5
	35	100

Table 6: Reasons for trading

Commenting on the working conditions in the trade it was obvious that there was nothing encouraging at all. However traders were grateful that council has provided shelter in the vicinity of the bus terminus which gave them hope that this kind gesture would be extended to other designated zones.

Issues that were raised to be of great concern to traders with regard to working conditions in the streets include:

- Not enough space for those already occupying stalls as a result some of the products are not properly displayed as shown in **(Plate 3)**.
- Rates of R50 per month was said to be too high and needed to be reviewed, as a majority of the traders conceded to be in areas in which they never see themselves getting out of the cycle of poverty.
- Absence of shelter in some trading sites leading to products getting spoiled due to exposure to the sun and other weather elements.
- Loss of products through theft when left overnight on trading stalls thus reducing profit margin. This was blamed on poor infrastructure which does not allow locking up of products overnight.

- Night watchman unreliable yet expensive to keep since he is paid on a monthly basis.
- Absence of water and toilet facilities within the vicinity of trading sites makes life difficult since water is essential for cleaning products.
- Lack of training: besides the fact that there is a high rate of illiteracy amongst street traders there was a concern from some quarters that there is lack of entrepreneurial skills in record keeping, marketing, purchasing and financial management which makes it impossible for the traders to move out of the poverty cycle due to the difficulty in realising profit margins.

Lack of financial services to support street traders: this is complicated by lack of training in that street traders are excluded from obtaining loans given out by commercial banks reason being that they cannot produce sound business plans. This is also true with the so-called development banks their lending policy is based on the evaluation of degree of security. As a result the traders have to rely on internally generated funds that are limited for supporting their enterprises. This is because there is no specialised institution either from the private sector, local authority and central government to support street traders.

4.6 Interview's with the Chief Executive Officer and The Chief Health Inspector

Both officials seem to agree on the issue of street trading first identified as an issue of concern to the local authority in the early 1990's. In terms of policy both officials agreed that there is none that specifically embrace street trading per se. Reference was made however to the Urban Government Act of 1969 having been repealed in 1996, which relates to established trading markets just like the main market. These are trading markets, that have been gazetted, which explains why street trading has not been part of central government agenda and as such local authorities. As a result the urban government act could be said to be silent about street trading.

Instead a memorandum of agreement was drawn up to assist on the signing in for those traders when they get trading permits. It was observed that the local authority is in dilemma in that due to the absence of a legal instrument to deal with the informal sector, which is believed to be an illegal practice, it is difficult to regulate and control the trade. While it may be true that the local authority

should have sought a solution in this regard with the help of central government. Members of the royal family were cited as culprits in illegal deals that take place within the city. One case being that of informal settlements that encroache in the outskirts of the city purported to be established through the involvement of members of the royal family.

It was confirmed that they use regulatory measures that were meant for market trading along with the memorandum of agreement. In scrutinizing both documents it was difficult to make an assessment of whether contents reflect the practical realities in which street traders, ply their trade, particularly where there is heavy pedestrian traffic (busiest street on day time) and the availability of space. There are those issues that have not been resolved like that of designated areas for traders yet the traders deliberately deserts those sites for other sites which they find suitable for their day to day activities. One of the views from the health department was that were it not for the interference of politicians street trading would have taken a promising direction with the relevant stakeholders involved. Apparently there is no indication of factors that have been considered in the identification of designated areas except for the fact that in the provision of shelter on the sites considered mainly was that those to be targeted should be sites that are in the vicinity of the main bus terminus.

On issues of conflict particularly those that pertain unfair competition by street traders to formal trading that has not been a problem. However council highlighted that lately formal business within the Central business district had been taken over by Asians (Chinese and Indians) they hire Mozambican nationals to sell some of the items sold in shops, such as belts, wrist watches as well as hand and school bags at strategic positions in the streets.

4.7 Interview with Butimba beMaswati (non-governmental organisation)

As mentioned earlier, one of the major setbacks in the urban informal sector is lack of innovative organising strategies. With the study area it is purported that there exist an organisation that works closely with street traders. It should be mentioned here that the said organisation does not have an office in which to operate and also executive committee members are hardly available to provide valuable information on the operations of the organisation. Interviewed was the

Chairperson, Mr Masombuka. The organisation was formed in 1994 and the main thrust for forming the organisation was in response to public outcry on the harassment of street traders by both members of the Royal Swaziland Police and the local authority's policing squads or wardens.

Like other organisations in the international arena this organisation had a well thought out plan of action with regard to its intended role to street trading. It was hoped it would provide financial support, to members, gain legal recognition in the city and engage in negotiations with the local authority on various grievances that confront street traders. It is unfortunate though that the organisation has not been able to fulfil its objective due to that it lacks financial backing, and it is not legally recognised by the municipality given the fact that when licences were issued individual traders signed the memorandum of agreement with the local authority. As a result the organisation has not been able to effectively meet the set objectives behind its formation. It could be concluded therefore that this organisation has done very little if at all there is to assist ordinary street traders.

4.8 Situational Analysis /Discussion of issues compounding the street Trader operations in Manzini

Since the ILO mission to Kenya in 1972 there has been an expansion of the informal economy in most countries of the world there is both resilient old forms and emerging new ones.

Today there is increasing recognition among development scholars and practitioners that the informal sector is here to stay in both new and old guises. By definition workers in the informal sector do not receive worker benefits and are not covered by social protection measures. This all boils down to the issue of organisation and representation, as seen in the study area the study highlights inadequacies in infrastructure and service provision for street traders yet there is no attempt to improve their welfare. Poverty alleviation has not been amongst the priorities of the local authority and this makes the street trader conditions become even worse as the days go by.

As indicated earlier there are different informal activities carried out in the streets of the study area, yet there is poor street trader organisation. **Table 6** below indicates that the most dominant activity in terms of percentages is the

selling of food particularly fruit and vegetables. These are followed by clothes which are mainly second hand clothes sold at excessively low prices.

Type of work	No.s	Percentage (%)
Selling food	25	71
Selling clothes	5	14
Selling leather goods	3	9
Shoe & watch repairs	2	6
Total	35	100

Table 7: Main types of trading activities

The local authority may also be apportioned the blame for the poor organisation of street traders in the study area by deciding to deal with street traders on an individual basis. As a result the issues that came up while conducting a questionnaire survey from the street traders would never be attended to simply because individual voices cannot put that much weight to the local authority. International experience has been that organisations are imperative if the voice of the informal workers is to be heard whether by formal unions, local government or the organised private sector, (Skinner and Lund 2000).

There is further evidence that international linkages strengthen organisations immeasurably, being the channels through which cross-country lessons about regulations, policies and forms of organisation can occur. However this has not happened in Manzini yet from the case study areas on international precedent it emerged that most achievements have been realised through organising and networking. In this street trader organisations work closely with such links as Women in Informal Employment Globalising (WEIGO) a worldwide coalition of institutions and individuals concerned with improving the conditions and advancing the status of women in the informal sector of the economy through better statistics, research, programmes and policies.

There is also Street Net, which is a network of street vendors and their allies, which was officially launched in Durban South Africa on the 12-14 November

2002. There is the Self Employed Womens Association (SEWA) based in Ahmedabad, India, which is a trade union of self-employed women that inspired the creation of Street Net and WEIGO. Organised here are exchange workshops in which experiences and research are shared and lessons learnt on street trading in attempting to get solutions to new challenges faced by urban planning and local governance in cities. There are already established websites, which have got relevant literature on information about the operations of these organisations for information dissemination on both successes and drawbacks.

Another issue that was raised was that of traders who are always on the move, particularly in the vicinity of the bus terminus. The main concern here is that a majority (more than 80%) of these are mainly from Mozambique and it is alleged that they may be in the country illegally. Those traders who are stationed in trading sites complain that those that move around scouting for customers give them unfair competition.

Which brings us to the issue of undocumented migration to Swaziland. Documentation on international experience pertaining illegal immigrants reveals that it is of great concern particularly in Southern Africa. Research findings on the origin of traders from the respondents, **Table 7**, below indicate that most of the traders come from within Manzini mainly the informal settlements. There is a small percentage that comes from nearby chiefdoms within commuting distance from the city centre. One striking feature in the data is a small proportion of those from outside Swaziland, note should be taken though that this percentage comprises only those who were stationed in trading zones from Burundi, Tanzania and Zambia mainly involved in cross border trade in the Southern African Region. However all those Mozambicans who could be said to be itinerant, not station on trading sites could not be interviewed because of the suspicion that the interviewer could be an official from the Manzini City Council therefore they were not documented.

Origin of traders	No.s	Percentages (%)
Within Manzini	24	69
Outside Manzini	5	14
Outside Swaziland	6	17
Total	35	100

Table 8: Origin of interviewees in the study area

The situation of illegal immigrants in South Africa just like in Swaziland is compounded by the influx of Mozambicans. Many migrants are transient and trade in such products as artefacts, which they bring from their countries of origin and some purchase goods and return to their countries of origin to sell again. Many come to find work and take remittances and goods back to dependants and then re-enter.

The situation in Swaziland is such that at the present moment migrants have no option but to remain undocumented and therefore “illegal” as there is no policy, which would adequately address their requirements. Some argue that it would be expensive and time-consuming for them to have to continually re-apply for temporary permits each time they wish to re-enter the country. While the definition of “illegal” may be highly contested many immigrants that fall under this category are those that have not been documented.

4.8.1 Refugees and Migrants

It should be noted that the distinction between immigrants and refugees is also open to challenge. Swaziland has been a host to refugees from neighbouring Mozambique. Most Mozambicans that were displaced in the civil war were stationed in refugee camps (Malindza and Ndzevane) in the Eastern part of the country, which are predominantly rural. Because rural jobs are scarce they were subjected to the same economic compulsions as many people in rural areas, to migrate to urban areas.

At the end of the civil war most of these Mozambicans were repatriated to their home country only to return a few days later arguing that they found nothing left to work on back in Mozambique, since they have left their established ties in Swaziland. There have been illegal border crossings ever since then due to expensive applications for entry and the time taken in following the immigration procedure. In Swaziland there is a pervasive perception that undocumented and illegal immigrants have a negative impact on Swazi society, which justifies stricter immigration control. The most commonly held assumption is that their presence generally aggravates high rates of unemployment in the sense that they steal jobs from the locals and that they are a drain on scarce social services which undermines development programmes implemented by government. They are also accused of exacerbating the crime rate.

4.8.2 Immigrants and participation in the economy.

Research in some cities in South Africa indicates that many migrants are self-employed and few seem to compete with locals for jobs in the formal sector of the economy, (Peberdy and Crush, 1998). They are engaged in a variety of productive activities in which they sometimes create employment for others to whom they impart skills. According to this research certain markets such as trading in the informal sector have low entry barriers and would in any event be over traded.

It is a sad reality that these immigrants providing initiative, skills and products to Swaziland are not welcome when Swazi's have an advantage over them for their knowledge and awareness of local conditions. As a result it has become common practise for mobile traders to be on the run avoiding municipal wardens and disrupting the smooth flow of traffic. Findings indicate that there is tension between local traders and immigrants and this situation is further complicated by the fact that the local authority as well sees immigrants as a burden to both municipality and the society at large.

questions confront everyone concerned: Is it proper for the vendors to operate on the roads and places meant for vehicular traffic or for pedestrians to walk? Must they make use of the given limited spaces, which are meant for other uses? Is it appropriate for the traffic and the policeman to look the other way and allow obstructing vendors to continue with their business? Is it appropriate for the municipal and the land owning authorities to permit or issue licences thereby creating conditions wherein obstructions attain a legal sanction? On the other hand, given human considerations, is it appropriate for the authorities to thoughtlessly remove the vendors for whom these public places and streets happen to be a lifeline? Perhaps these questions will always remain unanswered.

Since municipal bodies and land owning authorities are the designated agencies to permit, through licence or otherwise, vendors to operate in public places, one must examine the reasons advanced by all concerned, and their implications. First, it is not that such people are being granted permission 'only' for the reason that it is their fundamental right to carry on their business unhindered, with reasonable restrictions, at any place during a given time. It is more because there are certain leaders and pressure groups behind their continued existence. Their strength may lie in numbers, in the vote bank they constitute, in lobbying – all indicators of visible and invisible support. Such pressures often compel local bodies to make some kind of arrangement even though law enforcement agencies like the police, or those concerned with providing civic amenities may be opposed. Secondly, the municipal authorities often grant licences and collect a fee to conduct business on the roads, in the market place or even for setting up markets on weekly off days in certain specified places or localities.

Thirdly, vendors are often permitted to carry on with their trade at specified places on account of a 'stay order' from the courts. The perception of the courts may be based on humanitarian or other considerations, but they are often at cross-purpose with the perceptions of the local/municipal authorities and the police. In any case, police perceptions are usually at variance with those of the municipal authorities or the courts.

The police, as in **Delhi**, are expected to act in accordance with their legal and official commitments to keep the roads, streets and public places free from

obstruction and encroachment. Since some acts applied nationally, permit action against vendors and such others who cause impediments in the free flow of traffic or obstruction to movement on footpaths. Identical laws exist in other metropolitan cities where the vendors and the police confront each other as adversaries.

In contrast to the legal obligations of the police, the basic interest of vendors is survival, since their whole life and business depends on access to the streets and footpaths from where alone they can operate. It appears almost impossible to create a common platform or meeting point to resolve these conflicting demands, obligations and interests. The law enforcement agency is not expected to be humane, even at very senior levels, whatever the consequences to the business and livelihood of the vendors. There is no way that even a senior police officer can permit someone at his whim to carry on business on the streets.

Whatever the legal status of vendors, the municipal and police authorities, particularly in crowded metropolitan and bigger cities, are under constant pressure to act. It is not possible for executive, practical or human reasons for all of us to wait indefinitely for court orders. There has to be a consensus on a legally acceptable solution to both safeguard the business interests of the vendors and create conditions under which they are not constantly hounded and subjected to undignified treatment by the authorities. Obviously, at the same time, the city profile or the public convenience on the streets, footpaths and spaces of common use cannot be completely sacrificed.

In reality, it is possible to find spaces not far from the busy roads and footpaths wherein vendors could operate from in order to carry on with their business, while at the same time keeping in mind municipal and police obligations. Such adjustments could be made by permitting free use of the marketplace for the vendors on the weekly off days. In fact, on account of their lower prices, a large number of people would prefer to shop on such days. However, this move would in all likelihood meet with the disapproval of local shopkeepers, since they stand to lose potential customers.

In most situations, the interaction between the traffic policemen and vendors on the streets, just as between municipal officials and the vendors, are hostile. Unfortunately, except in situations when an organized group of vendors

confronts the authorities eyeball-to-eyeball, they are unable to protest about routine, street-level harassment as individuals. The clash between the traffic police and vendors is inevitable since most of them, albeit due to necessity, cause obstruction. Similarly, the municipal and land owning authorities, have to do the same thing on the streets.

Nevertheless, some kind of common strategy needs to be evolved since no authority, police or municipal, can operate without public support. Since vendors constitute a significant presence and are an active segment of society, they have to be brought in as partners in governance.

As long as there is a major gap between the law as it exists and the reality, such problems cannot be wished away. The law sees vendors as a 'public nuisance'; the human and socio-economic aspects pertaining to their livelihood, as one of basic existence, are not appreciated. Within the given legal situation there is little scope for improving understanding, as there exists a major hiatus between expectations and reality. Even experiments to accommodate the vendors by the police or by the municipal authorities may not result in any lasting solution to the problem.

Behind police ill-treatment of the vendors lies another serious consideration, crime control. Under the crime prevention programmes, strangers are always suspecting, i.e., individuals without a definite identity or fixed abode or occupation are seen as suspicious. The mobile vendors invariably, and the squatting vendors in a majority of cases, neither have proper identification nor regular permission to trade, duly verified by the authorities. The organizations espousing the interest of the vendors have demanded that the police or the municipal authorities issue identity cards to the vendors so that they may move around in an area or remain at a fixed place and do business.

Yet in the normal course of things, it is not only the police but the residents' associations as well who do not wish to permit the vendors into their areas on the plea of security. As itinerant people, their bonafides are felt to be in doubt and they are not permitted inside housing societies. However, when it comes to buying inexpensive goods or accessing cheap services, they come handy. One police officer with over two and a half decades of service in India, has confessed that personally he has never come across many vendors committing serious crimes. But, decidedly, there is a need to give them some kind of identification.

The verification will be both to their advantage as also to the advantage of the police, who find it difficult to control faceless metropolitan cities.

In Delhi, with the support of SEWA, a voluntary organization that has taken up the cause of vendors, they are working on a system, which could work to the advantage of all concerned. By providing some kind of identification which the vendors demand, the police and residents of various colonies are likely to feel more secure. If the vendors were given some kind of identification to carry on their trade in specific areas, it would become easier for the police and the associations. Such an arrangement would also help build bridges between the police, vendors and the residents of these colonies. The vendors could also become a useful source of information. They are ideally placed for the prevention and detection of crime since they operate in the open and, given a positive incentive, might act as the eyes and ears of the enforcement agencies. Personally, this would be considered as a positive programme of community policing.

Understanding the situation on the ground as it prevails today in terms of the varying perceptions of the vendors, police and municipal authorities, their legal and professional obligations, the human and socio-economic considerations, what is needed is a common platform and strategy. It would help sort out the problems of the vendors and the different agencies in the larger public interest. There is a definite need to identify each and every vendor, whatever their mode of operation, in the metropolitan cities and to give them some kind of identity through verification.

Similarly, when left unguided, or at large, in search of a livelihood, pursuing their survival interests, the vendors are likely to operate in a manner, which may conflict with the interests of the authorities. The authorities should find alternative places for them or spaces in the vicinity of their business areas or give them some kind of opportunity close to where they operate without obstructing traffic or inconveniencing the public. The problem of street vendors is definitely one, which cries for a solution for the simple reason that it involves human beings and their basic needs. Although the problem appears mind-boggling and intractable, it is not beyond limited and temporary solutions, at least in parts of the city.

According to a research by the School of development studies of the University of Natal findings indicate that in the Ethekwini Unicity Council the situation is completely different from that of the study area. There are a small section of foreign traders in privately managed flea markets with a small fraction trading in the city illegally. They were not given permits because of the backlog on South Africans looking for sites it was thought that this might turn to an explosive situation. A majority are located in three Central nodes of activity as in the City Centre, Grey Victoria Street Precinct, and Warwick Junction Area, a few are mobile and these are not visibly harassed or chased around they operate alongside South Africans in a more or less harmonious atmosphere.

5.3 Summary of Findings

In developing countries today, the majority of new jobs are being created in the so-called informal sector of which street trading is leading particularly in our cities. Concerted action is required to improve the incomes, productivity and working conditions of the very large and growing number of workers involved. Where institutional support exists and access to affordable credit is available, training can also make a big difference. Research in Manzini has identified a multitude of inadequacies, which are a hindrance to the promotion of street trading. Amongst the role players identified were four major actors that have not put much weight in engaging in efforts that would see street trading becoming the comfort zone for all those that depend on it. These are formal trade unions, the local authority, central government and ordinary street traders themselves.

Central government is faced with the ever-increasing problem of unemployment, which continues to escalate. Since the early 1990's, as the political situation improved in South Africa some major firms relocated and some closed down as world market shrunk due to the fall in the demand for some products. Despite this trend in the formal sector there has been little attention given to the informal economy by the government, consequently it has completely failed to capture the attention of mainstream development in any significant way.

Formal trade unions have traditionally organised around the conflict of interest between formal wageworkers and employers. The two have also been engaged in negotiations with employers against retrenchments. They have

found it difficult to deal with their fellow colleagues in the informal sector because their employment status is uncertain. The problem with this approach is compounded by the fact that retrenched workers from the formal sector find themselves settling in informal activities such that there should be more focus in attempting to engage in interventions that would see the organisation and recognition of informal workers.

Findings also revealed that individual street traders are not informed of their basic rights, and they do not attach importance in organising to amass the power of lobbying and making their voice heard in various fronts. While it is evident that street traders in the city of Manzini are not well informed about innovative organising strategies in promoting their interest as compared to other parts of the world the local authority is also apportioned the blame. In all the issues that have been raised by street traders none has been addressed by the local authority convincingly because even the shelter is not enough and its condition is appalling to say the least.

The local authority is supposed to have sought a legal instrument that would guide street trading from central government failing which there should have been sharing of ideas with other cities on how to deal with the trade. The local authority is in a better position to invite all the parties concerned in the drafting of a policy document, which it could not do. Still the issue of illegal immigrants would have been amicably resolved were the local authority working in close co-operation with the immigrations office in the ministry of home affairs to deal with the crisis.

Which concludes the debate by stating that indeed the current measures employed by the Manzini City Council in addressing and dealing with issues of street traders are grossly inadequate.

5.4 Recommendations

5.4.1 Overall Approach

As observed in earlier discussions, street vending is a global phenomenon that has seen millions of people in towns and cities through out the world earn their living through providing goods and services on the streets.

Charmes, (1999) argues that street vending is the most visible aspect of the informal sector. Yet the vendors are taken as a nuisance or obstruction to commerce. As indicated in the study area due to lack of legal status and recognition they are subjected to harassment and evictions by local authorities, their goods confiscated and the traders arrested. Places where they operate their businesses for their livelihood are often lack basic services. It should be noted however that despite the risks associated with the working conditions of street traders vending happens to be the only option for the urban poor.

It is through this premise that the right to vend within reasonable limits or constraints should be considered a basic economic right. Around the globe, researchers and policy makers have a limited understanding of the role of street traders in terms of size and its contribution to the national economies. Charmes, (1999) attributes that to the underestimation of street vendors in national labour force statistics and national accounts.

The same applies to the terms and conditions under which street vendors run their businesses they are not always visible. This includes such issues as vendor's legal rights, extent to which they are organised as well as the nature and the impact of government interventions and planning (or lack thereof). As a result public policies, urban plans and local government bodies often reflect an inherent bias against street vendors.

5.4.2 Organising

Experience internationally has indicated that the best way to promote the interest of the informal sector is to facilitate the creation of membership based organisations to act as a collective voice for people in the informal sector. It is such organisations that can help informal sector workers to access finance, social protection and secure affordable spaces in which to operate their

businesses. The creation of strong membership based organisations for the informal sector workers is said to be key to improving their ability to lobby municipal authorities in order to promote the interest of the sector. Strategies that organise the informal sector result in enhanced social capital, which facilitates access to financing, training resources and most importantly securing tenure for good selling space.

The only street trader organisation that is said to be existent in Swaziland and Manzini in particular is ineffective and therefore inefficient thus too weak to be functional. In order for the street trader condition in Manzini to improve for the better, there is a need to engage in innovative organising strategies and win the support of the entire membership of street traders within the city, both local and foreign. It is through such organisations that alliances are formed and these serve as a link between individuals and organisations working on behalf of street traders in different levels of action and different regions of the world. Alliances promote the development of global networks for the exchange of information, ideas and experiences on issues of critical importance facing street trading as well as practical organising and advocacy strategies. It is through this networking that it is hoped members will gain an understanding of street trading problems and develop new ideas for strengthening their organisations and advocacy efforts.

They would also be able to join the international campaign to promote policies and actions that can contribute to improving the lives of the urban poor. It is also believed that organisation strengthening and international networking provides a link through which cross –country lessons about regulations and policies could be brought about. This could be done by leaders in such organisations who shall organise workshops and share experiences.

5.4.3 Street trading policy

The policy debate is of central concern to street trader organisations development scholars, and practitioners in urban governance. The big question however is that of government intervention, this is because one of the facets in policy development is to have an approach that would support those in the informal sector addressing risks and forging opportunities in their working environment. This entails the initial stage of identifying the relevant stakeholders.

Lund et al (2001) attempt to analyse this condition by discerning two broad schools of thought in dealing with the informal economy. Orthodox economists subscribe to the position that for markets to operate efficiently there should be less government interference since they will lead to inefficiencies and distortions, arguing that in the long run the informal economy will decline with economic growth. The second school of thought is that the informal sector is beyond the reach of government since those that operate in it want to avoid regulation and taxation. It is not surprising however to note that heterodox economists subscribe to the notion that the informal sector is here to stay and requires appropriate regulations, laws, and policies to correct the biasness in existing regulations, laws and policies in favour of the formal economy.

Government inclusion in the interventions on policy formulation is supported by the observation that most Third World countries have seen a decline in the growth of the formal economy. There is also a recognition that growth in the informal sector is more labour intensive thus has got increased absorptive power to labour or job creation than growth in the formal sector. In essence the problem of unemployment, poverty and decline in the performance of the formal sector is an issue that needs to be tackled at government level. It is for this reason that government is more relevant in this regard. International linkages as in networking have seen international organisations playing a major role in setting the rules of the game. This re-emphasises the point of local street trader organisation being actively involved in the international scene through engaging international institutions in understanding and addressing production, labour practices and markets in the informal sector.

It is suggested therefore that all relevant stakeholders in this central government, the local authority as well as formal and informal workers should be involved in the formulation of the overall policy. Under normal circumstances in developing such a policy parties to be included should be those of local and national government amongst others. Having set a conceptual framework for formulating an overall approach to the informal sector, the policy should focus on urban regulations, labour and social protection in the informal sector. There is a need to start off by looking at macro-economic policies due to the whole debate that the informal sector can be reached by mainstream economic policies. The urban regulatory

environment needs to be carefully analysed since there is the whole debate about the informal sector being unregulated and still continuing to avoid regulations. Labour standards should regulate employment arrangements in the informal sector and these need to be drawn both nationally and internationally. Government needs to be sensitised to have an informal sector policy that embraces social protection on informal sector workers. In comparison with other countries street trading in Swaziland has been moving at a snail pace and this makes the whole idea of the informal sector policy formulation an ambitious dream that would take long to materialise. The formulation of the policy would be a necessary move if the trade is to make a mark on its successes.

5.4.4 Immigration policies and informal sector traders in Swaziland

Findings have revealed that local Swazi's have formed the so-called vigilante groups and these have expressed their ill feelings about foreign traders in the streets of Manzini. The local authority has also inflamed public opinion with the perception that foreign traders take away jobs from locals by unfairly competing for customers, space and markets. As part of ongoing, hostile campaigns both the public and the Municipal wardens harass Mozambicans. It is a point worth noting that contrary to the inflammatory expressions of hostility; foreign traders contribute to the economic growth of the country and may at times create job opportunities for locals. They bring international trading networks, experience and entrepreneurial skills to the informal sector and as such lay the foundations for profitable cross-border and other trading activities

There is a need for strong advocacies in bringing violence against foreign traders to an end rather highlight their economic contribution to Swazi Society. The locals and the local authority at large should adhere to this call. In fighting xenophobia the following should be encouraged.

- Local authorities should be encouraged to design strategies that would bring hostile campaigns against foreign traders to an end.
- Central government should recognise the particularity of xenophobic motivated violence and include it in its crime prevention programmes.

- Central government should also consider possibilities of regulating trade within the informal sector, including the auditing of by-laws on street trading to ensure the economic rights of foreigners entitled to trade.

While it may be true that every country has got its own migration policies, these may be applied unevenly and with special dispensation. There are no indications from the Ministry of Home Affairs that regulations will be introduced to account for the movements and activities of informal sector cross-border traders.

As such it seems the policy environment remains unfavourable or else blind to the activities of cross border traders. This has been shown in cross-border traders arguing that it is expensive and time consuming for them to continually re-apply for temporary permits each time they wish to re-enter the country, it is for this reason that some resort to illegal border crossings. The inclusion of informal sector trade in the vision of policy makers in central government could help to facilitate their individual economic empowerment as well as a significant part of regional trade activities.

5.5 A synthesis of gaps and lessons from international precedence: guidelines for policy framework with regard to the Informal Sector

By the year 2010, it is estimated that half of the world's population shall be living in cities. At the same time informal employment that currently stands between 40-60 percent of total urban employment will probably constitute an increasing proportion of urban employment (Charmes, 1997). This calls for an improvement in both policies and action programmes but more importantly emphasizes the need to consider certain reforms and creation of an enabling environment for the poor to help themselves. The trend in most of our cities is that public places such as parks, sidewalks, and even streets become new places of work for the urban poor. This reaffirms the confirmation that the informal sector is here to stay. This presents new challenges for the regulators of urban space in which coming up with a successful policy framework should relate on the overall vision of the informal economy in the long-term economic plans of the city. It is argued that existing by-laws are restricting trading rather than developing it. Urban policies and regulations that relate to these

demands in the broadest sense should be considered and revisited all these should be in line with present day experiences.

5.5.1 Capacity building at Local authority level

Research findings indicate that in Manzini the city councils budget is overstretched in the sense that it falls short of the demands that need to be accomplished in a given year. In all budget statements no allocation is given to street trading. And the municipality is owed several thousands in monies due to unpaid rates. Improving the worsening living conditions in our urban environments attention needs to be given to capacity building. The absence of capacity amongst urban authorities in developing countries to deal with the emerging urban problems has been a major cause for concern. There is recognition amongst urban practitioners that the correct approach would be to build or strengthen the capacity of the urban authorities to cope with population increases rather than hinder the growth of employment and income opportunities. Capacity building in this case should be in the form of managerial, technical but mostly financial, assistance. It is of vital importance to realise that urban authorities with adequate financial resources at their disposal are in a better position to improve the urban environment and living conditions. Such assistance has been extended by the ILO through the World Bank supported by the United Nations Development Programme, (UNDP), in the form of Urban Development Projects, however there has been limited impact due to the fact that governments did not establish programs that were independent of external donor support.

Capacity building should however take cognisance of the fact that urban authorities in developing countries have got limited revenue of their own and thus depend on national governments for subventions. Sources that can make city government revenue to be raised include addressing the question of political autonomy, which would in turn bring about change in the regulatory and policy environment. Even though the urban development projects have been impressive, much concern has been placed on their limited impact as well as the replicability and sustainability of the approach.

One way of easing the constraint on institutional capacity is to complement all efforts by placing greater reliance on the communities concerned as well as non-governmental and private sector organisations in the provision of various urban amenities and services. Their involvement is believed to contribute to several objectives: participatory development, lower cost, reduced management burden in government institutions as well as employment for the poor to highlight a few. In Manzini the Urban Development Projects financed by the World Bank have been focused only on upgrading informal settlements which themselves have not been successful due to political interference amongst other factors.

5.5.2 Reforming training policies and systems

Limited schooling, skills, technical know-how and access to markets have marred the informal sector as constraints to growth. Evidence is that they lack this from formal institutions. Training and credit from formal sector sources are not only governed by government regulations but often they also form part of public policy sector monopoly and hence administered by a bureaucracy that is generally unfriendly to the poor, illiterates and semi-illiterates in the informal sector. The cost in terms of money and time may be too high, resources in the form of training, credit, or other similar inputs when allocated to the informal sector tend to be so meagre such that there is rationing. Many of those needing assistance are disqualified through a screening process based on different criteria such as minimum schooling required for training, collateral for credit and others. Findings indicate that street traders have attained a certain level of education yet since taking street trading they have never engaged in training on business management and or entrepreneurial skills. Disqualification for credit has been based on the absence of collateral. Financial institutions in Swaziland would only give loans in the event there some form of security in case the borrower is not able to pay back the loan. Strategies for addressing the training needs for urban informal sector should include:

- Orienting existing training systems to provide entrepreneurial skills
- Developing new training methodologies more suitable to the sector (low-cost training inputs, special instructional methods for those with low literacy levels)

- New training methodologies that build upon existing means of acquisition and transfer of skills in the informal sector.

Training interventions should be effective and sustained and integrated to a national training policy framework. Training projects should be designed not in isolation but from other necessary inputs to viable informal sector units, such as access to credit, infrastructure and policy support which are necessary for the successful exploitation of skills transferred. This could reap positive results for such cities like Manzini since workshops that are organised on entrepreneurial skills are meant for formal businesses and the participants are charged exorbitant fees this automatically rules out street traders.

5.5.3 Enhancing the micro-entrepreneurial potential

In the study area street traders have not been trained, as a result they do not keep official records on expenses, whether they make profit or loss in any given month. They have an idea though that access to credit is only provided to those who have invested on owning property. Due to illiteracy they lack marketing skills in terms of displaying their products.

Support strategies at the national and regional level should be aimed at improving access to credit, technology, training and marketing for small producers in order to strengthen their productive capacity to create jobs and generate income. This could be addressed in Manzini by committing the so called native banks such as the Swaziland Building Society and the Swaziland Development and Savings Bank. Training and marketing could be contracted out to non-governmental organisations.

The strategies should entail strengthening national programmes and institutions to better target support services to the informal sector with a national programme identifying the target group, assessing the effectiveness of the programme and ensuring that the institutional framework is sustainable. It should also ensure that a national targeted programme is combined with policy interventions designed to create a stimulating environment for growth and expansion. There should be building and strengthening of alliances and networks among informal trader organisations both at national and regional level to facilitate exchange and dissemination of information, consolidation of

experiences, co-ordination of strategies, methodologies and action. Government agencies such as the Swaziland Investment Authority should also provide assistance to street traders rather than assisting only the formal sector.

5.5.4 Creation and capacity building of informal sector organisation

As in Kenya, Manzini street trader organisation are as good as non-existent since they are non functional or inefficient. Strengthening informal sector organisations at grass-root level by creating and supporting group-based self-reliance schemes among informal sector producers, traders and those economically active in the informal sector. Adequate effort and resources should be utilised to strengthen the self-management of self-help reliance groups linking with external institutions to expand resources, obtain better technologies and have access to services. National and local institutions including governments should show commitment to providing support to the self-help schemes and alternative sources of income are to be established for these organisations to ensure their sustainability after the withdrawal of external assistance. The study revealed that there are no savings from street trading activities in the study area this means no finance to invest on the business. Capacity building on informal sector organisations should be aimed at ensuring self reliance in financing members of those organisations. It is believed that would reinforce unity amongst members

5.5.5 Infrastructure, job creation and living conditions

As shown in the pictures taken from the visited sites , the only selettr provided is inadequate in that it is not enclosed. It does not provide running water and as such there are no toilets for use by traders. Infrasturcutre should be provided in appropriate locations where all the supporting services are easily accessible. Poor access to land and infrastructure has got adverse consequences to incomes and productivity of informal units. This discourages mobility due to lack of choice. This means less scope for additional investment or improving the business. The employment intensive approach for infrastructure works advocates the adoption of a community based strategy in minor works where-by infrastructure can be community executed partly on a

self-help basis. To enhance the effectiveness and sustainability of infrastructure and its upgrading interventions there should be an integrated approach in that infrastructure upgrading for instance is combined with the easing of other supply constraints such as lack of access to skills training, credit and markets. In Manzini infrastructure could be contracted to small contractors and financing could be through self-help projects from street trader organisations.

5.5.6 Reforming legal frameworks

The existence of labour law is clearly centred on employer-employee relations hence labour law is not applicable in most segments of the informal sector where self-employment and family labour prevail. To enhance the changes for application of labour legislation in the informal sector, ILO studies have shown a need to:

- Define and disaggregate the informal sector more precisely by activity, productivity level and employment status.
- Seek to better understand the temporary nature of employment relations, examining the definition of family labour.
- Undertake the necessary revisions of labour legislation in line with conditions in the informal sector.

Labour laws as it were in the whole world are applicable to formal businesses. In Manzini the absence of legal frameworks has compounded the problems faced by street traders. There should be drawn up regulations and principles that would be compiled by a group formed from various sectors of interested and affected parties. These would through the assistance of legal experts be in line with general labour laws.

5.5.7 Exploring relaxation or the flexibility of existing regulations

In Manzini trading was only meant to take place in the gazetted Market place however since there has been an increase in those working within the market there was a need to accommodate street trading. Given this situation there is a need to revisit market regulations and explore their flexibility so as to accommodate street trading. It is true that a majority of units in this sector operates under semi-legal or illegal conditions in the sense that they do not

comply with existing regulations. However regulations essentially define the framework within which the enterprise conduct their business. The consequences of not complying could range from fines and penalties and confiscations, which reduce incomes. The net result is the creation of uncertainty and discouragement to business investment since regulations affect profitability, choice of activity and resource allocations. On the other hand there is the whole debate in developing countries whereby the formal sector has accused the informal sector of posing “ unfair” competition (i.e. able to sell at lower prices because of non-compliance) and hence keen to see the regulations extended to it.

Sethuraman, (1997) argues that studies have revealed the problem to be caused by many regulations that are unnecessary, badly conceived and implemented, some remnants of colonial times that fail to reflect the current realities on informal sector activities. There is a need therefore to review such regulations with the view of exploring their flexibility in a much more local context, thus eliminating constraints by reviewing labour market instruments.

5.5.8 Addressing policy bias

It is a widely known fact that most developing countries created a bias in the policy framework in favour of the modern or formal sector. This makes it difficult for the informal sector to compete with its formal counterpart, meaning the battle for economic space is not fought on fair grounds. The bias may be attributed to several factors, one being the existence of formal sector “ lobby” which has privileged access to policy making in the government and it is reflected in exchange rates, import-export, labour and fiscal policies. From the foregoing debate it is obvious that policies though not specifically designed for the informal sector, can nevertheless have a negative effect on it. They limit their participation, constrain their response opportunities for expansion as well as distort their incentive structure. Development policies if properly conceived and implemented, could ensure greater demand for informal sector output and thus open up new opportunities for participation. It is important therefore to create a supportive policy framework that is neutral without bias in favour of either the formal or the informal sector, such that government policies should avoid situations where the two are in conflict.

5.5.9 Assessing macro economic policies

Extensive research undertaken in the main macro-economic policies adopted by many countries within the framework of stabilisation or structural adjustment programmes frequently intensified the informalisation of the economy using the informal sector as a safety valve. ILO findings reveal that there is a need to promote macro-economic policies that would stimulate a balanced growth pattern in the economy as a whole. In the absence of such a balanced policy package the formal sector would be the main source of growth, leaving behind the informal sector as a safety valve only. As demonstrated earlier the prevailing situation in most developing countries created a bias in the policy framework in favour of the formal sector yet structural adjustment policies have a negative effect on the informal sector so that labour flows to the informal sector increase without its productive capacity being expanded. It is highly recommended that the policy environment is made neutral towards both sectors.

5.5.10 Overall Conclusion

Research findings indicate that the informal sector is here to stay and continues to absorb a reasonable share of the urban poor. The urban informal sector, particularly street trading is the most visible in Third World cities and it provides a source of employment to a multitude that would otherwise be unemployed. As a result many have improved their capabilities, incomes and standard of living in the process of which they have acquired physical and human capital. It should be acknowledged however that the process of job creation and income generation in this sector remains inefficient. Indications are that there is mounting pressure on this sector to absorb more labour in the future. The increase in employment is unlikely to be accompanied by increase in incomes unless drastic steps are taken to counteract the rise in urban poverty in our cities. If poverty is to be reduced incomes of the urban poor need to rise markedly.

This then calls for interventions that would create employment yielding incomes equal to or in excess of the minimum income that consist of their own labour since it is the only income generating activity at their disposal.

Accumulated experience and knowledge suggests that it is possible to make the process more efficient and equitable. This implies surmounting a number of challenges including reforms in policies, regulations and institutions. These are unlikely to come until and unless those in the informal sector organise themselves and exert more pressure on the authorities concerned. The arguments presented in the preceding chapters imply that the approach to deal with the informal sector needs serious rethinking with more emphasis placed in integrating the sector into mainstream development rather than just “ **accommodating**” it. The very fact that the informal economy, which accounts for over half the employment in cities of the developing world lacks even the basic infrastructure that is essential for improved performance should be a matter of policy concern. While urban authorities are faced with constraints in terms of finance and space the failure to recognize the role of infrastructure in raising productivity and incomes of those in the sector and to improve it can only be attributed to the absence of organised pressure from below.

The various arguments suggest the need to consider promoting organisations from within the informal sector and where they exist, to strengthen their capacity and deal with matters that govern their incomes or participation in economic development. It is therefore imperative that governments officially recognise such organisations where they exist and encourage their development where they are absent. The foregoing debates imply the need to redefine the role played by various actors in the promotion of the urban informal sector with the restructuring of institutions such as the local authority presumed to play a crucial role in making appropriate interventions. More importantly the state should create a policy and regulatory environment that is conducive to the growth of productivity and incomes in this sector.

In conclusion, the above suggests that there are a number of key issues pertaining to urban governance with regard to the informal sector that remain to be dealt with in Third World cities in general and Manzini in particular. It should be noted that the informal sector may have some limitations and as such the author should not be conceived as being over confident on it in dealing with urban problems. However urban practitioners and all concerned need to engage new approaches to the role of different levels of government, the private sector, voluntary NGO's and self-help organisations. These issues

should be addressed at national level through involving concerned social partners and it is a new direction that needs to be explored.

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Appendices

Appendices

Appendices

Appendix 1.

Interview Questions with the Manzini City council Officials

1. When exactly was the issue of street traders first identified as an issue of concern to council?
2. Matsebula, (1996) argues that street trading as an income generating activity for some households has been there for quite sometime yet since the country's independence in the five-year development plans it has not been mentioned up until the early nineties. Why do you think this is the case?
3. What does the urban government act say about street trading? Is there any piece of legislation pertaining to local authorities on dealing with street trading whatsoever?
4. If the act is silent the local authority would be expected to bring the issue to the attention of central government with the view of getting a legal instrument on dealing with this trade. What role has council played?
5. What exactly is the local authority's position with regard to street trading?
6. In a nutshell does the local authority have enough capacity to accommodate this trade?
7. What department is responsible for street traders?
8. Why is it so?
9. Why is the involvement of the city council's planning department?
10. What is the policy or regulatory measures the local authority has in place to guide the development of this trade.
11. Do the regulations reflect the practical realities in which street traders ply their trade, particularly where there is heavy pedestrian traffic(busy streets) and available market space?
12. In reality are such laws enforceable and are they flexible? Justify.
13. What key factors does council in identifying trading sites consider?
14. How does the local authority deal with issues of conflict in interest as in unfair competition by street traders to formal traders?

Appendix 2.

Questionnaires for street traders

1. When exactly did you start trading in the streets of Manzini?
2. Why do you trade in the first place?
 - For subsistence
 - To supplement income
 - As a permanent activity with the view to become more formalised.
3. Is there any form of assistance you receive from the city council?
4. Are you happy with the conditions of the place in which you operate in terms of shelter and premises?
5. Given an opportunity, what would you request council to do to improve street trader conditions?
6. Why is it that some traders do not want to use those sites that have been designated by the city council for trading?
7. What other practices by fellow traders are found exacerbate enmity amongst traders?

Appendix 3.

The Swaziland Federation of Trade Unions got involved on street trading issues as a result of public outcry on the harassment of street traders by both the police and local authority's wardens. The federation came in to intervene by bringing this issue to the attention of Central government.

Interview with Butimba be Maswati) an NGO that works with street traders.

1. What is the role of the organisation?
2. What is it that drew your attention to street traders?
3. What form of assistance does the organisation provide to street traders?
4. Since its inception has the organisation managed to fulfil its main objective towards assisting street traders?
5. Do you think any form of assistance provided has had an impact in improving the conditions and lives of the working urban poor?
6. List five ways in which you think street trading could be effectively stimulated.
7. Identify problems that you have encountered while working with street, needing immediate attention to be addressed.

Appendix 4.

A copy of the memorandum of agreement which street traders were made to sign by the local authority.

MEMORANDUM OF UNDERSTANDING AND AGREEMENT ON THE TERMS AND CONDITIONS FOR THE VALIDITY OF THE STREET VENDING PERMIT

1) *INTERPRETATION:*

For the purposes of this Agreement, the following shall have the following definition:

Council: means the City Council of Manzini acting under the power delegated to it in terms of the Urban Government Act of 1969, and any official duly delegated by the Council.

Equipment: shall bear the meaning assigned to it in terms of the Public Health Act (Food and Hygiene Regulations of 1973).

Fruit: shall mean the ripened ovary or ovary of a plant, together with acceptory parts, continued as seeds, and occurring in wide variety or form of any part recognized as such by Council.

Health Inspector: shall bear the meaning assigned to it in terms of the Public Health Act.

Market Master: shall mean the person appointed by the City Council to be the Market Master in terms of the Staff Regulation under the Urban Government Act of 1969.

Vehicle: shall mean any vehicle or conveyance whether mechanically driven or not or in which goods are conveyed and includes any carts, cycle, trailer or any container which is carried or pushed.

2) *SCOPE OF THE MEMORANDUM OF UNDERSTANDING:*

The provisions of this Memorandum of Understanding shall be considered as supplementary to the Urban Government Act of 1969, Public Health Act of 5 of 1969, the Market Regulations under the Urban Government Act and do not derogate from any part therefore.

3) *PERMITS:*

They shall be issued by the Manzini City Council Street Vending permits in terms of Section 28 of Urban Government Regulation 5/699 and subject to the terms and conditions set out in this Memorandum of Understanding.

4) *GOODS PERMITTED FOR VENDING:*

No person shall vend or trade any article other than these mentioned below:

- a) Fruits and vegetables
- b) Flowers and Plants
- c) Works of Art
- d) Newspapers and Magazines
- e) Jewellery and Cosmetics
- f) Any other class of goods as approved in writing by the Council

5) *GENERAL PROVISIONS – GRANTING OF STREET VENDING PERMITS AND ALLOCATION OF STALLS:*

- 5.1) No vendor shall carry on business from any fixed place or stand other than from any of the fixed places, stands or areas as determined by Council from time to time, applicable to the class of goods in respect of which he is authorized to carry on business.
- 5.2) No vendor shall be entitled to occupy any stall unless he has obtained from the Council a prior written authority to do so and has paid to the Council the appropriate fee as prescribed by the Council. The prescribed fee shall be gazetted and published by Council Treasury Department from time to time.
- 5.3) The number and allocation of any stand shall be on the basis as determined by the availability of such a stand and shall not be deemed to have been guaranteed to any person by the Council.
- 5.4) Only one stand for which a permit or authority shall be obtained shall be allocated per vendor. The areas occupied in respect of any stand shall not exceed the dimensions as stipulated by the Council from time to time Council has a right to issue or withdraw a permit or allocate or and cancel the allocation of stall.

6) *AUTHORIZATION TO BE SHOWN ON REQUEST:*

Every person to whom the Council has issued a written authorization or a receipt in terms of these by-laws shall show his written authorization or receipt or duplicate thereof upon request of a member of the Royal Swaziland Police or an official of the Council.

7) *GENERAL CONDUCT OF VENDORS*

Each vendor shall:

- a) After terminating business for the day, remove any vehicle, shelf, wooden stand, box or any structure of whatever nature, from the trading area.
- b) Confine and keep all goods for sale and all other things and materials within the area occupied by him out of public sight after hours.
- c) Remove all dry refuse or sweepings, garbage and waste from his area of allocated site leaving it thoroughly clean and free from dirt or offensive smell to the satisfaction of Council Officials supervising the area.
- d) Not trade in any kind, type or description of goods within a radius of twenty meters from any business trading at a fixed premises under a license issued in terms of the Trading Licenses Order of 1978 and displaying or offering for sale the same or similar kind, class or description of goods.
- e) Not bring into the permit area or keep in position herein any block, stand or container, which is not of the nature approved by Council.
- f) At all material times wear clean clothes approved by the local authority when handling fruit and vegetable.
- g) Maintain the area immediately surrounding and within five-meter distance of his/her allocated place clean and free from litter and ensure that such area is clean when he/she starts trading or departs there from for the day.
- h) Not sell any cooked food or other perishable foods.

- i) Not expose or sell harmful drugs or medicine, stolen or illegal items or any substance, which may be harmful to human health or prohibited for sale in the state legislations.

8) *GENERAL REQUIREMENTS FOR VEHICLES:*

- 8.1) No person shall vend from any vehicle unless such vehicle is specifically approved in writing for the vending of such goods by the Council.
- 8.2) The owner shall obtain a permit from the Market Master for each Vehicle used in the vending of fruit and shall affix such permit to such vehicle.
- 8.3) No person shall be allowed to operate a fruit and vegetable wholesale business either on pallets or parked vehicles. Such operation is only allowed in the Municipal Market Wholesale Section.
- 8.4) Each vehicle used for or/and in connection with the vending shall be Maintained in a clean, hygienic condition and kept in a roadworthy condition.

9) *OBSTRUCTION:*

Any person who fails to give or refuses access to any official of the Council duly authorized to enter upon and inspect premises, vehicles or structures when so requested or who obstructs or hinders such official in the execution of his duties in terms of this Memorandum of Understanding, or who fails to and refuses to give information that he may lawfully be required to give such official or who gives to such official false or misleading information knowing it to be false or misleading information knowing it to be false or misleading or who unlawfully prevents any other person from entering upon such premises, vehicles or structures who may lawfully do shall be guilty of an offence.

10) *POWERS OF AN AUTHORISED OFFICIAL*

An authorized official may:

- a) At any reasonable time enter upon, search and inspect any premises, place, stall, stand, vehicle or movable structure which he on reasonable grounds suspects of being used for or in connection with the carrying on of a business.
- c) Seize any object whatsoever which in his opinion could afford proof of a contravention of any of the provision of this

- c) Memorandum of Understanding: require any person whom he on reasonable grounds suspects to be carrying on a business, to furnish his name and address and to produce a license or authorization for carrying on the business immediately: cancel without notice any written authorization for the use of a stall or stand in the event of the provision of these regulations or Memorandum of Understanding being contravened. In the event of such cancellation, the permit holder shall forfeit all monies paid to the Council.

11) *TRADING HOURS:*

The trading hours for permit holders shall be between 7.30am and 6.00pm. No persons shall be allowed to trade outside these specific hours or time.

12) *GRIEVANCES:*

Street vending related grievances and complaints concerning street traders shall be directed to the Council Health Department for appropriate action.

13) *COMMITTEES FOR TRADING SITES:*

Council may choose a Committee for each trading site to deal with issues which it has been assigned by it.

14) *STAKEHOLDERS MEETING:*

- a) Council may convene a meeting with parties who have an interest in informal trading.
- b) Resolutions reached in such meetings shall remain binding for a period of not less than 12 calendar months.