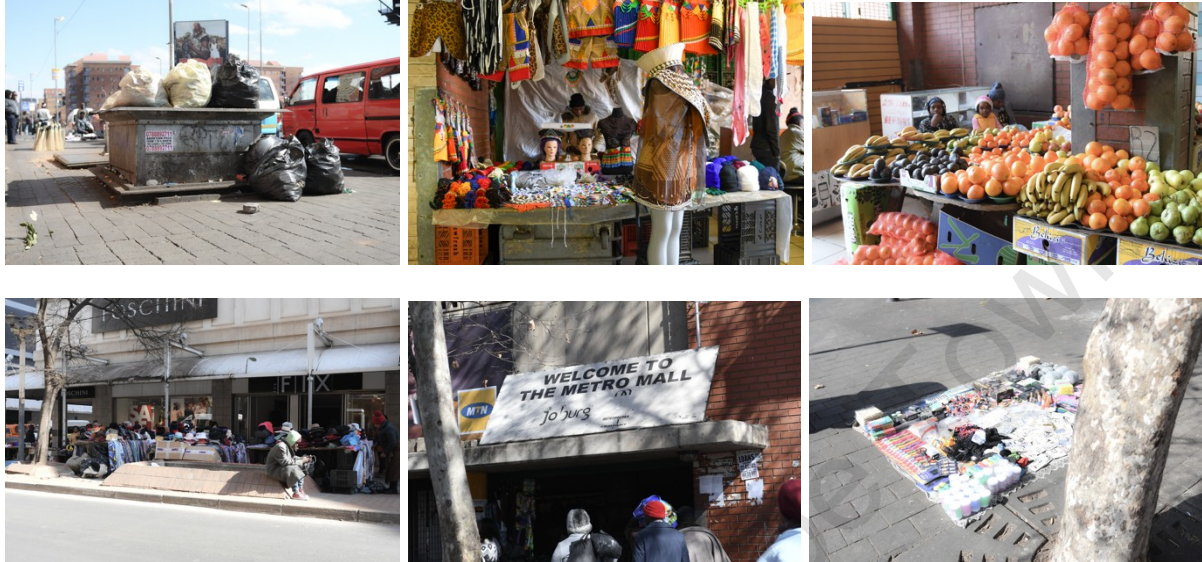


A battle for access to the streets of a “World-Class African City”: Assessing the Challenges Facing the City of Johannesburg in the Management of Street Trading in the Inner-City



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ZLXNOM015

A [minor]dissertation submitted in [*partial*] *fulfilment* of the requirements for the award of the degree of Master of Philosophy in Public Policy and Administration



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## COMPULSORY DECLARATION

This work has not been previously submitted in whole, or in part, for the award of any degree. It is my own work. Each significant contribution to, and quotation in, this dissertation from the work, or works, of other people has been attributed, and has been cited and referenced.

Signature: 

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 Date: 11/02/2019

## **Acknowledgements**

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## **Abstract**

The paper identifies the main challenges faced by the City of Johannesburg in the management of street trading in Johannesburg's inner-city. Street trading is very important as it constitutes a great proportion of the informal sector in South Africa, and it plays a great role in the alleviation of poverty and unemployment. Government acknowledges the significance of street trading but this does not translate into urban policy and practice. There is a need for government to be more supportive and developmental in the management of street trading in urban governance.

The paper found that the 2013 Constitutional Court Judgement on Operation Clean Sweep has brought about a shift in the City of Johannesburg's approach and attitude towards street trading, however, key challenges remain. Firstly, the City of Johannesburg needs to establish a holistic, developmental and collaborative management model for street trading as the current one is fragmented and inconsistent. The mismanagement of street trading has left traders vulnerable to police harassment and corruption, and it has resulted in the "crime and grime" the City of Johannesburg so often blames street trading for. Secondly, the City of Johannesburg needs to balance its desire to attain world-class African city status with the needs of the poor and marginalized – economic development, urban renewal and investment should not take place at the expense of the poor. Thirdly, street traders need to be at the center of the management model, currently business and private interests are at the center of the model. Lastly, the City of Johannesburg needs to be more creative and lenient in accommodating the growing number of street traders in the inner-city. The City of Johannesburg needs to stop criminalizing street trading through the creation of scarcity.

The findings of this paper have implications for urban management policy and practice. Research was conducted through interviews with the Department of Economic Development officials responsible for street trading; draft policy and government documents were used; and secondary sources were drawn upon.

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## **Abbreviations and Acronyms**

CID	City Improvement District
CJP	Central Johannesburg Partnership
COJ	City of Johannesburg
CUBES	Centre for Built Environment and Studies
DED	Department of Economic Development
GDP	Gross Domestic Product
HSVU	Hsinchu Street Vendors Union
ILO	International Labour Organisation
ITF	Informal Trading Forum
ITP	Informal Trading Policy
JDA	Johannesburg Development Agency
JPC	Johannesburg Property Company
MOE	Municipal Owned Enterprise
MTC	Metropolitan Trading Company
NASVI	National Association of Street Vendors of India
SAITF	South African Informal Traders Forum
SANTRA	South African National Traders and Retailers Alliance
SEWA	Self-Employed Women's Association
UGM	Urban Genesis Management
WIEGO	Women in Informal Employment: Globalizing and Organizing

## **Chapter 1: Introduction**

### **1.0. Background to the Study: Growing Informal Economy - Rising Unemployment and Poverty**

There has been an increasing interest in the informal economy in the past number of years. This is because the informal economy is becoming a permanent part of societies all over the world, and governments have come to accept that it is here to stay. Currently, including agriculture, more than 61% of the world's employed population (about 2 billion people) make their living in the informal economy (ILO, 2018:v). This growth and permanence has been further strengthened by the recognition that there is a strong link and relationship between the formal economy and the informal economy, a link and relationship that was previously denied and ignored.

The informal economy has grown out of the failure of the formal economy to generate sufficient employment for the masses. Therefore, it plays a significant role in alleviating poverty and unemployment in many countries, especially developing countries. It has increasingly become the main source of livelihood for many of the poor and vulnerable. However, although governments acknowledge the informal economy's significance and contribution to the overall economy, this does not translate into practice. There is a disjuncture and inconsistency found in government policy and practice when it comes to the management of informal trading – government policy aims to be supportive and developmental but practice and implementation tends to be restrictive and repressive. This is detrimental to the livelihoods of those operating in the informal economy.

The most visible form of the informal economy is street trading. Street trading is evident world-wide and it is a distinct feature of cities. There is growing acknowledgement that street trading needs to be incorporated in urban planning and development, however this has not translated into practice. Governance approaches towards the management of this contested economic activity varies from being violent and repressive, to being supportive and developmental. At the heart of this conflict and contestation is access to the streets and conflict over land-use as competing stakeholders claim access to urban space. This is clearly evident in South Africa's Johannesburg. The end of apartheid saw the significant growth of the informal economy, especially street trading. This resulted in urban spaces, especially city centres, being claimed

as working sites for informal work. This presented a challenge for city officials as it resulted in capital flight and urban decay. In an effort to reverse capital flight and urban decay; gain investment in the inner-city; and attain world-class city status, urban renewal projects were prioritized and invested in. These have had detrimental effects on the working poor and have led to the prohibition, restriction and criminalisation of economic activities such as street trading.

The management of street trading in South Africa has been inconsistent. Although significant progress has been made since the end of apartheid, many challenges still remain. Policy tends to be developmental and progressive but implementation and practice is harsh, restrictive and repressive – and in many instances reminiscent of repressive enforcement under apartheid. The most progressive case in street trading management in South Africa has been Durban – collaborative and consultative planning and management was evident in the city’s urban renewal strategy. This contrasts the City of Johannesburg (COJ or the City) that has been restrictive, repressive and exclusionary in its management of street trading. This is because the City has prioritised economic growth, investment and the attainment of world-class city status over the socio-economic needs of the urban poor. Street trading is often synonymous with urban decay and seen as disorderly and grimy – all at odds with the image of a world-class city. This has detrimental implications for the livelihoods of the urban poor, especially in a country where there is rising unemployment.

### **1.1. Aims of the Study**

The main aim of this study is to determine the challenges facing the City of Johannesburg in the management of street trading in the inner-city. Street trading is an important element of the informal economy, so the study is interested in determining how the City is supporting this element especially in the context of rising unemployment. Efforts made towards answering this question revealed the complexity of street trading in the inner-city and as a result new questions emerged.

Guiding sub-questions used to answer the overall research question were:

- Who manages street trading in the City , i.e. what are the institutional arrangements in place to manage street trading?

- What is the City's policy and legislation environment and context? What are the implications of this on the management of street traders?
- Has the City's management of street trading changed Post-Operation Clean Sweep? If so, what are the key shifts?
- Another key question that emerged during analysis is, why is the City criminalizing street trading and marginalizing street traders?

The study is also interested in seeing how the City manages competing interests when it comes to the management of street trading and access to urban space.

The study has chosen to focus on street trading because of its significant contribution to the country's Gross Domestic Product (GDP), and the alleviation of poverty and unemployment. Statistics South Africa's 2016 Quarterly Labour Force Survey found that 2 565 000 South Africans work in the informal sector (2016:vi; Rogan & Skinner, 2017). That means 16.4% of total employment in South Africa is found in the informal sector. 1 015 600 of those 2 565 000 South Africans in the informal sector are street traders, that is 40, 5% of the informal sector (Statistics South Africa, 2016:vi; Rogan & Skinner, 2017). Furthermore, it was also found that street trading makes a 5.2% contribution to the country's GDP (Statistics South Africa, 2016). It is therefore very important that cities invest in strengthening and supporting street trading as it plays a significant role in the country.

In order to achieve this aim, the study will look at the legal and legislative framework in place to govern and manage street trading in the country and urban centres; it will look at the institutional and management framework the City has in place to manage street trading – and the fault lines evident in those frameworks; it will look at Operation Clean Sweep that took place in 2013 in an effort to tackle the challenges presented by street trading in the inner-city; and what developments have taken place Post-Operation Clean Sweep; and lastly, it will briefly look at the lived experiences of street traders to further understand the challenges facing the City in the management of street trading.

The City of Johannesburg has been chosen as a case study as street trading has a long history in its urban centre. The research explores the implications of the City's urban policy, practice and governance in the management of street trading in the inner-city. The inner-city is the main focus of the study as it has a long history of being a space of conflict and contestation. But more importantly, since the inner-city is the most lucrative area for economic activity and serves a multiplicity of uses, it is the area where the regulation of street trading is highly restricted.

The City has several conflicting interests to balance in the management of street trading in the inner-city – street traders, business, property owners, international investors and citizens – and how the City juggles and manages these interests has great implications for the livelihoods of street traders.

The COJ was also chosen due to its highly controversial and unconstitutional clean sweep that took place in 2013. Operation Clean Sweep saw 1000s of street traders illegally evicted from their trading sites and banned from trading for a number of months. The case aptly captures the challenges of managing street trading and managing conflicting interests whilst trying to attain world-class city status. It aptly illustrates the battle for access to urban space in the city centre. And it aptly captures the restrictive and repressive management of street trading that is evident in urban governance.

## **1.2. Methodology**

The research relied on qualitative research methods. A case study of Johannesburg was done. Findings were based on the perceptions of interviews with the Informal Trading Unit officials, and the review of primary policy documents and draft plans and proposals. These were used to determine the performance of the COJ and its challenges in managing street trading in the inner-city, and the implications these have on urban management and the livelihood of street traders.

### *Qualitative Interviewing*

City officials, specifically the Informal Trading Unit, were the main people interviewed for this research. The Informal Trading Unit comprises of 4 officials:

- Elliot Dubasi, who is the Acting-Head of Informal Trading Unit and responsible for coordinating and overseeing street trading across the City.
- Dumisani Thela, who is responsible for Events. He is in charge of coordinating street trading for major city events such as soccer games.
- Rebecca Khumalo is responsible for the administrative operation of the Unit, and has been responsible for dealing with the implications of the Constitutional Court Judgement on Operation Clean Sweep.
- Raymond Mabaso is responsible for dealing with petitions and challenges brought forward by street traders.

Permission was granted to name the above officials and to quote them as sources.

The Unit was engaged to obtain an understanding of the institutional and policy environment street trading operates within in the City. This engagement was informative and helpful for my research. The team is very passionate about street trading and believes in its power and potential to fight poverty and unemployment in the country. The key challenge that they all cited in the management of street trading is the Department of Economic Development's (DED or Department) fragmented management model. Elliot (2018) stated that there is a lack of uniformity in the management of street trading across the City. Raymond (2018) further commented that the DED is 'too hands-off in its approach to street trade management'; he stated that there was a lack of coordination and no reporting line to the DED.

### *Primary Documents*

Primary documents reviewed included:

- Draft Informal Trading Implementation Plan
- Informal Trading Policy Background
- 2009 Informal Trading Policy
- COJ Informal Trading By-Laws
- Businesses Act No. 71 of 1991
- Minutes of the 68<sup>th</sup> Ordinary Meeting of the City of Johannesburg Council
- Presentation to Inner City Informal Trading Sector, 26 April 2016
- Operation Clean Sweep Constitutional Court Ruling
- Inner City Draft List of streets proposed for Promulgation of Informal Trading Areas Management Plan (Traffic Study)

- Map of the COJ's Draft Inner City Trading Plan

### *Secondary Sources*

This research heavily relied on secondary sources for the lived experience of street traders, and the history of the Metropolitan Trading Company and Central Johannesburg Partnership. This was done intentionally, as the main focus of the research was to examine the state of street trading management from a City governance perspective not from a street traders' experience and perspective. This has unfortunately left some gaps and limitations to this study.

Secondary documents, such as consultant reports, were used to understand the management challenges of MTC that eventually led to its disbanding.

The processes and institutions I needed to evaluate and review in order to adequately answer my research question were put on hold after Operation Clean Sweep, so there are some gaps and limitations to the knowledge provided.

### **1.3. Structure of Dissertation**

The study is divided into six chapters.

Chapter 1 introduces the research paper and outlines the key research question and sub-questions. It highlights the significance of the study and its relevance and implications for urban policy towards the management of street trading.

Chapter 2 is the literature review. It looks at existing knowledge in the informal economy: the different schools of thought that explain the informal economy; the significance of the informal economy; its key characteristics and the key debates surrounding the informal economy. It then narrows its focus to a specific sector in the informal economy, street trading. It highlights literature around street trading in relation to its significance and the various government approaches to the management and regulation of street trading. It highlights different policy approaches to street trading and discusses the primary areas of contestation when it comes to street trading.

Chapter 3 specifically looks at the informal economy in South Africa. It seeks to explain and make sense of the informal economy through two schools of thought – the structuralist and dualist schools of thought. It highlights the contentious rhetoric that has informed key policy in the informal economy. It then narrows its focus to street trading in South Africa: it highlights the significance of street trading in South Africa; the history of street trading in South Africa with a focus on Johannesburg; and the shift in the government’s approach and policy towards street trading and the informal economy post-apartheid; it also looks at the legal and legislative framework in place to govern street trading.

Chapter 4 looks at the institutional and management framework in place to manage street trading in Johannesburg. It discusses the importance of the institutional location of street trading and highlights the importance of coordination and collaboration across municipal departments and key stakeholders in the sector to establish an effective and efficient management approach to street trading. It also highlights the different entities responsible for street trading in Johannesburg, and the key institutions (or lack thereof) that are in place to promote participatory and collaborative planning and management in the sector.

Chapter 5 discusses Operation Clean Sweep which took place in 2013, and it looks at how Operation Clean Sweep has affected the City’s approach to street trading. It assesses the changes that have been made Post-Operation Clean Sweep and the implications those changes have had on the livelihoods of street traders.

Chapter 6 focuses on the key findings of the study and the implications these findings have on urban policy and practice in the management of street trading, and the implications they have on the livelihoods of street traders.

Chapter 7 concludes the paper and summarizes the chapters. The limitations of the study and future areas of research are also discussed.

## **Chapter 2: Literature Review**

### **2.0. Introduction**

This chapter will review the literature of this study: the informal economy and street trading. It will start off by looking at the definitions of the informal economy, then it will discuss the history of the informal economy, and look at the key characteristics, size and significance of the informal economy. It will then highlight the key policy debates of regulating and formalizing the informal economy. After establishing the context, the chapter will narrow its focus on street trading within the informal economy; focusing on definitions; key debates and trends in governance, policy and legislation surrounding street trading. It will highlight the key issues and challenges facing urban governance when dealing with street trading in cities.

### **2.1. The Informal Economy**

#### **2.1.1. Defining the Informal Economy**

There are three official statistical terms and definitions when it comes to this subject (Chen, 2012:8):

1. The *informal sector* ‘refers to the production and employment that takes place in unincorporated small or unregistered enterprises’
2. *Informal employment* ‘refers to employment without legal and social protection – both inside and outside the informal sector’
3. *Informal economy* ‘refers to all units, activities and workers so defined and the output from them’

Informal employees are then classified into two categories: non-wage employees and wage employees (Chen, 2012:7-8). Non-wage employees are self-employed, whereas wage employees are hired ‘without social protection contributions by formal or informal enterprises or as paid domestic workers by households’ (Chen, 2012:7).

The informal sector is heterogenous and although there are some similarities world-wide, it often takes up different forms in different countries:

“...the “informal sector” is invoked to refer to street vendors in Bogota; rickshaw pullers in Hanoi and Calcutta; garbage collectors in Cairo; home-based garment workers in Manila, Madeira, Mexico City, and Toronto; and home-based electronic workers in Leeds, Istanbul, and Kuala Lumpur.” (Chen, 2012:4).

### **2.1.2. History of the Informal Economy**

“The informal economy is here to stay. It is not something temporary. It is not a pause on a road leading to jobs for everyone in the formal economy. All over the world, the size of the informal economy and the number of workers within it have been growing.”

(Lund, Nicholson & Skinner, 2000:9)

During the 1950s and 60s, there was a widely received assumption that the right mix of economic policies and resources would transform low-income traditional economies into ‘dynamic modern economies’ (Chen, 2012:2; Devey et al., 2003:6; Chen et al., 2001:3). It was argued that this transformation would do away with ‘petty trade small-scale production and a range of casual jobs’ (Chen, 2012:2). This assumption was reflected in W. Arthur Lewis’s prediction that economic development in developing countries would, in the long-run, create enough modern jobs to absorb surplus labour (Lewis, 1954; Chen, 2012:2). This prediction was reinforced and reiterated by the successful rebuilding of Europe and Japan after World War II, and the growth of mass production in Europe and North America during the 1950s and 60s (Chen, 2012:2).

However, in the 1960s people began to doubt this because of rising unemployment in developing countries (Chen, 2012:3). This was because the modern economy created an imbalance between population growth and employment, and a mismatch in skills – the skills needed by the modern economy were skills the majority of the population lacked (Skinner, 2008; Chen, 2012:3). In response to this concern, the International Labour Organisation (ILO) introduced multi-disciplinary employment missions in various developing countries, the first mission took place in Kenya in 1972. The mission found that the trading sector, which they called the informal sector, included a variety of ‘profitable and efficient’ activities and enterprises (Chen, 2012:3). The term ‘informal sector’ was coined by Keith Hart in his 1971

study of low-income activities among unskilled migrants from Northern Ghana to Accra who could not find employment (Hart, 1973; Chen, 2012:3).

Hart and the ILO Kenya Mission were very positive about the informal sector and saw its potential to create economic employment and reduce poverty (Hart, 1973; Chen, 2012:3). But despite all of this, many development theorists continued to believe that these economies would disappear once developing countries achieved a certain level of economic growth and industrialization. Others argued that this development could manifest itself in different forms in developing countries and lead to the growth of the informal economy. The latter proved to be true.

In the 1980s, with the rise of capitalism – which advocates for decentralization, flexibility, competition, reducing costs of production etc. – the informal economy became a more permanent feature and grew bigger in size (Chen, 2012:3-4; Chen et al., 2001:3-5; Devey et al., 2003:6-9). It was also revealed that employment in the informal sector increased in many countries during periods of economic crisis and political transition (Tokman, 1996; Chen, 2012:4). In the 1990s the Asian economic crisis led to millions seeking and creating jobs in the informal economy (Chen, 2012:4), and structural adjustment programmes in Africa also resulted in the growth of employment in the informal sector (Chen, 2012:4). The globalization of the economy has also led to the growth of the informal sector.

### **2.1.3. Informal Economy: Characteristics, Size and Trends**

Over the number of decades, the interest in the informal economy has risen and fallen. Recently, there has been a renewed interest in the informal economy. This is due to three main reasons:

Firstly, the informal economy has grown worldwide and it has taken on different shapes and sizes. Currently when including agriculture, more than 61% of the world's employed population (about 2 billion people) make their living in the informal economy (ILO, 2018:v). Disaggregated: Africa sits at 85, 8%; Asia and the Pacific, 68, 2%; North and South America, 40,0%; Europe and Central Asia, 25,1%; and Arab states, 68,6% (ILO, 2018). When excluding agriculture, the figure drops down to 50,5%. And the number of employees in the informal economy excluding agriculture remain very high in Africa, Arab states, and Asia and the

Pacific: 71,9%; 63,9%; and 59,2% respectively (ILO, 2018). It is evident that the informal economy is here to stay.

Secondly, the growth of the informal economy has revealed the links between informality and economic growth; and informality, poverty and inequality.

Lastly, previously many academics denied the link between the informal economy and the formal economy. Academics denied the link between the informal and formal economy because they believed that the informal economy was insignificant, temporary and made little to no contribution to the economy. But now there is growing recognition that the two are intrinsically linked. This was highlighted by Charmes study of the contribution of the informal sector to the total GDP in developing countries (the total excludes agricultural activities). He found that in Asia, the informal sector contributed 27.7% to the GDP; in Sub-Saharan Africa, 27.0%; and in North Africa, 22.6% (Charmes, 2000:2). These figures are estimates, there is no way of measuring the accurate size of the informal sector and its contribution to the economy because of its changing nature and the fact that it presents itself in different forms in different places (Charmes, 2000:10; Chen et al., 2001; Chen, 2012:17). The informal economy is large, heterogenous, and highly segmented. As Wilken (1975) aptly stated:

*“The informal sector Heffalump is a variegated sort of animal, appearing in different forms in different places. So it is not surprising that there is disagreement about the nature of the Beast”*

There are four dominant schools of thought that aim to analyse and understand the causation, nature, activities, and characteristics of the informal economy.

The dualists say that the informal economy is made up of marginal activities that are distinct from the formal economy and not related to the formal sector (Hart, 1973; Tokman, 1996; Chen, 2012:11). They do not acknowledge the link between the formal and informal sector. Dualists believe that the existence of the informal economy is due to exclusion from the modern economy which has created an imbalance between population growth and employment opportunities; and a mismatch between skills required and skills available within the public (Skinner, 2008). Dualists recommend that the government create more jobs and provide credit

and business development services to informal operations, as well as basic infrastructure and social services.

Structuralists understand the informal economy to be comprised of small subordinate economic units and workers that serve to reduce input and labour costs of large capitalist firms in order to increase the competitiveness and profitability of these firms (Castells & Portes, 1989; Chen, 2012:5). Structuralists acknowledge the link between the formal and informal economy, they understand that the two are intrinsically linked and that the former is a result of capitalism and globalisation. Due to capitalism and globalisation, firms aim to reduce labour and production costs by outsourcing cheap goods and services (to the informal economy) and in turn increasing competitiveness and profitability nationally and globally. Structuralists argue that government should address the unequal relationship between big business and subordinate economic units by regulating both commercial and employment relationships.

Legalists believe that the informal economy is made up of individuals who choose to be part of it. They argue that these individuals want to avoid the costs, time and effort of formal regulations. And they are required to have property rights (which they do not have) in order to convert their assets into legally recognizable assets (de Soto, 2000). They argue that the highly bureaucratic and hostile legal system of formalization leads individuals who are self-employed into operating informally. The barriers of entry are high and the processes and requirements to become formal are not accessible. Legalists therefore advocate for less red tape, simpler processes of formalization and a break down in barriers of entry (de Soto, 2000; Chen, 2012:5). Legalists argue that government should extend legal property rights for the assets held by informal enterprises in order to help them realize their potential to make real capital.

Voluntarists believe that the informal economy is made up of individuals who intentionally seek to avoid regulation and taxation. But unlike the legalists, they do not attribute this to the formalization process. They believe that individuals choose this option after weighing the costs and benefits of being formal versus being informal. Voluntarists advocate for the formal regulation of the informal economy in order to increase the tax base and reduce unfair bias to informal enterprises. They argue that informal enterprises should be brought under regulation because it is unfair that they are avoiding costs and taxes that formal firms have to pay.

There is a common misconception that employment under the informal economy is survivalist, but research has shown that this is not the case. There is no single causal theory that can explain the existence of the informal economy. The informal economy is large and heterogenous so one would have to look at each sector and segment to explain informal employment (Chen, 2012:11). It seems that necessity (economic crises, political transition, globalization and capitalism), as well as choice (avoiding regulation and taxes) drive informality.

#### **2.1.4. Policy Debates**

The main policy debates around the informal economy centre around regulation and formalization.

##### 2.1.4.1. Over-Regulation, De-regulation, No regulation

There are two key issues here: One, should the government intervene and if so how? Two, what are appropriate regulations?

There are two opposing views regarding government intervention. The first view argues against intervention, stating that government intervention in the economy leads to inefficiencies in the market (Chen et al., 2012:13). This view believes that the informal economy will decline over time as the economy grows. The second view argues that the government needs to intervene and establish appropriate regulations, laws and policies to correct the biases in existing regulations, laws and policies that favour the formal economy to the disadvantage of the informal economy (Weeks, 1975). This view believes that the government needs to do more to support the informal economy and create more productivity and growth in the informal sector because it has significant potential (Weeks, 1975).

Over-regulation, according to legalists, is costly and creates high barriers of entry. For example, some informal workers cannot afford to obtain a permit or license to operate, and for some the registration process is not accessible (i.e.: registration forms are not in their home language or they are illiterate) so many opt to operate informally. The state creates informality through over-regulation. The state creates unrealistic laws and regulations that leave people with no choice but to break them, especially for people who are operating in the informal economy for survivalist reasons. Laws and regulations tend to be disconnected from what is happening on the ground, and ill-adapted and non-responsive to social or economic needs (Roy,

2009; Yitachel, 2009). This leads to the state criminalizing, illegalizing and informalizing people and communities (Roy, 2009; Yitachel, 2009).

Deregulation, as is evident in capitalism and globalisation, leads to exploitation. Therefore, there is a need to regulate the labour market, and employee-employer relations due to the flexibility of employment contracts.

No regulation is as costly and damaging as over-regulation. It tends to lead to conflict, violence, corruption and chaos (Bénit-Gbaffou, 2015; Chen, 2012; Skinner, 2008).

It is clear that there is a need for government intervention and regulation of the informal economy. But this has to be done sector by sector within the informal economy, as it is not possible to enforce the same kind of regulation for the entire informal economy (Chen, 2012:14). Street vendors need different regulations to sweatshop workers, in the same way that sweatshop workers need different regulations to homebased garment workers. There is also a need for a balance when it comes to regulation, regulations should not be repressive and restrictive, they need to create a supportive environment that is conducive to growth.

#### 2.1.4.2. Formalization

Many scholars question whether the informal economy should be formalized, and if so how should it be done. Other scholars question the meaning of formalizing the informal economy, they want to know what that looks like in policy and practice. Scholars' responses to these issues depends on their attitude towards the informal economy, and their understanding of the informal economy.

For the formal economy it means registering and taxing informal enterprises. But for informal workers, it means so much more. It means gaining access to legal and social protection; gaining access to support services such as skills and business development; having the right to organise; being seen as legitimate instead of continuously being excluded and criminalized (Chen, 2006; 2012:15-16; Bénit-Gbaffou, 2015). The government needs to understand that when talking about formalizing the informal economy, informal workers will expect benefits. And the government will need to work sector by sector, as each sector's needs will be different.

These policy debates require a comprehensive and context specific approach. And they require constant communication and collaboration between different stakeholders, including informal employees.

#### **2.1.5. Organising in the informal economy: trends and barriers to organisations**

Organising in the informal economy has proved to be a challenge. This is due to a number of reasons: lack of resources and skills; lack of consistency; lack of trust; political barriers; members do not have the time to attend meetings and they cannot afford to be part of an organisation because time is money; and there is little support from formal economy unions (Lund, Nicholson & Skinner, 2000:89-93). Many organisations, such as Women in Informal Employment: Globalizing and Organizing (WIEGO) and StreetNet, have invested in building capacity in informal economy unions and equipping members with key skills to run an organisation that is helpful to all the people they seek to serve (Horn, 2014).

For the organisation to be productive and efficient, a group of people are needed to put in the time and work to ensure that members' needs and interests are being met. Many informal workers do not have the time to do this, especially survivalist informal workers as being away from work for any period of time costs money. In addition to that, many members lack the skills to efficiently run an organisation (Lund, Nicholson & Skinner, 2000:89-93; Bénit-Gbaffou, 2014).

Furthermore, these organisations are comprised of people who cannot afford to pay membership fees. Membership fees are necessary to meet the members' interests and needs. Organisations do not survive because they cannot continue operating financially (Lund, Nicholson & Skinner, 2000:89-93; Bénit-Gbaffou, 2014).

Scepticism surrounds organisations in the informal economy which makes it difficult to attract members. This scepticism is due to corruption as informal workers have had experiences where they have paid their membership fees and seen the organisation misuse their funds. Many also feel that organisations are self-interested and never deliver on their promises (Lund, Nicholson & Skinner, 2000:89-93; Bénit-Gbaffou, 2014).

Historically, informal workers have chosen to operate individually and have not seen the need or benefit of joining an organisation (Bénit-Gbaffou, 2014). But recently, more informal workers have realized the need and benefit of being part of an organisation dedicated to fighting for their rights. Over the past few years, such organisations have been the champions of court cases against municipal governments. This has been evident in India (National Association of Street Vendors of India (NASVI) and Self-Employed Women's Association (SEWA)), and South Africa (South African Informal Traders Forum (SAITF)). Unions are also becoming more vocal in establishing meaningful platforms for engagement with officials when it comes to policies that affect their livelihoods. They are rejecting the existence of unaccountable municipal forums that are there as a mechanism to control street traders as opposed to using them as a mechanism to meaningfully engage with vendors (Horn, 2014; Bénit-Gbaffou, 2014; Bénit-Gbaffou, 2015).

The focus will now be narrowed down to street trading in the informal economy.

## **2.2. Street Trading**

### **2.2.1. Definitions**

In the broadest sense, street traders are those who belong to the informal economy and trade in the streets (Lund, Nicholson & Skinner, 2000:10). They are the most visible amongst the informal economy.

Bénit-Gbaffou (2015:23) defines street trading as any trading that takes place on the street. She disagrees with using street trading and informal trading interchangeably as not all street trading is informal. It all depends on the relevant city's by-laws. She draws on Castells and Portes' (1989) definition of the informal: activities, ways of generating income that are 'unregulated by the institution of society, in a legal and social environment in which similar activities are regulated'. To Bénit-Gbaffou, formality and informality is related to management and municipal by-laws which determine what is formal and informal. Therefore, street trading can be formal (regulated) or informal (unregulated) and it is incorrect to assume that all street trading is informal.

Like the informal sector, street trading is heterogenous and looks different in different parts of the world:

“...for example tourist souvenirs, newspapers and candy in many North American and European cities, or ... cooked foods, groceries and hardware through to clothing and electrical appliances. Shoe-shining, hair-cutting, document typing, and the repair of shoes, clothes, bicycles, motorcycles and cars, are all common street services.”  
(Bromley, 2000:3)

Street traders and street vendors will be used interchangeably.

### **2.2.2. Street Trading: Characteristics, Size and Significance**

Street trading plays a significant role in urban economies. It contributes to cities financially, it brings vibrancy and culture, and it offers a wide range of accessible and affordable services and goods to the public.

The Informal Economy Monitoring Study (IEMS) highlighted ways street vendors strengthen communities in 5 different cities (Roever, 2014):

- Most street traders are the sole breadwinners, so they provide the main source of income for their households.
- Street traders contribute to the formal economy in a significant way as they source their goods from formal enterprises.
- Street traders play a role in keeping the streets clean and safe for the public, in order to ensure a clean and safe environment for their customers.
- Street vendors, contribute to the city’s revenue through payments for licenses and permits, fees and fines, and certain kinds of taxes.

Yet despite these positive contributions, street traders continue to be treated with hostility and as encroachers.

Street traders are a large and visible part of cities, but it is difficult to accurately measure their numbers. Data is available for some countries but one should be cautious when viewing this data as it may have underestimated the population involved in street trading and these numbers tend to fluctuate depending on the political and economic context in the country.

In Africa, street trading constitutes a large proportion of informal non-agricultural employment. For example; street vendors make up 19% in Dakar, Senegal; 19% in Cotonou, Benin; and 24% in Lomé, Togo (Herrera et al., 2012). In Asia and Latin America, street traders form a sizeable portion of the workforce: 11% in Hanoi and Ho Chi Minh City, Vietnam; and 9% in Lima, Peru (Herrera et al., 2012).

### **2.2.3. Trends in Governance**

Internationally, local authorities' approach to the management of street trading has been 'ambivalent or repressive' (Skinner, 2008:227). Urban authorities seldomly support or develop street traders. Across the world, they have continuously oppressed street traders, especially in inner cities (Bénit-Gbaffou, 2014; Bénit-Gbaffou, 2015:9). Street traders are either prohibited or severely restricted. How street traders are managed and treated varies across the world, some face large scale evictions, others harassment and a seldom few are included in urban planning (Skinner, 2008:8; Bénit-Gbaffou, 2014; Bénit-Gbaffou, 2015). There is currently no 'best-practice' when it comes to street trading policy and management, where there are victories they are often short lived as they face continuity problems. There is often a change in leadership or bureaucracy; a big event (e.g. World Cup) or an election that disrupts any progressive developments towards street trading.

In Africa, the treatment of street vendors is very hostile and restrictive. In many African countries there are large scale evictions, harassment and violence (Tranberg Hansen & Vaa, 2014:13; Skinner, 2008: 227). Street traders are dismissed as they are seen as 'untidy, disruptive, and they are criminalised' (Tranberg Hansen & Vaa, 2014:13; Skinner, 2008: 227).

Overall, most cities adopt restrictive and repressive management approaches to street trading. There is poor management, legislation and planning around street trading and there is a lack of political imagination and innovation when it comes to urban planning and development – this is largely due to the pursuit of the world-class city status. The cities battle to balance urban planning and economic and social development without jeopardizing the livelihoods of the most socially vulnerable.

Asia, particularly India and Thailand, are the only countries where street trading is widely and increasingly accepted as a permanent and positive characteristic of the urban city (Bénit-

Gbaffou, 2015:9; Skinner, 2008). Cities in these countries are progressive when it comes to the management of their street traders, they are consulted and included in key government policy that affect their livelihoods, and they enjoy an open and constructive relationship with officials. Durban, South Africa, was briefly progressive in its management of street traders. This was evident with the Warwick Junction Project which saw council officials, together with traders, spatially redesign the area and provide ‘an improved environment for commuters and infrastructure for many different trader groups’ (Skinner, 2009:104).

There is increasing acknowledgement that street trading is here to stay, however this has not translated into practice. Instead, city governments are taking action against street trading through relocation projects, “clean sweeps” and the prohibition of street trading.

### **2.2.3.1 Restrictive and Repressive Government Responses to Street Trading**

#### **a. Operation Murambatsvina (Restore Order)**

Operation Murambatsvina (or the Operation) was the largest and most violent eviction of street traders that took place in Africa. This operation took place in Zimbabwe in May 2005. The official translation of ‘murambatsvina’ is ‘clean-up’, but the literal Shona translation is ‘getting rid of the filth’ (United Nations, 2005; Skinner, 2008: 13) – this speaks volumes into the government’s attitude and approach towards street trading in the country.

In the 1980s the informal economy in Zimbabwe was relatively small, it accounted for less than 10% of the labour force. This was due to a number of laws that prohibited free movement of people, especially from rural to urban areas (United Nations, 2005:17). Independence saw the significant growth of the informal economy to 40% in 2004, this was due to deregulation and the country’s ‘economic stagnation and decline’ (United Nations, 2005:17). The informal economy had become the main source of income for many Zimbabweans. In 2005, ILO reported that 3-4 million Zimbabweans earned their living through employment in the informal sector (United Nations, 2005:17).

The growth of the informal economy; the urbanization crisis in the country; persistent budget cuts; high inflation; food and fuel shortages; foreign currency shortage; and the tense political environment gave breeding ground to what the government called Operation Murambatsvina.

The Operation was purported as a programme to enforce all by-laws in order to stop all forms of alleged 'illegal activities in areas such as vending and illegal structures' (Ukuthula Trust, 2015). With little to no warning, this Operation began on the 26<sup>th</sup> of May, 2005 and it involved the destruction of street trading activities through the demolition of informal business structures, trading bays and informal trading points – including those licensed (Ukuthula Trust, 2015). The government justified its actions by stating that informal trading provided a hiding place for criminals. They also stated that the city had become chaotic and disorderly because of such activities. An estimated 700 000 people lost their homes, source of livelihood or both during Operation Murambatsvina (United Nations, 2005).

Operation Murambatsvina highlights an intolerance towards street trading in cities and the existence of the informal economy as a whole. The government destroyed the livelihoods of hundreds of thousands in its repressive approach. What is astonishing is that this was taking place in the midst of an economic crisis where the government could not provide any jobs for the masses.

b. Violent Evictions in Africa: Ghana and Zambia

Although not on the scale of Operation Murambatsvina, there are other cases of widespread violent evictions, and harsh, restrictive measures of street trading across Africa. In April 1999, police, council workers and paramilitary destroyed market structures for street trading in Lusaka's inner-city (Tranberg Hansen, 2004:66-67). This took place over several weeks and extended across the whole city into townships and residential areas (Tranberg Hansen, 2004:66-67). 'Similar operations took place on the Copperbelt and in the towns along the line-of-rail' (Tranberg Hansen, 2004:66-67). Tranberg Hansen (2004:68) argues that these violent evictions were due to a leadership change in the local authority. A new mayor and council members had recently come into office in Lusaka and they were adamant on 'cleaning up the capital' (Tranberg Hansen, 2004:68).

In Ghana, King (2006) found that the country's new system of decentralization led to the violent eviction of street traders. The new system of decentralization allowed for more frequent changes in local authorities which led to the eviction of street traders. This is often seen as 'a common way to impress the public' (King, 2006:117).

The harsh, violent, restrictive and repressive management approach has dire consequences for the urban poor, especially in a context where there is high unemployment and poverty. Street trading and occupation in the informal economy is highly sought after in economic crises and rising unemployment. Cities should be supporting these efforts not destroying them.

### **2.2.3.2. Inclusive and Collaborative Management of Street Trading**

#### a. Inclusive and Participatory Planning: Warwick Junction

‘...“Durban has provided an exhilarating proof of how poor people, in sensitive collaboration with urban planners, can enliven a city centre, generate employment for themselves and expand services for the population at large”’

(Skinner, 2008:235)

The inclusive and collaborative approach to managing street trading involves government officials consulting street traders in key policy decisions that may impact street traders’ livelihoods. The urban renewal project that took place in Warwick Junction is a great example of an inclusive and collaborative management approach to street trading. The eThekweni Municipality made a concerted effort to include street traders in the planning process. Traders described the planning process as very consultative and engaging, and traders were given the platform to voice their issues and they were included in multi-stakeholder committees and meetings (Horn, 2004:211).

Traders and their organisations were consulted about the project at every level, and the Municipality went to great lengths to make sure that any concerns from the traders regarding the design or plan were dealt with (Skinner, 2008:235). At the construction level, traders were consulted and negotiations took place about the relocation of affected traders – but the planners ensured that where traders were relocated would be as financially viable (Dobson & Skinner, 2009). There was open, clear and transparent communication between the Municipality and the traders regarding delays in construction, which maintained the trust between the different parties (Dobson & Skinner, 2009).

Unfortunately, this victory was short-lived. The inclusive nature of the Municipality soon changed when a new city manager, Michael Sutcliffe, came into power. This revealed that how government deals with street trading is dependent on the vision and attitude of the person in power. Sutcliffe’s focus was on cleaning up the city, boosting economic growth and bringing

in investment (Horn, 2014:5-7), which was at the expense of street traders. He was a highly

influential city manager who had both organisational and political power and influence, and used it to achieve his vision for the city.

b. Progressive Policy Responses: India

India is by far the most progressive and advanced when it comes to inclusive regulation of street vending and meaningful participation in policy-making processes that affect street vendors. The Town Vending Committees (TVCs) have been established after years of struggle by NASVI and SEWA for more inclusive regulation of street vending and meaningful participation in negotiations.

Historically, there were no laws regulating street trading, even though 2.5% of the urban population engaged in this activity. Instead, street trading was viewed as illegal (Bhowmik, n.d.). Currently street vending is seen as an initiative for urban poverty alleviation; there is an emphasis on self-regulation; and through TVCs, street vendors have a say in policies that affect their livelihoods (Bhowmik, n.d.; Bénit-Gbaffou, 2015:32-36). Under the 2014 Indian Street Vendors Act (Protection of Livelihoods and Regulation of Street Vending), street traders are given great powers, which includes making recommendations to local authority about government policy around street trading (e.g. Street Vending Plan and the Street Vending Scheme).

In Ahmedabad, the TVC has the following powers and functions (Grest, 2012)

- making rules for the vending zones
- locating the zones
- deciding the density of vendors in each area
- deciding the rules for registration of the vendors
- deciding the methods for demarcating the vending zones
- deciding the terms and conditions of vending
- deciding the monitoring mechanism
- engaging in dispute resolution between traders and traders organisations

### **2.2.3.3. Markets: An Effort to “Manage” Street Trading**

#### **a. Market Upgrading and the Relocation of Traders – Hsinchu City, Taiwan**

The most common ways cities regulate street trading is through limiting the number of vendors through licenses and permits; allocating public spaces solely for street trading; and relocating street traders into public markets (Kim & Weng, 2016:48). Of these strategies, the most challenging one is moving street traders into markets. This is because the spatial locations and set up of these markets are not financially viable for traders’ livelihoods (Morales & Kettles, 2009; Kim & Weng, 2016:48). The problem with public markets is that their locations are not easily accessible for customers and this negatively impacts on the traders’ profits. So many traders tend to reject the introduction of public markets. Secondly, public markets are subject to tighter regulation and the city officials are responsible for the allocation of space – which may not be favourable for the traders’ goods or services (Cross, 1998; Donovan, 2008; Kettles, 2004; Morales, 2010; Kim & Weng, 2016:49). Lastly, markets open up opportunities for rent-seeking behaviour and this is a burden for traders.

#### **Relocation Process of the Zhu Lian (ZL) Street Traders**

Street traders started conducting their business in the late 1800s. By the late 1970s, an estimated 500 street traders earned their living in the ZL street market (Kim & Weng, 2016:51).

Roughly 2500 street traders were operating in Hsinchu before the relocation project (Taiwan, 2003; Kim & Weng, 2016:50).

The Hsinchu Street Vendors’ Union (HSVU) was formed in 1958. The main mission of the union was to protect the rights of its members by building a relationship between street vendors and the City government (Kim & Weng, 2016:51). The union now has more than 1000 vendors, of which 300 operate in the ZL public market and it enjoys a mutually beneficial relationship with the City.

In 1986, the City Mayor planned to build a new four-story market that would accommodate 500 booths, this market would be less than a block away from where the ZL vendors operated (Kim & Weng, 2016:52). The City had a difficult time attracting vendors to the market. Vendors were reluctant because they feared losing existing customers and they felt that foot

traffic would be low. The City decided to manage the market through a private-public partnership, and the tender was eventually awarded to the HSVU leaders. An agreement was made where the HSVU leaders would pay the City 200 000 USD annually for 9 years, and in return the City government would assist in helping the HSVU leaders to operate a successful public market.

The HSVU was able to attract vendors to the market as the vendors tended to trust the HSVU leadership more than the City officials. HSVU has succeeded in managing the market through a collaboration with its members and the City government, and it restructured and leased out booths in a way that would benefit the vendors and attract customers (Kim & Weng, 2016:53). The ZL market building remains fully occupied and it is viewed as the most successful public market in Hsinchu City.

This project highlights the advantages of city governments collaborating with street traders in regulating street trading in the inner city. It also highlights the advantages of allowing markets to be managed by street trader organisations instead of private companies or government, who do not know what the traders need in order to succeed and they tend to establish rent-seeking opportunities in these spaces. In these cases, it is important for government to play a collaborative and supportive role in order to empower street traders. What worked to the advantage of HSVU is that they had a long standing relationship with the government and that the government was open to collaborating with the union. The government also understood that allowing the union to self-manage the market would give them a sense of ownership and an incentive for the market's success. This project also highlights the challenges in relocating street traders to markets.

#### **2.2.4. Trends in Policy and Legislation**

Globally, trends in governance reveal that most countries do not have national level policies and regulations that govern informal work – where they exist they are vague and leave the interpretation open to local government. India is currently the only country in the world that has a national policy on informal work.

Street vending is controversial in cities globally. Urban policies and local economic development strategies rarely prioritize the livelihood of informal workers. Urban renewal

projects, infrastructure upgrades and mega events (such as World Cups) always remove street vendors from natural markets. Many cities go through cycles of tolerance, regulation and eviction depending on election cycles, economic trends and urban management pressures (Chen et al., 2001; Chen, 2012; Skinner, 2009). At the heart of the controversy is conflict over land and urban space; access to the city; and the pursuit of world-class city status which euro-centrally determines what is formal and informal.

#### 2.2.4.1. No Friends of Street Traders: World-Class Cities

Informality is not seen as a characteristic of a world-class city. Cities are very intentional about eliminating any form of informality, especially in the urban centres, in order to attract investment and be seen as a world-class city. This does not bode well for “informal” activities such as street trading.

It is not very clear how world cities are identified and ordered. The birth of the concept can be traced back to 1915 (Rogerson, 2004a:12). The term is attributed to Sir Patrick Geddes, who published a chapter on world-class cities and city regions (Rogerson, 2004a:12). The concept was later reintroduced by Peter Hall in 1966, he characterised world cities as cities where ‘the world’s most important business is conducted’ (Hall, 1996). Later in 1986, John Friedmann characterised world cities as cities where there was advanced, managed and practiced corporate management, banking, financing, legal services, telecommunications, computing, research and higher education (Rogerson, 2004a:14).

This concept has been met by great criticism. Many argue that this concept has led to a process of emulation, which misses diversity and forces uniformity. Robinson (2002) argues that the notions of global and world cities ‘impose substantial limitations on imagining and planning the futures of cities around the world’ – it stifles innovation when it comes to urban planning and development. He further argues that many cities who do not qualify as world-class cities are caught within a limited view and understanding of development. He then focuses on cities in developing countries, where this pursuit of attaining world-class status causes tension and an imbalance between finding a way to fit into globalization and emulating the success of a small number of cities, and achieving developmental initiatives that aim to tackle and address poverty, unemployment, inequality and service delivery (Robinson, 2002). The pursuit of

world-class status always comes at the expense of the poor and vulnerable. This is evident in the City of Johannesburg.

The problem with the concept of world-class city is that it promotes a modernist approach to urban planning which rejects informality (Skinner, 2009:101). This modernist approach sees modern and world-class cities as orderly, clean, hygienic, and formal (Skinner, 2009:108). This is often seen as necessary in order to attract investment, compete globally and attain world-class city status.

In November 2007, StreetNet International launched its World Class Cities for All campaign in Johannesburg to challenge the traditional approach to building world-class cities. StreetNet International is an international alliance of street vendors launched in Durban, South Africa in November 2002 (StreetNet). The World Class Cities for All advocated for a more inclusive notion that encouraged the participation of the urban poor, including street vendors. The urban poor are always the first to lose their livelihoods and they are the first to be ignored when it comes to plans for “World-Class Cities” as they do not fit into the what the city envisions to be a “World-Class City”.

What is interesting is that existing world-class cities have street trading, the only difference is that they have successfully incorporated it into the city. Street trading can be included in the notion of world-class city, it is all about how it is incorporated and managed by the city.

### **2.3. Conclusion**

This chapter has reviewed the literature on the informal economy and street trading. The first section looked at the definitions, the history, size and significance of the informal economy. It highlighted the large and heterogenous character of the economy, its link to the formal economy and the fact that there is no single causal theory that explains the existence of the informal economy. It then narrowed its focus on street trading: discussing definitions, the size, significance of street trading; and the trends evident in governance and policy when it comes to the regulation of street trading. It highlighted that internationally, local government tends to be restrictive in its regulation of street trading, and that many countries lack a national policy that regulates informal work – India is the only country that has such a policy. The chapter also highlighted what is at the heart of the conflict and challenge in managing street trading in cities

– access to land and urban space; and the pursuit of the world-class city status which rejects informality. Cities are battling to balance urban planning and economic development, with poverty alleviation and social development. The former tends to get more attention at the expense of the latter.

## **Chapter 3: South Africa**

### **3.0 Introduction**

This chapter looks at street trading and the informal economy in South Africa. It begins by looking at the size and significance of the informal economy in the country, and then it highlights the trends and characteristics of street trading in inner-cities. The national legislation and framework that regulates street trading is discussed and then the last section discusses the history of government approaches to street trading in South Africa with specific reference to Johannesburg.

### **3.1. The Informal Economy in South Africa: Size and Significance**

*“The emergence of the informal economy in South Africa stems from its apartheid history of political and economic repression [and exclusion] of Black people”*

*(Lund, 1998:7)*

The informal sector in South Africa can be understood from a structuralist and dualistic perspective. The structuralist school of thought is valuable because it recognizes the link between the informal and formal economy. The dualist school of thought is applicable because: it recognizes that the informal economy provides income and employment for the vulnerable and poor in the country; it recognizes that it exists because of the inability of the formal economy to create employment; and it recognizes that a majority of the population cannot be absorbed by the formal economy because they lack the skills that are required, as the South African economy is a modern economy driven by knowledge, research and development (Rogerson, 2004b; Skinner, 2008). Despite the continuous increase in the size of the informal economy in South Africa, its significance and contribution in the country continues to be underestimated and overlooked. Government is aware that the informal economy is important for job creation and poverty reduction but there is still little support for those in the informal economy.

This can largely be blamed on former President Thabo Mbeki’s conceptualisation of the informal economy. In his 2003 State of the Nation address he presented the notion of the ‘dual economy’. He argued that South Africa’s economy is split into two, the ‘first’ economy, being

the formal economy, and the 'second' economy, being the informal economy. Mbeki stated that this second economy consists of a large percentage of the population, and is characterised by marginalisation, poverty, under-development, little contribution to the GDP, the poorest of the poor, unemployment, incapability of self-generated growth and development (Devey et al., 2006: 224-243). He further argued that there is no relationship between the two and that the two operate parallelly.

He held the strong belief that to deal with the issue of underdevelopment, poverty and unemployment in the country, growth in the first economy needed to be enhanced and encouraged (Devey et al., 2006: 224-243). According to his logic, this would result in job creation and address the challenges of the second economy, and eventually absorb the second economy (Devey et al., 2006: 224-243). The former President did not fully acknowledge the significance of the informal economy and the contribution it has made towards job creation and poverty alleviation. He failed to recognize that the formal economy cannot solely deal with the challenges of poverty and unemployment. Unfortunately this view has negatively influenced government policy and interventions in the informal economy, government continues to treat the informal economy as a problem and it continues to view it as something that is not permanent, and something that will eventually disappear instead of tapping into its potential (Devey et al., 2006: 224-243). Devey et al. (2006: 224-243) argue that 'government policy for the second economy is often either absent, or ineffective or piecemeal.'

### **3.1.1. Significance of Informal Sector, specifically Street Trading**

Statistics South Africa's 2016 Quarterly Labour Force Survey found that 2 565 000 South Africans work in the informal sector (2016:vi; Rogan & Skinner, 2017). That means 16.4% of total employment in South Africa is found in the informal sector. 1 015 600 of those 2 565 000 South Africans in the informal sector are informal traders, that is 40, 5% of the informal sector (Statistics South Africa, 2016:vi; Rogan & Skinner, 2017). It was also found that Informal trading makes a 5.2% contribution to the country's Gross Domestic Product (GDP) (Statistics South Africa, 2015). It is important to note that this excludes foreign traders, which make a great percentage of informal traders. This is due to the fact that foreign migrants are not well documented in the country.

There are several reasons why street trading is significant:

- Street Trading has generated employment and served as a safety net for hundreds of thousands of South Africans and foreigners in South Africa – it provides a livelihood for many who have dependents to support (Devey et al., 2006; Rogerson, 2015; Skinner, 2008).
- It plays a great role in distributing cheaper goods in appropriate quantities to poorer South Africans and it has played a positive role in food security (Skinner, 2008).
- Street trading contributes to the generation of local revenues as street traders have to pay for trading licenses, registration, permits and rent (Skinner, 2008).
- Street trading enhances the chain of distribution for goods and services.
- Street trading plays a role in strengthening the links between the formal and informal sector through the purchasing and sourcing of goods from formal enterprises and wholesalers (Skinner, 2008).

Street trading in South Africa is acknowledged as being vital yet this is not reflected in government policy and practice, there is very little support for street traders and there is little investment in their development.

### **3.2. Legislation surrounding Informal Trading in South Africa**

#### **3.2.1. The Constitution**

The Constitution has empowered local government to develop policy and legislation to manage street trading. Section 152 of the Constitution sets out the objectives of local government which include; providing democratic and accountable government to local communities; ensuring the delivery of services to communities in a sustainable manner; promoting social and economic development; promoting a safe and healthy environment; and encouraging the involvement of communities and community organisations in the matters of local government. Section 156 of the Constitution highlights the powers and functions of municipalities – one of them being street trading which is listed in Part B of Schedule 5. Municipalities therefore have the mandate and power to draw up street trading by-laws. Under section 162, municipalities are

required to ensure community and stakeholder participation, engagement and consultation before enforcing any legislation through publishing draft legislation in the relevant provincial gazette and allowing submissions from the public. These sections are given effect by the Municipal Systems Act which highlights municipal duties; powers and functions; the municipal drafting of by-laws; and the importance of community participation.

The Constitution has also empowered citizens, specifically street traders in this context, through the Bill of Rights. The Bill of Rights outlines the rights of all citizens in South Africa and is there to protect those rights from being infringed upon or violated by any public officials and/or private citizens. The government is responsible for upholding those rights, protecting them and promoting them. We will only focus on five rights which are directly relevant to street traders, their livelihoods and their treatment by the City: the right to dignity, the right to equality, the freedom of trade; property rights; and just administrative action.

- Section 9(1): everyone is equal before the law and has the right to equal protection and benefit of the law. This right is relevant to the treatment and lived-experiences of street traders.
- Section 10: everyone has the right to ‘inherent dignity and the right to have their dignity respected and protected’. This right is relevant to the treatment and lived-experiences of street traders.
- Section 22: ‘everyone has the right to choose their trade and occupation or profession’ but this right is subject to regulation by the relevant authorities.
- Section 25(1): prohibits ‘arbitrary deprivation of property’ (it is important to note that property is not only limited to land Section 25(4)(b)). One of the problems that street traders constantly face is the confiscation of their goods by police officials, without the officials following due process such as providing a receipt of the confiscated goods.
- Section 33(1): ‘everyone has the right to administrative action that is lawful, reasonable and procedurally fair’. Section 33(2) further states that ‘everyone whose rights have been adversely affected by administrative action has the right to be given written reasons’. This is relevant to decisions taken by City officials with regards to which areas are demarcated as restricted or prohibited for street trading.

The City has been guilty of violating all the above rights in its management of street trading and the treatment of street traders in the inner-city of Johannesburg. It has, and to some extent continues to fail to respect, uphold, protect and promote these Bill of Rights. This will be discussed further in Chapters 4, 5 and 6.

### 3.2.2. Businesses Act

Street trading in South Africa is regulated and managed by municipal by-laws and policy at the local government level. Street trading is recognized in the Businesses Act 71 of 1991. The Act formally recognizes street vendors as business people. This Act is significant as it changed the government's attitude towards street trading, it brought about the deregulation of street trading and removed many barriers of entry. It brought about a shift in the government's policy and legislation around street trading – previously street trading was prohibited and it was characterised by 'repression, persecution and prosecution' (Beavon & Rogerson, 1986; Rogerson & Hart, 1989:32; Lund & Skinner, 2004; Rogerson, 2015:206). In this Act the government acknowledges that street trading is to a large extent a product of apartheid and the injustices of the past, therefore it recognizes the need to support it. It also recognizes the significance and contribution it makes to the economy. Unfortunately this has not adequately translated into policy and practice.

The Businesses Act deals with licensing issues, appeals, penalties, parameters for regulation, the powers and limitations of local authorities, and the selling of goods. In 1993, there was an amendment to the Businesses Act. The Businesses Amendment Act 186 of 1993, gave municipalities the mandate to draw up and implement by-laws regarding street trading in South Africa – it allowed local authorities to outline what they would and would not allow in their municipality, and to declare restricted and prohibited trading zones. The amendment gave local authorities greater autonomy to manage street trading and as a result different authorities have adopted different management approaches. However, Municipal by-laws must be in accordance with Section 6A of the Act which states that as much as the municipality has the authority to prohibit and restrict trading in certain areas, they must first consider the effects that that would have on the livelihoods of the street traders operating in that given area. The COJ failed to uphold Section 6A and it continuously contravenes this Section through the JMPD's repressive and corrupt enforcement methods.

In 1995, the authority to amend the Act was devolved to provincial government.

### **3.3. History of Street Trading in South Africa**

“Until the early 1980s traders in South Africa were subject to a well-entrenched tradition of repression, persecution and prosecution”

(Rogerson & Hart, 1989:32)

During the apartheid years, street traders were subject to severe, repressive policies. These policies led to the forced, often brutal, removal of mainly poor black street traders seeking to occupy trading spaces in central areas of the country - which were predominantly white (Beavon & Rogerson, 1986; Rogerson, 1986). The democratic transition however, saw the emergence of a more tolerant policy environment in major cities such as Johannesburg, Durban and Cape Town.

Throughout history - under colonialism and apartheid - policies were designed to intentionally eliminate street trading and make it near impossible to trade in the city centers and tourist areas. This was because street trading was associated with chaos, crime and grime. The apartheid state's 'complex web of national and local laws' made it almost impossible to trade on the streets (Skinner, 2008:14). The Urban Areas Act of 1923 was characterized by residential segregation; influx control; the prohibition of black people in urban areas; and restriction on the nature and location of commercial activity for black people (Beavon, 2004: 188-189). It is important to understand that throughout history, black people were intentionally, legally and racially excluded from participating in the formal economy, and their freedom of movement and participation in commercial activity was curtailed (Beavon & Rogerson, 1986). This led black people to seek opportunities in the informal economy. The Urban Areas Act vaguely defined and permitted street trading, it was the only legitimate pass to remain and work in urban areas for black people (Beavon, 2004:188-189). Even though street trading was allowed, the cities made it near impossible to trade and trading was characterized by harassment. The municipal by-laws were strictly and repressively enforced and made it difficult for traders to operate. Cities adopted laws such as the 'Move-On' law, which required street traders to move their trading stand by 25 meters every 20 minutes, this made trading exceedingly difficult for traders (Beavon, 2004: 188-189). Street traders who did not abide to the by-laws were constantly harassed, fined and removed, and their goods were often confiscated. Other tactics that were used to eliminate and repress street trading were limiting the number of licenses issued, especially to black people – Indians were more likely to get licenses compared to black

people (Rogerson & Hart, 1989; Beavon, 2004:188-190). Access to urban space in the inner-city was limited but despite this street traders continued to trade and were not deterred by the constant harassment and confiscation of goods (Rogerson & Hart, 1989). Rogerson and Hart (1989:32) aptly argue that the South African apartheid government ‘fashioned and refined some of the most sophisticated sets of anti-street trader measures found anywhere in the developing world’.

During the mid-1980s, influx control laws became less enforceable due to rapid urbanization and migration into metropolitan areas that took place from the late 1970s and 1980s (Todes, 2001; Beavon, 1989), as a result these laws were repealed in 1986. Apartheid also became more difficult to maintain due to several factors such as rising resistance and the imposition of sanctions against the apartheid regime (Luus & Krugell, 2005), this eventually led to the collapse of apartheid.

The end of apartheid came with several changes. The 1990s saw the restructuring of the economy to reintegrate into the global economy, this resulted in the deregulation of the formal economy and a rapid increase in the informal economy. Declines were experienced in key sectors such as mining and agriculture, which were key sectors for employment. Although the economy was growing, jobless growth was taking place and the formal economy was unable to create enough jobs for the population, especially for the previously disadvantaged, economically excluded, unskilled and uneducated black majority. This continues to be a challenge today and as a result South Africa continues to see an increase in its informal economy.

The deregulation of the economy and the democratic transition saw the rapid expansion of the informal economy, especially within central business districts (CBDs) of urban areas which were previously white spaces. This led to ‘white flight’ or ‘capital flight’ (Beavon, 2004:211-212; Beall et al., 2002: 111; Holness et al., 1999; Todes, 2001; Luus & Krugell, 2005). The increasing number of informal businesses and the increase in street trading in these urban spaces resulted in some formal businesses moving to suburban areas. These formal businesses left with their market - high income whites. This period of ‘capital flight’ led to the ‘proliferation of neglected and crumbling urban environments, exacerbated by the lack of facilities, services and a dwindling tax base in the inner city’ (Dobson & Skinner, 2009). Many

local authorities responded to this by establishing ‘inner-city regeneration’ programmes to revitalize and clean up the city and draw in investment back into the inner-city.

A detrimental feature of these programmes is the adoption of City Improvement Districts (CIDs) and the relocation of traders into markets. CIDs can be defined as:

‘a geographic area within which property owners agree to pay for certain services to enhance the physical and social environment of the area. The services provided are supplementary to those provided by the local authority and usually include safety and security patrol officers, pavement cleaning, litter collection, maintenance of public space and the removal of illegal posters’ (CJP)

CIDs are based on former New York City Mayor Rudy Giuliani’s mid-1980’s strategy for local economic development and urban renewal. His strategy has been adopted world-wide and is mostly evident in South Africa in the cities of Johannesburg and Cape Town (CJP). Once 51 percent or more of the area’s property owners have voted to adopt a CID, all owners in that area must participate. They must pay additional fees which are added to their municipal bills and collected by the City (CJP). Each CID has its own board of directors which control the district, the board is comprised of property owners and business-people (whose voting power is proportional to their levy contribution), with no necessary representation from tenants or those trading on the streets in the area (CJP). The board then appoints an urban specialist company to manage the day-to-day operations in the CID. In Johannesburg CIDs are managed by the CJP – which facilitates and manages partnerships between business and the local authority – and an urban management company Urban Genesis Management. CIDs tend to prohibit or highly restrict street trading to avoid urban decay.

### 3.3.1. History of Street Trading in Johannesburg

In 1922 the Johannesburg Council created restricted areas which protected white urban space (Beavon, 2004:187-189). 23 blocks in the CBD were demarcated for street trading with only a few fixed stands for black traders – mainly Indians. The number of street blocks were later expanded in 1947, 1948, and again in 1953. By 1953 there were 192 blocks demarcated for street trading, most of them were in the downtown area and parts of the residential zone around Joubert Park (Beavon, 2004:187-189). Traders were only allowed to access these areas before

7am and after 6pm, and those operating outside the demarcated zones were required to adhere to the 'Move-On' policy thus making it difficult to trade in the city (Beavon, 2004:187-189). During these years of segregation and grand apartheid there were very few 'hawkers' (the derogatory term for street traders is intentionally used to aptly capture the attitude towards street traders under apartheid) operating in the CBD, the City made sure of that. Thus, the apartheid era severely restricted the freedom of movement of black South Africans into and within urban areas, as well as their freedom of entry and participation in the formal economy (Beavon, 2004:187-189; Rogerson & Hart, 1989:32). Furthermore, during the height of grand apartheid, from 1948 to 1983, the inner City of Johannesburg was effectively segregated and zoned for white residential and commercial activity (Beavon, 2004:187-189).

By 1979, despite the harsh and restrictive measures put in place by the government officials there were several hawkers operating in the inner-city, on the periphery of the demarcated areas in the CBD, and a few hawkers trading from fixed stands inside the demarcated areas (Beavon, 2004: 190). The 1980s, however, saw the deregulation of street trading. The 1979 Hawker Report and the National Manpower, Wihahn and Riekert Commissions in the 1980s paved the way for a relaxed, less restrictive and repressive approach to street trading (Beavon, 2004: 190-210). This was due to the declining economy, as a result government decided to encourage the informal sector and small businesses. By the end of the 1980s there were about 14 000 legal traders working in municipal Johannesburg (Beavon, 2004:211).

As previously mentioned, the 1990s saw the massive expansion of the informal economy. As influx controls were lifted, more people were moving into cities with the hopes of finding work, many resorted to street trading as the formal economy had become saturated (Beavon, 2004:210-212; Beall et al., 2002:111). As a result, the number of licensed and unlicensed traders increased rapidly in the CBD and it became more difficult for the police to manage this new situation (Beavon, 2004: 211-212). Increasing informality in the CBD created great tension between formal businesses and street traders. Congestion on the narrow pavements, and an escalation in petty crime on the streets led to white residents moving to the suburbs (Beavon, 2004:211-212; Beall et al., 2002:111). Simultaneously, due to escalating political turmoil and violence, office-based activity occurring in the CBD – such as financial companies, corporations, small businesses, individual professionals and medical practitioners - were moving to the northern suburbs of Johannesburg, particularly Sandton, Rosebank and Midrand

(Beavon, 2004:211-212; Beall et al., 2002: 111). This was due to desegregation, after the passing of the Businesses Act in 1991 Johannesburg's inner-city became one of the most racially integrated areas in South Africa (Beavon, 2004:212). As more black people came in and occupied the space, more white people left the space, leaving with their businesses and high income. Unfortunately, the rapid increase in desegregation became synonymous with slum living, poverty, crime and grime, and urban decay (Beavon, 2004:212). And Johannesburg's inner-city – CBD, Braamfontein, Hillbrow, Berea, Joubert Park, Yeoville and Bellevue - soon became labelled as a no-go area characterized by general chaos and unruliness (Beavon, 2004:212).

By 2000, the degree of inner-city decay prompted a response by the City. In its 2001 “Inner City Position Paper”, it stated that there was a need to “turn the inner city around” (Tissington, 2009). The City therefore began to identify the inner-city as a priority area for urban renewal. To reverse inner-city decline, inner-city renewal and regeneration was declared as one of six mayoral priorities in the COJ.

In 2002, Joburg 2030 was launched. Joburg 2030 is a long-term economic vision for the City of Johannesburg. It is aimed at boosting investment and raising economic growth to turn Johannesburg into a “world-class African city”. This had and continues to have major implications for street traders in the City. Throughout the launch of this economic vision, various government officials criticized street traders and blamed them for the capital flight, office vacancies, depressed rentals and inner-city decay (Tissington, 2009:29).

The City focused on partnering with business to clean up the city and draw in investment, this was done through the establishment of CIDs. Business interests and local authority interests were closely aligned and at the center of CIDs. This led to street traders being excluded from decision-making processes and forums that affected their livelihoods. This highlights the core challenge of urban renewal and inner-city regeneration, which is achieving economic development without marginalizing or excluding the poor:

“For urban regeneration to be successful it must run concurrently with economic transformation of the people who live in the specific area and should not be narrowed down to a private-sector “owned” process specifically designed to improve their

property values at the expense of the poor... The real challenge of how to successfully integrate urban regeneration with economic development and empowerment of people needs to be faced head on.” (SANTRA, 2007:3 *cited in* Tissington, 2009:30)

Unfortunately, the balance is never achieved. In world class cities, private interests are always prioritized over the poor and marginalized. This is evident with the City of Johannesburg, as it always prioritizes investment and achieving world-class city status to the detriment of the poor and vulnerable. This will be discussed further in Chapters 4, 5 & 6.

### **3.4. Conclusion**

This chapter focused on the informal economy and street trading in South Africa. It looked at the size and significance of the informal economy in the country and highlighted major trends and characteristics of street trading in urban city centers. It then looked at the legislative framework for street trading and lastly, it looked at the historical background and context of street trading in South Africa, with a focus on Johannesburg, in relation to government approaches.

## **Chapter 4: Institutional Framework and Management of Street Trading in Johannesburg**

“...the state does its job badly – ranging from poor regulation to oppressive or exclusionary measures...” (World Bank, 2007:23)

### **4.0. Introduction**

This chapter will look at the institutional framework and management model for street trading in the inner-city of Johannesburg. It will first look at the institutional location of street trading over the past few years in South Africa and highlight the importance of where street trading is located. Then it will critically look at the department and various entities responsible for managing street trading. Lastly, spaces for participation will be discussed with specific relevance to street trading organisations and their ability to influence policy around street trading in the inner-city.

### **4.1. Institutional Framework and Management of Street Trading in Johannesburg**

The institutional location of street trading is particularly important as it requires consistent and comprehensive collaboration and coordination across multiple departments – it is the only way effective and efficient management can be achieved. It requires the involvement of the departments of Planning, Urban Management, Health and Safety, Transport and investment agencies.

The institutional location of street trading in South Africa has shifted over the past number of years. During apartheid it was located under municipal police departments, which focused on the control and repression of illegal trading, and the traffic department (Rogerson, 1988; Skinner, 2010). Post-apartheid saw the relocation of street trading to Business/Economic Development units and departments which were within metropolitan councils – this was done to achieve a more developmental approach to street trading (Bénit-Gbaffou, 2015:57).

In the COJ, street trading is in the DED. The management of street trading, however, has been delegated to municipal owned enterprises (MOEs) and it is quite fragmented.

In an effort to save the City from a fiscal crisis and to reverse the decline of the inner-city, the COJ introduced iGoli in the early 2000s. iGoli was a restructuring programme aimed at dealing

with the 1997 fiscal crisis the City was faced with, this crisis was due to rampant capital expenditure, capital flight and poor payment levels (Cameron, n.d.:8). IGoli made provision for the establishment of MOEs. MOEs were hoped to achieve more efficient and effective service delivery. These MOEs included the Metropolitan Trading Company (MTC), the Central Johannesburg Partnership (CJP), the Johannesburg Development Agency (JDA) and the Johannesburg Property Company (JPC).

The MTC (now the JPC) and the CJP are tasked with managing street trading in the inner-city, they are each responsible for various trading sites and markets. They work together with the JDA and private sector to manage these various sites. The Johannesburg Metropolitan Police Department (JMPD) is tasked with enforcing the street trading by-laws, which regulate trading in the inner city. Street trading in Johannesburg's inner-city is therefore managed publicly (JPA and JMPD) and privately (CJP).

#### **4.1.1. Public Management of Street Trade**

##### **4.1.1.1. Department of Economic Development**

The City of Johannesburg established an Informal Trading Unit in 2017. There is a Director of Informal Trading who must report directly to the Executive Director of Economic Development.

The DED handles drawing up and implementing the City's Informal Trading Policy (ITP) and establishing and implementing the City's Informal Trading By-Laws. Currently there is no Informal Trading Policy as the City was ordered to rework their policy to establish a more developmental and supportive approach to informal trading in the inner-city, post-Operation Clean Sweep (Constitutional Court, 2013). The Informal Trading Policy was meant to be promulgated this year, but the City has run into several complications, it cites management issues as the main challenge in promulgating the new policy. No further explanation was provided to clarify this. The City hopes to have an ITP by June 2019. Currently, the City has an ITP background document which highlights the key features it hopes to achieve in its new ITP. According to the document:

“For the City of Johannesburg, informal trading is a positive development in the micro business sector as it contributes to the creation of jobs and alleviation of poverty and

has the potential to expand further the City’s economic base. The City of Johannesburg is working towards a well-managed and supported diverse informal trading sector which is effectively integrated into the developmental goals of the City.” (COJ, 2018:1)

According to the DED (2018:2-5), the policy seeks to:

- Define an integrated and holistic approach to informal trading for all of the COJ’s departments and MOEs;
- Clarify the COJ’s position and approach to informal trading to all relevant and interested stakeholders;
- Form the basis for the review and revision of by-laws that regulate informal trading falling within the jurisdictional areas of the COJ;
- Provide a framework for the development and resourcing of informal trading and informal traders;
- Outline an approach towards the planning and management of informal trading;
- Establish a framework for the monitoring and evaluation of informal trading;
- Establish a policy framework for law enforcement.

MTC previously served as the DED’s implementing arm in managing street trading markets and taxi ranks. MTC was later replaced by the JPC due to several management issues and confusion around its mandate. The JPC is currently responsible for managing street trading.

#### **4.1.1.2. Metropolitan Trading Company**

The MTC was established in 1999. The MTC was envisioned as a profit-driven company whose mandate was the management, marketing, business development, and maintenance of informal trading markets – located in taxi ranks – and later linear markets (Bénit-Gbaffou, 2015:58; Tissington, 2009:39). The MTC was to be accountable to the DED. The MTC had 12 trader markets and taxi ranks under its control. These included the City’s various street trading sites in the inner city and markets in Hillbrow, Yeoville, and the Faraday market and Metro Mall (Bénit-Gbaffou, 2015:58; Tissington, 2009:39).

The MTC handled the administrative management of street trading through supplying smart cards; allocating trading stalls and issuing lease agreements. According to Elliot Dubasi and his colleagues, the MTC was very inefficient and ineffective in doing so.

a. Smart Cards

The 2009 Informal Trading Policy mandated the MTC with the responsibility of issuing smart cards to street traders. There were inconsistencies in what the policy aimed to achieve and what was implemented by MTC. The smart card system was meant to be implemented and completed in 2007, but the system remains incomplete (Tissington, 2009:21; SERI, 2015:24; Bénit-Gbaffou, 2015).

The purpose of the smart card is to help the City manage traders. The smart card provides the biographical information of traders; identifies goods and services sold and provided by traders; it indicates the trader's location and stall; and it states the rent the trader must pay per month. The smart card proves the legality of street traders and gives them the right and access to the City. Therefore, it is particularly important for street traders as it provides bureaucratic protection.

The overall process has been slow, this is due to the complexity of the process. The City aimed to have everything done electronically but this has proved to be a challenge as the MTC lacked the capacity and systems needed to implement such a process (Bénit-Gbaffou, 2015; SERI, 2015). Traders also complained that the application process was lengthy, confusing, daunting and inaccessible. The City did not have information sessions to explain the application process or the application, which prevented traders from applying.

The poor roll out of smart cards is a problem because it makes traders vulnerable to police harassment. What is concerning is that even traders who have smart cards still experienced some sort of police harassment. The poor roll out of smart cards fosters corruption, especially amongst JMPD officials. Many traders have complained of having to pay bribes to the JMPD to prevent being forcefully removed from their trading area, arrested or fined for trading illegally.

Following Operation Clean Sweep, the City restarted the entire process of the registration of street traders. The process now comprises of:

1. A survey determining the number of existing traders. Whilst I was doing research, surveys were still being conducted by the Informal Trading Unit.
2. Street traders' application for stalls and verification lists
3. Generating the final allocation list and allocating trading spaces
4. Issuing smart cards
5. Monitoring and evaluating implementation

The problem is the Department has not successfully procured the smart card system and street traders are currently operating with no smart cards which leaves them vulnerable to police harassment and corruption. All processes were put on hold when Operation Clean Sweep took place and many processes that should have been completed and implemented in 2016, such as the smart card system, are still incomplete and underway.

b. Stall Allocation

The MTC was also responsible for allocating stalls, managing lease agreements and collecting rent. According to the 2009 policy, traders first needed to be issued a smart card and then allocated a trading stall, the allocation was meant to follow a 'one-trader-one-stall' principle. And allocation was meant to be done according to the goods and services traded; the projected income of the trader; and any traders who experienced displacement in the past were prioritized. But this did not translate into practice, instead allocation takes place informally, it is clientelistic and traders - both licensed and unlicensed - pay bribes to JMPD officials or block leaders to obtain stalls or trading sites. This leads to traders without smart cards having trading stalls and traders with smart cards not having trading stalls. Trading sites are also passed down the family line, something the City is unaware of (SERI, 2015:24). This shows how out of touch the City is to what is happening on the ground, traders' lived realities do not inform policy. The JMPD exacerbates this situation by illegally allocating trading sites to unlicensed traders in front of trading stalls of licensed traders. Block leaders are also guilty of contributing to the mismanagement of stall allocation as they are very clientelistic and corrupt in their allocation of trading sites. This mismanagement and corruption cause conflict and tension between the traders.

### c. Lease Agreements

Many traders pay rent but are unaware of whether they have signed a lease agreement or not (SERI, 2015 :26-27). They are also unaware of the purpose and specifics of the lease agreements. Block leaders and officials tend to pressure traders into signing their agreements without knowing the specifics, block leaders threaten traders and state that they will lose their trading sites if they do not sign the lease agreement (SERI, 2015:26-27).

Traders complain about the inaccessibility of the lease agreement as it is in English and uses extensive legal jargon, and the City has made no effort to fix this or go through the lease agreement with the traders (SERI, 2015:26-27).

An important clause that was in the 2009 policy regarding the lease agreement is that the rent paid by traders should consider the services and infrastructure available to the traders. Many traders complain that they receive no services and that there is a lack of infrastructure to deal with the challenges of street trading. Many traders boycott paying because they do not receive basic services and infrastructure such as storage facilities; ablution services; water; waste disposal and refuse bins (SERI, 2015:26-27). There are no storage facilities for many traders, traders have to make their own arrangements with business and/or property owners close to their stall to store their goods at a monthly rate (SERI, :26-27). There is also a lack of proper infrastructure to serve as shelter in instances of harsh weather. Ablution services are not provided for many traders, traders must walk a couple of blocks to find public toilets and they usually must pay R2 to use these toilets (SERI, 2015 :26-27). Traders also complain about drainage problems, a lack of waste disposal and refuse bins. Trading areas need on-going maintenance and repair by multiple City departments, but this is not being done. What is interesting is that the City blames street traders for the grime, disorderliness and filth in the inner-city, when it is the City's fault – it is not providing the services and infrastructure needed to support and manage street trading.

### d. Markets (including linear markets)

The City naively hoped to move all street traders into markets and get rid of street trading in the inner-city to deal with the chaos and filth of street trading. This was naïve because international research has shown that moving street traders into markets never works as it negatively impacts business since there is lower pedestrian flow and new traders appear outside

the markets. Traders interviewed have complained about their experiences in the Metro Mall and Yeoville market - they have complained about the lack of foot traffic and certain parts of the markets being bad for business; and competition with traders outside the markets (Tissington, 2009:39; Bénit-Gbaffou, 2015). Markets have overall been described as white elephants due to their lack of foot traffic (Tissington, 2009:39; Bénit-Gbaffou, 2015). Furthermore, the MTC experienced challenges in collecting fees in the markets. Many traders refused to pay their fees because business had decreased since they moved into markets, so they were not making as much money (Bénit-Gbaffou, 2015:58-60; SERI, 2014). They also complained about the competition with unlicensed traders outside the markets who had replaced the traders who had been moved into the market – this is bad for business as customers then have no incentive or reason to go inside the market. JMPD exacerbated this as they accepted bribes from unlicensed traders in order to be left outside the markets. Traders also refused to pay fees because they were not getting any services, many traders complained about police harassment; the lack of responsiveness of MTC officials; and the lack of services and facilities such as toilets, cleaning, security and storage in the markets (Bénit-Gbaffou, 2015:58-60; SERI, 2014).

A big problem the COJ created through the MTC, was the lack of management of street traders outside the taxi rank markets and linear markets. Instead of managing that situation, the City rendered all street traders operating outside the markets as “illegal”, and this led to the JMPD’s harsh and restrictive enforcement of the City’s Informal Trading By-Laws. JMPD had automatically become the body responsible for managing street traders and what was taking place was enforcement instead of management.

The JPC continues to prioritize the relocation of street traders into markets. The JPC plans to introduce markets in mixed-use buildings, 10 buildings have been identified and 2 buildings have been successfully procured (DED, 2016:28). The vision is to establish an ‘iconic market in the heart of the CBD’ (DED, 2016:28), this vision is based on the Rotterdam Market Hall. The JPC hopes to create ‘an iconic project and flagship tourism destination’ (DED, 2016:28). In addition to that, the JPC plans to identify other sites where mixed-use markets can be established in the inner-city. The proposed products and services to be found in markets are second hand clothing, food, hairdressing, electronics, and traditional medicine.

e. An attempt at self-management

To deal with some of the management challenges the MTC was facing, block leaders were elected and worked closely with MTC officials. They communicated issues faced by the street traders. They compiled the waiting list for MTC, and they ensured that lease agreements were signed, and rent was paid. Unfortunately, this model is not very transparent and clear, and it is often riddled with corruption (Bénit-Gbaffou, 2015:58-60; SERI, 2014).

The MTC was very ineffective in managing street trading because of several reasons. Firstly, the mandate and aim of the MTC was not clear. The MTC was meant to manage markets but instead they ended up managing and dealing with traders, fee collection, trader registration, stall and smart card allocation (Bénit-Gbaffou, 2015:58-60; Tissington, 2009:39-40) – of which MTC failed dismally. This left a management gap, especially for those street traders who operated outside the markets. The MTC also struggled to deliver on its informally extended mandate because it did not have the adequate resources and capacity to implement what was expected of it.

Secondly, the MTC was financially unsustainable. It can be argued that this was the main reason the MTC was disbanded and replaced by the JPC – Elliot (2018) confirmed this and stated that it was financially unsustainable for the DED to maintain the MTC. The MTC was meant to be an independent, self-sufficient entity that was able to generate a profit and fund its own projects (Bénit-Gbaffou, 2015:58-60; Tissington, 2009:39-40). However, this was not the case, the MTC was largely subsidized by the COJ through the transfer of operation funds. The City was very naïve in thinking that MTC would be self-sufficient. Street trading should be about recovering costs and not about profit-making (Pernegger, 2014). It is unrealistic for the state to expect the street traders to pay operating costs as most of them are survivalist - the state should therefore be subsidizing street trading (Dobson & Skinner, 2009).

Due to all the management and financial challenges experienced by the MTC, it was disbanded and replaced by the JPC in 2013. However, it is not clear how this will rectify the problems faced by MTC as the JPC's mandate focuses on property values and building regeneration (Bénit-Gbaffou, 2015).

#### **4.1.1.3. Johannesburg Metropolitan Police Department**

The JMPD is responsible for enforcing the Informal Trading By-Laws. It can be argued that the JMPD is the key management institution in the public management of street trading. However, enforcement rather than management is evident, and it is sometimes reminiscent of street trading under apartheid. The problem is that street trading is criminalized in the City, and that there is a lack of institutions to effectively manage street trading and as a result JMPD becomes the key management institution. Whenever there is disorder, chaos and crime it is immediately viewed as a lack of enforcement and adherence to by-laws when in fact it is due to a lack of efficient and effective management (Bénit-Gbaffou, 2015:58-60; SERI, 2015) – so what manifests is the restriction, repression, and harassment of street traders. Some traders do recognize the need for the JMPD but more often than not many have a negative experience of the JMPD – most traders experience and witness police bribes on a regular basis and some admit bribing police in order to protect themselves against arbitrary harassment, confiscation and eviction (SERI, 2015:28-31; Bénit-Gbaffou, 2015:58-60). Some traders have described the JMPD as “tsotsis” and have witnessed the police breaking the law most days during their patrols (SERI, 2015: 27-31; Bénit-Gbaffou, 2015: 60-63). Many traders complain of JMPD illegally allocating spaces in front of existing traders’ stalls to unregistered traders (SERI, 2015:28; Bénit-Gbaffou, 2015: 61-63). These unregistered traders are allowed to trade through continued bribes to the JMPD.

JMPD officials use arbitrary manipulations of by-laws to demand bribes from street traders. Officials often accuse traders of displaying their goods untidily, displaying their goods beyond the demarcated limits of their trading sites, or of not maintaining the cleanliness of their trading sites (SERI, 2015:29;). JMPD officials resort to pettiness to solicit bribes from the traders. As SERI (2015:29) aptly states:

“The City is certainly not absent from the management of informal trade in the inner-city. Its presence, though, is characterized by rent collection, site inspections, and arbitrary by-law enforcement by the JMPD”

Corruption has been flagged as a major problem in the public management of street trading. This is inevitable in a situation where there is a problem of scarcity. In circumstances such as this, rent-seeking opportunities are high.

The establishment of block leaders to try trader self-management and decentralize street trading management has also been cited as a corruption site. Block leaders are elected by street traders in the relevant area, and they work closely with JPC officials to manage issues, grievances and complaints raised by street traders in the markets. They are responsible for submitting names to the JPC for the inner-city wide street trading waiting list. A trader wanting to trade in a particular block or street would approach the block leader, and be recorded on the block leader's list, to then be integrated into the JPC inner city-wide street trading 'waiting list'. Although this decentralization is welcome because of the flexibility, accessibility and empowerment of street traders, it is also problematic because it generates a level of opacity and creates opportunities for patronage and bribery (Béni-Gbaffou, 2015:61).

When I raised this with Elliot (2018), during an interview it was very clear that there were no mechanisms in place to deal with this challenge of bribery and corruption. The City believes that decentralizing the management of street trading and empowering the street traders will in fact decrease corruption, but it seems like the opposite is happening especially because of the scarcity of trading spaces.

#### **4.1.2. Private Management of Street Trading**

The private sector, through the CJP, manages a sizeable proportion of street trading in the inner-city. The private sector is in fact the leader in management initiatives in the inner-city, and street traders found in these areas have a far greater experience compared to those "managed" by the City. But this is not to say that private management does not have its problems and challenges.

##### **4.1.2.1. Central Johannesburg Partnership**

The CJP was established in 1992 and has developed and grown into a private, non-profit company dedicated to urban renewal and the revitalization of the City. It was formed as a partnership between formal business and the City. It was tasked with leading urban regeneration in the City. The CJP focuses on serving – with exceptional quality as well as forging a close working relationship with the City (Béni-Gbaffou, 2015; Tissington, 2009). It is important to highlight the fact that the CJP's primary client is business as this has an impact on the relationship between different stakeholders involved in the management of street trading in CJP managed areas.

There are two systems managed by the CJP. The first system involves property and/or business owners leasing the sidewalks in front of and around their buildings to manage street trading activity in front of their buildings. The second is done through CIDs, whereby property owners in an area handle managing street trading activities in that area.

The City (through the former MTC) entered a Joint Venture Agreement with CJP in 1999 as part of urban renewal (Tissington, 2009:40-41; Bénit-Gbaffou, 2015:64). It was renewed twice until the contract expired in January 2008, the contract was not renewed due to financial disagreements between the two parties (Bénit-Gbaffou, 2015:64). Despite this, the CJP continues to informally manage street trading in certain parts of the inner-city, mainly CID areas.

What is interesting is that CJP has not always been welcoming and supportive of street trading, it was one of the main actors who lobbied for the City to extend its prohibition of street trading to CID areas (Tissington, 2009:40-41). It also supported the City's decision to prohibit pavement street trading and move all street traders to markets (Tissington, 2009:40-41). However, this has changed over the years, this is because the CJP has come to accept that street trading is a part of the inner-city and it is going nowhere, so it is better to acknowledge street traders than to deny their presence as it allows CJP to manage them (Bénit-Gbaffou, 2015:64). The South African National Traders Retail Alliance (SANTRA) is very skeptical of CJP because it does not believe that street trading can be managed by corporate led entities whose primary constituent and client is business. They argue that such entities have no interest in correcting the socio-economic imbalances of the past (Tissington, 2009:41).

The CJP has played a significant role in the establishment of CIDs. CIDs are managed by UGM and they are paid by the CID property owners' board through the board's CID levy. UGM is responsible for managing the streets and traders, they do this through ensuring safety and security; making sure the streets are clean through the provision of necessary facilities and services; and they have regular meetings with block leaders to deal with any issues (Bénit-Gbaffou, 2015: 67-70). The CID levy covers the costs of street trading management, with little contribution from the City and street traders (Bénit-Gbaffou, 2015:68-70). The CJP is responsible for rent collection; lease agreements; and it serves as a communication link

between the relevant City departments and the UGM. The CJP operates independently and its processes and systems are very different to those of the JPC managed streets – the main reason for this difference could be explained by the JPC’s lack of capital, resources and capacity. As a result, the overall management of street trading in the inner-city is fragmented and inconsistent. Traders who operate within CJP managed CIDs are happy and ‘enjoy a sense of security and stability, dignity and pride’ that is not experienced in JPC managed areas (Béni-Gbaffou, 2015:65-66).

CIDs were a significant part of the City’s urban renewal plan and have played a significant role in drawing in investment and revitalizing the inner-city. CIDs have been praised for being efficient and effective mechanisms for drawing in private funding for urban regeneration, and for bringing in extra money in order to support urban management especially in a dense area such as the inner-city which demands extra support and resources but is faced with limited resources (Tissington, 2009:40-41; Béni-Gbaffou, 2015:65-66). Inner-cities need more resources compared to other parts of the city because of their ‘densities and multiplicity of uses’ (Béni-Gbaffou, 2015:65-66).

As much as CIDs have positive benefits for the City, they have also been heavily criticized for being units of privatized governance with a lack of democratic representation and accountability. As previously mentioned, CIDs are made up of property owners who form the board of directors that make key decisions that affect those working and living in the areas that they operate in. Section 4(3) of the Gauteng City Improvement Districts Act 12 of 1997 states that although non-voting members – such as councilors, tenants and other stakeholders - of the board may be included in meetings, they do not have a say in the decisions made by the board. This makes the board a power unto itself with little democratic accountability. Furthermore, those most affected by their decisions – street traders – are excluded from decision-making. The problem with such mechanisms is that they tend to lead to private management of space which leads to the displacement and eviction of the poorest and most vulnerable (Miraftab, 2007:603-604). Miraftab (2007:603-604) further criticizes CIDs for promoting ‘uneven social and spatial development characteristic of neoliberal spatiality.’ As soon as something does not fit into the vision of what the CID has planned, it is removed. This is seen in the prohibition of street trading in certain CIDs – Braamfontein and South Western CID. Traders are not consulted about these decisions which is in violation of Section 6 (2) of the Businesses Act.

CIDs tend to ‘restructure urban space to serve the ideal of a world-class city integrated into the global economy, at the cost of the city’s social and spatial integration’ (Miraftab, 2007:604). In doing so they create exclusive spaces for formal businesses and restrict the access of street traders to potential customers and business opportunities, which is unfair and discriminatory (Bénil-Gbaffou, 2015:65-66).

### **4.3. Informal Traders Forum**

The previous ITP gave provision for the establishment of the Informal Traders Forum (ITF). The City seemed to have had it right by setting up a multi-stakeholder platform for trader participation. Unfortunately, the ITF did not live up to its expectations due to several reasons. Firstly, the mandate and powers of the ITF were vague and unclear. The ITP stated that the purpose of the ITF was to provide ‘guidance, oversight, and advisory support related to the effective and successful implementation of the Informal Trading Policy and By-Laws’ (COJ, 2009). It is not clear about whom they are providing this guidance, oversight and advisory support to. The ITF and its purpose was not taken seriously by the City, and as a result the ITF was not consulted for any key decisions affecting the livelihoods of street traders.

Secondly, the ITF was meant to be comprised of key government officials from multiple departments relevant to the management of street trading, but this did not happen. Only one government official attended the ITF. This has significant implications on the impact of the ITF, the resolution of issues and accountability. It revealed the City’s disregard for street trading and the issues of street traders. And that they had no real intention or desire to include street traders in policy decisions around street trading in the City.

Many traders complained about the following regarding the ITF (Bénil-Gbaffou, 2015:88):

- The absence of circulation of minutes and agenda,
- The disrespect of a proper period for calling a meeting (often one day before (this was the case with Operation Clean Sweep), and often oddly coinciding with traders’ organisations own internal meetings)
- The irregularity of the meetings – and never at the traders’ initiative
- The inability of traders to propose points for the agenda;
- The lack of follow up and of feedback, making these irregular meetings little more than ‘talk shops’

The ITF lacked follow-up and real accountability from city officials and ended up being more of a ‘complaints and venting platform for traders where City Departments were not effectively attending’ (JPC, 2018:3).

The operation of the ITF is closely linked to the politics of street trading organisations. Currently, street trading organisations are very fragmented, fragile and narrow-focused, and this unfortunately disadvantages the sector when it comes to engagement with the City as unity in the sector and collective awareness are prerequisites for engagement (Béni-Gbaffou, 2014). Street trading organisations are fragmented, fragile and narrow-focused. As a result, street trading organisations tend to have very little influence over government policy. However, there are some exceptions such as SEWA of India who have been instrumental in drafting the government’s innovative approach to street trading, they are also included in the management of street trading. SAITF and SANTRA were also instrumental in challenging the City’s unlawful conduct experienced in Operation Clean Sweep, if it were not for these two organisations the City would have gotten away with its unlawful actions and there would not be key shifts in government approaches to street trading in Johannesburg.

**South African Informal Traders Forum (SAITF)** describes itself as a mother body or an umbrella structure to its affiliates much like other major union structures in South Africa (Ndlovu, 2014 interview in Béni-Gbaffou, 2014). It was established in 2006 and its main aim is to help informal traders and street traders form a united front to deal with the various challenges that individuals in the informal economy face on the daily. SAITF aims to unite individuals and organisations within the informal economy. It is very representative and inclusive, it represents all types of street traders and informal traders, licenced and unlicensed – which is rare amongst street trading organisations ) Béni-Gbaffou, 2014). The Forum claims to have a membership (both individuals and organisations) of 9000 across the country, with only 2000 members in Johannesburg’s CBD (Béni-Gbaffou, 2014). SAITF works very closely with SERI, SERI serves as the Forum’s legal advisor and it educates its members on its rights. The main focus of SAITF is to protect the rights of its members and to protect its members from police harassment. It is also involved in coming up with solutions to the City’s

mismanagement of street trading, it recently submitted a proposal to the City for a self-management model for street trading in the inner-city (Bénet-Gbaffou, 2014).

**South African National Traders & Retailers Alliance (SANTRA)** is one of the few organisations that have played a key role in influencing policy around street trading in Johannesburg's inner-city. The trade organisation was established in 2005. According to Mantanga (2014) SANTRA has a membership of 5000 street traders in Gauteng, including 3000 in the inner City, with 60 block leaders (Bénet-Gbaffou, 2014). SANTRA represents mostly street traders. SANTRA aims to protect its members right to trade free of harassment, and to influence government policy that impacts street trading at the local, provincial and national level (Bénet-Gbaffou, 2014; Matjomane, 2013). According to Matjomane (2013) SANTRA is effective in its efforts because it uses a number of techniques to influence government policy and put pressure on the government. SANTRA uses a number of strategies such as petitions, media campaigns, social networks, court cases and sometimes cooperation and development of pilot projects in alliance with the corporate sector (Matjomane, 2013). SANTRA also has strong social networks that it can draw upon for support in order to influence government policy and add pressure to the government. Its most victorious battle was the Constitutional Court Case against the City for Operation Clean Sweep. SANTRA along with SAITF challenged the City in Court and won the case, allowing traders to return to their trading spaces until further notice and the Court ordered the City to revise its policies and legislation around street trading.

The City's institutional framework and management of street trading in the inner-city is very fragmented and inconsistent. It lacks coordination and collaboration. The City has a problem effectively managing street trading because it lacks a cohesive, holistic and collaborative management approach – it can therefore be blamed for the chaos and disorderliness of street trading in the inner-city. What is concerning is that the City is not at the forefront of street trading management, instead it has delegated its responsibilities to MOEs and the private sector without coordinating and overseeing this process. It has a very hands-off approach. The City also lacks spaces for participation and consultation for street traders to influence government policy and programmes affecting street trading in the inner-city.

### **4.3. Conclusion**

This chapter looked at the institutional framework and management of street trading in Johannesburg's inner-city. It discussed the departments and various entities responsible for the management of street trading and found that the current management model is very fragmented and inconsistent. It then discussed the various spaces of participation and consultation available to street traders to express their grievances and influence policy affecting their livelihoods and found that the City lacks meaningful spaces for participation. Street trader organisations and their flaws were discussed, although limitations to their meaningful impact were identified it was found that there are some organisations that have played a meaningful role in the management of street trading in Johannesburg's inner-city.

## **Chapter 5: Operation Clean Sweep**

‘a brutal, arbitrary, and contemptuous way for the state to solve urban issues’

(Béni-Gbaffou, 2015:3)

### **5.0. Introduction**

This chapter will discuss Operation Clean Sweep which took place under Parks Tau’s, the former Mayor of Johannesburg, administration in 2013. It will look at how Operation Clean Sweep has affected the City’s approach to street trading. It assesses the changes that have been made Post-Operation Clean Sweep and the implications those changes have had on the livelihoods of street traders.

### **5.1. Operation Clean Sweep**

On the evening of the 30<sup>th</sup> of September 2013, a meeting took place between JMPD officials, block leaders and most trader organisation leadership. The JMPD officials informed the relevant parties that the City was to embark on a clean sweep on the following day (1<sup>st</sup> of October). This was supported by the traders who were present as there had been many complaints about traders who were working “illegally” and stealing customers; traders not paying rent; and traders not cleaning the public space that they operated in (Béni-Gbaffou, 2015:6-7; SERI, 2015). It was agreed that on the day the block leaders would assist the JMPD in distinguishing between “legal” (licensed) traders and “illegal” (unlicensed) traders. What was concerning about this meeting and agreement is that not all traders were present or represented; no agenda was circulated; no notice was given about the meeting; and traders had no opportunities to comment upon or oppose the final decision beforehand (Béni-Gbaffou, 2015:6-7; SERI, 2015)... essentially, the City did not follow due process before embarking on this operation. What followed was a month (1<sup>st</sup> - 31<sup>st</sup> of October) of mass violent removals reminiscent of apartheid’s repressive management of street trading.

The JMPD forcefully evicted approximately 7000 traders, both licensed and unlicensed, from their trading stalls and confiscated their goods. The JMPD did not consult block leaders about which traders were licensed and which were unlicensed. According to the City, the purpose of Operation Clean Sweep was to rid the city of unsightly and disorderly trading areas which gave rise to disorderliness, crime and congestion (Béni-Gbaffou, 2015:6-7; SERI, 2015; Lekgowa & Nicolson, 2013; Constitutional Court, 2013:6). The City argued that the streets were so

congested that it was infringing on citizens' rights to the proper use and enjoyment of the public space and its facilities (Constitutional Court, 2013:6). Clearly the City did not view street traders as citizens who also have the right to the very same public space. The City treated street traders as encroachers.

Following the mass evictions, traders tried to engage with the City to negotiate an agreement where they could return to their lawful trading activities. On the 2<sup>nd</sup> of November 2013, the City agreed to a verification process where traders would be required to re-register and if they were verified against the City's system, they would be allowed to return to their stalls to continue trading (Constitutional Court, 2013:6-7; SERI, 2015:15-17). On the 4<sup>th</sup> of November the traders had re-registered and completed their verification process, however they were not allowed to return to their trading sites – those who did were forcefully removed by the JMPD and their stalls were dismantled (Constitutional Court, 2013:6-7; SERI, 2014:15-17). Traders continued to engage with the City from the 8<sup>th</sup> – 14<sup>th</sup> of November 2013, but it became increasingly clear to them that the City had no intention of allowing them to return to their trading sites (Constitutional Court, 2013:6-7; SERI, 2015:15-17). The traders stated that it was becoming increasingly clear that Operation Clean Sweep was intended to permanently remove traders from their trading sites and relocate them to 'unknown designated areas', and in the meantime trading in their current sites was prohibited (Constitutional Court, 2013:6-7; SERI, 2015:15-17). On the 15<sup>th</sup> of November, with the help of SERI, traders sought urgent interim relief at the South Gauteng High Court. SAITIF and SANTRA were the trader organisations that spear headed the litigation against the City. The City, appallingly, argued that the relief sought by the traders was not urgent as a result it was struck off the roll by the judge (Constitutional Court, 2013:6-7; SERI, 2015:15-17). No reasons were given for this decision. The implications of the High Court meant that traders would have to wait until February 2014 for a hearing, meaning that they would not be generating an income for 3 months.

SERI applied to appeal this decision and sought urgent relief for the traders at the Constitutional Court. The Constitutional Court accepted the application on the following grounds (Constitutional Court, 2013:6-7; SERI, 2015:15-17):

- It served the interest of justice;
- It raised important Constitutional issues – issues such as the right to freedom of trade, and the right to dignity
- Traders would have experienced 'irreparable harm if urgent relief was not granted

SERI argued that the City's actions were unlawful and contravened Section 6A of the Businesses Act; that the City threatened the livelihoods of 1000s of traders; and that the City violated the traders' rights to freedom of trade and dignity (Constitutional Court, 2013:6-7; SERI, 2015:15-17).

#### 5.1.1. Constitutional Court Judgement

‘When women and men in government disregard the law, their conduct may very well  
cause hardship, particularly for the vulnerable’  
(Constitutional Court, 2013:4)

The Constitutional Court gave a scathing judgement and scolded the City for its ‘flagrant disregard’ of the law and the traders’ rights (Constitutional Court, 2013:6). The Constitutional Court said that the City undermined the traders’ fundamental rights to trade and dignity – ‘the ability to earn money and support themselves is an important component of human dignity, without it they faced degradation and humiliation’ (Constitutional Court, 2013:17). Section 6A (3) clearly and comprehensively states the steps that should be followed when removing and relocating traders, however the City did not follow this procedure and its decision to relocate traders was flawed (Constitutional Court, 2013:17). Furthermore, the City’s decision to declare certain areas as prohibited or restricted did not follow Section 6A(2)(a). The City therefore acted unlawfully and had no regard for the impact this would have on the livelihoods of the traders affected (Constitutional Court, 2013). The Constitutional Court stated that the City’s attitude bordered on cynical. It ordered the City to rework its approach to street trading in the inner-city and find legal ways to respond to the challenges of managing street trading in the inner-city (Constitutional Court, 2013:16-17). The City was very unapologetic, it conceded that its actions were unlawful but expressed that it was ‘convenient’ (Constitutional Court, 2013:16).

Operation Clean Sweep was a perfect reflection of the COJ’s mismanagement; poor coordination and collaboration across municipal Departments; inconsistent nature and contradictory policy and attitude towards street trading. It revealed that the City was only progressive and developmental in its approach on paper, but restrictive and repressive in

practice. It revealed that the City had no regard for the livelihoods of street traders and saw street trading as a nuisance, chaotic and undesirable.

## **5.2. Post-Operation Clean Sweep – Towards a New, Inclusive and Developmental Approach to Street Trade Management**

‘Informality is an inevitable part of many modern cities, especially in the developing world. Thus, the City needs to provide regulation, protection and support for both the Informal Sector as well as to balance their needs versus those of pedestrians on the streets, property owners and residents’

(DED, 2016:10)

A COJ Task Team was formed after Operation Clean Sweep. It included several municipal departments and stakeholders: DED, JMPD, JPC, JDA, Group Legal, Development Planning, Environmental Health; and CRUM. The purpose of the Task Team was to develop a new plan and approach to dealing with informal trading in the inner-city; to establish and ensure coordination and collaboration in formulating and implementing the new plan and approach; and to ensure coordination and collaboration in dealing with issues that arise (JPC, 2018). All existing processes were, and continue to be put on hold, to develop the new plan in consultation with relevant stakeholders. This is a huge problem and overly concerning because traders currently have no avenue to raise their issues, when I mentioned this to a senior official and asked what interim mechanisms were in place to ensure that traders had access to such in the meantime – no answer was given.

The consultation process has taken place over two years due to the hostility of some stakeholders as some have been skeptical of the City’s intentions. The process is still not complete as many of the items that the City has worked on are still drafts, many of them were meant to be implemented this year but have not been implemented due to management issues that were not disclosed during the interview process.

The DED (2016:7) identified that the current state of street trading in the inner-city is very disorganized and that this is negatively impacting on various stakeholders. What is interesting

is that the stakeholders that are mentioned are citizens and the private sector, street traders seem to be mentioned as an afterthought.

A Draft Inner-City Trading Implementation Plan (the Plan) was established based on comprehensive consultation with multiple stakeholders. According to the document the Plan was approved by council on the 23<sup>rd</sup> of July 2016 (JPC, 2018:1), but it has not yet been implemented. Reasons for this were not disclosed.

The main elements and outcomes of the Plan are as follows:

1. A **comprehensive Traffic Study was conducted** (see Appendix 3). The City recognized that there was no need for them to relocate street traders or prohibit/restrict street trading, instead they needed to accommodate more traders (DED, 2018: 2). This is a great step for the COJ as it is moving away from its restrictive manner which produces scarcity, towards a more accommodating and inclusive approach to street trading.
  1. Spaces where street trading was previously prohibited will now incorporate street trading, e.g.: Rissik – Joubert Street; Joubert – Hoek Street. However, there are restrictions to these additions, e.g.: only the right-hand side of the former can be used for trading, and only the left-hand side of the later can be used for trading.
  2. New streets were identified for trading.
  3. Decisions were made to remove parking bays and widen sidewalks to accommodate more traders.
  4. Existing trading areas and sites were evaluated to see where improvements could be made, e.g.: it was identified that some trading areas were overly congested therefore some traders would need to be moved in compliance with Section 6A (2) (DED, 2018:2).
  5. A street by street head count and survey was conducted by the DED to identify the number of traders in each street and the trading activities that take place in each street (DED, 2018:7).
  6. The DED identified what public ablutions and services were needed in each trading area to ensure effective trading and maintenance of public space (DED,

2018:8). This is a significant step as many traders have complained about the lack of public ablutions and services in their trading areas, especially publicly managed areas (Bénit-Gbaffou, 2014; Bénit-Gbaffou, 2015; SERI, 2015).

2. **A new Informal Trading policy and a revision of the current Informal Trading By-Laws** was meant to be completed and promulgated by the end of the 2017/2018 financial year (DED, 2018: 3).
3. **JPC and DED is to finalize a street by street implementation plan** over the next three years with thorough consultation with key stakeholders, especially street traders, to ensure that they are ‘not inconvenienced unnecessarily, which can lead to litigation’ and a communication breakdown (DED, 2018:3).
4. The **establishment of a Project Management Office** solely responsible for the implementation of the Plan. The establishment of this office has been an issue as there is a challenge in finding a team that has the capacity to manage such a project (DED, 2018:3).
5. The **re-establishment of the City-wide Informal Trading Forum (ITF)**. The DED plans to establish this ITF once it has finalized its internal processes and drafted policy discussion documents (DED, 2018:3). The DED wishes to establish a stronger, more capacitated ITF compared to the previous one which was more a ‘complaints and venting platform for traders where City Departments were not attending’ meetings (DED, 2018:3).
6. The DED identified the need to **establish a procurement process for trader registration and the issuing of smart cards** (DED, 2018:8), which has been a challenge for a number of years.
7. **8 Pillars of an effective Informal Trading Plan** were identified (DED, 2018:4)
  1. Adopt an inclusive, developmental policy, supported by appropriate (revised) by-laws
  2. Appropriate institutional design based on full participation of stakeholders

3. Planning and development of trading areas
4. Sustainable informal trader support and development
5. Improved Regulation Model (People Process)
6. Improved Operational Management Plan (separate from enforcement function)
7. Enforcement and Education Plan
8. Continuous Monitoring and Evaluation System

There has been a shift in the City's approach to street trading, however we will only know this for sure once the City implements its Plan. The past has shown that the City has a reputation of saying one thing but doing the exact opposite. What is concerning about the overall Plan is that it is quite vague about how it plans to manage street trading, it talks about being more progressive, supportive and inclusive but it is not very clear on how this will be achieved. It is not very clear on how it will improve on its management flaws, especially regarding issues such as JMPD harassment, brutality and corruption; the current fragmented and inconsistent management model; and the challenges of CIDs (the exclusion and lack of accountability created by private governance, and the privatization of public space).

The DED also needs to be flexible in its implementation of the Plan especially when it comes to the registration of street traders and determining the number of street traders across the inner-city. The DED needs to understand that the number of traders fluctuates depending on the economic climate in the country, therefore the City needs to take the head counts as mere estimates.

The biggest concern of the new Plan is that street traders are still not at the center of it, which means the City runs the risk of repeating past mistakes and encountering the same challenges. They had no representation on the COJ Task Team, their voice on the Task Team were representatives of CUBES and SERI who had put together research reports (*In quest for sustainable models of street trading management: Lessons for Johannesburg after Operation Clean Sweep*; *'The End of the Street?' Informal Traders' Experiences of Rights and Regulations in Inner City Johannesburg*) for the City, which suggested ways forward for the management of street trading in the inner-city Post-Operation Clean Sweep. They spoke on behalf of the traders. As much as it is great that they had some sort of representation it is still

problematic that they did not get a seat at the table, that they were excluded from key discussions that informed the Plan that impacts them the most.

This research was interested in determining whether there was a noticeable shift in the attitude and approach towards street trading since the DA has been in governance. However, this was impossible to determine as the new government does not have a new ITP and they have not implemented any changes since the ANC government. The DA promises to be more supportive, developmental and inclusive – same promises made by the ANC government – but it will only be evident through implementation whether the DA government really is committed to supporting and developing street traders.

### **5.3. Conclusion**

This chapter discussed Operation Clean Sweep that took place in 2013. The implications and consequences of Operation Clean Sweep were discussed and reviewed in relation to the Constitutional Court Judgement. It then looked at the shift and changes that the City adopted towards street trading Post-Operation Clean Sweep.

## **Chapter 6: Findings and Analysis**

### **6.0. Introduction**

This chapter will focus on key findings and analysis. The City of Johannesburg faces three key challenges: a fragmented urban governance model; the creation of scarcity; and the battle to balance the desire to attain world-class African city status, and the socioeconomic needs of the poor and vulnerable.

### **6.1. Fragmented Urban Governance**

Many of the problems the City faces around the management of street trading in the inner-city are due to the City's fragmented and inconsistent management model. The City lacks a cohesive, collaborative and holistic approach to street trading. The City speaks into addressing this problem but is very vague about the specifics.

The City complains about the chaos, disorderliness, uncleanliness, crime and grime present in the inner-city because of street trading, but it is to blame for this – if the City had an effective management model, and developmental approach to street trading, it would not face many of these challenges. Street trading is managed both publicly and privately, and in both instances the City has delegated the management to MOE's and the private sector. This has caused problems on the ground, especially in the public management of street trading.

#### **6.1.1. JPC**

The JPC is faced with several problems that have contributed to the mismanagement of street trading.

##### **a. Smart Cards**

The problem is that the Department has not successfully procured the smart card system and street traders are currently operating with no smart cards which leaves them vulnerable to police harassment and corruption. This is a complex system that is proving to be a great challenge for the City and what is concerning is that there seems to be a lack of urgency in dealing with this matter, which is detrimental to the livelihoods of street traders.

### **b. Allocation of Stalls**

This can only be done once street traders have been allocated smart cards. The previous Policy was clear about the allocation process, the new Plan does not speak into this process. It is important that the City revises its allocation process as it is out of touch with reality, currently stall allocation is done informally, it is clientelistic and it involves the bribing of JMPD officials and block leaders. The JPC needs to produce a process that is not vulnerable to these challenges and a process that is in tune with the realities on the ground.

### **c. Lease Agreements**

The City is guilty of not upholding its end of lease agreements. The City is responsible for providing infrastructure and services for street traders, but this is not happening. This lack of infrastructure and services contributes to what the City terms the filth, grime and health hazard that is the inner-city. The City blames street traders for this, but it is the City's fault, as it is not playing its role in the management of street trading in the inner-city. Multiple municipal departments are responsible for the cleaning and maintenance of these areas, but this is not taking place.

The City also needs to make its lease agreements more accessible and explain them to street traders. Many street traders have complained about the inaccessibility of the lease agreements and their lack of understanding about the purpose of the lease agreement. The City therefore needs to go through the lease agreement with street traders before street traders sign their leases.

### **d. Self-Management**

The City has tried to introduce the self-management of street traders in the management of street trading in the inner-city, but this has been riddled with corruption. The City needs to identify ways that this can be dealt with as the self-management of street traders is a positive and welcomed approach to street trading management.

### **e. Markets (including Linear Markets)**

The JPC continues to prioritize the relocation and accommodation of street traders into markets.

It is concerning that the JPC is opting for the market route given that it has been experiencing challenges with its current markets. Traders have explicitly complained about the problems with markets, so it makes no sense for the City to create more markets to accommodate street trading as it is not beneficial to street traders – street trading is more responsive to natural markets where there is heavy foot traffic. If the City insists on this route it needs to ensure that these challenges and tensions are dealt with and do not affect street traders' livelihoods. The City should, like Hsinchu City in Taiwan, also consider working collaboratively with the street traders to make this model work. If street trader organisations are at the forefront of this model street traders may be more receptive of it and street traders are more likely able to produce solutions to the problems this model presents since it is their lived experience.

#### **f. Communication between traders and JPC officials**

The communication between traders and JPC officials remains a challenge, this is because the City lacks proper, meaningful spaces for participation and consultation. The City hopes to rectify this through the establishment of a new Informal Trading Forum, which will have a stronger mandate than the previous one and be more responsive. The previous one served as a complaints and venting platform for street traders and it was unresponsive and lacked accountability as many department officials who were meant to attend this forum did not attend.

#### **6.1.2. JMPD: The Face of Street Trading Management**

There is no clear mandate or management approach to street trading publicly and this leads to the challenges of chaos, disorder, uncleanliness, crime and corruption. The City's mismanagement of street trading leaves JMPD as the face of street management, but what is implemented is enforcement not management and often the two are conflated. The City emphasizes regulation and punishment of contraventions which criminalizes some aspects of street trading and opens opportunities for the abuse of power and corruption. The JMPD continuously uses its power to take advantage of the vulnerable street traders by soliciting bribes from street traders through the punitive and arbitrary implementation of the Informal Trading By-Laws. Traders end up operating under constant harassment by the JMPD, making it difficult for street traders to operate. The City needs to rectify this. JMPD officials undergo

training for 6 months before they are deployed, the City needs to use this as an opportunity to shift officials' mindsets and attitudes towards street trading because as it currently stands, the JMPD is very restrictive and repressive instead of being supportive and making the environment conducive to street trading.

Traders should also be educated about their rights and the City's by-laws, at the moment they are too vulnerable to arbitrary implementation of by-laws by JMPD officials. Traders should also have the opportunity to anonymously report JMPD officials, the JPC should put a system in place to ensure this, as traders are too scared of harassment and arbitrary eviction and arrest if they stand up to JMPD officials. The City needs to play a greater role in the protection of street traders against JMPD officials especially since the harassment experienced by the street traders is due to the City's mismanagement of street trading.

This also raises a question of who is responsible for managing the streets for street trading. The DED has not been clear about this in its new approach to street trading – more emphasis, attention and detail has been given to the management of markets than the management of the streets.

### **6.1.3. CJP**

The biggest problem with the private management of street trading is that street traders' interests are not prioritized. Business and property owners are the primary clients therefore their interests are prioritized. Although street traders enjoy many benefits from the private management of street trading, many privately managed areas prohibit trading in certain CIDs. Although some efforts have been made by the City to open some of these areas through the comprehensive Traffic Study that was done, there are still limitations to these areas meaning that few street traders will be accommodated.

The CJP and JPC traders' lists currently operate parallelly and are not consolidated, this needs to be rectified as the City needs to be aware of the number of traders present in the inner-city in order to accommodate them. The DED needs to establish a consolidated database for all traders.

Overall, the DED needs to be more hands-on in the management of street trading. Currently management is very fragmented and there is no coordination or collaboration across departments and key stakeholders. The City has delegated its responsibility to MOEs, this would not be a problem if the DED played its over-sight role, which it currently does not. Elliot (2018) and Raymond (2018) both cited the lack of uniformity across the City, and the lack of oversight the DED plays in the monitoring process as challenges in managing street trading in the inner-city. They also site the lack of coordination and collaboration across departments as a problem in the management of street trading. The new Plan aims to deal with these challenges but is very vague about how it plans to deal with them. Key departments and stakeholders need to be involved in drafting policies and programmes; implementing them; and monitoring and evaluating them. In that way there can be a pooling of resources and a multi-pronged approach to street trading management can be adopted. Such collaboration and coordination will also solve conflict over land use and competing interests (Healey, 1998).

## **6.2. The Creation of Scarcity**

The DED stated that currently there are too many traders and not enough space in the City to accommodate them, that the carrying capacity of the streets has been reached. The City cites this as a great challenge to the management of street trading in the inner-city. However, I would argue that the City is intentionally creating scarcity to maintain a clean, orderly and attractive City. The City limits the number of legal trading spaces to serve the interests of the private sector and international investors. The creation of scarcity is a strategy and mechanism used by cities to limit the number of street traders in the city and maintain a certain image (Pezzano, 2012).

There is a shift away from the creation of scarcity, but there are still some restrictions in certain parts of the City – especially in CIDs. There is increasing inclusivity, but it continues to be characterized by restriction. This is evident in the City’s Traffic Study. It is also evident in the City’s Traffic Study that more accommodations can be made for street traders, the City just needs to be more lenient, creative and imaginative in its ways – which it has shown it can do.

The City needs to move away from this restrictive management as it criminalizes street trading and contributes to corruption. Roy (2009) is correct in saying that the state (in this case the City) creates informality through over-regulation. The state creates unrealistic laws and

regulations that leave people with no choice but to break them, especially for people who are operating in the informal economy for survivalist reasons. Laws and regulations tend to be disconnected from what is happening on the ground, and ill-adapted and non-responsive to social or economic needs (Roy, 2009; Yitachel, 2009). This leads to the state criminalizing, illegalizing and informalizing people and communities (Roy, 2009; Yitachel, 2009). The City is aware that the demand for street trading is very high yet it continues to be restrictive in its accommodations, and insists on relocating street traders to markets. This is an unsustainable approach to the management of street trading in the inner-city, especially with the rising unemployment rate.

The City's creation of scarcity also leaves street traders vulnerable to harassment by JMPD officials and corruption. JMPD officials use this vulnerability to solicit bribes from street traders and they use the creation of scarcity to their advantage by illegally allocating trading sites to unlicensed traders.

### **6.3. No Friends of Street Traders: World-Class Cities and Urban Renewal**

“...hawking in the city centre is an ongoing problem and controlling it is part of the drive to turn Johannesburg into a world-class city...”

(Former JMPD spokesperson *cited in* Tissington, 2009)

The City is battling to balance the desire to attain world-class African city status and the socio-economic needs of the poor and vulnerable. Unfortunately, a trade-off exists between the socio-economic needs of the poor and vulnerable, and the interests of investors and private business. What is concerning is that the City is unashamed of this trade off:

“...while the needs of street traders to sustain a livelihood and explore and exploit future economic opportunities is [sic] very important, these needs cannot be met at the expense of the needs of commuters, pedestrians, formal businesses, residents, and other users of Inner City space for clean, safe and well organised public environment.” (COJ, 2009)

It is puzzling as to why the City is adamant on restricting street trading when it is a phenomenon that is part of all cities in the world; including world-class cities such as New York City, London and Milan. The problem is that the City is trying to replicate a model that is not suited for the Johannesburg context. Street trading looks different in different countries depending on how it is incorporated and managed. The City would not have a difficult time attaining this status and balancing the two demands if it properly managed street trading in the inner-city. Much of the complaints surrounding street trading - grime, disorder, chaos, urban decay – are a result of mismanagement.

World-class cities tend to prioritize economic growth and attracting investment. This was evident in the City's urban renewal project that took place in the early 2000s in order to deal with urban decay, reverse capital flight and draw investment back into the inner-city. Such projects have no patience or sympathy for street traders or any sort of informality as it jeopardizes economic growth and private investment. Unfortunately, this marginalizes the poor and the vulnerable – in this instance street traders. There is a need to make world-class cities more inclusive.

#### **6.4. Conclusion**

This chapter highlighted the key challenges faced by the City of Johannesburg in the management of street trading in the inner-city. It found that most of the challenges faced by the City are a result of mismanagement and these challenges could be addressed if the City adopted a cohesive and collaborative management approach to street trading.

## **Chapter 7: Conclusion**

Street trading is a significant part of the inner-city of Johannesburg, especially in the context of rising unemployment in the country. It serves as a livelihood for 1000s of South Africans who do not have access to the formal economy. Therefore, there is a need for the City to be more inclusive, developmental and collaborative in its approach to street management.

Chapter 3 revealed the City's long history of repression and restriction towards street trading in the inner-city. Although some progress has been made towards a more developmental and inclusive management approach many challenges and restrictions remain, especially in CJP-managed areas which continue to exclude street traders in their CIDs. During colonialism and apartheid, street trading was heavily restricted and regulated as it was seen as portraying disorder and underdevelopment. Street trading was heavily restricted and regulated through influx control laws; a limitation of trading spaces; and the 'move-on' policy. The street traders who operated under these harsh restrictions were subject to police harassment on the daily. What is shocking is that police harassment persists post-colonialism and post-apartheid.

Chapter 5: Operation Clean Sweep revealed that one of the main problems in the City in the management of street trading is the City's fragmented urban governance model. The City lacks a cohesive, holistic and collaborative street trading management approach. This is because the City has delegated street trading management to MOEs without overseeing or coordinating the activities of these entities and this has resulted in a fragmented, inconsistent and corrupt management model. It has also led to enforcement being conflated with management as the JMPD has become the face of street management. It has also failed to coordinate and establish collaboration across multiple municipal departments, which is crucial for the effective and efficient management of street trading – street trading requires multiple departments to manage its activities. It has also led to the exclusion of street traders in some parts of the CJP-managed trading areas – CIDs.

Currently, there are no concrete institutions or policies in place to manage street trading since everything was put on hold after Operation Clean Sweep. The City is still finalizing systems and policies to manage street trading. It is very concerning that it has taken the City 5 years to rectify this, and still there is nothing of substance in place. This leaves street traders very

vulnerable as they have no channels of communication with the City and there is currently no policy regulating street trading. The only piece of legislation in place is the Informal Trading By-Laws which mainly serves to protect the interests of the City and not the street traders. The City's Draft Informal Trading Implementation Plan speaks into many of these challenges, but it is very vague about how it plans to address these challenges.

At the beginning of the study one could be sympathetic to the City of Johannesburg because of the complexity of managing street trading, however this could change as one immerses themselves deeper into research. Chapter 6 revealed that many of the challenges the City of Johannesburg faces with regards to the management of street trading in the inner-city is self-imposed. But what the City tends to do is shift the blame onto street traders, who have become victims of the City's gross mismanagement of street trading and has left them vulnerable to police harassment. It also revealed that street trading within the inner-city is highly contested because there are several contesting interests at play because the inner-city has multiple uses and serves as the economic hub of the City. The City battles to manage all these interests and unfortunately the people who bear the brunt of this are the poor and marginalized – being street traders. This is because the City does not prioritize the socio-economic needs of the urban poor. Instead what is prioritized is the attainment of the world-class African city status, and the interests of business, property owners and the international investors in the name of economic growth and development. This vision is unsympathetic to street traders who end up being excluded from economic activity and the City's urban space. This is a problem because it perpetuates the spatial and economic inequalities of the past.

The City treats street traders as encroachers who do not have the right to the city, they are not treated as stakeholders who have access to the City's urban space. The City intentionally criminalizes street trading through the creation of scarcity, the City insists that the inner-city has reached its carrying capacity, but this is not the case – this is just a mechanism and strategy used to limit the number of traders in the inner-city in order to maintain the orderly and clean image of the world-class African city.

This research hopes to contribute to the understanding of the complexity of the management of street trading in the inner-city and hopes to inform policy and practice in the urban management of street trading. A comprehensive study solely looking into the formulation of

the new Informal Trading Policy in Johannesburg is needed. The lack of transparency in the formulation of the new Informal Trading Policy and the mere lack of an ITP has left many gaps in this research that only the ITP could have filled. The new ITP is needed to meaningfully gauge whether the City really has shifted its approach. And the implementation of the ITP needs to be evaluated and monitored to see whether there has been a shift in the City's management approach. This is important as the City has a long history of being inconsistent and contradictory when it comes to policy and practice.

Much of the research, including mine, that is related to street trading and city governance is biased towards street traders, I would argue that this is due to the fact that it becomes starkly clear during research that the City is guilty of marginalizing, criminalizing and excluding street traders. However, there is a need to conduct less biased studies when looking at the management of street trading in urban city centers.

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## Appendices

### Appendix 1: Interview Consent Form



University of Cape Town  
Faculty of Humanities  
**Consent Form**

Title of research project: *What are the challenges facing the City of Johannesburg in the Management of Street Trading?*

Names of principal researcher: Nompumelelo Zulu

Department/research group address: Department of Political Studies, University of Cape Town, Upper Campus, Rondebosch, 7701

Telephone: 0713177068

Email: zlxnom015@myuct.ac.za

Name of participant:

Nature of the research: Interviewing officials who are responsible for the day-to-day management of street trading in the inner-city of Johannesburg

#### **Participant's involvement**

What's involved:

Risks:

Benefits:

Costs:

Payment:

- I agree to participate in this research project.
- I have read this consent form and the information it contains and had the opportunity to ask questions about them.
- I agree to my responses being used for education and research on condition my
- Privacy is respected, subject to the following:
  - I understand that my personal details may be included in the research
  - I understand that I am under no obligation to take part in this project
  - I understand I have the right to withdraw from this project at any stage
  - I understand that this research might be published in a research journal or book

In the case of dissertation research, the document will be available to readers in a university library in printed form, and possibly in electronic form as well.

**Signature of Participant / Guardian (if under 18):** \_\_\_\_\_

**Name of Participant / Guardian:** \_\_\_\_\_

**Signature of person who sought consent:** \_\_\_\_\_

**Name of person who sought consent:** \_\_\_\_\_

Signatures of principal researcher: \_\_\_\_\_(name)

Date: \_\_\_\_\_

## **Appendix 2: Interview Questions for City Officials**

### **Guiding Questions for interview with City of Johannesburg official/s**

1. What is your role within COJ and how long have you worked for the city?
2. How has COJ's approach towards street trading in the inner city changed since...?
3. How high is informal trade on the COJ's agenda?
4. How does the city manage informal trading in the inner-city?
5. What are the key challenges the city faces in managing informal trading in the inner-city?
6. How have things changed since Operation Clean Sweep?
7. How is the COJ currently supporting traders in the inner city? How does the city protect the rights and interests of informal traders?
8. What support structures are in place for vulnerable traders such as women?
9. What are the city's views on migrant traders?
10. Do you think the COJ's by laws enable/empower or disempower traders?
11. Which channels are in place for communication between the city and trader organisations?
12. Do trader organisations play a significant role in decision making? What channels exist to ensure engagement with the city? What is the process of participation?
13. What is your personal opinion on street trading? Especially in the city's pursuit for world class city status

# Appendix 3: Inner-City Traffic Study

