Resilience and Sustainability in the Informal Economy: An Exploration of Cape Town's Informal Food Traders Amidst Disruption

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by

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Abstract

The role of informal food traders in responding to the needs of local communities is crucial to achieving SDG 2: Zero Hunger. Different frameworks, developed by the Global North, have sprung up around the Sustainable Development Goals (a replacement of the Millennial Goals) to measure progress towards sustainability and address different aspects of environmental, social, and governance (ESG) but have a limited look at the role played by the informal economy. This gap highlights a lack of understanding of how informal systems contribute to sustainability, particularly in developing regions. Calls have emerged for increased research into the informal economy within a sustainability context, as previous economic models have largely ignored it.

As part of this under-researched landscape, South African informal traders exemplify resilience as they face disruptions, such as rolling blackouts, extreme weather events, a global pandemic, and persistent socioeconomic challenges like high unemployment and inequality. Food security is at risk for millions of South African households as families grapple with high food inflation and low disposable incomes.

Building on the strengths of inductive, interpretivist approach, this qualitative study explores how informal traders respond to disruption to increase the sustainability of their businesses in Cape Town, South Africa.

Using data collected through semi-structured interviews and observations, this study sheds light on the resilience and adaptability of informal food traders and the crucial role they play in providing food security in low-income areas. It looks at existing sustainable practices within the business and highlights where technology may be used as a tool for scalability and replicability.

The significance of this study lies in recognising informal traders as potential catalysts for sustainable practices, influencing larger market trends and environmental stewardship.

Keywords: Agency, Disruption, Food Security, Informal economy, Informal trader, Resilience, Sustainability, Sustainable development

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Abbreviations

CEO	Chief Operating Officer
COVID-19	Coronavirus Disease 2019
ESG	Environmental, Social, Governance
GEM	Global Entrepreneurship Monitor
GDP	Gross Domestic Product
ILO	International Labour Organisation
ICT	Information and Communication Technology
IMF	International Monetary Fund
NGO	Non-Governmental Organisation
SARS	South African Revenue Services
SDG	Sustainable Development Goals
SMME	Small, Medium and Micro Enterprises
Stats SA	Statistics South Africa
UNDP	United Nations Development Programme

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1. Introduction

1.1 Background

The growing internal and external pressure to look beyond short-term shareholder profits has led to greater discourse on sustainability issues, previously overlooked in strategic management literature prior to the 1990s (Fowler & Hope, 2007). Examining the effects of several key social, environmental, and economic disruptions over the last couple of decades indicates possible reasons for rising sustainability concerns and increased attention by researchers and practitioners such as De Gobbi (2012), Fowler and Hope (2007), and Moliterni (2017). Disruptions are casting a spotlight on unsustainable practices; persistent blind spots became evident in terms of the world's shift to sustainable practices during the COVID-19 global pandemic. Full or partial nationwide lockdown measures, with a high economic cost, were implemented across the globe, affecting over 5 billion people (Dube & Katende, 2020; International Labour Organisation (ILO), 2020) and disrupting global and local supply chains significantly (Millard, 2020). The United Nations (2020) believes that 2020 was the first year in over 20 years where the world experienced increasing levels of global poverty. This also meant an increase in job losses and more people moving from a formal to an informal economy as a way to survive.

While disruptions are often viewed as threats, this study explores how they also act as catalysts for change, particularly within informal systems. In the case of informal food traders, disruptions are not episodic but woven into everyday life - from regulatory crackdowns and forced removals to floods and economic shocks. Understanding how these traders adapt and maintain operations under pressure offers critical insight into alternative understandings of sustainability, grounded in resilience, flexibility, and local knowledge.

1.2 Rationale

Despite their central role in food security, employment, and local economies, informal traders remain peripheral in sustainability discourse and policy frameworks (Skinner, 2016). Much of the literature continues to prioritise formal economic structures and Western-centric development models, which often overlook the ways sustainability is actively practiced within

informal systems. This study was conducted to address that gap by examining how informal food traders in Cape Town contribute to sustainability from both individual and community perspectives.

As highlighted in the literature, informal economies in the Global South and particularly in Africa are often undervalued despite their role in buffering against poverty and exclusion (Anwana & Owojori, 2023). Informal traders are not simply vulnerable actors; they display high levels of adaptability, innovation, and community embeddedness, particularly when facing disruptions such as climate change, forced removals, and economic shocks (Moagi, Ivanovic & Adinolfi, 2021; Tawodzera, 2019). These adaptive responses reflect a broader, localised form of sustainability not typically captured in formal policy or global metrics.

This study also responds to a practical need to better inform policy interventions that affect the informal sector. Informal traders' practices are rooted in relational ethics and mutual support values that are foundational to social sustainability and frequently expressed through collective resilience and embedded community dynamics. Recognising these systems challenges conventional definitions and offers new insight into how sustainability might be reimagined from the ground up.

1.3 The Research Problem

The informal economy is significantly affected by socio-economic disruptions and political changes (Dawa & Kinyanjui, 2012). Half the global workforce, 1.6 billion people, create livelihoods for their families in the informal economy, where 60 percent of income dropped within the first month of the Covid-19 crisis (United Nations, 2020).Whilst, 80% of the world's micro and small enterprises are informal, consisting of 'mainly unregistered small-scale units' (International Labour Organization, 2020), making them a significant contributor to the livelihoods of millions across the globe and should therefore be included in global shifts towards sustainability. Achieving sustainability is elevated in discourses amongst academics, practitioners, the media, and the public as it has become the latest buzzword used in marketing to sell products (Srivastava, 2020).

Globally, sustainability is recognised by the 17 Sustainable Development Goals as a "shared blueprint for peace and prosperity for people and the planet, now and into the future" (United

Nations, 2015). The Informal economy is directly referred to only once in the SDGs statistical indicator 8.3.1 as a means of tracking progress towards Goal 8. ‘Promote sustained, inclusive and sustainable economic growth’ (United Nations, 2015). This leaves a gap in understanding sustainability from the ground up, understanding what sustainability looks like in the informal economy and how well supported informal traders are to contribute towards more sustainable business practices.

Briassoulis (1999) highlighted the pitfalls of measuring sustainability by stating only the direct effects of the formal sector are taken into account. This has still not changed, the informal economy has largely been ignored in earlier models of economic development (Dawa & Kinjanjui, 2012), considered to be marginal or peripheral to the formal sector (Chen, 2012). Indices created to represent different aspects of sustainability are unlikely to include data pertaining to the informal economy due to their inputs making use of formal data, for example gross national income per capita is used to measure the standard of living dimension of the Human Development Index (United Nations Development Programme, 2024).

Lastly, not enough is being done to acknowledge or understand existing practices that contribute to sustainability from an individual and community perspective in African countries (Chipango & To, 2024). Whilst sustainability encompasses social, human, environmental and economic effects, countries are at varying stages of achieving each component. Their environmental contributions and effects are felt differently. Africa was responsible for just 4% of global emissions in 2022, the lowest per capita of any continent (Friedlingstein et al., 2023). Despite this, Ethiopia has experienced decades of droughts, resulting in “successive harvest failures and widespread livestock deaths” (World Food Programme, n.d., para. 2). According to the World Bank (n.d, para. 1) Malawi is “particularly prone to adverse climate hazards" including both droughts and floods. The World Bank Group (2023) has also acknowledged that "While Mozambique’s contribution to global greenhouse gas emissions is minimal at 0.21%, the country is one of the world's most vulnerable to climate change. Floods in South Africa in 2022, claimed the lives of 435 people, left thousands homeless and resulted in damages to infrastructure of at least $656 million (Reuters, 2022). These climate-induced disruptions exacerbate the vulnerabilities of informal traders, damaging infrastructure essential to their daily operations, limiting access to markets, and undermining their economic stability (Moagi, Ivanovic & Adinolfi, 2021; Anwana & Owojori, 2023).

The resulting instability has broader socioeconomic implications, particularly given that the informal economy employs a significant portion of the population in developing countries. Approximately 35% of Africa's population or 490 million people living in high levels of poverty off less than $1.9 a day (UNCTAD, 2021; Macrotrends, n.d). South Africa's unemployment sits at 31.9% (Stats SA, 2023) with 1 in 5 households struggling with food security (Dlamini et al., 2023).

The UN environmental programme states African countries' vulnerability is 'driven by the prevailing low levels of socioeconomic growth in the continent' (UN Environmental Programme, n.d.). This should force us to examine the priorities at a localised level as well as the interconnectedness of various aspects of sustainability.

This research study responds directly to Ruzek's (2015) call 'for an increase in research of the informal market situated within sustainability' through examining how the informal economy is making use of sustainable practices and how social, human, environmental, and economic disruptions that appear to be spurring on sustainability in the formal sector may be a catalyst for the informal economy to do the same.

1.3.1 Objectives of the Study

- Analyse how disruptions act as catalysts for implementing sustainable practices in informal food trading.
- Understand how technology contributes to sustainable practices in informal food trading.
- To provide recommendations, based on the findings from the fieldwork, on how informal traders can integrate more sustainable practices in their trade activities.

1.3.2 Research Question

How can informal food traders respond to disruption to increase the sustainability of their businesses in Cape Town, South Africa?

1.3.3 Sub Questions

1. How do disruptions affect the informal food value chain
2. How do disruptions act as catalysts for informal food traders to implement sustainable practices?
3. How does technology contribute to sustainable practices in informal food trading?
4. What opportunities exist for informal food traders to integrate more sustainable practices in their trade activities, based on insights from current responses to disruptions and technology use?

1.4 Methodological Overview

This study adopted a qualitative research approach, grounded in an interpretivist philosophy, to explore how informal food traders respond to disruptions in Cape Town, South Africa. Data collection involved semi-structured interviews with informal food traders in two distinct sites, Cape Town's Central Business District and Khayelitsha township, supplemented by non-participant observations to contextualise traders' lived experiences. Data was analysed through thematic analysis, enabling identification of key patterns regarding sustainability practices, resilience, and responses to disruptions within the informal economy.

1.5 The Significance and Contribution of this Study

Conducting a study on the role of socio-economic and environmental disruptions in shaping sustainable business practices within the informal food value chain holds significant importance for several reasons. Firstly, it sheds light on the resilience and adaptability of informal food traders, often overlooked in mainstream economic analyses (Galdino et al., 2018). These traders play a crucial role in food security, especially in developing countries, and understanding their practices can offer insights into sustainable models of operation (Battersby, 2011; Hall & Wegerif, 2021; Wegerif, 2020). Secondly, the study examines how these traders, as potential catalysts for sustainable practices, can influence larger market

trends and environmental stewardship. This is particularly relevant in the context of growing concerns over food sustainability and the environmental impact of food production and distribution. Lastly, exploring the use of technology as a tool to enable sustainable practices offers practical solutions that could be scaled and replicated. This aspect of the study could bridge the gap between traditional methods and modern technological innovations, fostering a more sustainable and efficient food value chain. Such research not only contributes to academic discourse but also has profound implications for policy-making, offering pathways to support and enhance the sustainability of informal food sectors.

1.5.1 Limitation of This Study

Table 1: Limitations of Study

Time constraints	The methodology selected involved time-consuming data collection and analysis processes. Time constraints may have prevented deeper engagement with the phenomenon, risking not fully capturing the nuances of the research question.
Timing of the study	The data collection period for this study was between January and April 2022, during the tail end of Covid-19 restrictions, with the state of disaster ceasing in April 2022. However, due to the significant socio-economic repercussions and uniqueness of the pandemic, responses may have differed had the study been conducted at a different point of time. Given that this study aimed to unearth how disruptions can contribute towards more sustainable business practices, it was well timed in understanding how businesses were recovering from the Covid-19 pandemic but may be susceptible to different results depending on where in the recovery process traders were.
Sample size	The sample size for this study consisted of ten individuals (Informal traders). This provided for more detailed exploration, whilst limiting the generalisability of findings across a larger population. While broader statistics indicate a higher prevalence of women in

	the informal economy - globally about 61% (ILO, 2018) and as high as 74% in informal non-agricultural sectors in Sub-Saharan Africa (WIEGO, 2018) - this study's purposive sampling resulted in a slightly higher number of men participants - 60% male and 40% female. However, the study did not specifically apply a gender-focused sampling strategy or lens. It is also worth noting that existing statistics regarding informal economies, including gender distributions, often suffer from reliability issues due to incomplete or inconsistent data collection practices
Difficulty in finding research participants	Identifying traders who were willing to participate who met the criteria proved difficult. Reluctance appeared to be due to privacy concerns, lack of interest or the reality of many traders trying to make a living and recovering from futile covid restrictions.
Collection of data	The qualitative approach taken in this study requires significant skill and sensitivity. Misinterpretations or omissions by the researcher during this stage may lead to inaccurate conclusions. This study focused on informal traders, with no restrictions on the degree of 'formality'. To understand more about the business practices, questions pertaining to the legality of operations were touched upon. Some respondents hesitated to fully disclose information or made contradictory statements. This potential reliability issue was minimised by building rapport with the interviewee and cross verified with observations.
Availability of information or previous research	The challenges facing informal traders is well documented, including strategies taken by informal traders. However, less available was the analysis of business practices from the lens of sustainability. Limited research was available on the extent to which informal traders understand sustainability and implement sustainable business practices.

Biases	Making use of interpretivism, provides for researcher biases that can influence the study's design, data collection and analysis phases.

2. Literature Review

2.1 Introduction

This chapter presents the review of literature on three key concepts: the informal economy, disruption and its impact on the informal economy and sustainable development within the context of informality. The review also looks at the informal economy and its current inclusion in the research disciplines of entrepreneurship, economics, disruption, technology and sustainability. It explores how the informal economy intersects with formal economic structures and the potential benefits of integrating informal practices into mainstream theories and management strategies.

This review also identifies the areas where further research is crucial, particularly in understanding how informal businesses thrive and the strategies they employ to navigate the challenges unique to them. Unpacking the absence of the informal economy in theoretical frameworks pertaining to sustainability, which are commonly applied in the formal sector signifies a gap in moving towards a shared understanding of sustainability. Lastly, the review takes a look at the role of technology in moving towards sustainability in the informal economy.

2.1.1 Regional Context of the Informal Economy

Estimates of the size of the informal economy vary greatly, the African Development Bank (2013) estimated Sub-Saharan Africa's informal sector to contribute 55% of GDP. These forecasts, which are limited at the best of times due to a lack of available data, have further been disrupted by the Covid-19 pandemic which began in 2020. It is thought that 90% of jobs outside of the agriculture sector in sub-Saharan Africa belong to the informal sector – making it the second-largest market in the world (Mansoor, 2017). The significance of the informal economy was seen during the recent Covid-19 pandemic, where concerns were raised over lost labour income resulting from national lockdowns leading to higher levels of relative poverty for informal workers (OIT, 2020).

According to data from the International Labour Organization (ILO, 2023), Sub-Saharan Africa has one of the highest rates of informal employment globally, with approximately

89.2% of total employment in the region classified as informal. South Africa's informal economy, while smaller relative to its regional neighbours, still constitutes a significant proportion of employment. Informal employment accounts for approximately 34% of total employment in South Africa, highlighting the importance of this sector in absorbing the labour force, especially in periods of economic downturn (ILO, 2023).

Sub-South Africa sits in a unique position of adding more working-age people than any other country in the world (Maluleke, 2019; Mansoor, 2017). However, at the same time South Africa has an alarmingly high rate of youth unemployment of over 63% as of 2021, irrespective of education level the youth are the most vulnerable in the labour market (Stats SA, 2021). In addition, the World Bank recognises South Africa as one of most unequal countries in the world reporting a Gini coefficient of 0,63 in 2015 (The World Bank, 2021).

A study by Finmark Trust (2021) highlighted the contribution of Small, Medium and Micro Enterprises (SMMEs) to be more than 40% of South Africa's total GDP and account for over 87% of all employment. More than 60% of individuals who start an informal business do so due to unemployment and lack of alternatives. This study estimated 1.65 million informal enterprises. It is also noted that the actual size of the informal economy might be twice as large as official statistics suggest. A 2020 report by South Africa's Department of Small Business Development (DSBD) with the United Nations Development Programme (UNDP) estimated approximately 3.3 million micro and informal businesses in South Africa. Of these 82% are sole proprietors and 11% are owned by more than one person (Mothobi, Gillwald & Aguera, 2020). According to Stats SA (2020), close to 4.8 million people were employed informally in 2020.

The International Labour Organisation (2020) and Rogan & Cichello (2017) suggest that the informal economy should not be seen as homogenous, but rather accommodate for 'considerable diversity in terms of workers, enterprises, and entrepreneurs with identifiable characteristics' (ILO, 2002). South Africa's informal economy consists of distinctly different economic activities, however spaza shops make up 35% of the business landscape, whilst tabletop/hawker makes up a further 6% (Schwabe, 2020). A spaza shop is a term given to an informal grocery shop often operating from someone's house in a township, selling basic household items. Typical items include food, cool drinks and toiletries (Gastrow, 2019).

Terminology is inconsistent across sources, but Tabletop/Hawkers often includes street traders who deal in fresh fruit and vegetables (Paterson, 2021).

At a more localised level, Cape Town and the Western Cape also display substantial informal economic activity. According to Women in Informal Employment: Globalizing and Organizing (WIEGO, 2018), informal employment constitutes approximately 24% of total employment within Cape Town's urban areas. This reflects the critical role that informal work plays in local economic stability and household livelihoods, particularly within urban environments where formal employment opportunities are scarce or inaccessible for many workers (WIEGO, 2018). The 2022 Census conducted by StatsSA, estimates the population of Cape Town to be 4 772 846, making up 64,2% of the population of the Western Cape. Of this 11,7% or 170 115 people are believed to reside in informal dwelling, defined as not a structure not erected according to approved architectural plans including informal settlements and townships (City of Cape Town, 2023). A study of 5 townships in Cape Town, sought to understand the composition of industries in the informal economy, finding similar findings to the national statistics, with the largest two sectors comprising Liquor retail and Spaza shops totalling 46% of all identified micro-enterprises (Charman, Peterson & Piper, 2015).

2.1.2 Regional Context of Informal Food Trading Systems

Food security features in Sustainable Development Goal 2: Zero Hunger, which aims to 'end hunger, achieve food security and improve nutrition and promote sustainable agriculture' by 2030. Food Security is defined by the United Nations as "all people, at all times, have physical, social, and economic access to sufficient, safe, and nutritious food that meets their food preferences and dietary needs for an active and healthy life" (Food and Agriculture Organisation, 2008, p.1). Yet, South Africa's low-income communities continue to struggle with at least 20% households facing food insecurity in 2023 (Dlamini et al., 2023). A key component to improving food security is creating 'fair distribution systems' (United Nations, n.d) which includes the work of informal traders who distribute to low-income households, contributing significantly towards creating food security (Battersby, 2017).

2.1.2.1 South Africa's Food Distribution Systems

South Africa's consumer distribution food systems, comprises both formal and informal actors. Formal retail is dominated by 5 supermarket brands and is described as a mature and concentrated market (Reddy & Ngqinani, 2023) accounting for 68% of all food retail by 2010 (Battersby, Marshak & Mngqibisa, 2018). Four of these brands - Pick n Pay, Shoprite, Spar and Massmart - have expanded significantly into township geographies (Brown et al., 2018; Greenberg, 2010).

Informal retailers include spaza shops and fresh produce traders (Battersby et al., 2018). The informal economy is thought to contribute between 40% - 50% of food sales according to the Competition Commission of South Africa (2019). Spaza Shops are patronised almost daily by 56% of lower-income households (Tawodzera & Crush, 2019), having an advantage over supermarkets by selling affordable unit sizes, closer to communities, during longer shop hours and making sales on credit (Battersby et al., 2018). However, these shops usually have limited variety and lack freshness (Battersby et al., 2018; De Beer, 2017), leaving a gap for fresh fruit and vegetables. This gap is filled by informal food traders, who are the missing link in making fruit and vegetables more accessible in low-income communities (Battersby, 2011; Tawodzera, 2019).

Informal traders are critical to achieving food security in low-income areas, providing accessibility and affordability to communities. Providing significant benefits over supermarkets (Battersby et al., 2018; De Beer, 2017; Roos et al., 2013; Tawodzera & Crush, 2019) including:

- The opportunity to buy smaller more affordable unit sizes as needed, assists customers in overcoming refrigeration challenges
- Being able to access credit covers customers when they are low on financial resources
- Traders are positioned for easy access daily, their location means people do not have to travel far incurring costs
- Produce is restocked daily, providing fresh fruit and vegetables for consumers

- At times they are cheaper than the supermarket, assisting affordability for low-income communities

Informal food enterprises employ more people than the formal food and grocery sector (Wegerif, 2020) servicing 70% of South African households in poorer neighbourhoods (Battersby et al., 2018). This ecosystem not only serves customers but is responsible for providing livelihoods to 750 000 street traders, and 2.5 Million small/part-time farmers (Hall & Wegerif, 2021).

2.1.2.2 Supermarkets and the Informal Economy

The lack of supermarket stores in townships during the apartheid period (Greenberg,2010), meant customers relied heavily on informal traders to supplement travelling outside their residential areas to access shops (Strydom, 2011). Since then, there has been a lot of concern that supermarkets are displacing informal traders (Brown et al., 2018; Roos et al., 2013). Brown et al. (2018) more recently described a complex relationship between the two economies as it is both competitive and symbiotic. However, they noted informal fruit and vegetable traders experience the most competition. An inquiry by the Competition Commission of SA (2019, p.36) concluded:

> "The entry of national supermarket chains in non-urban areas has had both negative and positive effects on the performance of small and independent grocery retailers."

In addition, to increased competition the expansion of formal supermarkets into the informal economy has been met with claims of abuse and bullying by Pick n Pay, against spaza shop owners claiming their contracts have been unjustly terminated or have been left in debt (Child, 2022; Cloete & Ian Landsberg, 2022) after Pick n Pay piloted a programme to modernising and revitalising spaza shops through new refrigeration and IT Systems (Whitfield & Van Rensburg, 2017).

2.2 The History of Informal Economy

The anthropologist Kevin Hart was the first person to coin the term ‘informal sector’ after he spent time in Ghana’s capital Accra in 1971. During this period, he studied the low-income activities of migrants who were unable to find wage employment and observed what he called an ‘informal sector’ (Hart, 1973; Chen 2012). Consistent with findings from other ‘employment missions’ to understand the informal economy (Leys, 1973), Hart (1973, p.62) found “a large part of the urban labour force is not touched by wage employment” but were in fact engaging in work despite being labelled unemployed.

Since its introduction, interest in the informal economy has fluctuated (Chen, 2012) sparking much debate within development circles (Chen, 2014) seen by the considerable disagreements in definitions (Else et al., 2002; ILO 2020). In addition to defining key concepts, work has been done to understand its ties to economic shifts and relationship it holds with the formal economy, including links to poverty and inequality (Chen, 2012).

Despite efforts, the informal economy has largely been ignored in earlier models of economic development (Dawa & Kinyanjui, 2012) with debates focusing ‘less on the informal economy’s potential and contributions, and more on what causes it and the problems and challenges associated with it’ (Chen, Roever & Skinner, 2016). More recently a 2020 article from the International Monetary Fund (IMF) notes that the informal economy remains a significant yet often overlooked component of global economic activity (Deléchat & Medina, 2020). As recently as 2024, Chipango & To highlight the significant gap that remains in acknowledging the potential of informal sectors within sustainable development and economic models.

2.2.1 Defining the Informal Economy

Amongst academics the informal economy has been described through various names including the shadow economy (Schneider & Enste, 2002) and non-observed economy (Organisation for Economic Co-operation and Development, 2008). Most identify informality of an organisation to be a lack of registration with formal regulators seeing non-registration as a ‘basic criterion for the definition of the concept of informality’ (Charmes, 2012, p.106). The preference of the term informal economy over informal sector in this study, is due to its

inclusion of complexities and conceptual difficulties in identifying characteristics of informality, considering that workers and enterprises take part in a variety of economic activities spanning many sectors (Else et al., 2002; ILO, 2002).

Else et al. (2002, p.2) highlights a second fundamental trait within the activities associated with the informal Economy – they are ‘not recorded or imperfectly reflected in official national accounting systems.’ A revision of the System of National Accounts makes it possible for countries who prepare household sector accounts to include the informal Economy under household institutional sector (System of National Accounts, 1993 cited in Charmes, 2012) however, it is often excluded due to insufficient data being available unless a particular effort has been made (The World Bank, n.d.).

2.2.1.1 Conditions of Informality

A review of the literature shows that informal markets tend to thrive under conditions consistent with the financial crisis or an economic downturn resulting in high job loss (Chen, 2012). Socio-economic factors are often cited in literature as root causes for informality including “low level of education discrimination, poverty… lack of access to economic resources, to property, to financial and other business services and to markets” (ILO, 2021, para.3).

The links between informality, poverty and inequality are easily identifiable to those who cannot afford to be without employment and are not able to rely on the state to provide for unemployment insurance or compensation (Chen, 2012). The rise in informality is also associated with an undesirable formal economy, specifically high taxes and too much regulation (Schneider & Enste, 2002; Friedrich, 2012; Association of Chartered Certified Accountants, 2017) that make it a hostile space to conduct work, particularly for those ‘who are poorly trained or integrated (Bureau & Fendt, 2011).

Economic downfall is also a catalyst for people entering the informal market, serving as an economic buffer whilst an individual is unemployed (Else et al., 2002), but even after the crisis is over, people may remain party to the system (Bureau & Fendt, 2011). Whilst this is valid individuals’ reasons for participating in the informal economy are not limited to

economic necessity, ‘others are involved in informal work for personal fulfilment, social obligation, or as a means to supplement primary income’ (Else et al., 2002, p.18).

2.2.1.2 South African Definition of Informal Economy

The South African Revenue Services (SARS) is the national tax collecting authority, established to manage the South African tax and customs systems (SARS, 2023). Figure 1, is a slide taken from a presentation given by SARS titled ‘The monster that eats into our socio-economic sovereignty’ and outlines at a national level what is defined as informal activities. The slide provides insight into the perceptions of the informal economy by SARS, synonymising it with organised crime and terrorism.

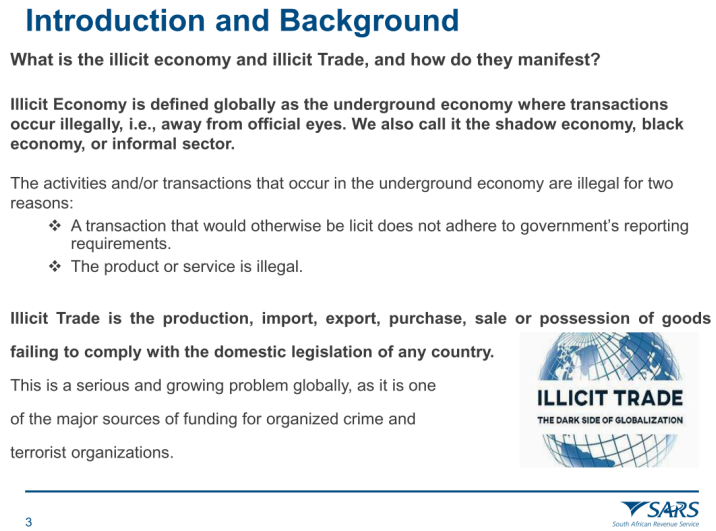

Figure 1 - ‘The monster that eats into our socio-economic sovereignty’ presentation

Statistics South Africa (Stats SA), is a national government department designed to ‘lead and partner in statistical production systems for evidence-based decisions’ (Stats SA, 2024). Their working definition comprises of two components:

‘i) Employees: means persons working in establishments that employ less than five employees, who do not deduct income tax from their salaries/wages;
And
ii) Employers: refers to own-account workers who are not registered for either income tax or value-added tax; and persons helping unpaid in their family

business who are not registered for income tax'

The City of Cape Town's Informal Trading Policy (2013) uses the 2024 Statistics South Africa (Stats SA) definition of the informal economy, which this study adopts.

2.2.1.3 Legal Frameworks Governing Informal Traders

The dualistic view shows the informal economy to represent freedom of choice, avoiding the burdens of regulations, trade barriers and labour restrictions (Friedrich, 2012; Dell'Anno R, 2022) whilst simultaneously providing for informal operators who are excluded from the modern economic opportunities (Chen, 2012). However, contrary to the belief that informal traders avoid regulation, there are structures in place to govern how informal traders may operate.

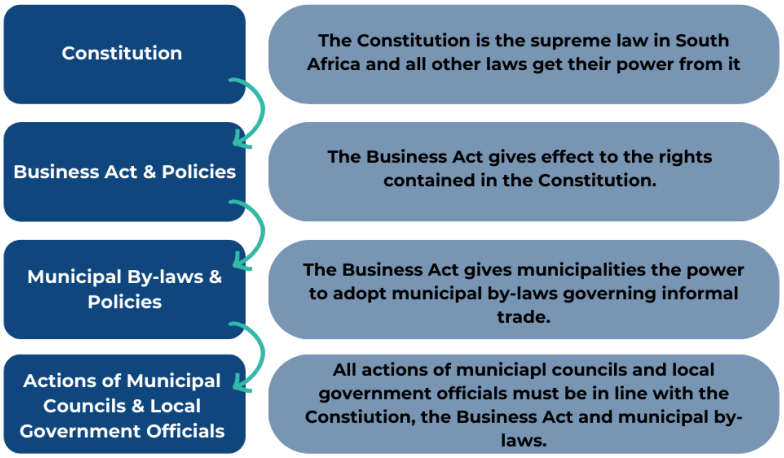

Figure 2 - Informal Traders Governing Legal Frameworks adapted from SERI, 2018

Figure 2, is an adaptation from a report by the Socio-Economic Right Institute (SERI) (2018), that unpacks the different levels of legislation relating to informal trade. At the highest level, section 152(2) of the Constitution (The Constitution of the Republic of South Africa, 1996) outlines the responsibility of local government to promote social and economic development. The Business Act, gives effect to the rights outlined in the constitution and is thought to have been designed to recognise the positive contribution of the informal economy, empowering local governments with regulating informal trade. This is typically done at a municipal level through by-laws and policies (SERI, 2018).

At a municipal level, this City of Cape Town has an Informal Trading Policy, the informal trading policy implementation plan, and the informal trading by-law (City of Cape Town, 2013). The objectives of these policies are to develop the informal sector, plan and manage guidelines for trading and understand stakeholder roles. According to the informal trading policy a further 11 national legislations and 13 local policies and by-laws influence informal trade in Cape Town.

The Informal Trading policy (City of Cape Town, n.d, para.2) outlines “how trading locations are managed, the types of legal trading, operating hours, permits and licences, and the responsibilities of the traders. The policy provides a clear indication of what we expect from informal traders.” This demonstrates more structure and regulation to the informal economy than is perceived. In June 2022 the City of Cape Town (2022a,b) listed several documents on their website to assist traders in understanding their rights and responsibilities including the *Do’s and Don’ts of Informal Trading in Cape Town and Informal Trading Frequently Asked Questions.*

2.2.1.4 Survivalist and Informal Businesses

Whilst some businesses in the informal economy show a propensity to provide higher levels of income and employment, a significant proportion are thought to be survivalist. Survivalist businesses ‘generate enough income to sustain the owner, but not enough to facilitate processes of business growth beyond the minimum’ (Petersen et al., 2019, p.6). Survivalist businesses are primarily driven by earning an income for their families survival. Table 2, clearly distinguishes between the different sized businesses within the informal economy based on turnover, employees and level of formalisation.

Table 2 - Definition and characteristics of businesses in the informal economy adapted from United Nations Development Programme, (2020a, pg 21)

	Survivalist Enterprise	Informal Business	Micro-enterprise
Turnover	Income below the minimum income standard or poverty line	Turnover varies and can exceed threshold for micro businesses	Turnover threshold ranges from R5M to R20M depending on the sector
Employees	Run by an individual or	Usually, <5	<10 total full-time

	family/friend, no other employees	employees	equivalent or paid employees
Formalisation	No formal structure, considered pre-entrepreneurial	No registration with CIPC or Sars	Are registered with CIPC or Sars but only have minimal formal structures
Examples	Hawkers, vendors; subsistence farmers	Hawkers, vendors, spaza shops, food stalls, car wash, beauty parlours, hair salons	Formalised spaza shops, minibus taxis, mechanic, manufacturing

Other authors included being assisted by unpaid family members/fewer than 5 employees as a trait of being a survivalist business (Du Toit et al., 2020; Ranyane, 2015). Papers by Du Toit et al. (2020) and Rayane (2015) align on what constitutes a survivalist business, but demonstrate a gap in knowledge as they disagree on the ability of these businesses to generate income and create jobs. Salvi et al. (2023), highlight the broad and varied spectrum of entrepreneurs that can be found in the informal economy, challenging the stereo-type of small-scale, low-performing ventures. Table 3, demonstrates some of the different conditions of informality that may exist at an enterprise level and an employee level. However, given the differences in level of formalisation highlighted in Table 2, it is important not to see businesses as homogenous and as such meet some of the definitions of informal and not others.

Table 3 - Conditions of Informality, compiled from various sources

Enterprise Conditions	● No formal protection and recognition ● No legally required benefits or access to security systems ● Legal and administrative frameworks legally cannot operate (i.e. trade unions) ● Lack of access to institutional support, protection, or credit ● Unregulated and very competitive markets	(Else et al., 2002; ILO, 2002; Charmes, 2012a; Chen, 2012; Maluleke, 2019)
Employee Conditions	● Low income and wages ● Absence of restrictive standards and regulations ● Small undefined workplaces	(ILO, 2020; Chen, 2012; ILO, 2021; Maluleke, 2019)

	● Unsafe and unhealthy ● Lack of fringe benefits	

This spectrum of formalisation is demonstrated in a study of SMEs in South Africa that showed businesses to be informal, semi-informal or formal. Within these categories distinctions were made as to registration for tax and business registration (Finmark Trust, 2021).

2.2.2 Entrepreneurship in the Context of the Informal Economy

Defining what constitutes entrepreneurial activities and who may be classified as an entrepreneur has been a prominent theme throughout literature. Schumpter's (1934) widely used definition of an entrepreneur is an individual who exploits market opportunity through technical and/or organisational innovation. A clear link can be drawn between a renewed interest in the informal economy, entrepreneurship and times of hardship (Bureau & Fendt, 2011; Chen, 2012). The informal economy has shown to be a shock absorber during economic downfall bringing with it the "idealised picture of entrepreneurship" as a means of solving socio-economic challenges (Bureau & Fendt, 2011, p.89).

There exists a risk that entrepreneurship is represented as a silver bullet to solving socio-economic issues. Dawson (2021, p.399) highlights this ideological risk in oversimplifying entrepreneurship as the solution, by stating "The notion that young people can and should start their own businesses shifts attention and blame away from the structural and systemic causes of joblessness and inequality towards individuals who are told to pull up their bootstraps and take charge of their own future". This view is supported by Preisendoerfer, Bitz & Bezuidenhout (2014, p.175) who believe that informal entrepreneurship at a political level in South Africa signifies "individual opportunities, subjective choice and personal responsibility" but in practice is keeping these individuals outside of the formal economy and avoids responsibility from government. The reality is that the informal economy is simply the most viable option for most (Dawson, 2021) but even within this context entrepreneurship is more imaginative than it is actionable (Preisendoerfer et al., 2014). This harsh view is combated by the Survey of Employers and Self-employed (StatsSA, 2017) reveals a growing number of informal traders are maintaining long-term enterprises, with the proposition of people running informal businesses for 10 years or more

increasing from 11% in 2001 to 21.4% in 2017, demonstrating the ability of individuals to maintain enterprises.

In South Africa, President Cyril Ramaphosa emphasised the need to embrace entrepreneurship and the need for more micro and small enterprises to rebuild the economy following the global COVID pandemic. However, his address specifically spoke to formal businesses, making no mention of the informal economy despite its contribution to local economies. Ramaphosa's remarks also appeared to be in contradiction to lockdown measures, which favoured big retailers over small enterprises (Ramaphosa, 2021; South African Government News Agency, 2021). As entrepreneurial thinking gains popularity in today's culture, it's crucial to recognise that the terminology used to describe entrepreneurship promotes people to appear and feel capable, even when confronted with real-world obstacles (Swan, 2020).

The reality is that 70% - 80% of small businesses in South Africa fail within 5 years (Solomon et al., 2013). Table 4, shows how South Africa's entrepreneurial landscape has changed over time, by comparing entrepreneurial activity, the drivers of entrepreneurship and some of the challenges faced by the informal economy.

Table 4 - Comparative Analysis of South Africa's Entrepreneurial Ecosystem: Insights from the 2013 and 2023/2024 GEM Reports

Indicator	**2013 GEM Report (Herrington & Kew, 2013)**	**23/24 GEM Report (Hill, Ionescu-Somers & Coduras, 2023)**
Total Early-stage Entrepreneurial Activity (TEA)	TEA increased from 4.3% in 2003 to 10.6% in 2013 (improvement observed, but still low compared to other African countries).	Fluctuated, dropped to 8.5% in 2022, but rose to 11.1% in 2023
Opportunity vs. Necessity-Driven Entrepreneurship	Shift towards opportunity-driven entrepreneurship, with the ratio improving from 1.38 in 2002 to 1.86 in 2013; more individuals started businesses based on perceived opportunities rather than necessity.	69.4% driven by necessity due to scarce job opportunities; predominance of necessity-driven entrepreneurship

Entrepreneurial Intentions	Entrepreneurial intentions improved, reaching 15.4%. There was a growing perception of entrepreneurship as a viable career path, indicating a positive shift in societal attitudes.	7.5% (Ranked 42nd out of 46 GEM countries; declining confidence)
Established Business Ownership (EBO)	Not directly reported, but historically low compared to other African countries. Limited support and resources hindered business sustainability.	5.9% (Improved but still low, ranked 28th out of 45 countries)
Challenges to Entrepreneurship	Challenges persisted, including low societal support, limited access to finance, inadequate education, and the legacy of apartheid, which hindered entrepreneurial capacity development.	Decline in social and cultural norms, inadequate education, poor government policy, insufficient entrepreneurial support
Informal Economy	The informal economy served as a buffer for unemployment but remained constrained by limited access to finance, lack of formal recognition, and inadequate educational support, impacting its growth and sustainability.	Continues to play a crucial role but lacks detailed data in 2023 report; faces growing challenges

2.2.2.1 Entrepreneurship and Informal Business Growth

A key variable in the growth and development of informal businesses is the entrepreneurial behaviour of the owner (Ligthelm, 2008). Du Toit et al. (2020) had experienced similar findings to the ILO (2002) in observing South African informal traders, who demonstrated a strong work ethic, the need for autonomy, purposeful engagement, perseverance, creativity and innovation at a survivalist stage. Even with these qualities present, the high failure rate of micro-enterprises is significantly influenced by entrepreneurs themselves, who contribute approximately 40% towards the outcome of the business (Solomon et al., 2013). This is corroborated by Bushe (2019a) who found a lack of entrepreneurial capacity as a significant contributor towards business failure. Notwithstanding external factors, a review of literature

below demonstrates the limitations of informal traders to include lack of management skills and financial knowledge (Radipere and Van Scheers, 2005), lack of clear entrepreneurial mindset, including a clear vision, poor marketing skills (Bushe, 2019a) and low-level reactive planning strategies (Petrus, 2009; Basardien, Friedrich & Parker, 2013; Bushe, 2019).

Consequently, a large proportion of businesses in the informal economy remain at a survivalist level or shutdown. Ligthelm (2008), analysed comparative studies concluding that just 10% - 15% of informal businesses have the propensity to grow. Bushe (2019) argues this is a result of a lack of entrepreneurial mindset, where entrepreneurs act out of necessity not opportunity and are not positioned in an environment that nurtures the entrepreneurial mindset.

2.2.2.1.1 Inclusion of Informal Businesses in Mainstream Scholarship

There has been much discourse around transitioning informal businesses to formal, but there is a noticeable gap in the literature where the informal economy has not been sufficiently included in mainstream entrepreneurship and management scholarship (Webb et al., 2013; Ram et al., 2017). Whilst opportunities have been identified in the informal economy, there is a lack of detailed understanding of the best practices and strategies for success in the informal economy (George et al., 2016). Management theories underpinning research in the formal sector are notably absent from studies on the informal economy, preventing them from benefiting off their ability to build cohesive histories and deeper understandings of phenomenon (Galdino et al., 2018). Further gaps are found in the generalisation of findings, due to narrow research contexts and lack of stress testing theoretical frameworks in unusual contexts (Bruton, Sutter & Lenz, 2021).

The lack of a detailed understanding doesn't mean entrepreneurship is not present in the informal economy. The ILO's (2002) observations show that informal entrepreneurs have displayed significant levels of 'business acumen, creativity, dynamism and innovation'.

2.2.2.1.2 Cultivating an Entrepreneurial Mindset

Entrepreneurial mindset is a concept, encompassing creativity, confidence, collaboration, communication, and an understanding of the business context (Ndou, Secundo & Mele,

2016). It is characterised by a need for achievement, a willingness to take calculated risks, and a high level of social competence (de Souza, Medeni & Nie, 2008). This mindset is also associated with long-term planning, problem-solving, and the ability to identify and seize opportunities (Parashar, 2023).

Important context should be given to the apartheid regime, and its legacy when considering to what extent the entrepreneurial mindset has been developed in South Africa. Historical neglect under the apartheid regime has resulted in low levels of schooling and education, significantly hindering specific business skills (Preisendoerfer, Bitz & Bezuidenhout, 2014). Apartheid legislation designed to curb black entrepreneurship, limited opportunities for black individuals to start and manage their own business (Preisendörfer, Bitz & Bezuidenhout, 2012; Dawson, 2021). The “apartheid system treated the black population as a working and service class, suppressing independence and initiative and neglecting education” (Preisendörfer et al., 2012, p. 1250006-8). Not only did it seek to suppress entrepreneurship, it took over from colonialism to foster a culture of dependency (Preisendörfer et al., 2012).

This corroborates literature which shows entrepreneurs in the informal economy to lack relevant training relying on learning through experience, often not seeking external guidance (Dzingirai, 2012; Mamabolo, Kerrin & Kele, 2017; Bhorat et al., 2018; Du Toit et al., 2020). Mamabolo et al. (2017) found the need for more practical exposure to entrepreneurship in educational settings in South Africa, focusing on problem-solving skills and self-confidence.

Musara & Nieuwenhuizen (2020) argues entrepreneurship in the informal economy should be legitimised for its ability to actively shape entrepreneurial leaders. Yet there is a noticeable absence of mentors and role models, especially since successful entrepreneurs often leave the township once they become financially affluent (Du Toit et al., 2020). Case studies from Musara & Nieuwenhuizen (2020) showed entrepreneurs in South Africa gained recognition only once they had transitioned into the formal economy, but that they had already demonstrated entrepreneurial traits such as strategic vision, creativity, resourcefulness in the informal economy.

2.2.2.1.2.1 Entrepreneurship as an Activator of Personal Agency

Agency is described by Harvey (2002, as cited in Newman & Dale, 2005, p. 481) as “the capacity of persons to transform existing states of affairs”. Entrepreneurship is a means of expressing or activating agency and empowerment (Mitchell, 2004; Preisendoerfer, Bitz & Bezuidenhout, 2014; Wedzerai Nyakudya, Simba & Herrington, 2018; Dawson, 2021). It is also perceived as a mechanism for independence and decision-making, demonstrated in a study of South African entrepreneurs whose primary motivates were the need for independence, material gain and achievement (Mitchell, 2004).

2.2.2.2 Entrepreneurship and Sustainable Development

According to Khan et al., (2021, p.2) “Sustainable development is possible when entrepreneurs have sustainability-oriented intentions”. Accordingly, research into entrepreneurship for sustainable development has increased over the last decade (Johnson & Schaltegger, 2020). A resolution by the United Nation emphasised the role of entrepreneurship in social and economic development summarising the connection between the two in table 4 (Filser et al., 2019; United Nations, 2020b).

Table 4 - The relationship between entrepreneurship and sustainability, adapted from (Filser et al., 2019, p.3)

Sustainable Development Pillar	Relationship with Entrepreneurship
Economic	“entrepreneurship drives economic growth by creating jobs, promoting decent work and sustainable agriculture and fostering innovation”
Social	“promoting social cohesion, reducing inequalities and expanding opportunities for all, including women, young people, persons with disabilities and the most vulnerable people”
Environmental	“Recognizing the positive contribution that entrepreneurship can make in promoting social cohesion, reducing inequalities and expanding opportunities for all, including women, young

	people, persons with disabilities and the most vulnerable people, and reaching the furthest behind first”

Another link between entrepreneurship and sustainable development can be established through their shared activation of agency. Newman & Dale (2005, p.481) found agency to be a “key indicator of a group’s ability to respond and identify cohesive solutions to sustainable development challenges”.

2.2.2.3 Conclusion

In summary, the definitional complexities and contested framings of the informal economy reflect broader tensions between formal economic paradigms and the lived realities of informal workers. While statistical and policy frameworks, such as those adopted by Stats SA and the City of Cape Town, offer structure, they risk oversimplifying a dynamic and multifaceted sector. These limitations reinforce the need for more inclusive, flexible, and grounded conceptual approaches, which this study seeks to engage in the next section.

2.2.3 Obstacles to Sustainability for Informal Traders

While the previous section explored the definitional and policy positioning of the informal economy, this section turns to the threats that challenge the day-to-day survival and operational sustainability of informal businesses. It is important to distinguish here between *sustainability* in the sense of business continuity, how traders navigate disruptions to remain economically active and *sustainable development*, which encompasses broader social, environmental, and economic goals. This section focuses on the former, with an understanding that these operational threats have cascading effects that may undermine or support broader development outcomes.

Notably, research suggests that entrepreneurs in both the formal and informal economies often encounter similar challenges that contribute to business failure, such as financial instability, regulatory burdens, or external shocks (Crevoisier, 2007, cited in Bureau & Fendt, 2011). This reinforces the importance of analysing operational vulnerabilities within informal

businesses not in isolation, but as part of broader systemic pressures that affect small enterprises more generally.

2.2.3.1 Customers

Informal traders are confronted with increasing levels of competition whilst having too few customers to serve (Lyons & Snoxell, 2005; Tawodzera & Crush, 2019). Traders mostly position themselves to capture customers who are passing by (Battersby, Marshak & Mngqibisa, 2018) highlighting significant reliance on “walk-in” customers rather than repeat/referred customers (Bhorat et al., 2018; Tawodzera & Crush, 2019). Customers typically buy on their way to and from work, and aren’t likely travelling out of their way to buy goods (Battersby et al., 2018). Informal food traders are price takers, due to operating in a highly competitive market with a low-income customer base, preventing them from increasing their markup (Battersby et al., 2018).

2.2.3.2 Infrastructure & Transport

It is widely documented that informal traders face significant supply chain issues due to a lack of storage space and high transport costs (De Beer, 2017; Battersby, Marshak & Mngqibisa, 2018; Tawodzera, 2019; Tawodzera & Crush, 2019). Due to the perishable nature of fresh fruit and vegetables, the lack of appropriate storage necessitates traders to buy in small quantities or pay for storage facilities (Tawodzera & Crush, 2019). This prevents access to buying in bulk discounts and increases the costs associated with operating (De Beer, 2017). Many informal traders make use of transport services, including hiring a car or a bakkie (Battersby, Marshak & Mngqibisa, 2018).

2.2.3.3 Safety and Security

Safety and security remains a challenge for many informal traders, reporting vandalism and theft as key concerns (Battersby, Marshak & Mngqibisa, 2018). Safety played a role in traders considerations of where to place their stall (Brown, Bacq & Charman, 2018; Tawodzera, 2019) as well as their trading hours, opting to close earlier to avoid evening threats (Battersby, Marshak & Mngqibisa, 2018).

2.2.3.4 Financial Literacy and Access to Finance

Malgas (2019) found entrepreneurs in South Africa's townships lack financial acumen for managing small business retail stores, demonstrating high levels of financial illiteracy such as poor financial planning, inadequate budgeting, and ineffective financial control within their businesses. A study on SMMEs in South Africa by Bhorat et al. (2018) found more than half their recipients do not keep financial records, with informal businesses stating they choose not to keep business accounts, either because they perceive their business as too small or see no reason to maintain records.

Poor business and financial management skills along with inconsistent income, lack of alternative income sources and a lack of risk mitigation strategies contribute to high credit risk profiles for SMME entrepreneurs, significantly reducing access to credit (Bhorat et al., 2018). The dominant cash basis nature of the informal economy excludes businesses from accessing capital, needed to scale and compete with formalised businesses (Else et al., 2002). Access to finance is widely cited as a challenge experienced by businesses in the informal economy, additional challenges include lack of collateral and drafting proposals (Bhorat et al., 2018; Maduku & Kaseeram, 2021; Malgas, 2019).

2.2.4 Social Capital as an Integral Asset to Informal Entrepreneurs

Lyons & Snoxell (2005) highlight the role of social capital in the informal economy, stress the importance of deliberate network building, trust and mutual support. Social capital is the tangible and intangible resources available to an individual through their social connections (Kim & Aldrich, 2005; Dai et al., 2015). It has a heightened importance in the informal economy, to compensate for government and market failures (Meagher, 2005) as well as substituting low levels of human capital (Preisendörfer et al., 2012)

Social Capital can be broken down into two forms: internal or bonding primarily connections with family and immediate community and external or bridging consisting of connections with those outside immediate communities such as customers, suppliers, and market authorities (Dai et al., 2015).

Discourse highlights the benefits of both types of social capital to be assistance in identifying business opportunities and mobilising capital (Akintimehin et al., 2019); companionship, moral support and exchanging favours such as guiding stalls or lending money (Lyons & Snoxell, 2005). Critics of this thinking believe social capital oversimplifies complex social dynamics, failing to acknowledge the exclusive nature of networks that reinforce existing power structures and inequalities (Meagher, 2005).

Social Capital and networks does appear to influence levels of entrepreneurship, as individuals have higher intentions of starting businesses or were already engaged in business ventures if someone close to them was self-employed, or were members of organisations where members were self-employed (Mitchell, 2004; Preisendörfer et al., 2012).

2.3 Sustainability and Sustainable Development

2.3.1 Defining Sustainable Development

Sustainable Development can be viewed as the process of achieving sustainability, a word derived from the Latin word Sustinere, meaning ‘to hold up’ (Florida Tech, 2014). Today, the term is used to describe a paradigm in which economic, social, and environmental and technological interests are balanced for greater quality of life (Jeronen, 2013). In 1987 (chapter 2, para. 1) a formal definition was assigned to the term Sustainable Development in the Brundtland Report, published by the United Nations World Commission on Environment and Development (WCED). Sustainable Development is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

There has been a lot of criticism over the vagueness of this definition of sustainable development, seeing it as ‘ambiguous enough to allow for consensus building but devoid of much substance’ (Purvis, Mao & Robinson, 2019, p.685). The term sustainability is used liberally, so much so that it has become a cliché according to Srivastava, (2020) along with terms such as triple bottom line (Norman & Macdonald, 2004), three pillars of sustainability (Moldan, Janoušková & Hák, 2012) and the circular economy, a term developed largely outside of the management and organisational theory tradition (Moldan, Janoušková & Hák, 2012). Literature testifies to a lack of consensus in defining sustainability (Brown et al., 1987;

Norman & Macdonald, 2004; Purvis, Mao & Robinson, 2019). A consequence of this vagueness can be seen in the development of a variety of frameworks by various organisations to enhance the standardisation of disclosures, yet they employ a range of approaches and concepts of materiality. This has led to a multitude of different and sometimes conflicting standards (Bose, 2020).

2.3.2 Different Epistemologies Underpinning Sustainable Development

Sustainability is about meeting the needs of today without compromising the ability of people to meet their needs in the future (World Commission on Environment and Development, 1987). As such it is important to understand what are the needs of individuals today and how they can be a catalyst for meeting the needs of future generations.

American psychologist Abraham Maslow, created the Maslow's Hierarchy of needs in 1943, a theory that is seen as the most popular and efficient theory in understanding and individuals motivations (Fallatah & Syed, 2017). This theory shows individuals to have five tiers of needs, with each tier needing to be satisfied before moving up to the next tier (Maslow, 1943). The theory has been influential in many fields beyond psychology, but has also faced significant criticisms for its lack of scientific support, its ethnocentric bias, and its assumption that lower needs must be satisfied before higher needs can be addressed (Wahba & Bridwell, 1976; Fallatah & Syed, 2017; Ahmad Dar & Sakthivel, 2022).

Maslow's study (1943) is praised for being simple and easy to apply (Winter, 2016), but should be viewed in a narrow context, given his sampling of primarily Western successful white males, presenting significant risks to misinterpretations of human behaviour and cultural behaviour (Ahmad Dar & Sakthivel, 2022). The theory takes an individualistic focus of personal development to reach self-actualisation (Maslow, 1943).

In stark contrast Ubuntu, a Sub-Saharan African philosophy, emphasises the values of communal relationships over individual autonomy (Ewuoso & Hall, 2019). The word Ubuntu is derived from a isiZulu aphorism: Umuntu ngumuntu ngabantu, its translation meaning "a person is a person because of or through other persons" (Mayaka & Van Breda, 2023,

pg.12) highlighting the significant relational and communicable nature of identity (Ewuoso & Hall, 2019).

Ubuntu can be described as ‘the capacity in an African culture to express compassion, reciprocity, dignity, humanity and mutuality in the interests of building and maintaining communities with justice and mutual caring” (Nussbaum, 2003, p.2). Khomba (2011, p. 129), rejects Maslow’s theory by stating people cannot “be identified in terms of physical and psychological features”. Instead, Ubuntu embodies our common humanity and innate desire to work towards communal good (Nussbaum, 2003).

Both Maslow and Ubuntu have ties to sustainable development - in different ways. Udo & Jansson (2009) believe that just as individuals progress through Maslow’s levels, so do nations. They argue nations focused on survival, which can be likened to Maslow’s physiological needs, prioritise social and technological development before environmental sustainability. By comparing the 5 levels of Maslow’s hierarchy of needs, there are some clear links that can be seen, as an example achieving Zero Poverty (SDG 2) directly aligns with physiological needs. Others were not as easily classifiable, for example placing Affordable and Clean Energy (SDG 7) under Self-Actualisation can be seen as recognising the role of sustainable energy in achieving one's full potential and creatively solving problems (Maslow 1943). However, it could arguably fall under Safety Needs (SDG 2) as Maslow (1943) describes the need of safety as predictability, which climate change inherently opposes. Many of the SDGs overlap on multiple levels, synonymous with criticisms of Maslow’s hierarchical order not being founded. In other words, to reach a higher level, lower-levels do not need to be satisfied (Ahmad Dar & Sakthivel, 2022). However, the connections do highlight the interplay between individual well-being and broader societal and environmental goals, suggesting that the fulfilment of personal needs is intertwined with achieving sustainable development globally.

Table 6 - Mapping the SDGs against Maslow's Hierarchy of Needs

Maslow’s Hierarchy (1943)	**SDGs (United Nations, 2015)**
1. Physiological Needs: food, water, and shelter	● No Poverty (SDG 1) ● Zero Hunger (SDG 2) ● Clean water and sanitation (SDG 6)

	● Climate Action (SDG 13)
2. Safety Needs: Safety and Security	● Good Health and Well-being (SDG 3) ● Decent Work and Economic Growth (SDG 8) ● Peace, Justice and Strong Institutions (SDG 10) ● Climate Action (SDG 13)
3. Love and Belongings: Relationships	● Reduced Inequalities (SDG 10) ● Sustainable Cities and Communities (SDG 11) ● Gender Equality (SDG 5)
4. Esteem Needs: Prestige and Feeling Accomplished	● Quality Education (SDG 4) ● Industry, Innovation and Infrastructure (SDG 9) ● Decent Work and Economic Growth (SDG 8)
5. Self-Actualisation: achieving one's full potential, and creative problem solving	● Affordable and Clean Energy (SDG 7) ● Partnerships for the Goals (SDG 17) ● Climate Action (SDG 13)

Unlike Maslow's theory, Ubuntu does not assign features at an individual level (Khomba, 2011), it speaks to a consciousness that seeks "to build a caring, sustainable and just response to the community - whether that be company, village, city, nation or our global family" (Nussbaum, 2003, p.3).

2.3.3 Sustainable Development Frameworks and the Informal Economy

The emergence of frameworks geared towards achieving the sustainability and seeming willingness of organisations transition towards sustainable development has been slow, indicating greater guidance is needed on how to develop strategies that are sustainability oriented (Banerjee, 2008; Ritala et al., 2018). Interest in sustainable innovation has already

increased but “we currently lack sufficient theoretical and practical knowledge to move towards sustainable systems of production and consumption” (Boons et al., 2013, p.2).

Growing demand from investors and other key stakeholders for the disclosure of a company's non-financial information, furthering the development of various sustainability accounting frameworks (Bose, 2020). A report by Freshfields Bruckhaus Deringer in 2005 popularised the term ESG (Environmental, Social and Governance), by providing a legal framework of how social, social and environmental considerations could be factored into investment decision-making (Bose, 2020; Clarkin et al., 2020).

2.3.3.1 Global Frameworks for Sustainable Development

The informal economy has largely been ignored in earlier models of economic development (Dawa & Kinjanjui, 2012), considered to be marginal or peripheral to the formal sector (Chen, 2012). Briassoulis (1999) highlights the pitfalls of measuring sustainability by stating only the direct effects of the formal sector. In theory, data pertaining to the informal economy should be included in national statistics and indices, but the lack of source data means that it is generally excluded (The World Bank, 2021) creating disparities between “official data and the empirical reality” (Bureau & Fendt, 2011, p.88). Since governments and central banks rely on a foundation of macro and micro-economic indicators and forecasts such as unemployment and GDP to design policies (Wilson, 2010), the incomplete nature of national statistics makes it difficult to conduct economic policies that are adapted to a given country’s needs and may render them ‘ineffective or worse’ (Schneider & Enste, 2002, p.3).

Table 5 provides a summary of the most common frameworks within Sustainability and ESG discourse. Each of the different frameworks set out to measure progress towards sustainability addresses a different aspect of Environmental, Social and Governance (ESG) (Clarkin et al., 2020). Bose (2020) believes that whilst frameworks might increasingly overlap it is unlikely there will be a single global standard that will dominate ESG information provision.

Table 5 - Global Frameworks including Sustainable Development Principles

Sustainability Models/Frameworks	**Description**
Sustainable Development Goals (SDGs)	The SDGs are a shared list of goals, adopted by all members of the United Nations to achieve 'peace and prosperity for people and the planet'. The goals serve as an urgent call to action for developed and developing countries (United Nations, 2015).
Triple bottom line (TBL)	The TBL is an accounting framework that assesses business performance in three areas: profit, people and planet. It speaks to a businesses long term success being linked to key stakeholders, not just shareholders (Norman & Macdonald, 2004).
Corporate Social Responsibility (CSR)	CSR is a proactive business approach that recognises and manages the company's impact on society and the environment as well as financial gains (John Wiley & Sons Ltd., 2006).

The frameworks in Table 5 encompass a wide range of global objectives, but lack direct references to the informal economy. The most widely used recognised framework is the 17 Sustainable Development Goals which were designed to serve as a "shared blueprint for peace and prosperity for people and the planet, now and into the future" (United Nations, n.d, "History"). However, it is unclear whether this 'shared blueprint' is inclusive of the role informal markets play in contribution to global sustainability.

2.3.3.1.1 Sustainable Development Goals and the Informal Economy

The Informal economy is directly mentioned once under the Sustainable Development Goals statistical indicator 8.3.1 measuring the "Proportion of informal employment in total employment, by sex, age, and sector." and is associated with SDG 8, which aims to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. (United Nations, 2020). Whilst not explicitly mentioning the informal

economy, many of the 17 SDGs seen below in Figure 3 can relate to or impact the informal economy directly (Anthesis, 2022).

Figure 3 - Sustainable Development Goals (United Nations Department of Global Communications, 2023)

It is not just inclusion in frameworks, informal economies need to be reconceived and included in broader discourse on sustainable development, with greater integration into the SDGs if we are to achieve innovative sustainable development models that address the realities of the world (Corvers, 2016; Gracia & Balslev, 2019).

2.3.3.2 Local Frameworks focusing on Sustainable Development

Reddy (2016) highlights the critical role of local governments in the successful implementation and monitoring of the SDGs. At a local level the National Development Plan (NDP) responsible for securing South Africans futures as is according to the constitution (Department of National Planning Commission, 2012). A mapping exercise on the alignment between global SDGs and the local NDP found an overlap of 74% demonstrating significant convergence between the two (National Planning Commission, & UNDP, 2021).

Content analysis by Smit & Musango (2015) found the NDP to critically engage with the opportunities and challenges facing the informal economy, realising the need for a more

inclusive economy. However, amongst other policies and plans there was a lack of conceptual understanding and disconnect between the policies and plans. This is seen in the National Strategy for Sustainable Development and Action Plan where no direct references towards the informal economy.

The National Strategy for Sustainable Development and Action Plan, (Department of Environmental Affairs, 2011) implemented from 2011 - 2014 makes reference to informal settlements and sustainable livelihoods, but no direct references to the informal economy. No more up to date version of the National Strategy for Sustainable Development and Action Plan could be found at a national level.

The Cape Town Resilience Strategy (City of Cape Town, 2019, pg.83) actively acknowledges the positive role of the informal economy in providing for the most vulnerable households. More specifically is Goal 3.2 “Enable enterprise development in the informal economy”. Whilst the City takes a “here to stay” approach to the informal economy the goals lack tangible developmental outcomes for businesses focusing on creating “informal economy activity hubs to support light manufacturing” and “Develop an informal enterprise survey to gain richer data on the informal economy”.

2.3.4 Sustainable Development and the Informal Economy

A study of 30 informal traders in Kenya found that many of the entrepreneurs did in fact embed sustainability into their daily business operations. Two examples included a tailoring business that subsidises an orphanage and school and a business using waste from charcoal to create eco-friendly fire briquettes (Nicholas & Enrico, 2017). Both of these go beyond economic sustainability to strengthen broader social and environmental gains.

Within local food systems the informal economy contributes sustainability in two crucial ways at either end of the supply chain. On the one end, informal food traders strengthen local communities by making food more accessible and affordable in low-income areas (Petersen et al., 2021; Tawodzera & Crush, 2019), often engaging in community-led food production or subsistence (Smit & Musango, 2015). At the other, waste pickers who recover goods such

as aluminium cans and glass for recycling operations are an integral part of the circular economy[1] by extending the life of products, (Velis, 2017).

Elgin & Oztunali (2014) observed that the relationship between the informal economy and the environment is complex. Whilst small and large firms in the informal economy were associated with lower levels of pollution against their formal counterpart, medium sized firms were linked to higher. This inverse-U relationship is Influenced by the small-scale size of operations, often more labour intensive using less energy as having a positive effect whilst a lack of regulatory frameworks negatively impact the environment.

2.3.4 Sustainability from the Perspective of Informal Traders

Gröschl (2021) highlights a key question in understanding sustainability from the perspective of an informal trader – what is the actual motive of sustainable practices in informal activities?. Whilst there are many displays of sustainable business activities such as waste-picking or recycling (Etim & Daramola, 2020; Jennifer, Santos & Dias, 2021) the volition behind these activities is not always to provide an environmental benefit but rather the desire for employment and a way out of poverty (Gröschl, 2021).

The taxonomy presented in figure 4 demonstrates a diverse range in the presence of and awareness of sustainable practices amongst informal traders in Kenya. Most interesting was the lack of awareness, primarily centred around environmental issues. Traders did not fully grasp the concept of a natural environment as understood in sustainability. Whereas almost all traders understood the effects of their businesses from a social perspective. Also significant is the dismissive category where traders did not feel responsible to contribute towards protecting the environment as their businesses were not the ones directly affecting it (Nicholas & Enrico, 2017).

[1] "The circular economy is a model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible."

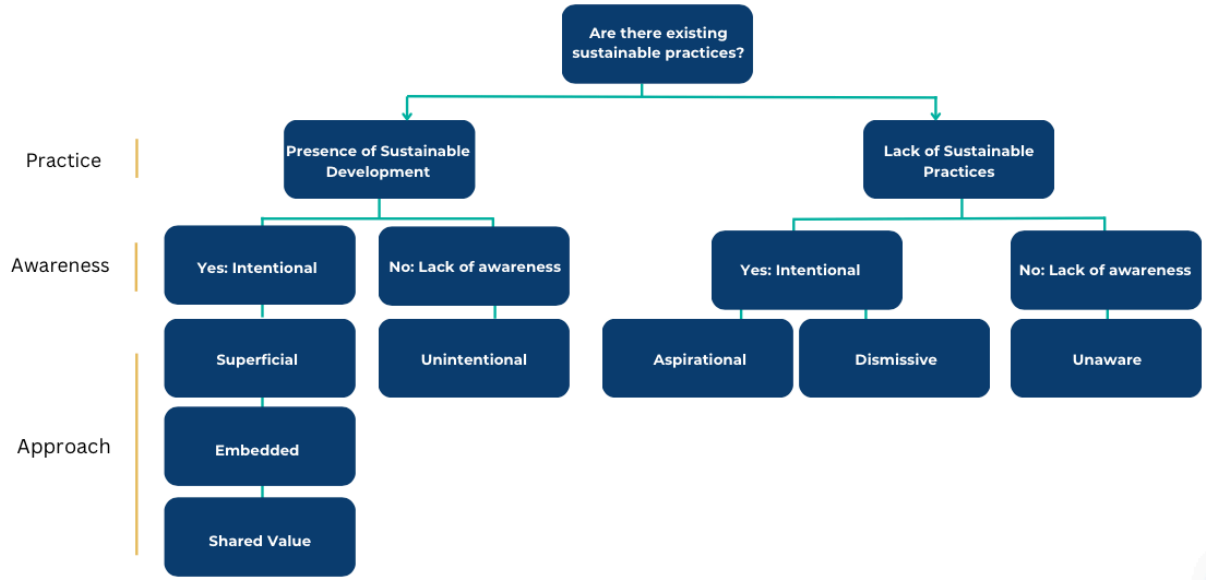

Figure 4 - Approach of Informal Entrepreneurs to Sustainability adapted from Nicholas & Enrico (2017)

This study was particularly unique as there is a significant gap in literature in understanding sustainability and sustainable business activities from the perspective of the informal trader (Benson et al., 2014; Ruzek, 2015; Chipango & To, 2024). By understanding the informal economy better, supporting it in the correct way, with the correct resources and knowledge transfer, it can play an active role in sustainable development going forward. (Nicholas & Enrico, 2017)

2.3.4 Technology as a Catalyst for Sustainable Development in the Informal Economy

Technology presents an opportunity for the informal economy to play a vital role in sustainability (Gikenye, 2014; UNDP South Africa, 2020a). Opportunities for technology to play a pivotal role in fostering business growth and sustainable development practices in the informal economy include:

- Digital Financial Services - technologies such as mobile money provides access to financial services in remote areas who would otherwise be excluded due to a lack of infrastructure that needs developing (Mothobi & Grzybowski, 2017).

- Market Access and E-Commerce - E-commerce sites and notably Facebook have opened up and expanded markets for informal traders by providing access to a broader customer base (Khan, 2022).
- Education and Skill development - (Mothobi & Grzybowski, 2017)
- Information Flow - Mobile technology allows for greater acquisition and distribution of information improving work efficiency by saving time and travel costs (Gikenye, 2014).
- Green Technologies - the introduction of technologies prevalent in the green economy[2] present opportunities for decent work and job creation, localisation and food security amongst other socio-economic and environmental benefits (Smit & Musango, 2015)

Despite technology presenting significant opportunities for businesses in the informal economy, significant challenges need to be overcome to make it inclusive and accessible. Many business owners are unaware of the benefits of technologies, are not accustomed with changing technology and cannot afford it (Gikenye, 2014). There is a general need for greater skills development, particularly in building digital competencies and the necessary infrastructure to support access (UNDP South Africa, 2020a).

2.4. Disruptions to Sustainability in the Informal Economy

Disruption is a widespread term that can be used in many different contexts, gaining popularity over the last decade (Millar, Lockett & Ladd, 2018). However, until more recently limited work has been done to define disruption as a concept (Kivimaa et al., 2021). At its core, disruption can be used to describe ‘a situation in which it is difficult for something to continue in the normal way’ (Oxford Learner’s Dictionary, n.d.).

Research by the McKinsey Global Institute (Bughin & Woetzel, 2019) discusses fundamental shifts in the way the world operates because of intensifying disruption. These forces are now seen as ‘touching all countries, sectors, companies, and, increasingly, workers and the environment’. Whilst there is validity to increased disruption, catalysed by the acceleration of

[2] “A green economy is defined as low carbon, resource efficient and socially inclusive. In a green economy, growth in employment and income are driven by public and private investment into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services.” (UNEP, n.d)

technological progress, (Bughin & Woetzel, 2019) examples of disruption and their effects can be found throughout history.

Increased interconnectivity in the last few decades, often referred to as globalisation, has seen significant integration of economic, social, environmental, and technological developments from across the globe (Martens & Raza, 2010). Because of this, systems such as healthcare, economics and supply chains are no longer confined to certain geographies but rather vulnerable to disruption at a global scale (Helbing, 2013; Nyu & Nilssen, 2020). Despite an argument being made for a history of globalisation, it is widely being described as an accelerator of different types of global disruptions in recent years (Kolodko, 2001; Stiglitz, 2003; Martens & Raza, 2010; Nyu & Nilssen, 2020).

Significant advancements may be attributed to globalisation, including greater fluidity across borders for trade, capital, technology, and labour (Stiglitz, 2003). Rapid increase in connectivity has resulted in increased public awareness on social issues such as human rights and democracy (Martens & Raza, 2010; Millar, Lockett & Ladd, 2018; Bughin & Woetzel, 2019). Additionally, inequality and environmental degradation are other significant world-wide challenges to globalisation (Borghesi & Vercelli, 2003). Helbing (2013, p.51), believes we are already feeling the consequences of highly interconnected systems as “global problems such as fiscal and economic crises, global migration, and an explosive mix of incompatible interests and cultures, coming along with social unrests, international and civil wars and global terrorism”.

Businesses today face unpredictable disruptions of a global scale including natural disasters, disease outbreaks, trade disputes and changes in the economy (Nyu & Nilssen, 2020). This theoretically should hold true for all businesses. However, despite businesses in the informal economy failing because of the same types of challenges faced by the formal economy, they are largely disregarded by management and entrepreneurship researchers (Bureau & Fendt, 2011).

2.4.1 Disruptions and the Informal Economy

The informal economy represents a systemic flaw, a failure in a country's economic model (Bureau & Fendt, 2011) with some literature demonstrating the informal economy as tending to thrive during financial crises (Chen, 2012).

During economic downturn, the informal economy acts as a shock absorber for job losses in the informal economy serving as an economic buffer for unemployed individuals (Else et al., 2002). However, even after the crisis is over, they tend to remain party to the system, including to supplement primary income from work in the formal sector (Bureau & Fendt, 2011). This theory is supported by data from 152 countries, where Elgin (2012) finds strong evidence to suggest the size of the informal sector, relative to the GDP, expands during recessions and contracts during times of prosperity.

Whilst the informal economy may provide employment for some pushed out of the formal economy, that may not always be the case. A review of studies on the cyclical nature of the informal economy, shows the relationship between the informal economy and recessions to be complex and unpredictable – observing different reactions from one recession to the next (Burger & Fourie, 2018).

In South Africa, Burger & Fourie (2019) argue that the informal sector does not absorb all those who become unemployed. Despite the assumption that the informal economy will mop up after the formal (Department of National Planning Commission, 2012), South Africa has a relatively small informal sector for its high levels of unemployment. At least twice as many people remain unemployed than work in the informal economy (Burger & Fourie, 2018).

This stunted ability of the informal economy to respond to economic downturns, demonstrates it is not a perfect substitute for employment in the formal sector (Elgin, 2012). This is largely due to barriers to entry such as access to financial services and capital, poor policy making, spatial challenges, transport costs as well as few opportunities to upskill (Chen, 2012; African Development Bank, 2013; Burger & Fourie, 2019).

2.4.1.1 Displacing Informal Traders

Solomon, (2003) demonstrates the significant long-term effects of international events on communities, most notable being the forceful eviction of low-income people and informal traders. Governments argue mega-events, such as the Olympic Games, FIFA Soccer world Cups, provide economic benefits for all, boasting a 'sport-for-development' narrative (Coakley & Souza Lange, 2013, p. 584). When low-income communities are mentioned, they are typically benefactors of trickle-down economics (Solomon, 2003). In developing countries large corporations are usually the ones to reap the benefits from big events at the expense of low-income communities. Often exacerbating the socio-economic inequalities. (Coakley & Souza Lange, 2013; Maharaj, 2015).

Instead of widespread development, tight deadlines from FIFA resulted in widespread corruption, collusion and contracts being awarded to large established companies in both Brazil and South Africa (Maharaj, 2015). The 2010 South Africa world cup saw the removal of tens of thousands of informal vendors from around stadiums, to comply with regulations designed to protect corporate sponsors such as McDonald's, Telkom, and FNB (Lindell et al., 2010). Women making a living from selling pap and vleis were forced to move at least a kilometre away affecting their ability to earn an income (Bond, 2014).

After 20 years of housing informal businesses, the Durban beach market saw thousands of informal traders permanently removed in preparation for the World Cup (StreetNet International, 2007). Durban was not alone. SA Football Association Western Cape provisional president Arendse, confessed, FIFA's fatal top-down approach left crumbs at a grassroots level (Duminy & Luckett, 2012; Bond, 2014).

2.4.1.2 A Volatile Operating Environment

Inconsistent development patterns mean millions of South African informal traders still live and work in environments that make them vulnerable to ill health, accidents, and exposure to the weather elements (Gamieldien & van Niekerk, 2017; Anwana & Owojori, 2023).

The legacy of South Africa's apartheid and colonial policies restricting land ownership and forced removals underpins the perpetual underdevelopment of some communities today.

Legislation set out to force black people away from all economic opportunities, which may be observed in the complete lack of economic planning in townships (Kwenda, Ntuli & Mudiriza, 2020; Anwana & Owojori, 2023). This is especially seen in the lack of dedicated trading space and storage facilities (Moagi, Ivanovic & Adinolfi, 2021).

Turok (2018) explains a cycle of uneven development accumulating throughout the decades, directly influencing low economic performance locally, limiting service delivery and access to high-quality infrastructure. This lack of infrastructure means stalls are unable to withstand bad weather, likely damaging products/stock (Moagi, Ivanovic & Adinolfi, 2021).

This is cause for concern as informal settlements, where most informal trade occurs, are usually located in flood-prone areas, making them highly vulnerable to the effects of climate change (Anwana & Owojori, 2023). In June 2022, the City of Cape Town saw its stormwater infrastructure overwhelmed within 24-hours. Drain blockages caused significant flooding in Khayelitsha, Phillipi, Gugulethu and Langa where roads were waterlogged (Davies, 2022; Engel, 2022).

2.4.2 The Capability of Informal Businesses in Responding to Disruption

A report looking at the impact on rising food and fuel prices in 2008 on small businesses (Trade & Industrial Policy Strategies, 2008) found informal traders are disproportionately affected by increases in petrol prices relative to their formal counterparts. This is because unlike formal players they are dependent on hired transport to fetch stock. These third parties often leverage the rapidly increasing fuel price narrative to increase margins, and often do not bring prices down when petrol prices come down. The report also unpacked the challenges facing small businesses as customers have eroding purchasing power due to inflation and increased debt servicing due to interest rate hikes.

Table 7 breaks down the ability of informal businesses to react and respond to disruption, through key strategic areas of focus. Formal businesses often have more resources, infrastructure, and support systems to respond to disruptions, while informal businesses face greater challenges due to their lack of access to financial support, legal protections, and

technology. Formal businesses can shift to online operations, remote working, and other adaptive strategies more readily.

Table 7 - Analysis of Informal Traders Ability to Respond to Disruptions

Access to Financial Support and Relief Measures (KPMG, 2020; National Treasury and the South African Reserve Bank, 2022; Ziegler et al., 2022; Wahi et al., 2023)	Lack of compliance, and operational functions such as financial statements excludes businesses from formal financial and subsequent support programs. This limits their ability to access emergency funds, loans, or relief packages designed to mitigate the impacts of disruptions.
Regulatory Compliance and Protection (Asnoldi, 2021; Slater, 2021; FNB, 2022)	Frequently operating outside of formal regulatory frameworks makes businesses more vulnerable to abrupt policy changes. Lack of consultation with businesses means they're unable to advocate for their interests.
Labour Force (KPMG, 2020; Rogan & Skinner, 2020; Department of Employment and Labour, 2021)	Lack of formal employment, without contracts and regulatory structures, means the workforce are more vulnerable to loss of income during disruptions.
Supply Chain and Market Access (Nieuwoudt, n.d.; Slater, 2021; Wolhuter, 2022)	Often rely on localised supply chains and markets. Disruptions that affect their immediate environment can significantly impact their operations.
Digitalisation and Technology (Invest Cape Town, 2020; Turianskyi, 2020)	Exacerbating the digital divide, where business owners are less likely to use advanced technology, which can hinder their ability to continue operations remotely or tap into digital markets.

2.4.3 Conclusion

The informal economy is shaped by a wide array of disruptions—ranging from everyday environmental and health shocks to larger systemic and policy-induced pressures. These disruptions not only expose the vulnerabilities inherent in informal work, but also illuminate the adaptive strategies traders deploy to maintain continuity and resilience. Understanding the layered and often compounding nature of these disruptions is critical for evaluating how informal traders respond, survive, and potentially build more sustainable practices in an uncertain operating environment.

2.5 Summary of literature review

In this literature review, the focus was on deeply understanding informal food trading including the challenges and opportunities that are present, the effects of disruptions and subsequent response mechanisms available as well as the sustainable business practices they undertake and how they fit into the broader discourse of sustainability. The literature review looks at the intersectionality of these themes to gain perspective in order to contribute to the research question: How can informal food traders respond to disruption to increase the sustainability of their businesses?

Literature showed the informal economy to be more than just a response to unemployment but a complex system of entrepreneurial activities. Whilst characterised by a lack of formal linkages, it demonstrates that it is in fact intertwined with the formal economy, macro-economic factors and is subject to several laws and regulations. The review highlights the crucial role informal food trading plays, not only in sustaining the livelihoods of the informal trader but also in making healthy food more accessible and affordable to local communities.

A review of discourse and frameworks on sustainable development, reiterated the lack of intentional inclusion of the informal economy in achieving sustainability. It demonstrated instances of sustainable business practices within the economy, whilst also presenting an opportunity for more work to be done to catalyse greater sustainability within the economy.

Challenges to becoming sustainable were evidenced by the multifaceted disruptions experienced by informal traders on a frequent basis. The review highlighted the inability of informal businesses to respond to disruption and the increased challenges they had in accessing external support systems set up to ease the effect of disruptions such as covid-19.

2.6 Gap in the literature

An area that has not sufficiently been covered in the literature is how disruptions contribute towards sustainable business practices in the informal food value chain. This study shows the lack of detailed knowledge regarding effective practices within the informal economy to respond to disruptions to achieve greater sustainability. This gap indicates a missed opportunity for learning and growth, not just for entities operating within the informal sector but also for the broader economic and business community.

By examining how informal traders are making use of sustainable practices, this study hopes to unearth how social, environmental, and economic disruptions that appear to be spurring on sustainability conversations in the formal economy may be applied to increasing conversations about sustainability within the informal economy.

3. Research Methodology

3.1 Introduction to Research Method

This chapter provides the rationale and outline for the research approach and methodology used to conduct this inquiry. It unpacks the choices I made as the researcher, to best understand and contextualise the ability of informal traders to act sustainably in response to disruptions. To do this justice it was important to elevate the voices of the informal traders, and gain a deep understanding of their operating environment as well as their lived experiences.

Central to this study is its aim of exploring whether socio-economic and environmental disruptions contribute towards sustainable business practices in the informal food value chain. Understanding this, will help to bridge the gap between global definitions and perceptions of sustainability with the realities of local actors in the informal economy. To achieve this, Interpretivism was the foundational research philosophy applied guiding the construction of this inquiry.

3.2 Research Design

The research inquiry was led by the research question, which sought to understand the relationship between the informal trader and a businesses ability to effectively and efficiently respond to disruptions for greater sustainability. This lent itself to a qualitative approach due to the complexity of the research question and its apparent interwoven nature with the lived experiences of the traders themselves. A qualitative approach allowed for this possibility of multiple realities, by seeking to understand experiences and perspectives that aren't easily measured scientifically (Teherani et al., 2015; Busetto, Wick & Gumbinger, 2020).

In the search for generalisability, a quantitative approach may have over-simplified the experiences of the informal trader, leaking crucial patterns and nuances (Hammarberg, Kirkman & De Lacey, 2016). I felt that too often the informal economy is generalised and reduced to statistics. It is assumed to be homogenous, when in fact it is rich with variety and should be seen for its texture.

3.3 Research Philosophy and Paradigm

This study adopts an interpretivist research philosophy and paradigm that views reality as socially constructed and subjective, influenced by interactions and individual interpretations (Burrell & Morgan, 1979; Schwandt, 1998). The interpretivist approach recognizes that human experiences and decisions are embedded within the contexts of social and cognitive processes, shaped by lived experiences. These processes inform how individuals make sense of their realities, emphasising the importance of both empirical evidence and subjective interpretations throughout the research process.

Interpretivism emphasises the subjective and socially constructed nature of reality, interpreting how the presence of relationships manifest within a context (Walsham, 1995; Lin, 1998). Given South Africa's history and prevailing spatial challenges, this was especially relevant to this study. Shedding light on the historical importance of relationships within South Africa's communities, and how these guide informal traders. Interpretivism requires the distinction between the human and the physical phenomena with which they are interacting. This is largely due to humans' innate ability to create deeper meanings (Alharahsheh & Pius, 2020).

To develop a suitable research approach, several lenses are considered in the lived experience of the informal trader – as an individual, a business owner, a member of their community and as a citizen of their broader society. An interpretivist approach allowed me to understand how these lenses were developed and to what extent they inform the current decisions taken in their businesses. It provides deeper context to the decisions taken by informal traders, looking beyond physical actions, to unpack the meanings behind. This is an important focus of this research, where an interpretivist philosophy probes deeper into how something has occurred, not just understanding what has occurred (Lin, 1998).

3.5 Purposive Sampling

Sample selection is an important part of any research as it influences the overall quality of the research (Coyne, 1997). In qualitative research a shared understanding of the sampling strategy is required to aid in the interpretation of the findings as well as how replicable the study is (Kitson et al., 1982). This study seeks to add to the body of knowledge, but does not

attempt to be generalisable. As such this section will break-down the details of the parameters set in constructing this study.

To narrow down the target population to provide for an in-depth study, purposeful sampling was used for its inherent strength of being able to strategically select participants to provide rich and relevant data (Maxwell, 2013). I used purposeful sampling to reach individuals who themselves had experienced responding to disruption, in this case the covid-19 pandemic, to increase the sustainability of their business. Within the framework of purposeful sampling, I applied criterion sampling to further refine my sample. This involved setting specific criteria, by which participants were selected for meeting the same criteria (Palinkas et al., 2015). For this research criteria the business had to:

- Sell fruit and/or vegetables as their primary income generating activity
- Be located in either of the two research sites - Khayelitsha and Cape Town CBD
- Be operational before the covid-19 pandemic

3.5.1 Research Unit of Analysis

The unit of analysis in this study is informal food traders in Cape Town, South Africa. This is because the research question is directly aimed at understanding and analysing the behaviours, strategies and responses of these traders to various disruptions to increase the sustainability of their businesses. By focusing on informal food traders, the study could explore the individual experiences, strategies, challenges and successes, thereby providing a detailed and nuanced understanding of the decisions that contribute to the sustainability of their businesses in the face of disruptions.

3.5.2 Site Selection

This study was conducted in two sites, one located in a township settlement Khayelitsha and one in an urban central business district in Cape Town. This design allows for the creation of site-specific knowledge, and provides opportunities to compare and contrast the experiences of the informal traders relative to their context. By doing this, it allows for more diverse perspectives to be represented in the informal economy (Yin, 1981).

When choosing the research sites, I wanted to understand the difference in economic opportunities that may exist between urban and township spaces and to what extent poor economic planning in townships has affected informal traders (Kwenda, Ntuli & Mudiriza, 2020; Anwana & Owojori, 2023). The aim of this was to provide nuances on how disruptions may affect informal traders operating in two geographies differently. This includes policies, regulations and interventions designed to manage and support the informal economy as a whole.

Figure 5: Informal Traders stalls in Khayelitsha, Cape Town (Photos by researcher)

Khayelitsha is Cape Town's largest township and the second biggest in South Africa, originated in 1983. The name Khayelitsha, meaning 'new home' in Xhosa, was built under racial segregation as part of the apartheid regime (SAHO, n.d.). At the time of this thesis, no 2022 Census data was available on the population of Khayelitsha, but it is thought to be home to 2.4 Million people (Gallez, 2023).

Figure 6: Informal Traders stall in Cape Town's Central Business District (Photo by researcher)

The Central Business District in Cape Town, is described by the City of Cape Town as being “the pulse of the Mother City, providing the lifeblood of the surrounding areas. It is a melting pot of diversity and culture, a smorgasbord of historical influences and a place like no other on earth” (Cape Town Tourism, 2016, para.1). It is also an economic hub, with 3 116 formally registered businesses according to the State of Cape Town Central City Report (Gordon & Sorour-Morris, 2022, p.2). Informal traders were selected by Strand Street close to the Central Station Taxi Rank. In total 5 traders were interviewed here, 1 male and 4 females.

To determine the size of the respondent group, I considered achieving a reasonable degree of data saturation, where further collection would not have produced any substantively new insights (Miles, Huberman & Saldaña, 1994).

3.5.3 Sample size

This study was conducted in two sites, one located in a township settlement Khayelitsha and one in an urban central business district in Cape Town. In the first site five (5) informal traders were interviewed from Khayelitsha, all of whom were men, with 3 located at Khayelitsha train station and 2 nearby at Harare Square, a space designed to promote economic activity. At the second site five Informal traders were selected by Strand Street close to the Central Station Taxi Rank, 1 male and 4 females.

3.6 Data Collection Methods

3.6.1 Semi-structured Interviews

Semi-structured interviews were chosen for this study because of the inherent strength and ability to be able to build reciprocity between the researcher and the respondent (Galletta, 2013). This type of interview allows for a degree of freedom in how respondents express their thoughts and enables the researcher to probe further on certain responses to gain a deeper understanding. This unearths tensions and contradictions within statements (Horton, Macve & Struyve, 2004).

Open-ended questions provided opportunities for the informal traders to contextualise their views, providing opportunities for new topics to emerge that I would have not thought to

probe on. The conversational style of interviews were important to not make traders feel interrogated but rather serve to bridge the scepticism between them and myself.

Interviews inherently risk social desirability biases which mean respondents are more likely to provide responses that are believed to be more socially acceptable (Grimm, 2010). Addressing the limitations of self-reported data was crucial to strengthening the findings in this research, this was factored into the design of the interviews below as well as being corroborated with observations.

The interview guide was initially constructed using prior knowledge of the informal economy, and more specific desktop research. This meant I was able to follow up with informed responses, assisting with rapport but also guiding deeper reflection. For example, I already knew the bureaucratic processes informal food traders must go through to be able to trade, and how it differed under covid-19. So, my focus was not on understanding regulation, but how people felt about it and interacted with it – providing richer insights. It became clear after 2 interviews that a significant number of traders sourced their products at the Cape Town Market in Epping. To have more contextual understanding I visited the market before conducting the rest of the interviews.

The interviews were conducted in-field at their place of trading, so respondents felt comfortable and did not inhibit their ability to earn an income. This allowed me to greater contextualise their lived experiences but brought additional complexities as interviews were frequently disrupted by customers and employees. Interviews were also kept short due to time constraints of the traders. No financial compensation was given directly to the traders to mitigate biases that may arise, however when I followed up after the initial interview with clarifications, I purchased something from their store as a token of appreciation.

The study was conducted in English. Whilst all respondents had reasonable levels of English it was their second language. Whilst informal traders did not struggle in answering most of the questions, responses were likely shorter and less detailed due to English being their second language. In some instances, asking questions in English proved advantageous in understanding the gap between sustainability frameworks and local understanding.

A semi-structured approach helped with reframing and redirecting questions for ease of understanding. Key concepts such as sustainability and environment were not recognised but some answers brought great insight into the lenses by which respondents saw the world.

3.6.2 Non Participant Observations

Observations are a powerful source of additional information contextualising the physical setting of the phenomena and actual behaviour (Busetto, Wick & Gumbinger, 2020). Mulhall (2003, “The importance of observation: using our eyes as well as our ears“, para.3) outlines the importance of being able to “ascertain whether what people say they do and what they do in reality tally”. Overt Non Participant observations were conducted, where participants were informed of my presence for transparency but there was no direct interaction with the participants during the observation (Williams, 2008). Observations were unstructured, as there are no predetermined behaviours trying to be identified, instead the researcher takes an open-minded approach capturing the context more fully (Mulhall, 2003). Although unstructured observations provide more scope for insights, they are still focused on answering the research question (Fetters & Rubinstein, 2019).

I used this approach as it serves the interpretivist paradigm by acknowledging the importance of context and culture (Mulhall, 2003). Unstructured observations were informed by Fetters & Rubinstein’s (2019) 3 C’s template, providing focus on understanding the context, content and concepts during each observation.

The informal nature of businesses, where people might not want to disclose some of their practices for fear it may be shared with authorities. Observing the business gave me the opportunity to identify behaviours, processes and decisions that embodied good business management or sustainability practices but were unbeknown to the trader due to a lack of formal education or consciousness about their actions.

In this study, I as the researcher was the instrument of data collection highlighting two important limitations of unstructured observations which should be considered. The first being the distinction between what we observe and our interpretations of those observations. This is because how we interpret an observation is riddled with our own experiences as well as drawing from an existing knowledge base (Blasco & Wardle, 2007; Fetters & Rubinstein,

2019). The second being the presence of an observer may inherently change the behaviour of those observed (Sofaer, 2002; Fetters & Rubinstein, 2019).

The first limitation of interpretation required high levels of awareness and reflectivity to minimise my own voice in the findings of this study. I found that prior experience with individuals in the informal economy assisted me in remaining aware of and minimising power dynamics in the field. Observations were conducted before the interviews to allow for minimal preconceptions, often traders were often too busy to recognise my presence. However, in some cases casual conversation was dispersed during observations, which seemed to put traders at ease.

3.6.3 Field Notes

During the data collection period field notes were taken in the form of voice recordings, jotted notes from interviews and observations and photographs. Field notes assist throughout the research process as an important component of reflexivity (Deggs & Hernandez, 2018). Field notes were aligned with the notion of 'Field Jottings' capturing short phrases during observations and interviews (Fetters & Rubinstein, 2019), which were then expanded on post observation. These notes as well as photographs aided in capturing additional insights into the context in which informal traders operate. These records also play a more practical role in providing an audit trail for understanding how conclusions were reached and assess the validity of the interpretations.

3.7 Research Ethics

Understanding research ethics that should be adhered to was important to ensure the research process was followed with respect and integrity. It also served as important points of reflection on the importance of this research as a tool for change. In the design of this study, several research ethics were considered. Ethical approval for this study was obtained from the University of Cape Town's ethics committee, prior to the commencement of any field work. Data was collected and stored in line with the University of Cape Town's data management policy.

Considerations involved obtaining informed consent from participants, ensuring each participant understood the study's purpose and their role, prior to agreeing to take part. Each participant was guaranteed anonymity and confidentiality, essential given that some of the businesses were not fully regulated. Participants were made fully aware of their right to withdraw at any time or not answer a question should they not want to.

Effort was taken to respect the busy schedules of informal traders, understanding the local context of their operations. Care was taken to minimise participants feeling harmed or exploited, by returning to the stalls post interview to purchase goods. This was done after data collection to avoid any influences to data collected.

3.8 Research Criteria

Noble & Smith (2015), outline three key criteria used to assess the credibility of a qualitative research study, validity, reliability and generalisability. This study was designed with these aspects in mind to achieve a valid and trustworthy contribution.

3.8.1 Interpretive Validity

According to Maxwell, (1992: pg 288) "Interpretive validity" captures how well the researcher reports the participants' meaning of events, objects and/or behaviours. Qualitative research goes beyond objectively understanding how a phenomena occurs, to recognising the significance of what behaviours mean to the people involved (Maxwell, 1992). In line with an interpretivist approach, data was collected from interviews and observations, which were then interpreted by myself (the researcher). Consideration needs to be given to the subjective nature of this type of data, which is influenced by the researcher's perspective, biases and interpretation skills (Fetters & Rubinstein, 2019), and how this impacts the validity of this study.

Interpretive validity focuses on ensuring that the interpretations of this data accurately represent the participants' perspectives and experiences "developing a window into the minds of the people being studied" (Johnson, 1997, pg.285). Achieving interpretive validity is crucial to capturing the complexity and depth of participants' experiences and limiting the

researchers own biases or preconceptions (Maxwell, 1992). This study used a variety of strategies to promote interpretive validity.

The freedom granted by semi-structured interviews not only allows for rich insights, it also provides opportunities for conversations to naturally emerge, creating spaces for follow up or clarifying questions. This assisted in verifying claims or probing deeper into a question to further understand meanings assigned. Data captured from semi-structured interviews was recorded for verbatim quotations. This served as low inference descriptors during the analysis and presentation of findings (Maxwell, 1992).

3.8.2 Data Triangulation

A strategy of triangulation was used to corroborate information collected from the various data sources (Maxwell, 1992). In this case, data was collected from two direct sources, observations and semi-structured interviews, to corroborate findings. This information was also cross-checked against other sources such as legislation, news reports or additional field research in the case of visiting the Cape Town Market.

During the analysis phase interpretations and conclusions drawn from participant data were shared with my supervisor who challenged my findings. This peer review served as an opportunity to reflect on my own assumptions, and any weaknesses in drawing certain conclusions.

Last but not least important was my own reflections as the researcher. My proposal identified the need for critical self-reflection and self-awareness throughout the entirety of the study, but particularly during the data collection and interpretation process (Maxwell, 1992). I remained acutely aware of the power dynamics and biases that may be created by my status or race and sought to build rapport with participants prior to conducting interviews.

3.9 Data Analysis Methods

The qualitative nature of this study has facilitated the collection of descriptive, open-ended data rather than numerical, which is often more challenging to reduce and identify patterns but captures the essence of the phenomenon in greater detail (Castleberry & Nolen, 2018).

To organise this detail, thematic analysis has been used for “identifying, analysing and interpreting patterns of meaning” (Clarke, Braun & Hayfield, 2015, pg.1). It has been described as a constellation of affective, cognitive, and symbolic meanings that can be seen in the data set (Joffe, Harper & Thompson, 2012). This organisation into themes, helps to make sense of the data relative to the research question and main aim of the study.

Thematic Analysis should be viewed as a process, with frameworks describing various steps or stages to conducting the analysis (Boyatzis, 1998; Braun & Clarke, 2006; Clarke, Braun & Hayfield, 2015). There is no guidebook to fit every research, but by following the general steps allows for an analysis to be systematic and thorough, contributing towards the validity of the study (Castleberry & Nolen, 2018). For this study, I used Bruan and Clarke’s (2006) framework outlining six phases to thematic analysis, supplemented with additional understandings from Castleberry & Nolen (2018) to facilitate my own process. Key steps and decisions taken are outlined below.

3.9.1 Data Familiarisation

The initial phase of data analysis involved compiling and organising the data into a usable format that allowed me to easily immerse myself into the process. Transcriptions were created from the interviews audio recordings. Initially a research associate completed the transcriptions with the assistance of a transcription tool Otter.ai. However, on reflection the tool resulted in many gaps and transcriptions were subsequently conducted manually by the research associate. Following the completion of this task, all transcripts were checked against the original audio recordings for accuracy, but also to bring me closer to the data as suggested (Castleberry & Nolen, 2018). Transcripts were then printed and the recordings re-listened too, whilst initial notes were recorded such as pauses and background sounds.

3.9.2 Generate Initial Codes

Working across the entire dataset, I assigned descriptive labels to short, interesting quotes from the transcripts and notes from my own observations. This process of ‘coding’ captured both the semantic and conceptual content and was helpful in clarifying and reassessing my initial interpretations of the content (Bruan and Clarke, 2006). As I moved through the data,

definitions for each code was established to assist in looking for similarities and contrasts across the entire dataset.

Using Miro, a visual whiteboard tool, the codes were mapped relative to one another and the underlying data per participant. This enabled me to see where a code had appeared multiple times throughout the observations and transcripts of one participant, adding additional context or contrasting a previous statement. This exercise was then repeated across all the participants to synthesise codes and create code groups. Each respondent was mapped in a different colour post-it, but the large visual map helped me to step back and look across the entire data set.

3.9.2.1. Code Group Relationships

Once the groups from the transcripts had been synthesised into code groups, I analysed the groups in relation to one another to understand emerging themes. Figure 7 below demonstrates how the code groups were systematically organised into four distinctive categories. An overview of the relationships between the code groups is listed below, and are explored in more detail along with the themes later in this chapter.

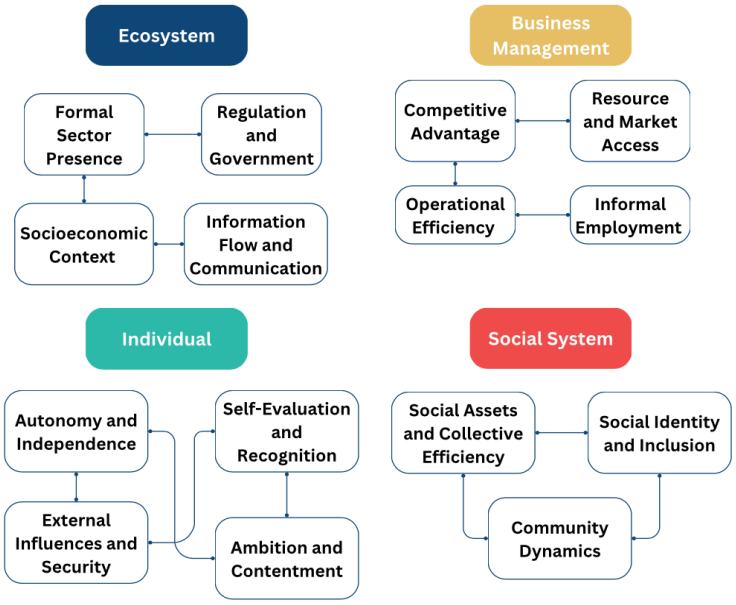

Figure 7 - Categorisation of codes into groups and their relationships within their overarching theme

Business Management

1. The code groups ‘resource and market access’ and ‘informal employment’ both relate to ‘operational efficiency’ as both present opportunities and challenges for improving the operations of the business.
2. The code group ‘market/resource analysis’ relates to ‘informal employment’ in that it speaks to the networks and skillset employees can bring to the business.
3. ‘Operational Efficiency’ relates to ‘competitive advantage’ as it encapsulates the core ability of the business to outperform competitors. This is especially true in a highly price-sensitive market.

Informal Economy Ecosystem

1. ‘The formal sector’ holds a close relationship with ‘regulation and government’ as it relates to the laws of running a business. The relationship with ‘regulation and government’ and the ‘informal flow and communication’ is as it relates to communicating changes to policy/laws, immediate responses to disruptions and access to opportunities. These in turn inform the real relationships between the government and the formal sector, as well as the perceived relationship.
2. The ‘socioeconomic context’ presents relationships with all three of the other code groups ‘formal sector’, ‘regulation and government’ and ‘information flow and communications’ as they relate to creating favourable or unfavourable socioeconomic conditions.

Social System

1. The social fabric of communities is demonstrated by close relationships amongst the code groups. The group ‘social identity and inclusion’ relates to ‘community dynamics and belonging’ as social identities contribute to the dynamics within communities,whilst belonging influences how they perceive themselves and others.
2. ‘Community dynamics’ has a relationship with ‘social assets and collective efficiency’ as it relates to the influence community dynamics have on achieving collective efficiency. Simultaneously, collective efficiency amongst those identifying together may influence broader community dynamics.

The Individual

The first theme to emerge was **the individual** behind the business - the informal trader. In understanding the individual, this theme unpacks the relationship between informal traders' internal compasses and external influences, emphasising the pivotal role entrepreneurial mindset plays in decision-making within the business. Highlighting the informal trader as a potential catalyst for sustainable development, making sense of their emotional resilience and capacity for adaptability in the face of disruption.

1. The code group ‘autonomy and independence’ holds a relationship with ‘ambition and contentment’ as it relates to how well aligned these intrinsic motivations are. A person's ‘ambition and contentment’ holds a relationship with their ‘self-evaluation and recognition’ as it relates to how they perceive themselves both internally and in relation to others.
2. External influences and security hold relations with ‘Self-evaluation and recognition’; ‘autonomy and independence’; and ‘ambition and contentment’ as it relates to external influences on the person's internal system.

3.9.3 Identifying, Reviewing and Defining Themes

Braun and Clarke (2006), use two distinct phases to collate codes into potential themes and then subsequently check if the theme works in relation to the entire data set. I chose to integrate these two steps, taking an iterative approach to constructing and reviewing the themes. Codes were clustered together based on similar codes, as an example agency and independence were grouped together belonging to the code group Autonomy and Independence.

Four distinct themes shown in Figure 8 appeared to emerge in the data - the individual, the business, social systems and the broader informal economy ecosystem. At this stage, a workshop with my supervisor was held where I unpacked the definitions assigned to the different code groups, justifying the inclusion of each code. This evolved into understanding how these groups worked together into their overarching themes and supported one another to answer the research question.

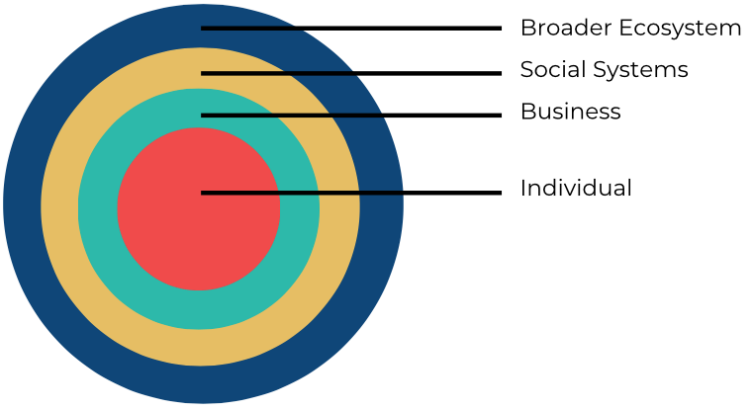

Figure 8 - Initial Layers of Themes Emerging from the Data

Following the workshop mentioned above shifts were made to the structure of how the themes worked together to support the research question. Unpacking the relationships within the themes and across the themes assisted in defining the essence of the theme (Braun and Clarke (2006).

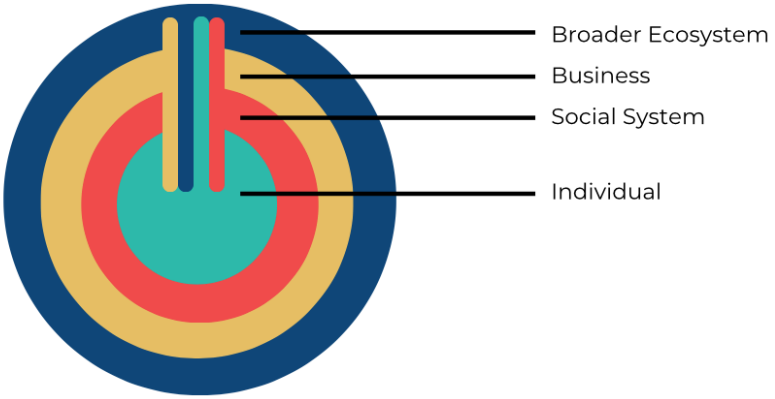

Figure 9 - Revised Layers of Themes Emerging from the Data

Figure 9 shows the revised visual representation of the overarching themes. As the figure shows the social system and business layer was exchanged, after greater reflection on which actor was closer to the individual. The lines running through the 4 different layers represent the fluidity of the themes with one another highlighting the interconnectivity of different systems influencing the research question.

3.10 Conclusion

This chapter unpacked how this inquiry's methodology was constructed and implemented to better understand whether socio-economic and environmental disruptions contribute towards sustainable business practices in the informal food value chain.

It shows the use of a qualitative study, rooted in an interpretivist research paradigm. The target population was all informal food traders operating in Cape Town, which was narrowed using purposeful sampling, with specific criteria for selection. Participants were chosen from two distinct sites, one in Cape Town's Central Business District (CBD) and one in Khayelitsha, Cape Town's biggest township.

The primary data collection method was semi-structured interviews, supported by non participant unstructured observations. This data was collected and analysed along with secondary material to construct themes upon which discussions are based. These findings can be found in the next chapter. Also covered in this section were the considerations given towards conducting an ethical study and ensuring it met the research criterion.

4. Presentation of Findings

4.1 Introduction to Findings

In this chapter, the research findings are systematically presented. The data analysis process included organising, coding and cross-referencing to identify themes synthesised to answer how informal food traders respond to disruption to increase the sustainability of their business in Cape Town South Africa?

The key themes are presented in this chapter providing greater context in defining each theme and sub-theme. Each theme is enriched with verbatim quotes and extracts taken from observations. This systematic approach ensures that the findings are presented transparently and concisely, laying a solid foundation for the subsequent discussion and interpretation in the following chapters.

4.2 The Soul of Sustainability: Understanding the People Behind the Business

This theme explores the individual behind the business - the informal trader. In understanding the individual, this theme unpacks why traders began their businesses as well as the relationship between informal traders' internal compasses and external influences. This theme is related to the role of informal traders decision-making within the business in response to disruptions to achieve greater sustainability.

4.2.1 Agency as a Motivator for Informal Traders

Several of the informal traders interviewed evidenced a clear sense of agency in their decision to start their own business, seeing it as an alternative to waiting for scarce employment opportunities. This self-direct action demonstrates a proactive approach to generating their own livelihood, especially during a disruption of high unemployment. It also demonstrates a desire for autonomy and control over their working lives, affording them the opportunity to work independently on their own terms. Self-driven routines were observed in the CBD traders, where none of the stalls were permanent, resulting in after work the traders packing away their produce and tables, only to set it up again the next morning. Negotiations

took place in two of the businesses, demonstrating traders ability to independently set their own pricing strategies.

At the same time, layered into this entrepreneurial drive is a tension. While traders exhibit agency and independence, there is also an acknowledged need for external support or “upliftment,” particularly from the government. The desire for official assistance and recognition suggests that while personal initiative fuels their efforts, structural conditions continue to significantly shape the sustainability of their businesses and the opportunities available to them.

I always wanted to have my own business. Since I was young that was my wish growing up. - Khayelitsha D

I started this business, to at least try to create a safe job, and possibly with others as well who can join me and also help my community. - Khayelitsha C

Because there are no jobs out there. You have to create something for yourself. - CBD B

No one is controlling you. You can stand up. In fact I wake up every morning three o’clock. - Khayelitsha E

We don’t see where that money is going, the government is supposed to provide for us. - CBD A

We need more upliftment. I tried and tried. I couldn’t get anyone to ask me what I wanted. - Khayelitsha B

4.2.2 External Factors Impacting Sustainability of Informal Trading

Informal traders noted that their ability to sustain their business long term was contingent on external elements. There was a recognition that external conditions such as economic trends, government policies and infrastructure directly influenced their long-term viability. While personal agency and innovation were evident, it was often met with a reliance on

underlying influences beyond their control. Difficulties encountered by the traders including shifts in commuter trends due to the trains not being operational, poor economic conditions and the lack of change in government corruption showed the high level of connectivity between systemic elements that shape the trading environment. Observing the two research sites showed the CBD to have a noticeably higher density of potential customers passing by stalks, creating more opportunity for quick sales when compared to Khayelitsha. Across both sites there were minimal facilities to support traders who were positioned close to the road - no designated unloading zones, no electricity, no secure storage. These conditions highlighted the interplay between external infrastructure, location-based foot traffic, and the viability of traders' businesses.

If the economy comes back up, then we'll be able to make it. - CBD B

What I know is that if the train services come back, that's when I can judge I'll be okay. - Khayelitsha D

Sometimes if you are lucky business is good, you can manage to send a few bucks. - Khayelitsha D

They [the government] are all criminals, they rob us. A lot of people know. But people are not going to speak, because they speak about it and nothing is happening. - CBD A

4.2.3 Resilience: Critical to Responding to Disruptions

Resilience emerged as a strong quality amongst informal traders, who were confronted with periodic shocks and disruptions. A recurring theme of "starting from scratch" emerged as a response to changing circumstances. In responding to COVID-19 pandemic or navigating disruptions to commuter networks traders articulated the capacity to keep going in order to maintain their livelihoods. During field observations, traders continued to sell during their stall throughout the day despite challenging conditions or unlucky days of no customers. Yet traders had the perseverance to be there despite discomfort demonstrating a commitment to sustaining their business.

We had to start all over from scratch. All over from scratch. - CBD B

All the plans we planned, we never reached those plans, because there was no business. - Khayelitsha A

Big time, because we haven't worked for as long as they kept us at home. We still created something for ourselves because I couldn't stay at home- feeding four children wasn't a joke. So I created something for myself and went door to door to get something on the table. But like I said, it hit us hard. - CBD B

I have to start all over again. I was trying to sell some vegetables at home also, but it was not successful. I was losing also because the stuff was going rotten. - CBD A

4.2.4 Emotional Welfare as a Foundation for Sustainability

Discussions highlighted the crucial role of emotional well-being in long-term viability for informal traders. The pressure to secure basic needs and maintain a steady income places strain on informal traders who spoke about the financial volatility in their income. The pressure felt by informal traders extends beyond business to the emotional weight of ensuring food on the table for their families, coping with unpredictable earnings, and preserving their sense of dignity and stability in the face of uncertainty. During the observation period, the physical demands of trading, noticeably standing outdoors for hours in harsh weather, added another layer of stress. This backdrop of economic and environmental challenges influenced traders' emotional welfare, influencing their ability to think more long-term about their decisions.

When we don't do business, there's no pay for us. How are we going to put food on the table? - CBD E

I think what motivated me was to survive. To provide. To support my kids and my family. - Khayelitsha B

Yeah I like to learn some more things. This one I didn't learn. It was a forced thing. Like I need to feed my family. - Khayelitsha E

4.2.4.1 Understanding the Unpredictable Nature of Informal Trading

Informal traders felt significant pressure to financially provide for their families, right down to basic necessities such as food. Traders spoke to the unpredictable nature of informal trading and the uncertainty of achieving economic sustainability. This unpredictability meant that planning long-term, or even from month-to-month, was challenging. For many, the aftermath of COVID-19 disruptions added another dimension of instability, as previous business strategies no longer guaranteed reliable earnings.

There's not even a [financial] target you can push, when it comes to self-employed persons working as a trader on the stoep because you don't know what's going to happen tomorrow. - CBD B

Sometimes it's not sufficient. Some other months you have to save some money and some other months okay, you cannot, it depends. - Khayelitsha D

4.2.4.2 Safety as a Key Challenge to Sustainability of Informal Traders

Safety concerns were touched on demonstrating the intersection of social and economic factors affecting traders emotional burden. One trader spoke to the security extending beyond the business environment to his home and commute to the market in the morning,

aware that carrying goods and cash made them vulnerable. Observations in the field indicated a tense environment at times, with loud music and individuals who appeared to be on drugs close by in the CBD. In Khayelitsha where individuals were not forced to pack up their goods, stalls were not secure making them vulnerable to overnight break-ins. This heightened sense of insecurity forced traders to adjust their behavior, carefully monitoring their surroundings and worrying about theft or vandalism overnight. Such conditions not only influenced their physical operations but eroded their sense of emotional stability. The presence of potentially unsafe individuals in trading areas shows the persistent tension between maintaining a livelihood and protecting oneself and one's assets.

Yes, we must go together, because in the morning, we drive from Delft to Epping Market, and it's dangerous there by that side. I don't stop by a red robot because at four o'clock, it's dark. Just get criminals on the road. You must experience it. Even in the morning when I open up the gate, I ask God to protect me. Then my wife opens up the gate. Because when you open up the gate, you must look left and right because there's too much hijacking. Like the people, for instance now I'm in business, and they know I have money on me, you understand? Next to us there's someone who's selling drugs. Now you can see they are still operating up and down, they never sleep. When you wake up, they're up. - CBD A

Even at night when you are leaving your stuff, you are not guaranteed whether you are going to get it tomorrow, you can find the place burnt down overnight. Even now, I am not safe here. I can get robbed at any time, you understand.- Khayelitsha D

4.3 Harnessing Social Capital for Sustainable Resilience: Supporting Informal Traders Amidst Disruptions

The second key theme Harnessing Social Capital for Sustainable Resilience: Supporting Informal Traders Amidst Disruptions takes a look at the social systems informal traders belong to and the social capital that exists within these systems, speaking to the social dimension of sustainability. Social Capital, reflected in family and community ties, emerged as a cornerstone of sustainable resilience within informal trading systems.

4.3.1 Strengthening Business Resilience through Family Support

As we saw in the previous section traders face significant pressure to provide for their families, but at the same time they receive a lot of support from family members. Spouses, children, and extended relatives assisted with buying goods, managing stalls, and standing in during absences, effectively distributing the workload. Field observations confirmed this family engagement: at various stalls, multiple family members were present, working side by side to keep operations running smoothly, particularly during periods of high customer traffic.

We only have each other. Like today, she's [wife] the one that goes to market, I was very busy doing this. So now she must go and rest, and me, I have to take over from her. - Khayelitsha E

I started this business at the age of 14, helping my father out. I finished school at grade 6. My father took me out of school so I can help him, at the age of 14 years old…He is my role model. The reason he takes me out of school, he doesn't want me to work for other people. He said I must work for myself. My son was in the grade 10, I wanted to put him in college, but you know, complications. - CBD A

Yes, he [husband] goes to the market in the morning and he does the buying while I'm waiting for him. - CBD A

Yeah, sometimes you see like my wife comes to help out. Sometimes the kids when they are not at school. It's a family-centred business. - Khayelitsha D

4.3.2 Leveraging Community Networks for Social and Economic Sustainability

Beyond the family unit, informal traders maintain strong relationships with the communities they operate in. Informal traders provide employment opportunities for unemployed youth, adjusted prices down or gave food to neighbours and community members. Through these

actions, traders positioned themselves as social anchors, sustaining not only their own enterprises, but also contributing to a local ecosystem of mutual aid. Observations corroborated this sentiment, where one trader was seen preparing a small package of fruit for a neighbor in need and offering to cover the cost of a taxi ride to a medical appointment. During observations in the CBD customers stopped to

It is my mission that we should have the young ones in business as well as creating jobs for them. Maybe in the future, they may wish to start their own business. - Khayelitsha C

Only two guys [employees], if I could, I would've taken more, because you know, where I stay, there's a lot of youngsters that do not work. At the end of the day they're doing drugs, becoming gangsters and all that stuff. - CBD A

I hope that we make more so we can be able to bring the prices down, because we're dealing with people in poverty - Khayelitsha A

I worked for a year or two and then one day he said, I am going to hand over the stall to you, to start your own employment… Now I have three stalls. One is my daughter's stall, the other is a kiosk I gave to my daughter-in-law. - CBD C

Depending on how much we make…. Let's share in the process, we should maintain our business together. So there is no one who is taking more than his friends, everybody must see his responsibility in the business. - Khayelitsha C

My father is very supportive. Because he can see I want to go further in life, you know? That's why he's supportive. He's got three bakkies, so what's he going to do with three? So he can lend, what is his is mine. - CBD A

You'll only know if you give them a try, you won't know until you get them to go ahead. From there you can take it whether you like it or not. - CBD D

I give them the basic [pay]. I'll take the loss. I don't tell them the business is quiet and this is why I can only get to R50. Unfortunately, even I cannot go to work every day, I will rotate

them out. [During Covid] all of us were out of income but the little I had, I sent them something. I know what it is like not to have…Your relationship with your employees counts a lot. - CBD B [responding to the covid-19 shut down]- CBD B

4.4 Informal Trader Practices and Their Role in Sustainability

The next key theme is Informal Trader Practices and Their Role in Sustainability takes a deeper look at how informal traders run their businesses, looking at the operational mechanics that contribute towards building a sustainable business. This theme comprises three sub-themes: the position of informal traders in Cape Town's food system, the entrepreneurial characteristics of informal traders and sustainability in informal trading.

4.4.1 Different Ways in Which Informal Traders Access Their Produce

Traders reported limited access to supply chains, due to geographical constraints, economies of scale and bureaucratic complexities. All of the informal traders interviewed purchased their goods at the Cape Town Market in Epping gave access to multiple products in one space. However, it also reflected a supply chain shaped by intermediaries who controlled access and influenced prices. Observations showed most traders dealt only in fruit and vegetables, except one trader who was experimenting with selling tubs of chilli made by a member of his community.

I never go to a farm, but every morning, I go to Epping market because I don't buy one kind of fruit. I like variety. So it's better for myself to go to Epping, because I get variety. - CBD A

It was never closed, but there were so many things that were not working right. You know in the market, there's coloured and the muslim. And the big boss. The coloureds and the muslims sometimes buy from the big boss and then they bring it outside the market and then sell it. It will be lucky for you if you want to get inside the market, because they have a

card to get inside that you have to be a member. Sometimes it would take a long time to get that card so you buy outside the market…. When we go sometimes, they are out of stock that they're sending overseas, the other stock that is rejected from, we buy those.- Khayelitsha C

4.4.2 Competition as a Daily Disruption for Informal Traders

The competitive landscape emerged as a persistent challenge, accentuated by rising unemployment and an influx of new traders offering similar goods, which according to traders was a result of higher unemployment. Accordingly, trading space has become harder to come by and traders must work to differentiate themselves. Observations, could not speak to the rise in competition but did reveal several of the same stores within close proximity - both in the CBD and Khayelitsha. The main differentiators appear to be the variety of stock available and the overall presentation of the stall. Other differentiators included pricing strategies or combination selling.

While some traders viewed supermarkets as competition others saw an opportunity to leverage lower prices and more flexible selling practices to attract shoppers seeking better value. Observations indicated that this competitive dynamic varied by location. In Khayelitsha, traders were clustered near the train station and clinic, there were no supermarkets or shopping centres. In contrast, those positioned by the CBD operated close to large retailers like Food Lovers Market and Woolworths were distinguished by providing quick options for commuters passing through the area.

A lot of people don't have jobs, so everybody comes in big numbers and tries to build up a business. - Khayelitsha A

In those days there were not a lot of registered vendors so spaces were still wide open... So for me it wasn't a hassle to get a spot. But now there are so many street vendors. More than before. - Khayelitsha E

If I am talking about the veg, it's going to take a long time [to get bigger], because there's a Spar around the block and there's a Shoprite around the block. - Khayelitsha A

In the shops, you can buy one tomato for about R5, and yet you pay R10 for 5 tomatoes here. Better value than the big shops. - CBD C

4.4.3 The Impact of Global Disruptions on Informal Traders

The COVID-19 pandemic introduced an external shock throughout informal trading spaces, reducing foot traffic and leaving both traders and their customers financially strained. Traders spoke of trying to rebuild their customer base in the face of fewer customers and less purchasing power. Longstanding relationships and reliable service meant that loyal customers eventually returned. Observations revealed varying levels of customer engagement amongst traders and their customers - some would stop to have a chat or share quick anecdotes whilst others purchased and left in a hurry appearing to be more non-discriminant of where they stopped.

They have come back [customers] because I have been here for so long. I have a customer, who comes all the way from Seapoint because he says the service he gets here is incomparable. - CBD A

We're still struggling, trying to get our customers back. But how do we get them back, in building new customers, because all our old customers are gone. A lot of our customers are not working anymore, they're unemployed, or half of them have to stay at home. What do we have to do? Just carry on and build new customers. - CBD B

They [customers] are really giving us support. They are coming back themselves too. So they are the ones also trying to remind us, we remind them also of COVID-19, all of that. So that we all have in the same boat, this COVID-19 as well as our business. - Khayelitsha B

Yeah, I don't think we have recovered yet from COVID, I think we are still in it, moneywise. Lots of people have not recovered from COVID, money-wise. Business can be here, but customers don't have money. I think they are still trapped moneywise. - Khayelitsha E

4.4.3.1 The Effect of Infrastructure Disruptions on Informal Traders Sustainability

Transportation showed itself to compound the challenges faced by informal traders. Reliance on public transport or costly private arrangements added expenses and time constraints to their operations. Poor storage solutions, in particular proper cold storage, means traders often had to purchase fresh stock almost daily to prevent spoilages. This frequent restocking was also a product of capital constraints, which meant they could only buy in small quantities - further inflating transportation costs. As a result, traders faced a delicate balancing act: they had to manage time, finances, and product quality in an environment marked by logistical hurdles and minimal infrastructural support.

[Transport] It's a huge challenge. It's time-consuming also, because I lose too much time simply because I have to rely on public transport. - Khayelitsha D

This stuff needs a logistical way of handling things. So transportation is needed to know how we can handle this distance. What do we need to take care of this stuff? We know some of this is delicate. - Khayelitsha C

You have to pay like R300 a day to go fetch the stuff from the market and it's a lot of money. Before you sell anything. - CBD C

Since the train system collapsed on this side, it became difficult. Then covid came and it was another. By the year 2019, the train service stopped completely. - Khayelitsha E

4.4.4 The Effect of Illegitimising Informal Traders on their Sustainability

During the COVID-19 pandemic, traders did not understand why their businesses were disrupted whilst formal entities were allowed to trade as usual. One trader highlighted how the very location of their business, operating on the stoep (sidewalk/pavement), inherently contributed to a feeling of being less formal or illegitimate.

Intangible barriers to sustainability emerged as informal traders felt a deep sense of illegitimacy in how they worked fueled by social attitudes and policy decisions that seemed to favor formal businesses. During the COVID-19 pandemic, traders struggled to understand why established retailers could continue operations while their own ventures faced restrictions. This inequity reinforced perceptions that informal enterprises were seen as less legitimate or deserving of support. The location of their stalls, on sidewalks and open streets, further contributed to this belief and reinforces the social stigma that often accompanies informal trade. Such perceptions not only impacted traders' emotional well-being but also shaped the long-term viability of their businesses, as formal recognition and support remained exclusive.

I mean outside people look at us differently, because we are outside. People treat us very very low. Some people have no respect for us, because we are on the stoep… Hopefully it will change people's mindsets of us and look at us differently, at the moment people are low classing us. - CBD B

I don't understand why Pick n Pay and Shoprite were open. We need to eat. I understand that, which is why we're open. But I mean what about small businesses? When do we get well-established, but cutting us on everything? Where do we go from here? - CBD D

You know what, I am still bleeding in my heart. I am still crying. The time I will never forget, march. I thought the presidency was going to talk about us guys also doing business on the street, they're going to be supported… But they didn't. - CBD A

4.4.5 Sustainable Financial Management Practices

4.4.5.1 Informal Traders Startup Capital

Financial literacy and stable access to capital emerged as an important component of Informal traders' ability to rebuild and grow their businesses. Many traders restarted operations after COVID-19 using personal savings or small loans from friends and family, as formal financing options seemed inaccessible. Upon restarting the initial funds available were often insufficient to restock at pre-pandemic levels. Limited cash flow restricted both the range and volume of goods available.

I just started with my cash that I organised myself. - Khayelitsha A

Every month I must give him R500. I owed him R8000 but now I owe him R5000. I am paying him back a little bit each month. - CBD C

Let's put two Rand more on top so that we prepare for whatever comes. It's not only this [covid-19], any problem may arise at a certain angle. So let's just be prepared for everything…..We try to at least hold on to the money that we had. Because we said, Oh guys, this thing is a pandemic that can attack us for a certain period of time. Eventually it might go, there are people who are working on that, and find a solution to it. So can we try just to hold on? Let's see where it can take us to. So when the government is announcing the changes or the restrictions, we are eagerly waiting to start reselling, then we find that we are slowly picking up to the way it is now. - Khayelitsha C

4.4.5.2 Financial Controls

Financial oversight varied widely, with some traders mentally tracking sales and expenses while others occasionally recorded transactions. The small, cash-based nature of most purchases, often ranging from R3 to R10 lent itself to straightforward mental calculations rather than formal bookkeeping. Observations revealed that money was generally handed directly to the business owner after every sale, ensuring they maintained immediate oversight and tight financial control. Employees did not independently handle transactions, if

change was needed, they would refer back to the owner. There were no observations of written financials or accounts.

I do my own accounts, and I'm self-taught. I can tell you when something is missing. - CBD C

Sometimes, I write it down, sometimes not. - Khayelitsha C

I'll know at the end of the week. Maybe I'll put R1000 and then on Thursday, I'll put the worker's money away. I do everything. I put away the market money. - CBD E

4.4.5.3 The use of Financial Technology in Informal Trading

The financial management systems observed highlights the limited use of financial technology in the daily operations of these businesses. Cash was the primary mode of exchange, shaped by customer habits and concerns about fraud or unfamiliar technology. Traders occasionally used cards for restocking at the Epping Market, where speed and convenience were valued, but resisted implementing similar systems for customer transactions. Observations suggested that customers tended to buy in small quantities with low-value transactions, reducing the perceived need for digital payment infrastructure. Observations also showed transactions to be low in value, with exchanges being below R50.

Yes [card machines], because a lot of people don't have cash. They only use cards. So it does help. - CBD B

There's no technology because most of the people here don't even have it. The old way is better, cash is better. Also street life. You come across a lot of people sometimes you don't know, so you take money then. It's easy like that. - Khayelitsha D

By the market [Epping], when you are buying we use a card or use it to deposit money on the card. If they want to count money, it takes too long. And also, it's safe when there are a lot of people that are buying in the morning. So actually the card is faster. - Khayelitsha E

I don't want a card machine, because you know why I don't want one? Too many fraudsters. If someone comes with a card, I go there next to me, and put him there and just get the money from him. - CBD A

4.4.6 Adaptability for Informal Traders' Sustainability

In navigating post-COVID market conditions, traders exhibited varying degrees of adaptability. Some introduced new products, like additional types of vegetables or pre-packaged bulk assortments, to appeal to evolving consumer demands and improve profitability. Others diversified their income streams by engaging in side activities, such as wire art. Still, many traders saw little need to alter core business practices, relying instead on long-held routines and personal expertise. Observations highlighted both the incremental adjustments and the steadfast approaches coexisting within the informal sector, revealing traders' capacity to respond to changing circumstances.

Before COVID, I was only selling fruit and no veg. And then I realised that I was struggling to pay my bills because I wasn't selling veg. Since I changed to selling both, I have been able to make ends meet. - CBD C

Not really much. I changed the packing of the fruit from individual as We're not used to selling four fruits. This is the only way we try to change. But the way we handle everything is the same. - Khayelitsha C

I do some other things while I am sitting here. So I am doing some wire art, like proteas. So now I am still waiting till I have got more stuff so I can go looking for where I can sell it. - Khayelitsha E

There's no difference. Like I said, I take my every day. I wake up and thank God and just go with it every day. - CBD A

I do have my mentors, but I also have my own knowledge and I also teach myself how to operate. If there's someone who can help me more with knowledge, there's nothing wrong with that. - Khayelitsha D

No man, I don't want to learn. I know how to run this business, I've been running it for a long time, I know how to operate it. They don't know the business. The business was selling cassette tapes in 1990. - Khayelitsha B

We need skills development, like banking itself. Like marketing it, so. Yes, and in that field we need to try to have support. - Khayelitsha C

Even before covid, since we were running our business in the train station, we were relying more on rail commuters, they were our customers. The reason my fruit stand was in the train station was because my target market was the train commuters. - Khayelitsha D

4.4.7 Contextualising sustainable business practices in informal trading

Although traders did not explicitly frame their actions in terms of "sustainability," many everyday practices aligned with resource efficiency and community support. Rather than waste surplus or near-expiry goods, traders shared them with neighbors, community members, and local organisations. Some of these redistributed goods became ingredients in other products, ensuring minimal wastage.

[Sustainability]. It means you're stabilising yourself. - CBD B

[Sustainability] I am thinking means, everything must be in a stable condition so your life can be better. - Khayelitsha E

Yeah, I have to make it move fast. It can take more than three days to sell. Or we throw it away. - Khayelitsha E

It gets a little bit rotten, and I take it home and the neighbours, they don't work. And I give it to them for free so they can make suckers out of it. They brought me a 2L coke light last night. They know I am diabetic, no sugar, I didn't ask for that. - CBD A

I distribute to the old age home, Noah so nothing goes to waste. - CBD E

There's a box there for the ones with weak ones, for the people that are hungry, then we give it to them. - Khayelitsha B

4.4.7.1 Informal traders' understanding of environmental sustainability

For most traders, environmental considerations were secondary to ensuring product quality and appealing presentation. Without deep knowledge of farming practices or environmental certifications, traders relied on visual cues and consumer preference. Nonetheless, some subtle adjustments, such as lighting a candle to keep flies away or knowing the effects of seasonal changes to preserve freshness, illustrates a basic, experience-based environmental stewardship.

Observations of trading practices revealed a pattern of minimal packaging and reuse that, while not consciously framed as environmental sustainability, effectively reduced waste. Customers often purchased items without additional wrapping, placing them directly into their own bags or consuming fruit on the spot. Most produce remained in the containers or boxes they were shipped in, rather than being individually packaged in plastic. In one case, a trader had acquired unused Woolworths plastic bags, no longer employed by the retailer due to a shift towards more sustainable alternatives, which might otherwise have gone to waste. By repurposing these bags, the trader prevented waste, showcasing a form of practical and incidental sustainability within the context of informal trading practices.

I don't have much knowledge about farmers and farms and how they grow their stuff and what kind of fertilisers they use. What I do know is that it's a pear or grape, it's a fruit and it looks fresh and nice. - Khayelitsha D

It cannot seem to [have an effect on the environment], because we've been doing this for a very long time. You get the best fruit here. [In South Africa] We are specialists. - CBD A

In winter I can keep my tomatoes for 2 - 3 days. Being outside has a big effect on how long the stock keeps. I light a candle to keep the flies away. - CBD E

4.5 The Impact of the Regulations and Bureaucracy on Informal Traders' Sustainability Amidst Disruptions

The last key theme of day-to-day The Impact of the Regulations and Bureaucracy on Informal Traders' Sustainability Amidst Disruptions looks at informal traders' interactions with the regulatory environment. A key sub-theme of this chapter is understanding how inadequate infrastructure affects informal traders ability to focus long-term on sustainability, and minimise the effect of disruptions.

4.5.1 The Type of Regulation for Informal Trading

The significance of permits varied by location. In the CBD, traders highlighted the importance of holding a valid permit, obtained through the City of Cape Town's processes and subject to monthly fees and strict bylaw enforcement. Adherence to these rules, while cost incurring and time-consuming, was seen as essential to avoiding fines and the confiscation of goods. In contrast, traders in Khayelitsha generally reported no formal permit requirements for conducting business. The differences point to a regulatory landscape that is not uniform in the way it is applied, and where the cost of compliance may not come with corresponding benefits such as improved infrastructure or business support.

We pay R200/R300 a month for a permit. We get nothing for that. It's a budget month in

March/April and they usually come around and fine us. They'll give you a ticket if your stall is messy. These are bylaws. You must have a permit. You have to carry it around all the time. - CBD C

You must go to the Civic Centre and they'll put you on the waiting list. That's why it takes so long. - CBD A

4.5.1.1 Enforcement of the Regulations

The requirement for traders to always carry their permits is strictly enforced, as failure to present a permit on-site can lead to immediate confiscation of goods. Traders shared experiences of having their produce impounded and being subjected to fines, highlighting the critical need to have their permit readily available at their stalls to avoid such punitive actions. However, some traders noted that once all requirements were met, authorities tended to be fair and reasonable. Still, traders expressed frustration with limited consultation or flexibility when authorities needed to occupy their trading space for other purposes.

You can [appeal], but they just bring it down. They take all of your stuff away. If they find you, they impound your stuff. It happened to me last year. They took about three trays of apples, five trays of avocados, and one tray of bananas. They told me I have to pay R1600 to get it back plus my fine. - CBD E

Yes. Last time with my father's tent. He didn't check his permit. He did pay for his permit but they didn't have it on him, cause he went to the dentist. The guys come around and ask for the permit, and my brother said they must come back in an hour's time. They didn't understand, they took all the fruit. In the truck and at the same time, my sister arrived to show them the permit, but they didn't want to see it. - CBD A

Okay, so once you go according to the rules, you shouldn't have a problem. They're reasonable. Once your permit is paid, it shouldn't be a problem. - CBD C

They don't compensate us for not trading. Just because they moved it to city hall because

of it burning down, they told us that we're not trading. They don't consult us. They send us an SMS telling us they are occupying this space on certain days, and nobody can argue. They tell us we can operate, but in other places. They send a letter and they send law enforcement to make sure you sign to say you got the letter. - CBD D

4.5.2 Navigating Bureaucracy and Limited Support During COVID-19

The onset of the COVID-19 pandemic introduced new layers of bureaucracy. Traders needed an additional permit to continue operating, yet many were unaware of this requirement, leading to confusion and conflicts with law enforcement. Although the City of Cape Town deferred rent payments until late 2022, traders, fearing the closure of their stalls and confiscation of stock, stated they continued to pay anyway.

Yeah, I got one [a permit]. Yes it was very difficult. It was very busy. We were also scared because the police would tell us to go home and sometimes you don't know for what reason, during those first few days of covid. - Khayelitsha D

We still paid rent to the government, even though they said we mustn't pay until December 2022. But we are still paying. They will close you down if you don't pay rent, they'll take your stuff. - CBD E

There's a lot of people that are closed here. I cannot talk about businesses like Archies [Formal store] because they did get something from the government. You know what the government gave us? Only at the time we start working, to give us a bottle of sanitizer, a mask and a cap - CBD A

No one came for us to at least ask for that [a covid-19 permit]. We never even go to them to ask anything, because we already knew that to ask for what we need takes a lot of processes. Since COVID-19, we cannot access so many things. Approaching them, we saw that it is not necessary because we're gonna take the money that we have [to buy

stock] to travel or maybe to get to the offices where these people are and that money will go to waste. - Khayelitsha C

4.5.3 Understanding Informal Traders' Hesitancy Towards Formalisation

Informal traders displayed mixed feelings about formalising their businesses. While some recognized potential benefits, such as gaining confidence or legal standing, others noted substantial barriers to registration, including time-consuming queues, being turned away due to the small scale of their enterprises, and uncertainty about the tangible advantages of formalisation. Additionally, mistrust in government use of tax revenue and a perceived lack of governmental support further deterred them from seeking formal registration or paying taxes.

Field observations corroborated these mixed sentiments towards formalisation. Even among those who held official trading permits in the CBD, there was no discernible improvement in infrastructure or tangible benefits compared to traders operating without permits in Khayelitsha. Despite following the prescribed processes and paying the required fees, these traders did not appear to gain an advantage in terms of resources, support, or trading conditions.

Yeah, too much effort. Because I did try to look for the registration. But they turned me down. They said your business is just too small. Let me go and do my business. - Khayelitsha C

I'd love to get the paperwork. I want to have the confidence, when you have got the paperwork then, I know how to stand for myself. Because if you want the paperwork I'll show you what you want. - Khayelitsha A

You have to go and queue there. But we were focused on the business, and we were not going to have the time to do that. - Khayelitsha B

If it can benefit me, then I don't have a problem. The problem is working out what the benefit is. If it can benefit me, like give me some advice so I can push myself. - Khayelitsha E

We're a small business. We're tax free. Why do you have to pay tax? Where does the tax go? It's going to that place, the prisoners. We don't see, the government is supposed to provide. - CBD A

We are caring for other people. So in the process, they need to at least do something for us. Because we care for the people of our nation instead. - Khayelitsha C

4.5.3.1 Informal Traders Views of Taxation

In exploring the relationship between informal traders and tax obligations, it emerged none of the traders from either group paid income taxes. Their reasons range from a lack of governmental support and scepticism about the use of tax revenues, to beliefs that their contribution to job creation negates the need for tax payments.

For me I cannot pay tax, because it's difficult because there's no assistance from the government. Pay taxes for what? For politicians to steal it? - Khayelitsha D

I don't pay taxes because this is a non-profitable store. I create jobs. Those people would've gone hungry if I didn't give them jobs. I don't see a point in paying taxes. I feel like I'm doing my part. - CBD B

4.5.4 Barriers to Informal Traders Ability to Sustainably Grow their Businesses

All of the informal traders interviewed had stores that were positioned outside on the pavement. The findings demonstrate several challenges facing informal traders particularly infrastructure and environmental conditions. Traders in Khayelitsha and the CBD highlighted

the difficulty of maintaining varying degrees of impermanence from metal frame structures with tarpaulin covers, to single wooden tables with no covering. During observations in the CBD, mounting piles of trash bags were noted in close proximity to city approved stall lots.

All of the interviewed informal traders operated outdoors on pavements or sidewalks, contending with a range of infrastructure-related challenges. These difficulties included limited or no access to clean water, shelter, and proper sanitation, as well as insufficient storage facilities and safe spaces for customers to handle produce. Traders' makeshift stalls, ranging from simple wooden tables to metal frames covered by tarpaulins, reflected a persistent state of impermanence. Observations in the CBD revealed additional environmental concerns, such as uncollected trash accumulating near city-approved stall sites. Noise and congestion further compounded these conditions, making the trading environment less than ideal for both traders and customers.

Figure 10 - Mounting rubbish next to Trading Stall CBD A, Strand Street (Photo by researcher)

We are trading in a space where it's not designed to sell all this stuff. Infrastructure for such businesses is needed, especially when you are close to the community. We need to have a proper place to sell. You cannot just sell like, on the street, we need at least a place where we can sell our stuff nicely. The environment must be conducive to businesses as well. - Khayelitsha C

First of all, safety. Even if you have an idea in your mind how to grow your business,

sometimes it's difficult because you don't have space, clean water, or no public toilets. Clean water for customers to wash their fruits/ It's too hard to access those kinds of things. - Khayelitsha E

I was trying to build some structure, some shelter here. Actually they never wanted for me to have a way of that. They were talking with law enforcement and said they want something mobile so that it can be moved. - Khayelitsha A

Because I sell fruit and veg, I get impacted by the weather. When it rains, I have this canopy. But the government doesn't give us structures. We want the parade to look smart but we have to bring our own structures and put them up. - CBD E

The store is covered with tarpaulin that keeps it out of the sun, however there were a few flies. The city has done a clean-up of strand street into the blue bags of rubbish, this hadn't been collected yet (see picture) which meant it was all piled up about 2 metres away from X's stall. It doesn't feel too clean. - Observation, CBD A

Shop next door was owned by Somalians selling Nik Naks and cokes etc. the store was very loud with the owners shouting a lot. In general the area was very loud, feels overwhelming if I have to sit here all day - Observation, CBD E

4.6 Summary of Findings

The themes emerging from the data collected from interviews and observations demonstrates the importance of applying a systems thinking lens to understanding the complexity with which informal traders operate. The findings have been analysed across the four different layers of informal trading: the individual, social systems, the business and the broader ecosystem. The next chapter will discuss in line with the objectives of the study, how informal traders may respond to disruption to increase the sustainability of their business.

5. Discussion of Findings

5.1 Introduction

The chapter provides nuanced insights into the complex interplay of factors shaping the responses and strategies employed by informal food traders. This inquiry extends beyond surface-level findings, aiming to offer a systems-level understanding of the dynamics at play, thereby contributing to the broader discourse on sustainable practices within the informal economy and how they are influenced by disruptions.

The findings reveal their struggles for legitimacy, inconsistent support, and complex interactions with government entities, emphasising the need for clearer support systems and potential technological solutions. This comprehensive analysis aims to understand the traders' perspectives, the sustainability of their practices, and their place within the broader socio-economic landscape, ultimately demonstrating their adaptability and the unique challenges they face.

5.2 The Crucial Role of the Individual in the Success and Sustainability of Informal Enterprises

In South Africa, there are thought to be as many as 3.3 million informal enterprises (UNDP South Africa, 2020a; Finmark Trust, 2021). Of these 82% are sole proprietors and 11% are owned by more than one person (Mothobi, Gillwald & Aguera, 2020). Consistent with literature, of the 10 participants in this research, 8 businesses are owned and run by one person, whilst the remaining were structured in an informal cooperative structure where joint ownership and responsibilities were held. Sole owners were not necessarily operating their businesses alone, they were assisted by employees and/or family members but were responsible for the strategic direction of the business.

This shows the individual to be at the centre of the business, illustrating the business owner to be the kernel of the entire system around informal trading activities. Informal traders are responsible for starting, sustaining and growing the business and are ultimately behind making the decisions for the business. It is therefore reasonable to assume, and has been seen already in literature, that personal characteristics including agency and autonomy, entrepreneurial mindset, financial literacy and social capital play a significant role in the chances of success of the business (Ligthelm, 2008; Solomon et al., 2013; Dawson, 2021). To expand on the role of personal characteristics in the success of informal traders, it is important to consider how the lived experiences of these individuals shape their approach to business as well as their willingness and ability to contribute to more sustainable business practices.

5.2.1 Recognising Informal traders as Legitimate Entrepreneurs: Preserving Existing Sustainability in the Face of Disruptions

A review of the literature showed two dominant views of why individuals started businesses in the informal economy - those who entered the market because they have been excluded from the formal economy (Else et al., 2002; Chen, 2012) and those who act in the economy to avoid taxes and regulation (Friedrich, 2012). However, the research showed informal traders' reasons for starting a business to be more nuanced than this. Three informal traders based in the City of Cape Town started their business due to working for a family member or mentor before branching out on their own. Another entrepreneur in Khayelitsha expressed their dream of owning their own business one day.

'He [my father] is my role model also. The reason he took me out of school was because he doesn't want me to work for other people. He said I must work for myself. Rather come work for me' - Informal Trader, City of Cape Town

'I always wanted to have my own business. Since I was young, that was my wish growing up.' - Informal Trader, Khayelitsha

Whilst this does not strictly align with Schumpter's (1965, pg.58) definition of entrepreneurship: "exploiting market opportunity through technical and/or organisational

innovation", it highlights the problem with the dichotomy presented in literature and the limitations imposed on who is defined as an entrepreneur.

On the surface other responses were more consistent with literature showing high unemployment to be a key driver of entering the informal market. More than half of the participants described the need to create employment for themselves, seemingly motivated by necessity rather than desire. The lack of job opportunities out there spoke to the very real exclusion people felt from the formal economy, believing that their only option was to create something for themselves and their communities.

'I started this business, to at least try to create a safe job, and possibly with others as well who can join me and also help my community.' - Khayelitsha C

Taking a more nuanced look at the exclusion people felt, posed the question: Are people feeling excluded from the formal job market or are people feeling excluded from formal entrepreneurship? One trader described starting her business due to a lack of jobs, but also expressed pride in being her own boss and creating something herself. Her business in the CBD was sophisticated with a large stock base, and she valued her relationships with her staff and customers. Similarly, a trader in Khayelitsha started his business to create a safe job for himself and his community 8 years ago.These narratives highlight a deeper issue with how informal traders perceive themselves and how they are perceived by society. Despite their accomplishments and the sophisticated nature of their businesses, these individuals often describe their work in terms of 'creating a job' rather than 'building a business'. This language reflects a broader societal framing that marginalises their efforts, labelling them as 'informal traders' instead of recognising them as legitimate entrepreneurs. Literature often portrays informal businesses as survivalist, with just 10-15% showing the potential to grow, according to Ligthelm (2008). Contrary to that, this study would classify 6 of the 10 businesses displaying the characteristics of an informal business, rather than survival enterprises, according to the UNDP (2020) criteria in Table 2 on Page 21.

This misrecognition is not just a matter of semantics; it undermines the critical role these traders play in contributing to broader sustainable development goals, particularly SDG 8, which emphasises the importance of entrepreneurship in fostering inclusive and sustainable economic growth. By failing to recognise informal traders as legitimate entrepreneurs,

society overlooks the role they play in sustainability and what they already bring to their communities.

5.2.1.1 Acknowledging Existing Sustainability Practices and Its Link to Building Resilient Communities

Before seeking to answer the question of how informal traders contribute to greater sustainability in response to disruptions, it is important to first understand and contextualise their existing contributions towards sustainability. Literature, both favourable and unfavourable, focuses on informal traders as a means of subsistence (Ligthelm, 2008; Ranyane, 2014; Du Toit et al., 2020), with less attention given to the contribution of traders towards broader sustainability. Other literature has explored informal traders' contribution to enabling food security (Battersby, 2011; Tawodzera, 2019), which was corroborated during this research highlighting the vital role informal traders play in achieving food security in low-income areas by giving communities access to affordable and readily available fruit and vegetables.

The ability to purchase small quantities of fruit and vegetables daily from convenient locations, such as on the way home from work, offers several advantages aligned with multiple Sustainable Development Goals (SDGs) and contributes towards building resilient communities.

Informal traders play an important role in promoting SDG 12: Responsible Consumption and Production through enabling consumers to buy-as-needed. Being able to buy only what is needed more frequently, enables consumers to better manage their budgets and frees up resources, preventing the need to spend a large amount on a single item. As seen in the literature, customers of informal traders typically belong to a low-income base (Battersby, Marshak & Mngqibisa, 2018), and this flexibility allows them to stretch their limited resources more effectively.

Informal food traders play a key role in supporting SDG 2: Zero Hunger by ensuring consistent access to food and nutrition, ensuring even during disruptions. Literature

estimates 70% of South African households in poorer neighbours are serviced by informal traders (Battersby, Marshak & Mngqibisa, 2018). Described in literature as the missing link (Battersby, 2011; Tawodzera, 2019), informal traders are known to be closer to communities providing fresh fruit and vegetables not otherwise easily accessible. During the covid-19 pandemic, this would have played an important role in maintaining access to fruit and vegetables without requiring individuals to travel longer distances with the use of public transport, putting them at greater risk of exposure to the virus.

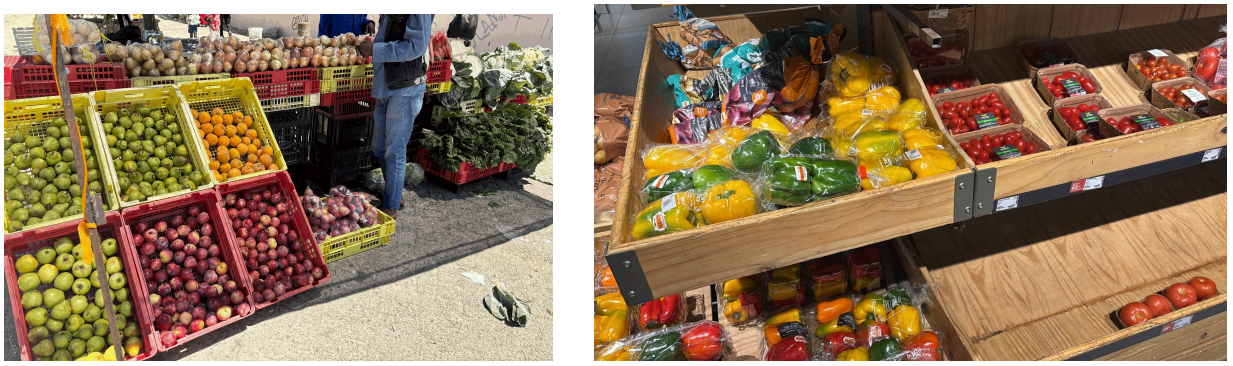

Figure 11 - Comparison of Packaging Mechanisms in the Formal and Informal Sectors (Photo left: informal trader Khayelitsha, Photo right: Woolworths Bedfordview, photos taken by researcher)

From an environmental perspective SDG 11: Sustainable Cities and Communities and SDG 13: Climate Action are promoted and supported by the practice of smaller, more frequent food purchases reducing excessive storing or over-purchasing. In turn, this can contribute towards more efficient use of agricultural resources by aligning supply with demand. By buying what they need, it reduces the pressure on food production systems to produce surplus goods and minimises food wastage. Another significant observation was the use of packaging materials when compared to formal supermarkets. Figure 11 shows how fruit and vegetables are typically sold without excess plastic or wrapping when compared to their formal sector equivalent in figure 11. Whilst some packaging was still used, observations showed individuals generally consumed the item upon buying or stored in their own bags. In one instance a trader used discontinued plastic bags from a formal retailer, showing resourcefulness in repurposing waste from the formal market.

'Sells a combination of two potatoes and an onion, because this is commonly used for stews and curries. So people could pick the pack up on their way home and not have to buy lots of vegetables.' - Observation, Khayelitsha

Informal traders are pivotal to providing essential income opportunities for local individuals, especially in areas such as Khayelitsha that have high unemployment rates, contributing to SDG 8: Decent Work and Economic Growth and SDG 1: No Poverty. Buying from informal traders strengthens locally rooted economic systems supporting SDG 10: Reduced Inequalities. Through offering a resilient alternative to the shareholder-driven supermarket chains, where profits are directed to shareholders and often leave the community, informal traders keep wealth circulating locally, ensuring that the economic benefits stay within the community and contribute directly to its resilience and well-being.

5.3.1.2 How Acknowledging Existing Informal Practices Shapes and Advances Responses to Disruption for Informal Traders to Strengthen Sustainability

Informal food traders in Cape Town are central to the sustainability of local food systems, yet their contributions are often undervalued. Existing practices, such as sourcing locally and minimising waste, are not necessarily motivated by strategic financial gain or environmental stewardship, yet they have become the established way of operating being highlighted as being inherently sustainable. These practices often correlate with the philosophy of *Ubuntu* which acknowledges and encourages the interdependence of humans on one another and the acknowledgement of one's responsibility to their neighbours and the community around them (Ewuoso & Hall, 2019). Social relationships and community support were evident during this research, in instances such as traders sharing unsold or slightly damaged goods with neighbours, old age homes, or those less fortunate illustrating the social aspect of their actions, rather than a conscious focus on sustainability.

According to the literature there is a gap in explicit environmental awareness. Gröschl's (2021) research findings show that the motivation behind sustainability by informal trader's practices is often driven by survival and social cohesion rather than environmental benefit. Gröschl highlights a general lack of awareness about environmental issues among informal traders, who may not fully grasp the concept of sustainability as it is understood in formal, Western frameworks. This is not to say they do not practise care for other individuals and the environments around them. While their practices often align with sustainability goals such as

seen above, their intent is focused on economic necessity and social support rather than on deliberate environmental stewardship. Van Norren (2022) articulates this through the different focuses, Ubuntu focuses on process, lending itself to being action oriented whilst SDGs are goal-oriented focused more on results. They also understand the importance of actions more than words, with their actions they make a contribution without necessarily having to be hung up on words. Acknowledging their actions and practices presents an opportunity to amplify their role as environmental stewards, even if the original motivation was not environmental.

'It cannot seem to [have an effect on the environment], because we have been doing this for a very long time. You get the best fruit here. [In South Africa] We are specialists.' - Informal Trader, CBD

This social-first approach explored above, where sustainability arises as a natural by-product of community support and relationships, provides a unique lens through which informal traders perceive and approach sustainability. This contrasts with Western-driven policies. According to the UN, sustainability means meeting the needs of today without compromising the needs of future generations (World Commission on Environment and Development, 1987). Literature has shown two contrasting epistemologies underpinning this concept: the Western, individualistic approach, often linked to Maslow's hierarchy of needs (1943), which prioritises personal achievement and self-actualisation and the Sub-Saharan African philosophy of Ubuntu, emphasising communal relationships and interdependence over individual autonomy (Ewuoso & Hall, 2019). Informal traders in South Africa, working within the Ubuntu framework, prioritise social cohesion and collective welfare, with sustainability emerging organically from these communal practices.

Understanding with the epistemology guiding the intentions of informal traders' approach to sustainability is critical when exploring how they may respond to disruption for greater sustainability in Cape Town. Their lived experiences shape how they perceive and approach sustainability, meaning that their practices are deeply rooted in social and economic realities rather than in externally imposed Western policies. This understanding provides a more authentic view of how sustainability can be achieved at a local community level, emphasising social relationships as the foundation for environmental and social stewardship.

Informal traders' role as environmental and social stewards offers a new perspective on

policy design and support systems, especially when responding to disruptions. To fully capitalise on its potential benefits, fostering and strengthening entrepreneurial mindset amongst informal traders is vital. Through harnessing their inherent agency and activating their awareness of sustainability's long-term benefits, informal traders can better respond to future disruptions and enhance their own resilience and that of their communities.

5.2.2 Ubuntu-driven Strengthening of the Entrepreneurial Mindset for Greater Sustainability in the Face of Disruptions

The entrepreneurial mindset is characterised by innovation, confidence, communication, collaboration and knowledge (Ndou, Secundo & Mele, 2016). For informal traders these attributes are essential to navigate a challenging and often unstable environment, marked by supply chain issues, safety challenges, financial instability, and competitive pressures (Bushe, 2019; Battersby, Marshak & Mngqibisa, 2018). Going beyond profit, this mindset appeals to informal traders' resilience and adaptability in maintaining their livelihoods, often with limited access to formal resources or support structures (Bureau & Fendt, 2011).

Literature suggests that entrepreneurial success is dependent on attributes such as risk-taking, perseverance, and innovation, all of which are critical for traders operating in a highly competitive and resource-constrained economy (Ligthelm, 2008; Parashar, 2023). According to Du Toit et al. (2020), even informal traders at a survivalist stage exhibit a strong work ethic, creativity, and innovation showing entrepreneurial mindset to be fundamental to their business operations. Success for entrepreneurs in the formal sector is often associated with individual profit or growth, whereas informal traders often prioritise collective well-being, community resilience, and social capital (Lyons & Snoxell, 2005; Dai et al., 2015).

5.2.2.1 Leveraging Social Capital and Community Networks for Economic Sustainability

The entrepreneurial mindset among informal traders is further shaped by the necessity to leverage social capital and community networks (Ndou, Secundo & Mele, 2016), as these connections provide crucial support, resources, and information that formal institutions often fail to deliver (Bhorat et al., 2018; Tawodzera & Crush, 2019). The high level of social competence required in this context demonstrates the significance of relationships, collaboration, and communication, which form the backbone of sustainability in the informal

economy. It is clear from this that the entrepreneurial mindset of informal traders goes beyond personal ambition; it is about leveraging communal relationships, adapting to disruptions, and implementing innovative practices to ensure their businesses' and communities' sustainability (Musara & Nieuwenhuizen, 2020)

Entrepreneurship is mentioned and implied in several SDGs as a key driver of economic growth, innovation, and job creation (United Nations, 2015). Positioning the concept of the entrepreneurial mindset within the context of Ubuntu highlights foundational misalignments between current sustainability frameworks and the intrinsic actions of informal traders. Through exploring this gap we might better understand what it means to be sustainable from the informal traders' perspective. Incorporating these insights could enrich Western approaches to sustainability by emphasising the fundamental role of interdependence and community well-being in defining and achieving sustainable practices. Collaboration and partnerships are important tools for business growth, characterised by forming strategic alliances that drive individual business objectives. SDG 17: Partnerships for the Goals emphasises the collaborative efforts of countries working towards shared sustainable development goals. Whilst countries collaborate, their progress is measured individually based on outcomes, rather than their contributions to avoiding unsustainable practices. SDG 17's often implies a one-sided flow of resources, knowledge and assistance from developed to developing countries. The approach to collaboration is different for informal traders, who have a significant focus on relationships, rooted in mutual support and trust for one another. Unlike the suggestion of collaboration, these relationships are not a strategic tool but a natural product of community-oriented practices that sustain livelihoods in the face of challenges.

5.2.2.2 Context-Responsive Evaluation of Contributions to Sustainability

Keeping relationships at the forefront underpins the philosophy of Ubuntu, which values shared responsibility and equal participation. Here exists an opportunity to shift the narrative surrounding informal traders, who are often negatively portrayed as non-compliant and illegal (Friedrich, 2012; Dell'Anno, 2022). For informal traders this would recognise them as legitimate and equal contributors towards sustainable livelihoods, not merely as beneficiaries. Practically this should move literature away from the narrative of formalising

informal traders, replacing it with more literature on how they may be supported as an equal contributor to local economies.

Examining how we evaluate contributions towards sustainable development reveals significant gaps in current sustainability frameworks. Frameworks such as the SDGs often overlook the importance of deep human interdependence and the intrinsic value of relationships that form the very essence of sustainable practices. At the core of their operations, informal traders displayed stronger commitment to relationship-building, exemplifying a model of sustainability that is inclusive and collaborative.

Khan et al., (2021, pg.2) emphasised “Sustainable development is possible when entrepreneurs have sustainability-oriented intentions”. Whilst this may hold true, from whose lens are sustainability-oriented intentions derived from? During this research, one trader shared that when his fruit began to over ripen, he would give it to his neighbour without charge:

‘It gets a little bit rotten, and I take it home and the neighbours, they don’t work. And I give it to them for free so they can make suckers out of it. They brought me a 2L coke light last night. They know I am diabetic, no sugar, I didn’t ask for that.’ - Informal Trader, CBD

In this instance, the trader did not sell the fruit to his neighbour even though it had cost him to purchase it to begin with. His neighbour was unemployed, so the provision of this fruit created an economic opportunity for her to generate income by making and selling lollies. His actions were not motivated by economic gain but were a natural expression of neighbourly relations and mutual support, embodying Ubuntu. This exchange strengthened social bonds enhancing social cohesion, not as a deliberate strategy but as a customary action amongst neighbours.

The trader did not consciously aim to reduce food waste yet, his actions inherently contributed to environmental sustainability. Despite her own economic limitations, the neighbour's unsolicited gesture of bringing him sugar-free Coke in return, set back her own economic gains but was met with much gratitude. This act of reciprocity arose from their relationship rather than a calculated economic transaction. It illustrates how economic

benefits and mutual support can emerge as by-products of genuine relationships, not merely from intentional profit-driven strategies which western definitions of entrepreneurship seem to be focusing on.

5.2.2.3 Challenging Sustainability Frameworks and their Influence on the Treatment of Outcomes

Terms such as the Triple bottom line (profit, people and planet) (Norman & Macdonald, 2004), ESG (environment, social and governance) (Clarkin et al., 2020) and even the SDGs (United Nations, n.d) categorise sustainability into related but distinct components. These frameworks compartmentalise the various aspects treating them as separate albeit interconnected targets to be individually pursued and measured. What the informal trader illustrates is the deeply interdependent nature of these aspects often realised through intrinsic communal practices rather than explicit objectives. The trader's actions were not performed with sustainability in mind; instead, sustainability was an inherent outcome of living according to Ubuntu principles, where interdependence and caring for one's community are fundamental.

'I hope that we make more so we can be able to bring the prices down, because we're dealing with people in poverty' - Informal Trader, Khayelitsha

Building entrepreneurial mindset through the Ubuntu philosophy redefines how informal food traders can increase the sustainability of their businesses. By incorporating approaches to business that are rooted in communal values, as opposed to adopting individualistic approaches, traders' mindsets prioritise mutual support, shared success and collective resilience. The quote above challenges conventional entrepreneurial mindset, as it shows the trader's desire to lower prices not to gain a competitive advantage but out of empathy for the challenges of his community. Demonstrating a mindset that is rooted in community welfare, rather than focusing on financial motives which is another key element of Ubuntu.

Cultivating these foundational values improves informal traders' ability to respond effectively to disruptions as they arise. In the example of the trader who gave old fruit to his neighbour, an opportunity for employment was created in the face of South Africa's high youth unemployment rate, stimulating the local economy, as she belongs to the same community

that purchases from informal traders. Increasing economic activity within the community, makes local economies more resilient against economic downturns. Helping someone else builds social capital and fosters a sense of reciprocity. The trader extends support without expecting anything in return, but he can feel secure knowing that intrinsic to their relationship is the likelihood that his neighbour will assist him should he face challenging times. This mutual understanding enhances the traders' ability to respond effectively to disruptions, as they can rely on the inherent support within their community for resources and collaborative problem-solving.

5.2.2.4 Entrepreneurship as an Act of Agency and Resilience

As 90.8% of informal businesses, and all of the participants to this research, are run by Black South Africans (StatsSA, 2017), it is important to understand the entrepreneurial journey of informal traders within the context of South Africa's history of systemic exclusion and economic inequality, particularly for Black South Africans. Informal food traders were prevalent during apartheid due to the lack of supermarkets within their communities (Greenberg, 2010; Strydom, 2011). In many ways, apartheid legislation forced people into entrepreneurial roles as a means of survival, fostering traits such as resilience and adaptability in response to the absence of formal economic opportunities. However, at the same time, apartheid policies were designed to limit opportunities for black individuals to start and manage their own businesses, stifling the development of entrepreneurial capacity and support structures (Preisendörfer, Bitz & Bezuidenhout, 2012; Dawson, 2021). However, despite these constraints people started informal businesses as a way to bring services that were not available to their communities and to provide for their families. Thirty years after democracy people still continue to start informal businesses to deal with unemployment, even though little seems to have changed from a policy perspective by a way of ensuring that informal traders are supported.

'Because there are no jobs out there. You have to create something for yourself.' - Informal Trader, CBD

'I started this business at the age of 14, helping my father out. I finished school at grade 6. My father took me out of school so I can help him, at the age of 14 years

old…He is my role model also. The reason he takes me out of school, he doesn't want me to work for other people. He said I must work for myself.' - Informal Trader, CBD

This paradox is particularly striking in the context of South Africa, when you consider that literature shows the informal economy to thrive under harsh economic conditions (Chen, 2012) yet, South Africa has a relatively small informal sector when compared to countries at a similar stage of development (Burger & Fourie, 2018). Over the past 30 years, official unemployment rates have steadily increased, which according to literature should have ignited the informal economy. However, without ignoring small initial gains towards entrepreneurship, literature has shown persistent systemic barriers including limited access to finance, inadequate education, and the legacy of apartheid to continue to hinder the full development of entrepreneurial capacity among Black South Africans (Dzingirai, 2012; Preisendörfer, Bitz & Bezuidenhout, 2012; Bhorat et al., 2018; Du Toit et al., 2020; Dawson, 2021).

Amoah et al. (2021) points out, the majority of South Africans were deprived of participation in socio-economic activities leading to profound disparities, leaving many communities disenfranchised and reliant on external support for survival. This reliance is not a recent phenomenon but has been cultivated over decades. According to Preisendörfer et al. (2012), the transition from colonialism to apartheid fostered a culture of dependency, significantly hindering the development of business skills and entrepreneurial capacities. This presents another interesting paradox given the high levels of agency and resilience displayed by informal traders.

Informal traders actions show that agency and resilience can emerge even within a system designed to foster dependency. It raises the question: can multiple forces exist simultaneously, driving entrepreneurial behaviour in different ways? The reality for informal traders is that their actions are shaped by an intricate set of factors. Regardless of whether traders began their businesses out of necessity or intentional entrepreneurial aspirations, a common need for independence was evidenced across the traders, manifesting in a desire for ownership and self-sufficiency. This was consistent with Mitchell's (2004) findings showing independence as a driving force behind entrepreneurship, showing it to be a means of expressing or activating agency and empowerment. Despite struggling to make ends

meet, traders displayed immense pride in stepping up to create something for themselves, speaking with an elevated sense of agency.

'No one is controlling you. You can stand up. In fact I wake up every morning at three o'clock.' - Informal Trader, Khayelitsha

In the face of adversity, the concept of independence emerged as a significant need, a mechanism of creating control in an otherwise chaotic environment. This sense of autonomy responds with Harvey's (2002) concept of agency, showing how traders' actions embody their capacity to transform their circumstance. By exercising agency and taking ownership traders unlock the economic, social and environmental contributions towards sustainability unpacked earlier in this chapter. Acting on the belief that one can change their circumstances is a key indicator of a group's ability to respond to Sustainability challenges (Newman & Dale, 2005).

While entrepreneurs exercise agency by starting their businesses, their journey often demands immense resilience to sustain and grow in the face of frequency and unpredictable disruptions. Literature has shown the informal economy to be highly susceptible to frequent and unpredictable disruptions, including displacement (Lindell et al., 2010), climate change (Anwana & Owojori, 2023) and the recent covid-19 pandemic (Gerszon Mahler et al., 2022).

5.2.2.4.1 Infrastructure Disruptions and Their Impact on Informal Traders

'Since the train system collapsed on this side, it became difficult. Then covid came and it was another. By the year 2019, the train service stopped completely.' - Informal Trader, Khayelitsha

This quote highlights how infrastructure disruptions often compound, making it even more difficult for traders to sustain their businesses. The collapse of the train system, which is a cost source of transportation for customers who are commuting to work, had already created challenges for informal traders, and the onset of the COVID-19 pandemic exacerbated these difficulties, effectively cutting off access to their customer base. This compounding effect was evidenced by the narrative of 'starting from scratch' where traders spoke of the need to rebuild.

5.2.2.4.2 Global Pandemic Disruptions and Entrepreneurial Resilience

"We had to start all over from scratch. All over from scratch." - Informal Trader, CBD

Such statements illustrate the resilience necessary to rebuild in the face of adversity. One trader demonstrated adaptability by going "door to door" to sell their goods when her usual market was inaccessible, a strategy that ensured continuity of income generation despite external challenges.

This example aligns with broader findings in the literature, such as Ligthelm's (2008) observation that entrepreneurial behaviour, including creativity and perseverance, is crucial for informal business growth. Khan et al. (2021) also argues, sustainable development is closely linked to the resilience of entrepreneurs, who, through their adaptive strategies, contribute to economic and social sustainability. This research saw resilience and adaptability not only as responses to disruption but as central mechanisms through which informal traders are able to continue their businesses and ultimately their livelihoods.

The ability of informal traders to be resilient should not be seen as a substitute for structural support. As Lindell et al. (2010) argue, the sustainability of the informal economy is also dependent on access to resources, infrastructure, and supportive policies. Whilst traders' resilience is a vital mechanism for maintaining their businesses and communities in the face of disruptions, it is equally important to recognise the need for broader systemic support to enhance their contributions to sustainable development.

This disconnect between the rhetoric surrounding entrepreneurship and the actual support provided to informal traders is well illustrated by the experience of one trader, who expressed frustration at being excluded from crucial government communications:

"I thought the president was going to talk about us guys also doing business on the street, they are going to be supported… But they did not.' - Informal Trader, City of Cape Town

This quote captures the feelings of exclusion experienced by informal traders, demonstrating how the political discourse around entrepreneurship often raises expectations of support, which ultimately fails to materialise. It demonstrates the significant risk that Dawson (2021) identified in oversimplifying entrepreneurship as the solution to economic challenges. In essence, while the rhetoric promotes entrepreneurship as a driver for rebuilding the economy, the practical exclusion of informal traders from support structures undermines their ability to fully contribute.

As Table 7 demonstrates informal traders face greater challenges in being able to respond to disruptions and are not sufficiently supported. This lack of support is felt at a basic level of acknowledgement where traders, who have permits to trade and identify as a micro business, are not included in crucial communications, contributing to a sense of illegitimacy and exclusion. There is a risk that informal traders are given a false sense of responsibility and agency whilst absolving government of their responsibilities and that entrepreneurship as Preisendoerfer et al. (2014) put it is in fact more imaginative than actionable.

'We need more upliftment. I tried and tried. I could not get anyone to ask me what I wanted.' - Informal Trader, Khayelitsha

This dynamic reflects a broader tension within the entrepreneurship narrative. As Swan (2020) argues entrepreneurs are expected to exhibit high levels of agency and self-reliance, yet they often operate in environments of systemic constraints and historical disadvantages. While informal traders in this study demonstrate significant confidence in their abilities, their experiences also reveal the limitations of individual effort when faced with broader structural challenges. Entrepreneurship alone is not sufficient to overcome these deeply entrenched historical and structural disadvantages, which persist as significant barriers to economic mobility.This duality, between individual agency and the systemic barriers they face, highlights the need to reframe the narrative around entrepreneurship in the informal economy.

This tension is evident in the words of an informal trader from Khayelitsha:

"No man, I don't want to learn this business. I know how to run this business. I've been running it for a long time. I know how to operate it" - Informal trader, Khayelitsha

Despite his confidence and years of experience, this trader is struggling to make ends meet. He showcases the resilience and agency that many informal traders embody, yet when asked what changes he has made since COVID-19, he responded:

"Things are worse now. There is no money. The cost of living is high." - Informal Trader, Khayelitsha

His ambition to make his store “full” remains, but he expressed that he needed external support to achieve this goal. This recognition does not diminish his sense of agency; instead, it highlights the limits of individual effort when systemic obstacles, such as economic downturns and changing contexts constrain his ability to succeed.

Informal food traders in Cape Town can enhance their sustainability by continuing to adapt and innovate within their existing capacity utilising their confidence and experience to navigate disruptions. However, the strong assertion in their control and knowledge may lead to an overestimation of their individual agency. This perception, whilst empowering on a personal level, could be shortsighted if it prevents informal traders from seeking external support (provided that it is available) or means of upskilling.

5.2.3 The Impact of Disruptions on Emotional Well-being and Sustainable Decision-Making Among Informal Traders

The emotional wellbeing of informal traders plays an important role in their ability to navigate external disruptions and challenges and make sustainable decisions. Literature demonstrates the negative effects of disruptions for informal traders’ including not being allowed to trade due to international events (StreetNet International, 2007), working environments that increase health risks (Anwana & Owojori, 2023; Gamieldien & van Niekerk, 2017), safety for themselves and their belongings due to high crime levels (Battersby, Marshak & Mngqibisa, 2018), and a persistently poor macroeconomic environment (Statssa, 2021; The World Bank, 2021).

The frequency with which informal traders face disruptions creates a continual sense of uncertainty that should not be overlooked while studying informal traders well-being. This is

especially significant given that informal traders' were 'starting from scratch' following the covid-19 pandemic. While lesser disruptions may not have negative effects of the same magnitude, their interconnection and compounding nature make it difficult for traders to build stability.

'All the plans we planned, we never reached those plans, because there was no business.' - Informal Trader, Khayelitsha

Literature found limitations in the entrepreneurial mindset of informal traders' who struggled with long-term planning (Parashar, 2023), a clear vision and low-level reactive planning strategies (Petrus, 2009; Basardien, Friedrich & Parker, 2013; Bushe, 2019). All of which are shown as key to business success. Informal traders' do have plans, but struggle to reach those plans as their businesses are often disrupted by unforeseen challenges that are outside of their control, such as covid-19, which limit their ability to implement long-term strategies and achieve stability.

5.2.3.1 The Link Between Stability and Sustainability for Informal Traders

Stability is important for sustainable development because it enables traders to look beyond the day-to-day survival mode towards longer-term planning and investment. The UN definition of sustainable development is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (United Nations, 2015). For informal traders to be able to consider meeting the needs of future generations, they must first have their own immediate needs met (United Nations, 2015).

'I think what motivated me was to survive. To provide. To support my kids and my family.' - Informal Trader, Khayelitsha

This quote reflects the survivalist mindset that dominates when stability is absent. When traders face constant disruptions, their emotional well-being is compromised, pushing them into short-term thinking. This survival mode makes it difficult for traders to engage in sustainable practices, as their primary focus is meeting immediate needs.

The connection between stability and sustainable practices highlights the importance of having basic human needs met as a foundation for engaging more broadly in sustainability. Umuntu ngumuntu ngabantu, meaning “a person is a person because of or through others” (Mayaka & Van Breda, 2023). This expression of Ubtunu clearly demonstrates the idea that an individual's stability is inextricably linked to the well-being of their families and communities. Taking a collective approach to well-being means that as one trader becomes more sustainable the positive effects may ripple outwards moving towards a more supportive and sustainable environment for all. Similarly, if the community is not sustainable the negative effects may adversely influence the individual. In this way, Ubuntu acts as a guiding principle emphasising how individual stability can foster broader sustainable practices that benefit both present and future generations.

5.2.3.2 How Financial Disruptions Undermine Stability and Sustainable Development

Disruptions like COVID-19 worsened financial instability for informal traders, as many were unable to work and had to rely on savings to survive. Consistent with WIEGO's findings, covid-19 left many informal traders struggling to restart their businesses due to a lack of capital, further hindering their ability to regain financial stability.

‘They do not compensate us for not trading. Just because they moved it to city hall because of it burning down, they told us that we’re not trading. They do not consult us. They send us an SMS telling us they are occupying this space on certain days, and nobody can argue. They tell us we can operate, but in other places.’ - Informal Trader, CBD

According to the research, families are the most important motivator for trading, with financial pressures of providing for children being a central concern. These pressures are rooted in the precarious personal and business financial situations faced by traders. This research aligns with existing literature that highlights the unpredictable and inconsistent nature of informal traders’ income (Bhorat et al., 2018) with disruptions frequently halting any chance of building stable, sustainable revenue streams.

'There is not even a [financial] target you can push, when it comes to self-employed persons working as a trader on the stoep because you do not know what's going to happen tomorrow.' - Informal Trader, CBD

This quote captures the unpredictability that informal traders experience on a daily basis. With no way to predict external disruptions that often happen at short notice, traders cannot plan financially with certainty. This lack of financial stability prevents them from setting clear income targets or making long-term plans, which are essential for sustainable development. In an environment where external shocks frequently interrupt business operations, traders face significant barriers to achieving financial stability, which in turn undermines their ability to invest in sustainable growth.

During this research period in the Central Business District traders were disrupted owing to a fire in the parliament building, which caused the State of the Nation Address (SONA) to be moved. As a result, even traders' with valid trading permits were told they were not allowed to trade.

'They send a letter and they send law enforcement to make sure you sign to say you got the letter.' - Informal Trader, City of Cape Town

According to traders, these communications are typically provided with minimal notice and without consultation, providing no opportunity for the traders to contest or seek compensation for the disruption in their business.

'When we don't do business, there's no pay for us. How are we going to put food on the table?' - Informal Trader, CBD

This cyclical pattern, marked by periods of financial strain and occasional prosperity, demonstrates the difficult task of establishing a stable financial foothold as an informal trader. Looking at SDG 8 Decent Work and Economic Growth, sustainable development requires inclusive, long-term economic growth along with productive employment. The uncertain economic pattern experienced by informal traders limits their ability to fulfil this goal.

Over and above the economic aspect, literature is clear on the relationship between the lack of financial security and mental illnesses such as depression and anxiety, especially for individuals in low-income households (Frankham et al., 2020; Silva-Peñaherrera et al., 2022). The potential effects on traders' mental health as a result of financial insecurity limits informal traders directly speaks towards SDG 3: Good Health and Well-being, specifically Taregt 3.4 which acknowledges the importance of mental health as an essential component of overall health and wellbeing (United Nations, 2015).

5.2.3.3 Health and Safety of Informal traders

Informal traders face significant challenges to their health and safety in their work environments. Security concerns are prevalent with traders' reporting risk of robberies, break-ins, and hazardous commutes to markets, especially during the early hours of the morning. This concern was felt extended beyond their trading sites to their communities where activities such as drug dealing contributed to a sense of insecurity.

'Even at night when you are leaving your stuff, you are not guaranteed whether you are going to get it tomorrow, you can find the place burnt down overnight. Even now, I am not safe here. I can get robbed at any time, you understand.' - Informal Trader, Khayelitsha

Due to regulation traders operating in the CBD packed all their goods up at the end of the day and took them home with them or put them in storage. Those in Khayelitsha were much more likely to have semi-permanent structures leaving goods overnight, subjecting them to more risk due to insufficient protection. This was consistent with literature, which found small businesses, mostly informal traders, were subject to burglaries and robberies. This security concern is particularly severe in townships and informal settlements, as well as among lower-level and informal sector retail vendors, who are more likely to experience violent forms of crime due to their limited access to secure premises or private security (South Africa Presidency & Small Business Project (Johannesburg), 2008).

The overall impact of crime on small businesses includes both direct effects such as loss of stock and indirect effects such repairs and loss of income from temporary business closure (SME South Africa, 2022). It also has the adverse effect of preventing growth and

development with owners who have experienced crime unwilling to invest more in their business for fear of loss or attracting more attention (South Africa. Presidency. & Small Business Project (Johannesburg), 2008; SME South Africa, 2022).

Along with security concerns, they also spoke of their work environment being susceptible to changing weather conditions. All of the traders were stationed outside, with 6 of the traders being directly next to a road. Traders had varying levels of protection from the elements and no protection from car fumes. Traders in the CBD are assigned trading bays demarcating where they may trade, they made use of non-permanent shelters like gazebos or canopies, with two traders positioned below a bridge. Those in Khayelitsha were not bound by demarcated spots and often built semi-permanent storefronts from wooden pallets. Despite these efforts, they remain exposed to heat during the summer months and are vulnerable to flooding and harsh rains in the winter.

These findings are consistent with literature that highlights the occupational health risks faced by informal traders (Gamieldien & van Niekerk, 2017; Anwana & Owojori, 2023). The combination of health and safety risks contributes towards an unstable working environment, making it unconducive for focusing on long-term planning and providing informal traders' with a sense of stability.

5.3 The Strength of Social Capital for Collective Development in the Face of Disruptions

The previous section introduced the importance of relationships in being able to respond and recover to disruptions for greater sustainability. The term collaboration, used to signify partnerships and mutual benefit, can be interpreted as assigning a transactional lens to relationships. This reflects a broader trend in how Western literature, like the concept of social capital, describes relationships.

Social Capital in literature can be referred to as a resource available through social connections (Kim & Aldrich, 2005; Dai et al., 2015). It further categorised into two types of social capital - Internal (bonding) social capital referring to more immediate communities and external (bridging) social capital or relationships beyond an immediate community (Woolcock

& Narayan, 2000; Dai et al., 2015;). Social capital commodifies relationships likening them to assets that can be accumulated, managed, exploited or leveraged for accessing resources and opportunities.

‘Many people are helping me in my business. There’s a lot of helping me in many ways.’ - Informal Trader, Khayelitsha

Ubuntu provides for a different viewpoint on how relationships may be perceived. Less concerned with the usefulness or value that can be provided, rather emphasising the principle of shared humanity and collective well-being. Unlike a resource that can be exploited, Ubuntu shows relationships to be an end in themselves.

This finding is supported by existing literature which highlights the important role social capital plays in the informal economy, compensating for government and market failures (Meagher, 2005) and substitutions for low levels of human capital (Preisendörfer et al., 2012). It is equally important to reflect on how social capital is approached in such a way that it fosters authentic and meaningful relationships. As Ram et al. (2017) and Webb et al. (2013) have shown, the informal economy has not been sufficiently included in mainstream entrepreneurship and management scholarships. Drawing from the lived experiences of informal traders provides the opportunity to understand social capital through a different lens and has the potential to influence mainstream entrepreneurial thought.

5.3.1 Family and Community: Foundations of Resilience through Internal Social Capital

The relationships held by informal traders are often centred around the family, and play a pivotal role in their business activities (Meagher, 2005). This was reinforced by this research which found the family to be closely intertwined with the business, consistent with findings from other studies who described family as a ‘collective economic actor’ (Gras & Nason, 2015). Findings from this research were consistent with literature, which shows that families play a strategic role in micro-enterprises by providing labour, capital and logistic support (Petersen & Charman, 2018). The extent to family involvement varied amongst informal

traders from grandchildren helping out during school holidays to more active spouses and children sharing day-to-day responsibilities.

'Sometimes you see like my wife comes to help out. Sometimes the kids when they are not at school. It's a family-centred business.' - Informal Trader, Khayelitsha

The experiences of informal traders both in the CBD and Khayelitsha aligned with literature demonstrating the value of intergenerational transfer of skills and knowledge (Petersen & Charman, 2018). At 14 years old, one informal trader began working for his fathers fruit and vegetable store, before going on to open and run a stall with the assistance of his dad, in order to support his own family. The trade now sits with a third generation of traders, with his 18 year old son coming to work for him.

By passing down this knowledge and practical skills, families ensure there is continuity of operations and reduces keyman risk as the business becomes less reliant on a single individual. If the primary trader is unable to work due to an illness the business can still continue offering greater flexibility in being able to respond to disruptions. At the same time, there are conflicting feelings highlighted by four of the traders who, despite valuing the skills and independence they themselves had gained, had or have aspirations for their children to pursue more formal opportunities which weren't always an option.

To enhance resilience and increase sustainability traders can preserve intergenerational knowledge transfer, while simultaneously supporting more informal avenues of learning. Literature highlights the ability of mobile technology to improve access to opportunities and close market inefficiencies for informal traders particularly through access to information. (Aker et al., 2008; Mostert, 2013). Younger generations, who are more technology enabled, bring valuable digital skills to the relationship. Through creating a reciprocal learning environment where traditional knowledge and modern skills can reinforce one another, opportunities for greater sustainability in the face of disruptions can be realised. To catalyse this opportunity, poor infrastructure and high data costs need to be addressed by the broader ecosystem (Hyde-Clarke, 2013; Mothobi & Grzybowski, 2017).

5.3.1.1 Pooling Resources and Mutual Support

Three traders in the CBD had family members with stalls of their own, while many others knew nearby traders well. In Khayelitsha, family ‘franchises’ were not evidenced, but traders still held close relationships with other informal traders. Sharing resources including assets and knowledge were witnessed across traders. One trader spoke about her mentor giving her her first stall so she could take over the trading permit. She also spoke about helping manage the financial records of her daughter-in law's store. Another trader mentioned going to the market every morning with his father, sharing transport to collect stock for both stalls. This aligns with literature showing the role of social capital in creating business opportunities but also mobilising resources more efficiently (Dai et al., 2015; Putnam, 2000; Woolcock & Narayan, 2000).

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‘You have to pay like R300 a day to go fetch the stuff from the market and it’s a lot of money. Before you sell anything.’ - Informal Trader, CBD

While examples of resource sharing were observed, there remains significant potential for further pooling of resources. In the case of sharing transport, informal food traders could strengthen their resilience by reducing operating costs. Since all of the traders interviewed sources their goods from the same market, a broader more coordinated approach to sharing transport could collectively lower the costs associated with fetching goods. As the quote above shows it could assist in easing cash flow challenges by reducing capital outlay before making any sales. Additionally, fewer trips would reduce emissions, potentially contributing to more environmentally sustainable business models.

It is important to recognise that informal food traders may realise positive economic and environmental gains from this practice whilst simultaneously straining social relationships with others who rely on providing transportation services as part of their own informal businesses. This highlights the delicate tension that exists between economic benefits and maintaining supportive social relationships.

5.3.1.2 The trust based employment practices

Trust-based employment practices were observed among all of the informal traders who had employees. Informal traders relied on personal relationships and word-of-mouth recommendations when bringing someone on board, offering opportunities to individuals without formal qualifications or rigid processes. In lieu of CVs individuals were given the

opportunity to learn on the job and were not pigeon holed based on their previous work experience. As one trader explained:

'It is built on trust. You have to trust your staff. You are hungry, you ask. You are thirsty , you ask. You do not take what does not belong to you.' - Informal Trader, CBD

'You will only know if you give them a try, you will not know until you get them to go ahead. From there you can take it whether you like it or not.' - Informal Trader, CBD

The motivation to hire is not always primarily about scaling the business but about providing purpose and employment for other members of their community. Van Norren's (2022) distinction in governance styles gives insight into informal traders' volitions being rooted in Ubuntu philosophy of going in front while taking others with you, rather than the alternative of one achieving first as an individual and then helping others. The intention is not necessarily to individually profit at the expense of their community but rather collectively improving livelihoods.

"Only two guys [employees], if I could, I would not have taken more, because you know, where I stay, there are a lot of youngsters that do not work." **- Informal Trader, CBD**

Creating inclusive employment opportunities based on trust fosters a sense of shared responsibility and mutual support in the face of exclusion from the formal economy. Providing an opportunity to develop skills on the job and catalysing economic participation assists employees to feel empowered to contribute towards the success of the business and fosters their own capacity for entrepreneurship. Unlike the SDGs' focus on balancing individual profit with broader social and environmental goals, Ubuntu offers a culture of mutual development that fosters trust and loyalty which can be mobilised during times of economic downturn. This ability to adapt, support one another, and provide employment opportunities even during times of crisis illustrates how Ubuntu-driven practices can contribute to greater sustainability and long-term survival for both traders and their communities (Van Norren, 2022).

Informal traders' reliance on flexibility and community trust, whilst necessary to adapt to inconsistent or disrupted income, also reveals one of the key criticisms of the informal

economy: the lack of formal standards and regulations surrounding employment (OIT, 2020). None of the businesses had formal contracts with their employees, and there were no formal interview processes or conflict resolution procedures in place. Employment in these settings is often built on trust and personal relationships, where individuals are given the chance to prove their ability to contribute to the business, much like a probation period in the formal economy.

However, the informal trader's practices reflects Ubuntu's emphasis on community and inclusivity, providing opportunities for individuals to prove themselves regardless of their background. It also fosters a sense of agency among employees, challenging the culture of dependency that has historically affected South Africa (Preisendörfer et al., 2012). Literature has shown that working within a network of business owners increases the likelihood of greater entrepreneurship (Mitchell, 2004; Preisendörfer et al., 2012). This was corroborated in this research, highlighting the importance of informal employment as a way of cultivating more entrepreneurial mindsets.

5.3.1.2.1 Trust and Authority in Managing Informal Business Operations

While trust is considered essential, there remains a distinct need for control over cash flow and decision-making. In four of the five businesses observed in the CBD, employees would take cash from customers but hand it over to the trader, who would sort out the change to give back through the employee. Negotiations from customers were done directly with the trader or through the employee as an intermediary. Given the small amounts of money involved, this suggests that the need for control was not due to a lack of skill on the part of employees, but rather an assertion of authority by the trader, perhaps driven by economic pressures and the need to protect their livelihood. In another instance one trader was in charge of dividing the grapes into smaller portions for sale, and when asked why none of the other employees assisted she said it was because they did not know how to and she did not have time to teach them.

'Depending on how much we make… Let us share in the process, we should maintain our business together. So there is no one who is taking more than his friends, everybody must see his responsibility in the business.' - Informal Trader, Khayelitsha

At the same time, a noticeable tension emerged with informal traders from the CBD who

emphasised the complexity of relationships in informal trading. A duality exists where traders highlighted the importance of trust and mutual support, conveying genuine confidence in their employees whilst simultaneously more rigid management styles. In contrast to the philosophy of collective support the two adhered to a ‘No work, No pay’ rule, with one of the traders stating that if an employee wasn’t present, it was assumed they didn’t need the money, even if they were sick. This lack of compassion stands in stark contrast to Ubuntu’s emphasis on prioritising the well-being of others, yet is somewhat understandable for small business owners, for whom labour represents a significant expense. In the CBD, this complexity was further reflected in the day-to-day operations.

In contrast, the relationships between traders and employees in Khayelitsha appeared more decentralised. In stalls where more than one person was working, each individual was responsible for serving customers, handling cash, and making change independently. While they conferred with one another when negotiating prices, the employees had greater autonomy in granting prices and completing transactions. This greater level of trust and autonomy contrasts with the more controlled operations in the CBD.

The data suggests that while Ubuntu principles featured in many traders' decision-making processes, individualistic tendencies were present in the relationships within the business, particularly when it came to managing resources and decision-making authority. Research on formal business management, however, suggests that granting employees greater autonomy and clearly dividing responsibilities can lead to better job satisfaction, commitment, and performance (PWC, 2019). In the context of informal trading, these benefits could be particularly valuable, as traders need committed and engaged employees to navigate disruptions and sustain their businesses. By holding onto control and not delegating duties, traders may be unintentionally stifling their employees’ ability to contribute more fully to the business’s long-term sustainability.

5.3.1.2.2 Tension Between Relational Models and Economic Sustainability in Informal Trading

While close relationships can strengthen informal businesses, they also pose several challenges. The most prominent challenge is the amount of income that is often taken out of the business to meet immediate needs, such as supporting unemployed family members.

This presents cash flow challenges and hinders reinvestment, undermining long-term sustainability. This research aligns with literature showing that profits from informal trade accounted for 77.9% of household income on average (Tawodzera, 2019).

Additional family members or employees can sometimes lead to diminishing marginal productivity. For instance, one trader hired an employee, not because the business needed additional capacity, but because the young person needed a job. Observations across different traders revealed that many stalls often had more people than were required for the size of the business. The same level of customer service could be achieved with fewer team members, which would help streamline labour costs. In another case, a husband joined his wife's business after losing his job during the COVID-19 pandemic, but there was no noticeable growth or increase in efficiency. In these cases, rather than increasing productivity, the business's resources were stretched to support additional people, without contributing to substantial growth. Informal traders therefore face a trade-off between immediate business efficiency and long-term community sustainability.

There is a tension between the relationships with family, colleagues and communities and individual economic gain appears to reflect deeper philosophical values. SDGs are created in an inherently capitalist system that promotes a governance style of 'power first and then helps the people' (Van Norren, 2022). It seeks balance between profit, people and planet as per the triple bottom line (Norman & Macdonald, 2004) but still fundamentally drives individualistic motives, which as per Maslow's Hierarchy (1943) would only see love and belonging as being 'reachable' at level three after psychological and safety needs are met. Ubuntu on the other hand, doesn't aim to balance the three but takes a collective approach to building 'caring, sustainable and just' communities (Nussbaum, 2003). This is likely why traders took so much pride in the number of people they employed and often had more hands than needed.

While cutting labour costs might enhance profit margins and improve economic stability for the individual in the short term, it could weaken moving towards sustainability. Through streamlining employment, local economies are put at risk as the employees of informal traders often make up their own customer base. Another important aspect is the breakdown in the social fabric, as reducing these community relationships undermines the mutual support and resilience that underpin informal trade.

"I give them the basic [pay]. I'll take the loss. I don't tell them the business is quiet and this is why I can only get to R50. Unfortunately, even I cannot go to work every day, I will rotate them out. " - Informal Trader, CBD

This trade off poses a challenge for informal traders, but as the quote above shows can be managed by rotating employees and offering some form of income, even when the business is quiet. This kind of adaptability becomes particularly crucial in times of disruption, as seen during covid-19 when businesses were slowed and even shut, traders felt the pressure to maintain their own livelihoods and that of their employees. Since employees are also part of the local customer base, maintaining employment strengthens local economies and social networks. Through the use of flexible employment traders can protect their businesses from financial strain whilst simultaneously providing income earning opportunities for their communities, making them and their communities more adaptable to future disruptions and ensuring the survival of both their business and the social networks that sustain it.

5.3.1.3 The Role of Close Relationships in Sustaining Informal Traders Amongst a Lack of Formal Support

In the absence of formal support systems like the Unemployment Insurance Fund (UIF), informal traders and their immediate networks counted on one another to navigate the disruptions caused by COVID-19. None of the informal traders were registered for employee relief programs like UIF, which disqualified them from accessing government support (Rogan & Skinner, 2020; Khambule, 2022; National Treasury & SARS, 2022). Despite the lack of formal contracts or legal obligations, traders displayed concern for one another. One trader from the City of Cape Town reflected on this commitment during the pandemic:

***"All of us were out of income but the little I had, I sent my employees something. I know what it is like not to have. Out of my goodness, I did it. Because no pay for no work. Nobody gives me anything. We don't get anything from the City. So your relationship with your employees counts a lot."* – Informal Trader, City of Cape Town.**

Similarly, in Khayelitsha, informal traders leaned on communal resilience to endure the economic hardships brought on by the pandemic. One trader described how he and his colleagues navigated the uncertainty of the situation with collective patience and solidarity:

"We try to at least hold on to the money that we have. Because we said, 'Oh guys, this thing is a pandemic that can attack us for a certain period of time. Eventually it might go, there are people who are working on that, finding a solution to it.' So can we try just to hold on? Let's see where it can take us." **– Informal Trader, Khayelitsha**

This perseverance in conserving their finances was crucial in enabling the informal traders stall to quickly startup again when able to. The trader who continued to support her staff with small amounts of money ensured they remained connected to her business, enabling her to resume operations quickly. Without formal assistance this resilience, rooted in shared responsibility epitomises how informal food traders can respond to disruption. According to Mangaliso (2001), when individuals feel valued within their communities, they are more motivated to contribute, which ultimately benefits the business. In the absence of formal structures strong relationships provide an opportunity to maintain a sense of stability.

5.4 Navigating Disruptions: The Power of Bridging Social Capital in Sustaining Informal Traders

The previous section showed the importance of internal social capital, primarily rooted in family and community, in sustaining informal traders. This section looks beyond these close relationships towards the role of external or bridging social capital (Putnam, 2000; Woolcock & Narayan, 2000; Dai et al., 2015). While informal traders excel in leveraging internal networks for mutual support and resilience, they often struggle to effectively access or leverage broader networks, if such opportunities exist. In some cases, external connections are sparse, poorly developed or actively disadvantaged informal traders, reinforcing existing power structures and exacerbating inequalities, as Meagher (2005) argues. This in turn directly impacts informal food traders' ability to respond to disruptions for greater sustainability.

5.4.1 Location : Democratising Access to Customers

Informal traders fall within the retail sector relying heavily on “walk-in”, or in the case of traders “walk-by”, customers rather than repeat/referred customers (Bohrat et al., 2018). In many instances this was corroborated through conversations and observations, however there were instances of traders exhibiting familiarity with many of the customers, pointing towards the importance of customer engagement for potential repeat customers.

It was observed that the informal traders had good foot traffic which indicates that location clearly influenced the number and type of customers available to traders. Those in the CBD benefited from higher foot traffic, primarily from people who commute into town for work, whereas traders in Khayelitsha were more likely to serve local residents, including unemployed individuals, as well as those visiting the clinic or running nearby stalls. Both traders had busy periods at the start and end of the work day due to people going to and from work. Observations in the CBD, showed whilst some interactions appeared to be with non-selective ‘walk-by’ customers, several stopped to engage for longer periods with the informal trader, and to a lesser extent employees.

“They have come back [customers] because I have been here for so long. I have a customer, who comes all the way from Seapoint because he says the service he gets here is incomparable.” - Informal Trader, City of Cape Town

This suggests that location not only affects foot traffic but also the quality of customer interactions. Repeat customers offer a more stable and predictable source of income, allowing traders to better weather periods of disruption, such as economic downturns or crises like COVID-19. Developing relationships with customers, traders can cultivate a strong customer base to draw from. Traders located in areas with consistent foot traffic, such as the CBD, may have a slight advantage in sustaining their businesses due to the number of customers, but building meaningful relationships can provide stability regardless of location.

She sold a combination of two potatoes and an onion, because this is commonly used for stews and curries. So people could pick the pack up on their way home and not have to buy lots of each veg. - Observation, Khayelitsha

Leveraging both types of social capital, and creating familiarity with customers is important for capturing repeat customers. Traders who understood their customers' needs and tailored their offerings accordingly were able to cultivate strong, long-lasting relationships. For instance, one trader in Khayelitsha sold a combination of two potatoes and an onion because this is commonly used for stews and curries. As customers could pick up this small, pre-packed set of vegetables on their way home, they didn't have to buy large quantities of each item, making it convenient.

This example illustrates how informal traders, by paying attention to customer preferences and offering creative solutions, can build stronger relationships with their customers. It corroborates literature on the entrepreneurial traits displayed by informal traders, such as creativity and resourcefulness (Musara & Nieuwenhuizen, 2020), business acumen (ILO, 2002), and purposeful engagement (Du Toit et al., 2020). Building and maintaining trust through these personalised interactions fosters customer loyalty, which is vital for long-term business success, especially in times of crisis when casual customer demand may decline.

5.4.1.1 Impact of Disruption on Customer Demand and Informal Trader

Covid-19 demonstrated the significant effect of disruptions on customer demand for informal traders. Data was consistent with literature, highlighting interrupted demand as a result of changing mobility patterns as people were no longer commuting to work (WIEGO, 2021; UNDP, 2020). During covid-19, 26% of formal workers, 'locked out' of work due to regulations (Rogan & Skinner, 2020) and an estimated 250 000 domestic workers lost their job (Business tech, 2023 in Stats SA, 2023) both of which significantly disrupted the amount of people moving between areas.

One informal trader in Cape Town explained the difficulties of rebuilding customer demand:

"... Because for us, we are still struggling, trying to get our customers back. But how do we get them back, in building new customers, because all our old customers are gone. A lot of our customers are not working anymore, they are unemployed, or half

of them have to stay at home. What do we have to do? Just carry on and build new customers." - Informal Trader, City of Cape Town

Similarly, in Khayelitsha, traders faced additional challenges as their customer base. As one trader noted, customers themselves were trying to regain stability:

"They are really giving us support. They are coming back themselves too. So they are the ones also trying to remind us, we remind them also of COVID-19. So that we all have in the same boat, or these COVID-19 as well as our business." - Informal Trader, Khayelitsha

This example underscores the vulnerability of informal traders, who rely heavily on foot traffic and stable customer bases. The loss of daily commuters and regular customers during the pandemic illustrated the fragile nature of their operations. For traders to sustain their businesses, they must not only wait for customers to return but also actively seek new ways to engage and build customer loyalty.

Another example was given by a trader, who had strategically placed his business 20 years ago at the Khayelitsha train station, to capture commuters, but was severely affected when the train service stopped in 2019. The train service was indefinitely suspended due to "a quarrel between shareholders" and "theft and vandalism of cables and signalling equipment" according to GroundUp (2020, 2023) who quoted the City of Cape Town that four thousand day commuters were affected by this.

"Since the train system collapsed on this side, it became difficult. The covid came and it was another. By the year 2019, the train service stopped completely." - Informal Trader, Khayelitsha

This example illustrates how disruptions, whether due to infrastructure or external shocks like pandemics, can devastate the customer flow that traders depend on for their livelihood. Without stable demand, their ability to sustain their businesses is deeply compromised. For informal traders to enhance their resilience and sustainability, they must find ways to diversify their customer base, build stronger community ties, and potentially explore alternative business models that are less reliant on daily foot traffic.

5.4.1.1.1 Overcoming Challenges: Adapting to Shifts in Customer Demand for Greater Sustainability

The response of traders to the reduction in commuters varied significantly, highlighting the different ways they adapted to shifts in customer demand. One trader, whose business was located near the Khayelitsha train station, expressed a passive approach to recovery. When asked if he thought customers were slowly returning, his response was,

"What I know is that if the train services come back, that's when I can judge I'll be okay" - Informal Trader, Khayelitsha

This indicated he intended to indicate he intended to wait until the train lines resumed operations. However, close to two years later, the line is still not operational due to individuals residing on the line since covid-19, and are expected to be relocated in February 2025 (GroundUp, 2023), five years after traders faced the initial interruption.

In contrast, another trader from the CBD demonstrated remarkable perseverance, adapting to new customer patterns by going door-to-door to find new customers. Reflecting on their situation, the trader said:

"Big time, because we haven't worked for as long as they kept us at home. We still created something for ourselves because I couldn't stay at home- feeding four children wasn't a joke. So I created something for myself and went door to door to get something on the table. But like I said, it hit us hard." - Informal Trader, City of Cape Town

This adaptability shows the trader's resilience in the face of adversity, actively seeking out opportunities despite the disruption. However, this response was not representative of most traders' approaches to the COVID-19 crisis. The majority of traders had to rely on savings during the lockdown and reopened to limited customer bases once restrictions were lifted. It's important to consider that throughout the pandemic, there were repeated calls from the government and public health officials urging people to stay at home. Many traders, particularly those in vulnerable communities, may have been concerned about their health

and the health of their families. This added layer of risk likely influenced their ability and willingness to actively adapt during the disruption. Understanding this broader context is essential in recognising the limitations some traders faced in responding to the crisis.

5.4.1.2 The Role of Competition: Supermarkets and Price Sensitivity

Informal traders still face considerable challenges in maintaining their businesses in such contexts, particularly in terms of competition from supermarkets and other informal traders, and the price sensitivity of their customers. The challenges informal traders face in maintaining profitability are only intensified by competition from formal supermarkets. Supermarkets like Shoprite benefit significantly from economies of scale and strong supplier relationships, as outlined in Shoprite's sustainability and integrated report (2023). These advantages enable them to maintain stable prices and often increase prices at rates below inflation, which is a considerable advantage in volatile markets. Historically, informal traders enjoyed a competitive advantage due to their convenient locations within communities, but this has been significantly eroded by the expansion of supermarkets into townships (Battersby et al. 2018).

The presence of supermarkets forces informal traders to keep their prices low in order to compete, despite having none of the same structural advantages. One trader from Khayelitsha described this challenge clearly:

“If I am talking about the veg, it is going to take a long time [to get bigger], because there is a Spar around the block and there is a Shoprite around the block.” - Informal Trader, Khayelitsha

For informal traders unable to stock a wide range of produce, the lack of variety means they lose out to supermarkets, where customers can conveniently buy multiple items in one go.

“I used to have cabbage [before covid-19] But nowadays, they keep asking me. I can not say to the customer I do not have money in my pocket.”- Informal Trader, Khayelitsha

Customers are drawn to supermarkets not only for lower prices but also for the convenience of a broader selection, which informal traders struggle to match due to limited financial resources. However, not all informal traders shared these concerns. One trader operating in the CBD emphasised that their pricing strategy provided better value compared to the big supermarkets:

"In the shops, you can buy one tomato for about R5, and yet you pay R10 for 5 tomatoes here. Better value than the big shops." **- Informal Trader, City of Cape Town**

Informal traders operate within highly competitive environments where the price sensitivity of their customers significantly affects their ability to sustain their businesses. The reliance on physical locations and local customer bases implies a reduced carbon footprint compared to larger, more globalised businesses. Literature has highlighted the potential of returning to more localised economies as a contributor to moving towards sustainability (Douthwaite, 2004; De Young, 2012; Olivier et al., 2018). Literature has also shown the positive social impact localised sales has on supporting poorer households (Battersby et al., 2016).

This suggests that the impact of supermarket expansion may affect informal traders differently, depending on factors such as their size and location. For instance, traders in central business districts may benefit from higher foot traffic and may be better positioned to offer competitive pricing compared to smaller traders in less accessible locations. To effectively respond to the challenges posed by supermarket expansion, informal food traders need to reassess, identify and leverage their own unique strengths that cater specifically to the needs of their communities. To adapt to the changing landscape, especially in rebuilding and diversifying after a disruption, is challenging without access to the necessary financial resources.

5.4.1.2.1 Challenges of Price Sensitivity

Low disposable income presents significant challenges to economic stability for traders who operate in a very price sensitive market (Trade & Industrial Policy Strategies, 2008). Conversations were consistent with literature showing informal traders to be price takers (Battersby et al., 2018) significantly affected by food prices set at the market and fuel prices impacting transport (Trade & Industrial Policy Strategies, 2008). The regulated band of

prices traders pay for produce is set daily depending on demand and supply (Cape Town Market, 2023). Conservations corroborated literature which showed challenges with storage (Moagi et al., 2021), and low levels of capital (Tawodzera, 2019) were reasons traders had to go and buy from the market every day or two resulting in differing costs.

"In the shops, you can buy one tomato for about R5, and yet you pay R10 for 5 tomatoes here. Better value than the big shops." **- Informal Trader, City of Cape Town**

"This one here, I sell it for R10. It can only produce maybe R180 profit. Now you increase it to R12 and nothing is coming out and keep on going R15, then they won't buy." Informal Trader, Khayelitsha

As the trader above described, it is difficult to increase prices to account for these variables, especially when prices are changing so frequently. The regulated band of prices for produce is set daily depending on demand and supply conditions (Cape Town Market, 2023), leading to constantly shifting costs for informal traders. This variability makes it very challenging for traders to maintain stable margins. With high competition among other informal traders, any price increase risks driving customers to competitors (Tawodzera, 2019).Therefore, informal traders have little room to adjust and often have no choice but to absorb these additional costs, which gradually erodes their profitability.

5.4.1.2.2 The role of Financial Stability to the Recovery in Responding to Disruptions

The financial challenges faced by informal traders were exacerbated during COVID-19, revealing significant vulnerabilities related to their ability to resume operations swiftly and sustainably. As one trader from Khayelitsha explained:

"We did suffer a lot. I had to use the money we have been saving. " - Informal Trader, Khayelitsha

Traders who were able to access cash to restart after COVID-19 generally recovered more successfully, offering greater product variety and larger operations. Three distinct strategies

for maintaining financial stability emerged, each contributing to the ability to reopen successfully and grow.

First, the trader in the City of Cape Town who borrowed funds was able to access startup capital, allowing her to rebuild quickly. Despite having debt, her access to capital ensured that she could restock her stall and maintain a stable business.

"Every month I pay R500. I owed R8000 but now I owe R5000. I am paying him back a little bit each month." **- Informal Trader, City of Cape Town**

Second, the Khayelitsha trader's group, who opted to save rather than withdraw their finances from the business, demonstrated resilience through their proactive approach. This mindset of preparedness allowed them to hold onto their savings and ensured they were able to reopen with a larger and more diverse stall compared to others.

"Let's put two Rand more on top [of our savings] so that we prepare for whatever comes. It's not only this [COVID-19], any problem may arise. So let's just be prepared for everything." **- Informal Trader, Khayelitsha**

Lastly, some traders generated income through door-to-door sales, or selling from their homes to be able to gather enough resources to rebuild and expand their offerings once traders were allowed to operate again.

These strategies all focused on having access to cash to reopen their businesses following a disruption. Through this traders were in a stronger position compared to others who lacked resources, as was evidenced in the trader who couldn't afford to add cabbage to his offering. This observation aligns with the findings of Brixiová and Kangoye (2016), who indicate that entrepreneurs with higher amounts of startup capital are generally more successful. Financial stability enabled traders to restock products quickly and maintain market presence, both of which are critical for sustaining customer relationships and staying competitive in environments where convenience and reliability matter most. The availability of capital was crucial in helping traders swiftly resume operations and regain stability after a disruption.

The ability to recover quickly from disruptions and maintain a consistent market presence is critical for informal traders. As we've seen, strong relationships with customers are vital for

sustaining their businesses. However, maintaining these relationships has become increasingly challenging due to growing competition. Rising unemployment has led to a significant increase in the number of individuals entering informal trading, creating heightened competition within the sector and making it harder for traders to retain their customer bases.

5.4.1.2.3 Increasing Unemployment driving Higher Competition amongst Informal Traders

Lyons and Snoxell (2005) found that informal traders face a dual challenge of increasing competition and decreasing number of customers. This trend was confirmed by traders in Khayelitsha, who reported a significant rise in the number of informal food traders over the years. A trader operating in Khayelitsha for 20 years shared:

“In those days there were not a lot of registered vendors so spaces were still wide open. There were those mamas selling suits and sneakers on the station. So I joined them, that was way back. So for me it was not a hassle to get a spot. But now there are so many street vendors. More than before.” - Informal Trader, Khayelitsha

While this increase in informal food traders is particularly pronounced in areas like Khayelitsha, the issue appears to be less significant in the CBD, where permits are more strictly monitored and the number of available trading spots is limited. Even still, there appeared to be a large number of businesses selling similar fruit and vegetables. The rise in the number of informal traders has occurred alongside increasing unemployment; the official unemployment rate sits at 33.5% in Q2 of 2024 (Statistics South Africa, 2024). However, the expanded unemployment rate, which includes discouraged work seekers and those not actively searching for employment, is significantly higher at 42.6%, offering a more accurate representation of those likely to turn to the informal economy for livelihood opportunities This trend demonstrates the role of the informal economy as a shock absorber during financial downturns, providing opportunities for those excluded from the formal job market (Chen, 2012).

"A lot of people do not have jobs, so everybody comes in big numbers and tries to build up a business." - Informal Trader, Khayelitsha

This upward trend of new informal traders is consistent with Tawodzera's (2019) findings in Cape Town, where 57.9% of traders began their businesses after losing formal employment. This rise in competition makes it increasingly difficult for existing traders to maintain their market share and sustain profitability.

Increasing numbers of informal food traders presents a challenge, but also an opportunity to rethink how participants to the informal economy operate and adapt their strategies for greater local resilience and outward competitiveness against formal entrants. Emphasising the inherent principles of Ubuntu, the use of cooperative efforts among informal traders can help mitigate these challenges and unite local communities. An example from the previous section, through pooling resources like transport informal traders can reduce fixed costs, creating opportunities for greater profitability.

Working through collective action, rather than taking an individualist approach, presents an opportunity for informal food traders to increase their resilience. Instead of many individual traders competing against each other for the same customers, cooperatives or multi-owner stalls could become the norm, benefitting from pooled human capital and knowledge as well as tangible assets. Another strategy may be to coordinate with other informal food traders close by to buy together realising bulk discounts or offering complimentary products i.e one trader focusing on fruit whilst the other focuses on vegetables, creating a diverse market experience for customers and reducing unnecessary competition. Instead of being locked in a zero-sum competition, informal traders could work together to increase their collective value, enhancing their competitiveness against formal supermarkets while ensuring long-term sustainability for all involved.

Whilst collective efforts can help mitigate some of the existing challenges to competition, they alone may not be sufficient. Informal traders are still limited by their reliance on walk-in customers, who are highly price-sensitive and are vulnerable to disruptions that change customer behaviour. Access to a broader and more diverse customer base, may offer an opportunity for informal traders to increase their resilience.

5.4.1.3 Leveraging Technology as a tool to Broaden Customer Access

One significant trend observed in literature is the shift in technology, in particular to consumer behaviour is the shift towards card payments for purchases. One informal trader in the Cape Town CBD expressed how some customers are moving towards only carrying cards:

***"Yes [card machines], because a lot of people do not have cash. They only use cards. So it does help."* - Informal Trader, City of Cape Town**

Despite this, cash remained the primary method of transacting with informal traders appreciating the familiarity and simplicity of cash, particularly in environments where interactions are quick and relationships may be informal. Observations showed that transactions were small, with customers paying with notes, usually nothing more than a R50 note, suggesting card payments are still uncommon, especially for small, everyday purchases. Beyond the convenience of cash, the cost of adopting digital payment technologies, upfront for the machine and variable for each transaction, acts as a significant barrier for many traders who operate on narrow profit margins (De Beer, 2017; Battersby et al., 2018).

"There is no technology because most of the people here do not even have it. The old way is better, cash is better. You come across a lot of people sometimes you do not know, so you take money then it is easy." - Informal Trader, Khayelitsha

According to literature (Gikenye, 2014), many business owners are unaccustomed to changing technology, evidenced here by their reluctance to embrace new payment technologies. This reluctance is largely due to concerns about fraud and a general distrust of digital systems. Interestingly, one trader was not totally opposed to the concept of receiving a digital payment but used his neighbour's card machine, as he felt more comfortable getting the cash-in-hand over the delays and uncertainties associated with digital transactions. This shows how distrust of digital systems reinforces cash dependency among informal traders.

"I do not want a card machine, because you know why I do not want one? Too many fraudsters. If someone comes with a card, I go there next to me, and put him there and just get the money from him."

This contrast illustrates the differing levels of awareness and adaptation to shifting customer preferences, indicating that while card payments are not yet widely adopted, they present an opportunity for traders to prepare for the potential disruption of a cashless economy, making them more resilient to changes in payment technology and better equipped to move with customer expectations.

5.4.2 The Role of Supplier Relationships and Market Access in Enhancing Trader Resilience

Traders often face difficulties in accessing the market, with geographical constraints limiting direct farm access and bureaucratic complexities surrounding market entry. Every trader interviewed in this study brought their stock from The Cape Town Market in Epping. According to their website, they are a central distribution point for fresh produce, catering towards wholesalers, retailers, restaurateurs, informal traders and individuals. The market services over 5 500 producers, selling to over 8 000 buyers through market agents (Cape Town Market, n.d).

Despite the market being the central distributor, many of the traders expressed the challenges in accessing the market due to the high cost of travel and little availability of public transport. At early hours, travel times from areas like Khayelitsha and Delft to the Epping Market often exceed 20 to 30 minutes using private transport, increasing significantly during peak morning hours.

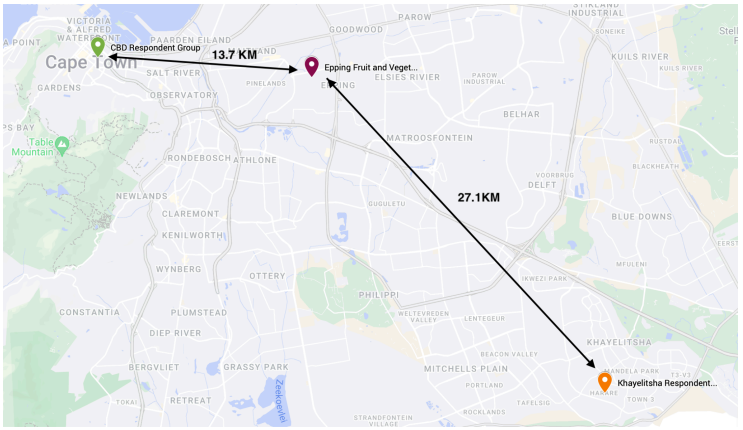

Figure 12 - Distance between the two research sites of informal traders and the Epping Fresh Produce Market.

The informal food value chain in Cape Town is characterised by several challenges and unique dynamics. Traders face significant challenges in accessing the market, including high costs of travel, bureaucratic hurdles, and difficulty securing a buyer's card for the trading floor. While the Cape Town Market provides an opportunity for direct access, small-scale traders often find it challenging to compete with larger buyers who can purchase in bulk. Many informal traders are limited to purchasing from middle traders who resell goods at a markup, adding to their costs and reducing competitiveness. These barriers not only affect market access but also contribute to inequality, limiting opportunities for smaller traders to expand and sustain their businesses.

"It is never closed, but there are so many things that are not working right. In the market, there's coloured and the muslim. And the big boss [white]. The coloureds and the muslims sometimes buy from the big boss and then they bring it outside the market and then sell it. It will be lucky for you if you want to get inside the market, because they have a card to get inside that you have to be a member. Sometimes it would take a long time to get that card so you buy outside the market." - Informal Trader, Khayelitsha

There is also a perceived disparity within the market, where the individuals operating 'inside'—often described as white agents or 'big bosses'—are believed to have better access to resources and opportunities than those outside.

"If you are a small buyer, you get the leftovers, you do not get first grade. They are taken away by the big buyers." - Informal Traders, Khayelitsha

This perception of inequality not only reinforces barriers to market access but also affects the confidence and agency of informal traders as unequal access to resources and opportunities limits their ability to compete effectively and adapt to disruptions.

"When we go sometimes, when they are out of stock that they are sending overseas, and then the other stock that is rejected, we buy those." - Informal Trader, Khayelitsha

Other inconsistencies are found in the market, including the inside trading floor being regulated by statute where commission is fixed, but outside is not, so prices can vary from trader to trader depending on what markup they add. This leaves informal traders in a more precarious position than traders inside. Traders appear to be price takers, not having strong relationships with suppliers, moving frequently depending on who had the best quality and price. This is unlike the formal players such as Shoprite, who boast strong supplier relationships as an integral part of their sustainability strategy (Shoprite Holdings Ltd., 2023). Building long-term, mutually beneficial relationships with suppliers can ensure a steady supply of quality products and potentially better pricing. Informal traders could form collectives to negotiate better terms with suppliers, ensuring consistent quality and fair prices.

5.4.2.1 The Lack of Suitable Infrastructure as a barrier to informal traders growth and sustainability

Informal traders' ability to be sustainable is influenced by their operating environment, in particular their access to key infrastructure such as stable trading spaces, sanitation facilities, secure storage, and protection from environmental elements, which support both daily business operations and long-term resilience. By failing to provide basic infrastructure, security, and public services, the government is undermining efforts towards SDG 9: Industry, Innovation and Infrastructure. Developing infrastructure that can support economic development and enhance human well-being is at the core of SDG 9, emphasising the importance of designing for economic development and enhancing human well-being, especially for marginalised communities (United Nations, 2015). The reality faced by informal traders in Cape Town highlights a significant gap between this vision and practice.

The absence of basic infrastructure such as secure trading spaces, sanitation facilities, and storage significantly undermines traders' efforts to grow their businesses and achieve long-term sustainability.

During the COVID-19 pandemic, when handwashing was crucial to prevent the spread of disease, traders lacked access to these essential facilities, leaving them and their customers vulnerable. The absence of these facilities made it difficult for traders to comply with health guidelines potentially marginalising traders further, as they are unable to meet public health standards.

Informal traders confirmed they are not allowed to have permanent structures as per the City's Informal Trading Policy (City of Cape Town, 2013). This restriction forces traders to set up and dismantle temporary stalls each day, leading to increased operating costs for transportation, storage, and daily setup. These added costs cut into already narrow profit margins, creating a significant barrier to economic stability and growth. The impermanence of their trading environment not only limits their ability to plan and expand but also contradicts the principles of SDG 9, which advocate for infrastructure that can support economic resilience and development. These challenges are compounded by the changing environmental conditions that informal traders must navigate. As weather patterns become increasingly unpredictable, characterised by more frequent heavy rains, intense heat, and even flooding, traders without permanent structures are at a higher risk of losing stock or having their trading activities disrupted.

"Because I sell fruit and veg, I get impacted by the weather. When it rains, I have this canopy. But the government doesn't give us structures. We want the parade to look smart but we have to bring our own structures and put them up." - Informal Trader, CBD

The inability to establish permanent trading spaces reflects a missed opportunity to align local policy with the goals of SDG 9. If informal traders were allowed access to more stable and resilient infrastructure, it could improve their ability to generate income consistently, maintain safe trading conditions, and contribute more effectively to local economies.

5.4.2.2 Governmental Practices that Threaten Informal Traders' Sustainability

The sustainability of informal traders is significantly impacted by the practices of different spheres of government, from local by-laws and law enforcement to national policies and relief measures during covid-19. These practices often create barriers that limit traders' ability to operate smoothly and respond to disruptions, in some cases causing avoidable disruptions to the informal traders day-to-day operations. In understanding how informal traders can be more sustainable in the face of disruptions, a more inclusive and even advocative approach should be taken to designing policies and support measures. The following sections show two examples of how government practices threaten informal traders' sustainability.

5.4.3 Structural Challenges that Undermine Informal Traders' Ability to be Sustainable

The failure of bureaucratic systems to adapt to the realities of informal traders forces them to remain outside formal systems, limiting their ability to access resources that could enhance their resilience.

5.4.3.1 Bureaucratic Systems Creating Barriers for Informal Traders

Actors in the informal economy are often perceived as informal primarily due to their non-registration and exclusion from national accounting systems (Else et al., 2002; Charmes, 2012). The South African Revenue Service (SARS), Statistics South Africa, and the City of Cape Town use income tax registration as a key indicator of formality (Stats SA, n.d.; SARS, 2020; City of Cape Town, 2023).

None of the traders in this study paid income tax - distrust in government assistance, concerns about the misuse of tax money and believing they did not make enough to pay tax were the most prominent reasons why. Traders in the CBD were more likely to reach the taxable income threshold but as traders described:

"For me I cannot pay tax, because it's difficult because there's no assistance from the government. Pay taxes for what? For politicians to steal it?" - Informal Trader, Khayelitsha

***"For me I cannot pay tax, because it's difficult because there's no assistance from the government. Pay taxes for what? For politicians to steal it?"* - Informal Trader, City of Cape Town**

Literature portrays informal traders as evading tax and contributing to broader socio-economic problems, which is exemplified by a presentation from SARS (South African Revenue Service) titled "The monster that eats into our socio-economic sovereignty." (SARS, 2023). This is a limited and incomplete view of informal traders. In reality, many informal traders are regulated through the City's Informal Trading Policy (City of Cape Town, 2013) which requires them to act within guidelines and pay for their permit each month.

"We pay R200/R300 a month for a permit. We get nothing for that. Yellow Demarcating. It's a budget month in March/April and they usually come around and fine us. They'll give you a ticket if your stall is messy. These are bylaws. You must have a permit. You have to carry it around all the time." - Informal trader, CBD

Despite paying for permits and adhering to local bylaws, the experience of informal traders reveals a significant disconnect between their contributions and the support they receive from the government.

"Even if you have an idea in your mind how to grow your business, sometimes it's difficult because you don't have space, clean water, or no public toilets. Clean water for customers to wash their fruits/ It's too hard to access those kinds of things." - Informal Trader, Khayelitsha

The expectation that taxes and fees contribute towards public services and infrastructure is not being met, leaving traders without the essential resources they need to operate effectively. This lack of return, in terms of infrastructure and support, creates frustration and reinforces their perception that the government is not invested in their success.

5.4.3.1.1 Enforcement Practices that disrupt informal traders

The City of Cape Town's informal trading policy, implementation plan and the informal trading by-laws are made available on the City's website providing guidance to informal traders on their rights and responsibilities (City of Cape Town, 2013). One trader explained that enforcement was reasonable if you abide by the rules:

"If you go according to the rules, you shouldn't have a problem. They're reasonable. Once your permit is paid, it shouldn't be a problem." - Informal Trader, City of Cape Town

Two Informal Traders' reported situations where a lack of flexibility resulted in law enforcement confiscating their stock. As one trader explained, despite there being a valid permit in place, which should be allocated on the City of Cape Town's database, stock was taken due to it being presented late.

"I did pay for his permit but they didn't have it on me, because I went to the dentist. The guys come around and ask for the permit, and my brother said they must come back in an hour's time. They didn't understand, they took all the fruit. In the truck and at the same time, my sister arrived to show them the permit, but they didn't want to see it." **- Informal Trader, City of Cape Town**

This example highlights the disproportionately negative effects of overly rigid application of rules. The confiscation of stock not only hinders the trader's ability to sell and earn a living, but may also create additional costs for retrieving impounded goods or replenishing lost inventory due to its perishable nature.

"You can [appeal], but they just bring the fine down. They take all of your stuff (stock) away. If they find you, they impound your stuff [stock]. It happened to me last year. They took about three trays of apples, five trays of avocados, and one tray of bananas. They told me I have to pay R1600 to get it back plus my fine." - Informal Trader, City of Cape Town

Loss of stock related disruptions like this occur in the day-to-day interactions between traders and law enforcement. Unlike global-scale disruptions such as economic downturns or pandemics, disruptions like this are more easily avoidable. By working more closely with informal traders to understand challenges to compliance and adopting more flexible and understanding approaches to enforcement, these disruptions can be minimised enabling operations to continue and reduce unnecessary losses.

Challenges relating to regulation and enforcement were exacerbated by the onset of the COVID-19 pandemic. Informal Traders in Cape Town, confirmed the need for additional permits in order to be able to trade (South African Government, 2020). Aligning with reports by SABC (2020) Traders' faced confusion and uncertainty as one trader explains:

"Yeah, I got a permit. It was very difficult. It was very busy. We were also scared because the police would tell us to go home and sometimes you don't know for what reason, during those first few days of covid." - Informal Trader, Khayelitsha

The confusion around permit requirements and inconsistent enforcement reflects a lack of tailored support for informal traders during the pandemic. Instead of receiving clear guidelines or assistance, traders had to contend with contradictory messaging and enforcement practices. This lack of accessible and consistent information not only added stress but also hindered their ability to operate, underscoring the exclusion of informal traders from essential support systems during a time of crisis.

5.4.3.1.2 Exclusion from Support during Covid-19

Table 7 (pg, 45) has shown the limited capability of informal traders in being able to respond to disruptions due in part to a lack of access to financial support and relief measures. A variety of schemes were made available post covid-19 to support SMMEs however as this research confirms these were not accessible to informal businesses due to their exclusionary criteria (Rogan & Skinner, 2020).

"There's a lot of people that are closed here. I cannot talk about businesses like Archies [formal store] because they did get something from the government. Government only gave us a bottle of sanitizer, a mask and a cap" - Informal Trader, CBD

This traders stall was outside on the sidewalk, close by to formal businesses. His experience shows the tension that exists between access to support between the formal and informal businesses. This limited support failed to meet the needs of informal traders who were struggling to keep their businesses open and adapt to the new trading conditions.

“Since COVID-19, we cannot access so many things. Approaching the government is not necessary because we're gonna take the money that we have [to buy stock and spend it] to travel or maybe to get to the offices where these people are and that money will go to waste.” - Khayelitsha C

This experience of this trader highlights the practical challenges faced by traders, such as the costs of travelling to apply for support and the fear of wasting limited resources. Half of the traders spoke specifically towards the burdens of navigating bureaucratic processes outweighing the potential benefits. The lack of formality in the operations of informal traders, despite some being registered with the City of Cape Town, was a key factor in their exclusion from relief measures.

The exclusion of informal traders from meaningful support not only limits their ability to recover from the disruptions caused by the pandemic but also exposes deeper structural inequalities within the support frameworks designed for small businesses. This gap highlights a critical need for more inclusive support structures that consider the realities of informal traders, ensuring that they have easy access to the appropriate resources during times of crisis. Given the high importance of the role informal food traders play in creating access to fresh fruit and vegetables in underserved communities, greater consideration should be given not only to how they can be supported during disruptions but also to how they can play an active role in increasing community resilience during periods of disruption. Informal traders should be seen as vital contributors to community stability and resilience, rather than favouring formal businesses and exacerbating the very real perceptions of exclusion. By addressing these disparities, future policies could help bridge the divide between the formal and informal sectors, fostering greater economic resilience and sustainability. Particularly thought provoking was the stark similarity between the current operating environment of informal traders following covid-19 and following the 2008 financial crisis. The report “The Impact of Rising Food and Fuel Prices on Small Business' (Trade &

Industrial Policy Strategies) speaks to the same inability of traders to respond to disruptions despite one being a global financial crisis and one being a global pandemic.

6. Conclusion

The study's objectives were to: (1) analyse how disruptions act as catalysts for implementing sustainable practices in informal food trading, (2) understand how technology contributes to sustainable practices in informal food trading, and (3) provide recommendations on how informal traders can integrate more sustainable practices into their trade activities.

The findings show that Informal food traders in Cape Town demonstrate the capacity to respond to disruption in ways that enhance the sustainability of their businesses, affirming the study's first research question. These disruptions, while challenging, often act as catalysts for adaptive behaviours, community resilience, and shifts in practice. The study found that sustainability in this context is not imposed through external frameworks but emerges organically from the everyday strategies informal traders employ to survive and thrive. In this, the African philosophy of Ubuntu - built on mutual care and relational strength - plays a critical role. By nurturing management and policy approaches that reflect this philosophy, we can strengthen informal traders' collective preparedness and resilience to ongoing shocks.

In relation to the second research question, the study found that technology is employed by informal traders in highly context-specific and strategic ways - often to stabilise livelihoods in times of uncertainty. Rather than simply increasing efficiency or scale, technology is used to navigate disruptions, sustain operations, and maintain critical relationships. Its use underscores the agency and entrepreneurial spirit within the informal economy, suggesting that digital tools, when locally appropriate and accessible, can enhance sustainability from the ground up.

The third research question focused on how sustainable practices can be supported, highlighting that relationships across the informal food ecosystem (including with customers, suppliers, and authorities) are central to enabling or undermining sustainability. Many of the barriers faced by informal traders stem from policy misalignment or exclusion, as current regulatory frameworks often do not reflect the lived realities of those in the sector. As such, sustainability support should not be framed in terms of formalisation, but rather in terms of recognising, protecting, and learning from the embedded practices already in use. Informal traders have their own definitions of sustainability grounded in people and place and these should be elevated, not overwritten, by policy or development agendas. True sustainability must be seen not as a top-down blueprint, but as a people-first process that values

economic survival, social cohesion, and environmental stewardship as interwoven, not sequential.

6.1 Contribution to Research

The research clearly demonstrated that informal food traders are significantly impacted by disruptions ranging from local daily disruptions to global pandemics. Despite this, traders' have shown their innate ability to integrate sustainability into their daily practices.

Through exploring the role of social capital, community relationships, and mutual support in enabling resilience amongst traders', this research

- Adds a new dimension to the understanding of sustainability from the perspective of the informal economy.
- The study challenges traditional views of sustainability, which describe various components of sustainability as interdependent but treat them as distinct pillars or goals to be achieved rather than being one and the same. These models still treat economic gain as the priority, whereas informal traders challenge this by prioritising collective development and mutual support. This contributes to academia by providing a richer, more nuanced understanding of sustainability that is grounded in local real-world experiences rather than foreign theoretical models.
- From a practical perspective, this study provides valuable considerations for policymakers and other members of the ecosystem who interact with informal traders. It highlights the persistent existence of legacy challenges that compound current challenges for informal traders. In understanding the barriers to sustainability by informal traders and the role stakeholders play in creating these barriers, actors can develop more relevant and effective support mechanisms without undermining traders' agency or traditional practices.
- This study contributes to both academic literature and practical applications by challenging existing sustainability paradigms, highlighting the role of ubuntu as an authentic form of social capital, and advocating for a more inclusive approach to supporting informal food traders.

6.2 Directions for Future Research

Future research should adopt a longitudinal approach to deepen understanding of how informal traders' sustainability practices evolve, especially in response to recurring disruptions and shifting market conditions. Such long-term perspectives could reveal patterns and adaptations not apparent in cross-sectional analyses, offering valuable insights for policy and practice.

It would be beneficial for future studies to examine the impact of philosophical frameworks such as Ubuntu, which currently underpin the resilience and community-oriented practices of informal traders. Given increasing pressures from Western-oriented policies and economic paradigms, there is a risk that the erosion of these indigenous philosophies could lead to sustainability approaches becoming fragmented, prioritising economic outcomes at the expense of social and environmental considerations. Exploring this dynamic will be critical to ensuring that sustainability efforts remain holistic and do not lose their foundational ethical and communal underpinnings.

To capture the richness and depth of traders' lived experiences, future research should prioritise conducting interviews and interactions in traders' local languages. Doing so would enable researchers to obtain more nuanced insights and reduce the risk of losing critical context or meaning in translation.

Finally, this study identified discrepancies between internal (local government) and external (international organisations like ILO and WIEGO) data regarding the informal economy. External organisations typically produce aggregated, standardised survey data facilitating comparative analysis but often miss the nuanced, context-specific insights provided by local government sources. Conversely, local government data, while potentially richer and more contextually relevant, can suffer from administrative limitations and resource constraints. Future research could aim to bridge this gap by developing integrated methodologies that combine the comparative strengths of international data sets with the grounded specificity of locally collected data, thus improving accuracy, relevance, and effectiveness in informing policy decisions.

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8. Appendix

8.1 Comparing the SDGs and Ubuntu

Source: Adapted from Van Norren 2022

Perspective on	**SDGs and underlying (modernist) values**	**Ubuntu**
Application	***Universalist:***	***Pragmatist:***
	Accepted by all UN member states with consultations of civil society and business	Please the global North while doing your own thing locally
Values	***Leave no one behind***	***Life is mutual aid***
	Goals are integrated,–interrelated, indivisible	'Seriti'(field) - interdependence including metaphysical
	(individual) Human rights-based approach	Humaneness in action/motion; collective human rights & collective dignity
	5P's: (prosperity, people, planet, peace, partnership) = economic, social, environmental + peace & partnership	People First (Batho Pele) where people include past, present and future generations of communities
Development	*Sustainable growth*__(GNP/GNP per capita) = development/progress	*Human relations* including with past/future generations which are connected to earth/nature as part of community = 'I am because we are'
	Individualist, abstract	**Collective, relational**
	Believe in 'sustainable development'	Replacing sustainable development by relations
Sustainability	*Balancing economic, social, environment*incl. for future generations (Brundtland)	*One community of life,* derived from wider 'people' (Bantu) definition
	Anthropocentric definition	Between anthropocentric and biocentric
Agency	*Individual capability/ freedom* How can I live the life I value? What can I do so I live better?	*Collective capabilities/ duties* How can we live the life we value? What can we (including I) do so we live better?
Goals vs Process	*Goal oriented result-based management* (with elements of process thinking)	*Process (action) oriented*
	Vertical/upward linear progress	Horizontal/reciprocal
	Future	Now including living past
	End results	Strategy

Cardinal verb	*Doing* what is good for yourself (and the other)	*Feeling* engagement with the other
Targets/ Indicators	*Knowing is Measuring & Reasoning*	*Intuitive knowledge: Knowing through Feeling*
	Simple, quantifiable, analytical	Empathic thinking from heart; Balance the warrior mind (analytic) and mother mind (feeling)
Priority Goals	*All 17*	*First 5 social goals*; *inclusive societies* (goal 16)*; *equality (*goal 10); *global partnership*/ means of implementation (goal 17)
	Human rights-based approach (civil-political), institutional justice	General focus on socio-economic rights, people first and restorative justice (absent in goals)
		*NB: in contradiction to the official South African position that saw goal 16 as 'enabler', not goal; and the African position promoting industry and infrastructure (goal 9)
Missing (inter alia)	Many goals did not make it to the final shortlist because of the efforts to come to a consensus	Community/collective values; diversity; wholeness
Governance style	*King:*	*Boatman:*
	The one who achieves individual power first and then helps the people	Leader and followers empower each other (going in front taking the others with)
	Global Governance systems based on patriarchal power system lead by G7/G8 and G20	Traditional leadership in (rural) communities Nation-building, bridging cultural divides & participatory (Business) Ubuntu management Validated by Constitution and constitutional court judges (Düsing 2002;2000, 142, 166, 270 and 297)
	Combined with notions of *Servant-leadership* enabling others to perform better (international aid and trade)	*Service (mutual aid)* oriented, People First Traditional leader as custodian of values, customs and culture, mediator in conflicts, facilitator of consensual decision-making, and collective resource mobilization

Allies	Modernist economics Positive law Conventional environmental theory Capability theory Human Rights theory	Degrowth and alternative economics Earth law Environmental justice/Deep ecology Expanded capability theory Expanded human rights/African charter on Human Rights and People's Rights

8.2 Research Protocol - Semi-structured Interviews

1. Framing

Background information will be established including who they are, their age, gender, location. This section of the interview will also be important for establishing rapport with the interviewee and gaining an insight into them and their business.

1.1. What is your business about?

1.2. How long has your business been in existence? (Has it ever been closed?)

1.3. Why did you decide to start your business?

1.4. How many people are officially/unofficially involved in running your business?

1.5. What is your approximate average income from your business? This was rephrased to: Do you find your income is enough to sustain you each month

1.6. What does the word sustainability mean to you?

1.7.Do you make use of any technology in your business?

2. Environmental themes

2.1.Where do you get your produce from?

2.2.How much do you understand about farming sustainably?

2.3.In what way do you think your business affects the environment?

3. Labour themes

3.1.How do you organise your work schedule? (i.e., do you have fixed working times)

3.2.How do you work out how much to pay your employees?

3.3. How do you choose who you work with or who you stop working with?

3.5. Have any of your children ever manned the shop for you?

3.6.In what way do you or would you like to provide training for your employees or yourself? Rephrase to: Do you believe you and your workers would benefit from further training?

3.7. Are there any formal agreements in place within the business, in what form do they come in and what are they for?

4. Disruptions
   4.1. How has covid impacted your business?
   4.2. In what way has covid-19 affected your income?
   4.3. How has your relationship with your employees been affected by covid-19? (if applicable)
   4.5. How has your relationship with your customers been affected by covid-19?
   4.6. Have you changed how you do business in any way because of covid-19?
   4.7. Are there any government regulations that you must follow for your business to operate during covid-19 (e.g. permits)?
   4.8. Going forward, do you think anything will change about the way you do business because of covid?
   4.9 What support, if any, did you receive from the government?

5. Business Processes
   5.1. Are there any government regulations that you must follow for your business to operate (e.g. bylaws)?
   5.2. What are the requirements from the financial institutions (such as taxation) for your business to operate?
   5.3. In what way have you ever felt supported/unsupported by the actions of the government?
   5.5. What kind of support does your business require to be more sustainable?

8.2 Observations Template

Date & Time of Observation:
Location & Setting:

<u>Context (Environmental & Cultural Factors)</u>

- Physical Environment: (Layout of the stall, type of infrastructure, cleanliness, weather conditions, availability of seating/shelter.)
- Social Environment: (Types of customers, community presence, interactions between traders, language/dialect used, any signs of social hierarchy or cultural norms.)

- External Influences: (Any visible influence of regulatory authorities, law enforcement, presence of municipal services, economic climate indicators.)

Content (Activities, Behaviors & Processes)

- **Business Operations:** (How produce is displayed, how transactions occur, handling of cash, procurement of stock, any evidence of negotiation, pricing strategies.)
- **Routines & Practices:** (Daily setup, cleaning, storage solutions, dealing with waste or leftover produce, measures taken for product freshness or sustainability.)
- **Interactions:** (Frequency and nature of customer-trader interactions, support from family or employees, community engagement, observed cooperation or competition among traders.)

Concepts (Interpretation & Emerging Themes)

- **Relation to Research Questions:** (How do observed practices relate to sustainability? Do these behaviors indicate strategies for resilience or adaptation?)
- **Emerging Patterns:** (Are there any recurring strategies, problem-solving approaches, or sustainability practices that align with or challenge existing frameworks?)
- **Preliminary Insights:** (Reflective notes on what the observed behaviors may signify culturally or contextually, any assumptions challenged, any new avenues for inquiry suggested.)

Additional Notes:

- **Unanticipated Observations:** (Record any unexpected situations, disruptions, or noteworthy incidents.)
- **Researcher Reflexivity:** (A brief reflection on how the researcher's presence might have influenced the setting or behavior of those observed.)

8.3 Ethical Clearance

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20 12 2021

Catherine Dodge

Graduate School of Business

University of Cape Town

REF: REC 2021/12/008

Disruption as an opportunity for greater sustainability in the Informal Sector:

An analysis of the informal food value chain in Cape Town, South Africa.

We are pleased to inform you that your ethics application has been approved. Unless otherwise specified this ethical clearance is valid until 31-Dec-2023 .

Your clearance may be renewed upon application.

Please be aware that you need to notify the Ethics Committee immediately should any aspect of your study regarding the engagement with participants as approved in this application, change. This may include aspects such as changes to the research design, questionnaires, or choice of participants.

The ongoing ethical conduct throughout the duration of the study remains the responsibility of the principal investigator.

We wish you well for your research.

Signed by candidate 2021.12.20 16:13:57 +02'00'

Jacques Rousseau
Commerce Research Ethics Chair
University of Cape Town
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8.4 Consent Form

Graduate School of BUSINESS
UNIVERSITY OF CAPE TOWN

MASTER OF PHILOSOPHY IN INCLUSIVE INNOVATION

INTERVIEW/OBSERVATION CONSENT FORM:

Participant name:

.....

I volunteer to participate in a research project conducted by Catherine Dodge in partial fulfilm requirements for the MPhil Degree in Inclusive Innovation at the Graduate School of Business. I unde the research is designed to gather information about sustainability and the effect of disruptions in th economy and that I will be one of approximately 20 of people being interviewed for this research.

Background and purpose of the research

This research seeks to understand sustainability (the effect on economic, social and the environment) o the informal food economy. A disruption such as the COVID-19 pandemic may positively or negativel your business and how you run your business going forward. This research wants to understand the cha well as the opportunities for the informal economy to be included in policies for greater sustainability g forward.

Ethics approval

Ethical consent for the study has been approved by the *UCT Commerce Faculty Ethics in Research Co*

Participation and confidentiality

I understand that my participation in this research is voluntary, that I will not be compensated and withdraw at any time.

The interview will take approximately 25 - 30 minutes to complete and will be audio recorded.
The observation will take approximately 25 – 30 minutes to complete.

I understand that I will not be identified by name in any reports using information obtained from thi and that my confidentiality as a participant in this study will remain secure. Subsequent uses of recor will be subject to standard data use policies which protect the anonymity of individuals and institutions

Should you have any questions or concerns please contact me. Catherine Dodge
(Catherine.dodge13@gmail.com) or my supervisor Dr. Keneilwe Munyai at (keneilwe.munyai8@gmail.com)

Consent

I consent to participate in this interview, based on the terms outlined above and subject to the additional condition of my own (if any).

Signed by interviewe

Date

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FULL COLOUR THINKING

.....
Signed by Student

.....
Date

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