APPENDICES TO RESEARCH REPORT

Appendix

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APPENDIX 1
PROJECT HIGHLIGHTS
BACKGROUND AND AIMS
Following structural readjustment, liberalization and globalization, often exacerbated by conflict or disease, major third-world cities have experienced population growth and an increase in their informal sector. Most urban informal-sector growth has been in the expansion of street-trading, creating conflicts among traders, and between traders and others, with resulting pressure on urban managers to formalize markets. Yet, whatever policies are adopted, formalization has unequal outcomes for traders and often fails in its urban-management objectives.

The hypotheses were: 1) Social capital is an essential component of livelihood sustainability in trade, offering essential social, financial and spiritual support. 2) Destruction of trader networks is partly responsible for the formalization failures, 3) Traders who survive such transitions, are reliant on developing new social networks.

The research also aimed to bridge the divide between francophone and Anglophone development studies. Literature was reviewed in both languages, research was carried out in Anglophone and francophone settings, and dissemination is taking place in both languages.

METHODS
In-depth semistructured interviews were held with 264 traders in a range of products and services, in the formal, semi-formal and informal sectors of four markets in Accra and Dakar, identifying personal and work histories, and social capital. Key-informant interviews were held in the ministries and municipalities, in trade unions, trader associations, CBOs, NGOs, private-sector service providers, and market associations. Background work was carried out in Durban, Johannesburg and Cape Town in South Africa, which were adopted as examples of three archetypal urban management models with respect to formalization of street trade.
The project ran for 19 months from 1.5.2002. Dissemination is ongoing.

**FINDINGS**
Findings support the hypotheses. Social relationships developed in the market place are crucial to the short-term and long-term success of traders in business and in negotiation with authorities. Destruction of such social networks through relocation and other acts of formalization weakens traders individually, as well as collectively.

**A. Livelihoods and social capital**

1. **Family ties are the most important means of finding market work,**
   - Their importance diminishes slightly over time.
   - They are maintained by traders through reciprocity, sometimes delayed or indirect

2. **BUT Friendships formed in the market-place are the most important means of supporting day-to-day trading, ie**
   - Long-term financial strategy: stabilizing revenue and access to investment capital
   - Trading strategy: developing links with good suppliers, a vertical relationship, important to young traders’ career prospects.
   - Information: eg about impending municipal action, prices etc.
   - Market management: e.g. agreeing competitive policy, resolving conflict
   - Practical support: mutual assistance with stall management, manual work, space sharing, cooperative buying
   - Emotional support: Important among young migrants (under 30), was to develop friendships and stave off loneliness
   - Political support: e.g. negotiating with authorities, assistance with the courts

3. **Trust in the market-place reduces transaction costs, and has several sources.**
   - Affiliation with associations outside the market
   - Close proximity and observation
   - Affiliation with associations inside the market.

4. **Traders consciously develop and manipulate their social capital** by substitution, investment, cost-benefit considerations, institution of norms, application or avoidance of sanctions.

5. **But relationships with authorities are infrequent, and markets vary widely in:**
   - leaders’ ability to negotiate with authority on a day-to-day basis, rather than at a time of political crisis, and
   - trader awareness of the role and power of urban authorities.
   - There is very little expectation of gain from organized action among traders in privately owned markets.

**B. Formalization impacts**

5. **Most traders operate in at least partial formality in relation to the state, eg , there is almost ubiquitous payment of tolls (licenses)**
These charges increase operating costs, but are not perceived by traders as being translated into adequate services, eg waste collection, leading to opting out.

Tolls make up a high proportion of municipal income, particularly in small towns

Further research is required to evaluate the effectiveness of toll collection, administration, and expenditure on services

6. **In most markets there is a strong grass-roots basis for formalization**

7. **Physical formalization is an aspiration of hawkers and other people trading in the open (76%). Traders are eager to get:**
   - regular trading spots, which will reduce competitive friction and give them a presence, enabling them to join more formal and semi-formal organizations
   - better physical conditions in which to work, in order to
     - protect them from disease vectors and harsh conditions in the open
     - protect their stock.

8. **However, the costs of physical formalization for traders are generally high and result in widespread exclusion:**
   - There is a direct financial burden,
   - The contribution to capital cost may be idle for long periods,
   - Nevertheless, they have little voice in the outcome, while
   - Many are excluded by these threshold costs

9. **Other causes of exclusion include:**
   - As in housing formalization, densities are often too low to accommodate all traders on a site.

10. Operating costs are too high for some traders (rents, service charges, etc).

**CONCLUSIONS AND RECOMMENDATIONS**

A. **Urban management**

1. **Formalization should aim to conserve and develop market-place social fabric,** through:
   - Participatory development
   - Establishment of appropriate management structures
   - Incremental investment
   - In-situ upgrading where possible

2. **Formalization should be seen as a fluid matrix of mechanisms, including changes to**
   - management,
   - organizational,
• regulatory,
• fiscal,
• physical,
• and tenurial status.

3. **High threshold costs of formalization can damage social capital through:**
   - exclusion of the poor
   - dependency creation

4. **Access to footfall is critical in market location and design. Avoid:**
   - Closed plan types
   - Location off main roads or shopping ’drags’
   - Poor access or visibility of stalls

A handbook has been published in French and English interpreting these principles for a modern market context (enclosed).

**B. Social Capital**

- Family bonds change with urbanization and migration, but remain crucial.
- New relationships can be formed, but are strengthened by existing networks.
- Social capital takes culturally specific organizational forms, but fulfils similar roles.
- Motives for developing social capital are both social and economic.

The practical and theoretical implications are discussed in the publications cited below.

**PUBLICATIONS**

Publications have been targeted at the academic and practitioner communities, both francophone and Anglophone.

**Professional / practitioner publications**


**Academic publications**


**Presentations** (Conference / workshop / seminar)


Lyons, M (2003) The Implications of Market Based Social Systems among Petty Traders in Ghana and Senegal, Seminar on Sustainable Market Formalization, ISSER, ULG, 27.11.03


APPENDIX 2
PEER-REVIEWED ARTICLE


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REVISED FOR URBAN STUDIES

Abstract

Following structural readjustment, liberalization and globalisation, often exacerbated by conflict or the ravages of disease, the leading cites of the third world have seen an acceleration of population growth and a rapid increase in their informal sector (Jacques, 2004), much of it in the expansion of street trading. In turn this has accelerated land-use change and created numerous conflicts both within the petty-trade sector, and between traders and other urbanites. Pressure on urban managers to formalize or regulate trade has been intense. The adoption of repressive versus developmental approaches has attracted scholarly and policy debate (Rogerson, 2001). Increasingly developmental approaches have been advocated (ILO, 2002).

Nevertheless, for traders, the formalisation of street trade has very uneven outcomes. Whether carried out through regulation or the provision of buildings, through removals or in situ, many traders either do not survive the transition, or continue to trade outside the boundaries of the new arrangement. The present paper reports on comparative research identifying and analysing social factors crucial to success in a trading career, which may be adversely affected by planning and other urban regulatory interventions, based on in-depth interviews in Dakar and Accra. Adopting Sustainable Livelihoods as a conceptual framework (Rakodi, 2000) and drawing on social capital theory (Putnam 2001, Coleman, 1993, Fafchamps, 2000), three questions are addressed: Are there significant differences in the survival strategies for which social capital is employed, among traders operating in different political, cultural and socio-economic contexts? In the new processes of urbanization, are the old relationships simply lost in the new, or are traditional networks and structures adapted? Finally, what policy conclusions should be drawn to inform urban management practices, as they relate to trade formalisation? Findings are discussed in terms of implications for urban management, planning practice and social capital theory

1. INTRODUCTION

Background: the growth and management of street trade

The restructuring of the global economy has affected the labour markets of cities in both North and South. Global and major cities in both have evolved increasingly bimodal labour markets (Sassen, 1991, Marcuse and van Kempen, 2000, Forrest et al, 2004). In the north, the growth in high-earning jobs in some sectors and at certain levels has been accompanied by a turbulent and insecure jobs market in lower-earning jobs (Buck et al., 2002). In a context of diminishing state welfare provision, this has resulted in a growth of informality at the low end of the job market, in both consumption (Williams, 2002) and employment (Smith and Macnicol, 2001), and in an increased reliance on informal means of finding work, notably, the ‘social mediation of skill’, or reliance on social capital (Watts, 2003, p. 1784).

In the South, the economic and political trends, disputes and reforms of the past quarter of a century have accelerated the concentration of Third World populations in dominant cities (Cohen, 2004) and contributed to a rapid growth of informal employment, further encouraged by institutional and administrative inefficiencies (Tokman, 1992, Cross 2000). Associated with the growth in informality has been a dramatic increase in informal street trade. Nowhere has this phenomenon been more rapid, than in sub-Saharan African cities, where growth in urban populations has been accompanied by only very limited job creation amongst the poor (Cohen, 2004, Jacques, 2000). Indeed in Ghana, over seventy percent of women earn their livings as street or market traders.
Despite the global and national roots of this trend, and despite its scale, it is largely ignored by national governments (Devas et al., 2001). Recent Poverty Reduction Strategy Papers have devoted barely a paragraph to the sector. Instead, much of the responsibility for dealing with informal trade falls to urban managers, who are forced to devise and implement policies to resolve the problems engendered as congestion grows, the pace of land use change is accelerated, and infrastructure and services are strained beyond capacity.

Policy responses to informal street-trade exemplify those applied towards the informal sector in general, and have been based on different approaches to both street-trading and urban governance (see Bromely, 2000, p5-10, for the pros and cons of street trading from an urban manager’s perspective). Broadly, these range from accommodative and facilitative interventions to prohibitive and exclusionary measures.

Across the developing world there is reluctance to accept informal trade, on the grounds that it hinders efficient operation of cities and ‘prevents progress’ (Rogerson, 1989; Jones and Varley, 1999, Hansen, 2000). Such a position has been driven by interests such as formal traders (from individuals to corporations), the tourism sector, private developers and conservationists (Middleton, 2002). It has given rise to prohibitive interventions, which seek to exclude and remove traders.

Over the past thirty years the underlying principles of the International Labour Organisation (ILO) policy and those of other organisations have shifted, indicating growing awareness of the inevitability of informal-sector activities, and of their income generating potential. Ensuing policies are aimed at removing exploitation and raising employment standards (Tokman, 1992). According to this paradigm, governments should concentrate on creating an enabling environment for the informal sector.

However, even where such an approach is adopted, formalisation policies are rarely entirely successful (Lyons, Smuts and Stephens, 2002), and often fail entirely, as informal traders return to occupy public space, formal market buildings stand empty, and traders often lose their livelihoods. As Devas et al. (2001) point out, it is much easier for local authorities to destroy jobs and livelihoods, than to create them!

Given the widespread failure of formalisation policies and the continuing search for an adequate policy response to the current rise in street trading, the present paper aims to contribute to the formulation of policies for management and formalisation, which are more sustainable in the long run, through analysis of survival strategies adopted by traders.

**Conceptual framework: Sustainable livelihoods and social capital**

In order to better conceptualise how traders operate, this paper draws on the DFID Sustainable Livelihoods Approach (SLA), a tool developed to better understand development actors. It was originally applied to rural farmers but has more recently been applied to the urban poor (Rouse and Ali, 2001), to identify actions, constraints and resources which affect the longer-term sustainability of their livelihoods in the face of adverse trends and shocks (Rouse and Ali, 2001, Scoones, 1998, Rakodi, 2002).

All urban residents suffer from problems such as congestion, land disputes, and safety and health hazards. Trends particularly affecting traders include: increased competition due to growing numbers of street traders and decline in alternative means of employment, reduction of customers due to decline in disposable incomes, and increased taxation. New traders experience exploitation and uneven access to resources (Rogerson, 1996, Friedman and Hambridge, 1991, Lund and Skinner, 1998, Castells and Portes, 1989).

Shocks vary from the general, such as major currency devaluations (e.g. that of 1994 which reduced the value of the FCFA by 50%), or forced displacement, to the personal, such as the loss of a partner or sudden costs, such as medical bills. Of course, some trends and shocks, such as the reduction of import duties, can be positive.
According to the SLA, actions can be a combination of individual and collective agency, resulting in political empowerment and economic self-improvement (Scoones, 1998). Actions draw on five forms of assets; financial, human, natural, physical, and social. Rakodi explains that the poor aim to “cope with and recover from stress and shocks, by stinting, hoarding, protecting, depleting or diversifying the portfolio (of assets); to maintain or enhance capability or assets” (2002, p6). This approach attributes agency to the poor (in as far as they can strategise) and emphasises their dual dependence on multiple activities and multiple assets, especially social capital, for survival. Among the poor, social capital has been widely correlated with household income (Grooteart et al, 2001).

The social capital of today’s urban poor is in flux. Phillips cites Beall (1997) in writing that “what emerges is a picture of dualism, with weakened social capital resulting from the breakdown of traditional relationships and networks, on the one hand, and on the other, a rich associational life resulting from the need to form new and varied reciprocal relationships and networks in the complex social milieu of the city” (in Rakodi, 2002, p137). In this view, inherited ties are giving way to unstable, contingent ties.

Many scholars have viewed social capital as primarily a family asset, acquired and manipulated by family members over generations, for the betterment of individual members and the family as a whole (Bourdieu, 1980). Research in a wide range of contexts has confirmed the potential entrepreneurial benefits of family social capital (Geertz, 1962), providing an infrastructure for informal financial institutions (Sanders and Nee, 1996), sharing information (Weidenbaum and Hughes, 1996) and providing relations of trust where formal institutions are weak (Milner, 1994, Gambetta, 1993). A high level of family social capital may also negatively influence entrepreneurialism by limiting investment capabilities and fostering mistrust of non-family relationships.

Traders may also benefit from wider ties developed in the market place. Adam Smith, and more recently Fukuyma (1995) observed that repetitive interaction in the market place reduces transaction costs through the development of trust and the reduction of uncertainty. Traders consciously develop ‘entrepreneurial networks’ (Anderson and Jack, 2002), going out of their way to construct relationships with other traders and potential moneylenders, as well as with relatives (Fafchamps and Minten, 2001). Such links developed in the market place may be viewed as contingent whilst family social capital can be termed inherited.

Whether social capital is inherited or contingent is not always clear. Many factors determine its nature. Weber argues that the spirit in which people approach capitalist accumulation is embedded in culture, particularly in religious faith (2001 [1930]). Historically the Moslem brotherhoods of Senegal have been an important source of social capital. In the setting of rapid urbanisation they have continued to play an important role in entrepreneurial networks (e.g. Ndione, 1994, Ribot, 1998). Whether their usefulness to traders is dependent on inherited, or contingent links is open to debate.

Political conditions may also influence the role of social capital. On the one hand, Bouchard (2002) argues that in Congo, financial associations are rare and low levels of trust, as a result of the instability of this war-torn country, ensure strict repayment conditions between individuals even of the same family (Bouchard, 2002). On the other hand in Kenya, a relatively stable democracy, grassroots microfinance organizations are widespread (Buckley, 1997).

Despite the importance of social capital to economic activities, there is a range of views among scholars as to whether social capital is the by-product of primarily social intentions, i.e. the by-product of associations and relationships based on sociability (e.g. Putnam, 1993), or whether it is a primarily economic-rationalist endeavour. Bourdieu famously described the economic function of the social life of the French landed gentry (Bourdieu, 1980) and the conspicuous consumption of socialites (2002[1984]) as work.. Similarly Coleman suggested (1988) that economic motives of members predominate in the formation of associations, which would not survive for long if their economic rationale were removed. All three
analyses share an understanding that all human relationships are likely to embody both social and economic functions.

To summarize, the principle aim of the paper is to show how poor urban informal traders use social capital to develop and support sustainable livelihoods. We ask:

- Are there significant differences in the survival strategies for which social capital is employed, among traders operating in different socio-economic, political or cultural contexts?
- In the new processes of urbanization, are the old relationships simply lost in the new, or are traditional networks adapted into new?
- Finally, what policy conclusions should be drawn to inform urban management practices, as they relate to trade formalisation?

METHODS

Following Portes (1989), informal trade was defined for the purposes of this paper as trade in legal goods and services, taking place outside the law. It should be noted that working outside the law can take place in almost any combination of a number of spheres. These include for example trading without a permit, trading outside formally designated trading location, non-payment of urban or national taxes, or self-provisioning of shelter. Moves between the ‘formal sector’ and ‘informal sector’ are thus of various types. Hawkers, otherwise known as ‘petty traders’ can be seen at one end of a continuum, with no formal shelter, often trading in undesignated spaces, although their goods may be acquired perfectly legally. At the other end of the continuum, are traders with established premises, licensed businesses, formal financial arrangements, and orderly tax returns. The concern of the present study, is with the role of social relations in enabling mobility among stages of formality. The sections below summarize the chosen research context, operationalization of concepts, and research strategy.

Profile of countries, cities and markets

Ghana and Senegal in West Africa were chosen as exemplars of rapid urbanisation against a context of different religious and social traditions. With some variation of indicators both countries are very poor. Both have encountered the impacts of economic structural adjustment and political liberalisation. Whilst Senegal has experienced on average higher rates of economic growth than Ghana, it continues to lag behind in literacy rates, per capita income and life expectancy.

Their primary cities, Dakar and Accra, were chosen as case studies.

The following similarities stand out:

- Rapid growth: Dakar has grown steadily since the turn of the century to encompass its peninsula. Its population is now over 2 million, a fluctuating but high proportion of whom are migrants. Accra’s population has also swelled rapidly to 2.5 million, thanks partly to migration.
- National role: Both cities are the economic focus of their country, as well as coastal ports. They attract rural to urban migrants from the interiors of the their countries; from the even poorer neighbouring inland countries (Mali, Burkina Faso, Niger); and from others (Guinee Bissau, Sierra Leone, Liberia and Cote d’Ivoire) in conflict.
- Urban services: Dakar and Accra resemble other African cities, in suffering from poor urban planning and sanitation, pollution, inadequate services and infrastructure and congestion. Car ownership in Dakar has increased 3-fold in 5 years, largely due
to the reduction of import duties, following structural adjustment. An inadequate road system is exacerbated by Dakar’s isolation at the end of a peninsula.

- Market provision: The municipal authorities of both capitals have sought to provide public market buildings and also encourage private investment.

There were also significant differences for which these two West African cities were chosen:

- In Dakar municipal efforts have focussed on the provision and management of buildings for fresh-food markets. Other trades find accommodation in the private sector or through self-provisionment. In Accra municipal buildings are numerous and multi-sectoral.

- Findings on the limited role of Christianity in trading in Kenya (Lyons and Snoxell. 2003), suggested the importance of a comparison with the role of Islam. Dakar is the only predominantly Muslim large city on the coast of West Africa, and offers a fertile ground to study the role of religion in trading because of the central position of the brotherhoods in trading and the economy in general (Guèye, 2002).

Finally, four markets were selected.

**Madina Market:** Madina is a rapidly expanding suburb of Accra, in a peri-urban location, still formally outside Accra boundaries. The Greater Accra (GA) District Assembly developed the market with support from international donors within the framework of the government's village market development strategy. The objective was to upgrade physical infrastructure and lately to improve revenue collection, refuse removal, security and general environmental health. On Saturdays, it acts as a regional market. Most first-floor shops stand empty, but surrounding streets are busy with a wide range of formal and informal shops. In a preliminary survey approximately 2200 traders were counted in the market and its immediate vicinity.

The more central New Makola no. 2 Market is one of only two privately owned and managed markets (by a consortium of private and public investors) in Accra,. It houses some of the traders displaced from a city-centre site. Due to access problems and high rents, close to one third of shops are empty, or used only as stores. In a preliminary survey approximately 1000 traders were counted in the market and its immediate vicinity.

In Dakar, the sprawling **Sandaga Market**, acts as the heart of the city's economic activities and has acquired cultural and political significance. At its heart (run by the municipality) are sold meat and vegetables and on the adjoining streets shops of all sizes (many run by Lebanese) sell a wide range of products. Attempts to reduce traffic have succeeded and an adjacent shopping mall has recently opened. Although the environs of the market, including the streets, are thronged with trade, many stalls in the middle are much quieter. In a preliminary survey approximately 3000 traders were counted in the market and its immediate vicinity.

**Colobane Market** has also spilled over into surrounding streets and with it, pollution, congestion and tension sometimes resulting in violence. The market specializes in imported clothes and is dominated by recent male migrants. Buildings are of poor design and construction. One municipal building has stood almost empty since 1984. Private redevelopment of Colobane, aiming to house 1800 new stalls, was on-going at the time of the field surveys in early 2003. In a preliminary survey approximately 2800 traders were counted in the market and its immediate vicinity.

**Research strategy**

Two hundred and sixty four semi-structured, two-three hour, interviews were held with traders in the four markets, selected on the basis of a stratified sampling procedure. These were supplemented by key informant interviews in the municipality and with market officials. Below, the sampling procedure is outlined, the issues investigated through the interviews are explained, the terms used in the study are defined, and selection of case study areas is explained.
Stratified sampling was employed, with equal numbers of traders selected on:

1) spatial relationship to the formal provisions of the market, with each of the four markets being mapped to identify: municipal market buildings, private-sector commercial buildings (malls and shops) and self-provisioned trading areas (generally in the public domain);

2) level of shelter provision (shops, stalls, trading tables and hawkers);

3) five commodity sectors, including: perishable foods, non-perishable foods, electronics and household goods, cloth and clothes, and cosmetics.

The selection of traders within the resulting clusters was not formally randomised.

To ensure that sufficient information about the business and its management was available, interviews were terminated unless the traders interviewed owned their business, or managed the business in which they worked. The interviews focused, on the one hand, on the role of social capital in overcoming entry barriers into trade, vulnerability arising from unstable and unpredictable earnings levels, and vulnerability arising from lack of shelter or lack of security of tenure (i.e. adverse trends and shocks). On the other hand, the research explored the role of social capital in opportunities for strategizing and the enhancement of assets and capabilities such as effective financial investments and access to networks of mutual aid, and in opportunities for economic growth such as maintaining and finding loyal and good customers and suppliers. Socioeconomic background, cultural background and change over the life course were identified through accounts of current and retrospective work and personal histories. Such detailed accounts allowed a better understanding of respondents’ histories of contingent and inherited social capital use as well as survival strategies.

The present paper focuses on the social components of the material aspects of sustainability (Rakodi, 2002, p.6): success was measured by acquisition of ownership and improvement of shelter, and a range of success levels was represented through the sampling frame.

Membership of savings groups or microfinance organizations was selected as an indicator of the gradual, and possibly strategic accumulation of assets, which would allow eventual integration with the formal financial sector, or preempt the need for it. In particular, research in Kenya has suggested that membership of such associations allows strategic management of financial capital and access to savings or loans for investment and expansion (Buckley, 2002, Lyons and Snoxell, 2003). This was envisaged as primarily an arrangement among peers, and therefore as the application of bonding social capital among traders. High levels of trust are required in such arrangements, and the research attempts to identify whether these are found primarily in inherited or contingent relationships.

Membership of market or welfare associations was selected as an indicator of developing vertical, or linking, social capital. Such associations provide the opportunity for individual traders to associate with other traders at different levels of economic and political influence. On occasion, welfare associations can be harnessed, as a bargaining counter with political or administrative authorities, on behalf of the group as a whole, or of individual traders (Lyons and Smuts, 1999). Thus both individuals and groups may develop vertical social capital through such associations. Because of the potential for political influence, associations may also be exclusionary (Putzel, 1997). Is there evidence of a strong traditional, inherited base or of contingent links, which bind traders to such associations?

The contingent or inherited basis of two other contacts were also investigated. People who had helped traders to establish a relationship with important suppliers or customers, were selected as one important indicator of the operationalization of social capital to overcome an adverse trend, i.e. the increasing competitiveness of vending in the urban market place; while contacts who had helped traders get access to borrowing to overcome a crisis, were selected as an important indicator of the operationalization of social capital to overcome shocks.
FINDINGS

1. The traders

The traders interviewed were selected according to criteria describing their businesses, comparably, across the four markets. Their demographic and personal characteristics varied.

Table 1.1 about here

Senegalese traders we interviewed were generally younger than their Ghanaian counterparts. Whilst this may be a result of sampling discrepancies it may also reflect more recent growth of street trade in Senegal. It is also likely to reflect lower school leaving ages in Senegal, as Senegalese traders were very much more likely to have begun full-time work as children, and to have had no formal education.

In line with others’ observations about Ghana’s informal sector, particularly trade (Ocran, 2003), women dominated the markets of New Makola No.2 and Madina,. In Senegal women are less likely to be economically active (UN, 2003) and, as traders, dominate mainly in certain foods (CIDA, 2003). The majority of respondents in our broader sectoral sample of traders in the Senegalese markets of Colobane and Sandaga were men.

The interviews elicited information about present jobs and previous jobs, covering traders’ working lives, which varied in length from two to forty years.

Rise or fall in status between jobs was summarised in terms of status in the business (owner, manager, employee, self-employed hawker), and in terms of shelter quality e.g. moving from a stall to a shop (upward) or from a shop to a stall (downward).

Mobility rates into and out of ownership were very high. Of 149 people who owned their business at the time of interview, and for whom this was not their first job, only 56 (37.6%) had owned a business in their previous job, and only 10 (12%) had owned a business in their previous job but one.

It is noteworthy that outright ownership of a business was more common among the women interviewed. Men worked in a broader set of relationships than women, including as employed managers, partners, trusted family members or apprentices, while women were more likely to be self-employed. This sample characteristic seems to reflect the widely held view that even in the informal sector men are more likely than women to work within a hierarchical setting (CIDA 2003) and thus enjoy more vertical social capital

Mobility rates were also high in terms of shelter quality. In other words fluidity in trading status seems to have increased. Well over half the people interviewed had improved their quality of shelter from their previous job (66.7%), while 27.3% remained at the same level. People who had had two or three jobs previously reported much lower rates of upward and downward mobility in earlier, than in current jobs (well over 35%). This may reflect the fact there have been both winners and losers from the interventions in markets in both cities over the past fifteen years (i.e. the construction of some market buildings and the destruction of others), although further research is required to differentiate the formal from the informal sector.

Status mobility rates (based on ownership and type of shelter) were similar in the two countries, and similar for men and women. However, education and, to some extent, also marital status were important predictors of a trader’s overall trajectory: Overall downward mobility was most common among traders with no education (significant at 5%), or who were widow(er)s (although not significant at 5%). In contrast, overall upward mobility was most common among more highly educated traders. This supports findings elsewhere that the
poorly educated, the elderly, and widow(er)s are particularly vulnerable, and suggests that adverse trends or crises in the market-place may affect them disproportionately.

The high level of changes between sectors also reflects the extensive mobility of traders. Many traders moved between modes of production, with tailors and dressmakers moving into sales of cloth or clothes, or perishable foods sellers, among whom such moves were most common, moving between sale of home-cooked food, restaurant management and vegetable sales. Among all traders, women were twice as likely as men to make such moves in employment. Among traders who made such employment moves, women were twice as likely to have made two moves or more. That women were found to be more mobile than men deserves further research and reflection.

Qualitative questions suggested that among women these moves were closely linked to their reproductive roles, arising from changing obligations to husbands, children and the home. While this finding may suggest that women are more reactive than men, it appears to have been a fruitful strategy. Traders who moved between production sectors, particularly women, were more likely to have been upwardly mobile in terms of shelter quality and in terms of ownership status, i.e. acquiring ownership of better-quality accommodation, over the course of their career (significant at 1%).

2. Migration and Securing work

Family relations, or inherited social capital, played a critical role throughout peoples’ lives, in entering trade, or in supporting mobility within it.

They were critical in enabling migration to the big city. Of the 134 traders who migrated to Accra or Dakar from the provinces, 90.7% identified a family member as the main source of help. There were many accounts of help with housing or information about housing.

Family connections were also more important than any others for finding a position as, or with a trader. The data presented in Table 2.1 is based on traders’ accounts of their working lives. Traders were asked to characterize the people who had helped them with access to jobs. Up to nine categories could be identified for each contact. Overwhelmingly, traders depended on family help for finding employment throughout their career, though especially when securing their first job. For example, among those traders for whom their present job was also their first (not shown), 60.9% had been helped by family members, in contrast to 51.4% of all traders.

A final stage of analysis tested the influence of time on the importance of family ties in finding work. No significant difference was found over the time period in terms of the importance of family ties in securing either first jobs or subsequent jobs. The continuing identification of family contacts as pivotal to finding work was similar in Ghana and Senegal, and among men and women (see Table 2.2), in different religious groups and age groups, and across all product sectors, as well as over time.

Table 2.1 and Table 2.2 about here

Thus the evidence from these traders is that family ties remain important in a largely migrant urban market-place, and suggests a strong continuing role for traditional, or inherited, social networks even in an urbanized context.

Nevertheless, identifiable in all analyses is the consistent decrease in the importance of family contacts from one job to the next. Although not statistically significant, this decrease is consistent across sexes, countries, markets, ages and sectors, and suggests that other relationships may gain importance over time.
While getting a job or a business is a crucial first step, commercial activities are essential to both maintaining a livelihood through adverse shocks and trends and business growth. As explained above, two types of association were investigated for their potential to assist with long-term commercial stability and growth: the savings group and the welfare or market association.

3. Operating as a trader: savings groups

Research in Kenya has established the importance of a continuum of formal and informal savings associations among poor urban entrepreneurs (Buckley, 1997). Their value in the development of long-term social and economic strategy has been noted among urban traders in particular (Lyons and Snoxell, 2003).

For the purposes of the present study the definition of savings group included an intermediate range of local mutual credit associations and micro-finance NGOs, as well as informal savings arrangements (known as tontine in Senegal or susu in Ghana). Despite this, membership rates in both West African countries were relatively low in comparison to Kenya at 35%. This supports Buckley’s findings (40-60% in Kenya, against 37% in Ghana).

Explanations for non-membership proffered by traders in Ghana emphasized lack of trust: “No Ghanaian can ever trust another with money”, said Mercy (name changed), a cassava trader in Madina Market. “The competition among traders is too fierce [for such trust to develop]…” said a local bank manager, “…even leading to ‘ditching’” (physical undermining of a stall). Accounts of Susu collectors, who had absconded with funds, were common among traders.

Despite this, a strong savings sector was found in the Ghanaian markets. Not-for-profit financial services, run by local and international organizations, were heavily supplemented in Ghana by private-sector enterprises. The major banks and insurance companies view the trader-savings sector as business worth competing for, and have each developed savings-and-loans packages based on a synthesis of modern banking principles and the traditional practices of the Susu. Indeed, the director of one NGO considered its survival threatened by this corporate ‘competition’. In another interview, the director of the market branch of a rural bank favourably compared profit rates with those of his previous branch of Barclays Bank.

There is a widespread and well-documented tradition of ‘tontines’ (rotating savings groups) in francophone West Africa (Mayoukou, 1994). This study found that savings-group membership was far higher in Ghana (48.6%) than in Senegal (17.4%). The reason most commonly given by Senegalese traders for not saving, was not lack of trust, but simply poverty. Nevertheless, savings-group membership disproportionately attracted members of certain vulnerable groups, more than others: women, traders with no formal education, and hawkers, were more likely than average, to save in such associations (Table 3.1). These seeming contradictions clearly call for further research.

All savers were asked to identify the benefits of membership, and the reasons given in the four markets were very similar. The most commonly identified benefit was the discipline of regular savings imposed by group membership (67.1%). Access to borrowing was considered more important among men than women (66.7%, against 44.3%), and more important in Ghana than Senegal (48.6% against 26.3%). Among all traders, however, these directly financial benefits were closely followed by the opportunity to make friends (57.3%). This confirms findings elsewhere, that savings groups perform both a financial and a socializing role and may go some way towards explaining the attraction of these associations to members of more vulnerable groups.
4. (Co)operating as a trader: welfare associations

In contrast to savings groups, welfare associations were almost universally popular. These included both those welfare associations related directly to the market, such as the welfare branch of product associations in Ghana, and associations based on religious, or other affiliations.

Lowest membership rates prevailed among the youngest traders, and those most recently arrived in the markets, but even these were in excess of 43%. Membership rates increased with age and with tenure in the market and, although higher among women than among men (57.9% and 41% respectively, significant at 1%), this difference was clearly far smaller than the gender differences in savings group membership (49.1% and 12% respectively). Membership was close to 50% or above at all trading levels, except among hawkers.

The single most common benefit of membership named, in both Ghana and Senegal, among both men and women, was the opportunity to make friends in the market-place (81.8% of members).

Financial support was least likely to be named as a benefit (46.2%), but access to information and influence over decision making in the market were considered relatively important (59.2%), particularly by Ghanaians (74.7%), and among women (76.9%). Protection from pressing debt collectors or racketeers was surprisingly likely to be named by all groups (between 60% and 66%).

Thus, like savings associations, welfare associations serve both functional purposes in the facilitation of trade, and a related socializing role in the market-place. Savings and welfare associations contribute to the development of stable trading, through the development of financial mechanisms, and of networks of friends and relationships of trust and influence.

5. Surviving shocks: Financial crisis

The value to a trader’s livelihood of such opportunities for cooperation becomes even more apparent when the precariousness of most market livelihoods is understood.

When asked whether they had ever had to borrow to survive a crisis, over half (57%) of traders replied in the affirmative. Only five replied that, not only had they never borrowed, but also never would. “You must live with what you have” said Joseph, a shoe seller in Accra (name changed), and “If you start borrowing you will never get out of it” (Kwesi, household goods seller, Accra, name changed), epitomizing the views of a handful of traders. Many others expressed views which suggested that they not only borrowed to survive a crisis, but planned to borrow in the longer term and on a larger scale, in order to expand their businesses (although except for a small number of cases, this was probably at best a long-term ambition, without means of implementation).

There was remarkable uniformity in the prevalence of crisis borrowing among different groups of traders. Rates in the four markets were similar (ranging between 53.4% and 60.4%), differences between men and women were negligible (56.5% and 57.2% respectively) and religion was no predictor (58.1% of Moslems and 55.4% of Christians).

In contrast, variables commonly associated with vulnerability were significantly associated with borrowing rates. The tendency to borrow was inversely related to educational level, varying from 70% of traders with no formal education, to 25% of traders with high-school or college education (significant at a 5% confidence level).

Borrowing was also far more common among widows and widowers (90.1%) than among any other marital group (52%-56%), and was somewhat more common among the oldest tercile of...
traders, aged 42-80, although that difference was not quite significant at 5%. Thus, crisis borrowing was a ubiquitous survival strategy, but most common among more vulnerable groups.

Although the primary motive for borrowing may be short-term, the impact of borrowing can be long-term. Among traders with no formal education both overall shelter mobility and overall mobility of ownership levels over the course of traders’ careers were positively associated with crisis borrowing (the former significant at 1%, the latter at 5%). Upward mobility of shelter or ownership over their career was also more positively associated with crisis borrowing for the oldest traders (aged over 45), although this was not quite significant at 5%.

The primary cause of crisis was the need to restock. The shortage of cash for restocking arose through a variety of mechanisms, including goods lost through theft, flood damage or delays on the roads, sudden illness or accident, or occasionally through continuing burdens, such as the illness of a family member or school fees.

Lending took two main forms: stock on credit, and cash. Ghanaian traders were overwhelmingly more likely to borrow on credit (75.4% against 28.1% in Senegal), as were women and the better-educated traders.

Traders were asked to classify the requirements as being flexible or rigid, long-term or short-term. Remarkably, very similar loan terms were identified for borrowing on cash or credit, in Ghana or in Senegal. The levels of interest charged were considered low or negligible by well over 80% of borrowers, regardless of religion, sex, educational level, marital status, sector of goods traded, or any other differentiating variable, while more variation was reported over the repayment period. It is indeed significant that the vast majority of traders only took loans on very good terms. Bad terms are simply not a livelihood option in that context.

Although borrowing was a common strategy, access to borrowing was not universal, and several people interviewed suggested that they could not find anyone to lend to them in a crisis. Access to a willing lender was clearly a crucial component for borrowing. Where were such contacts found?

6. Social networks and cooperation among traders

Section 1 profiled the traders in our sample and identified women, the uneducated, and the widowed as particularly vulnerable groups, in a generally dynamic environment. Section 2 identified the continuing, though diminishing, importance of relatives in migration and obtaining work. Section 3 and 4 showed that savings and welfare groups played a dual role, in directly supporting the viability of a trader, and in socializing traders into the market place, and that these associations were regarded as more important by members of more vulnerable groups. Section 5 demonstrated that access to borrowing in a crisis, particularly on good terms, was important to traders at all levels, in the long-term as well as the short-term, and that loans were not universally available.

In the present section we ask: Were the contacts which enabled these functions based in family networks, shown above to be important for access to work, or is the development of new networks, contingent on the market-place, important too?

In order to address this question, traders were asked to describe the person who had helped them make contact with their savings group, welfare association, crisis lender, and good customers or suppliers.

Table 6.1 about here
Table 6.1 summarizes data from nine dichotomous variables characterizing contacts for each of the four activities. ‘Family’ includes all relatives; ‘market friends’ includes friendships made or maintained through the market; ‘other friends’, aggregates friendships made in a variety of environments (home neighbourhood, place of origin, or place or group of worship or study).

Of 143 traders who responded to the question on how they knew the person who introduced them to their savings groups, 18 (or 12.6%) identified a family link, 59 (41.3%) identified a link with market friends, and 26 (18.2%) identified a link through other friendships. The three categories are not mutually exclusive (hence the column totals in Table 6.1 do not add up to 100%).

Although close to half of the traders who had had to borrow in a crisis found their lender at least in part through family networks (43.2%), only 12.6% of savers had acquired their membership of a savings group through a family member. Clearly, the role of family networks in savings groups is less important, than in finding a job.

Instead, friends made in the market place (‘market friends’) were the single most important source of contacts for all four activities, having been named by close to forty percent of members as an important contact with their savings or welfare associations, while 58.8% and 64.2% respectively named friends made in the market place as contacts with good customers or suppliers, or with a lender. Family ties were closely comparable in importance to market friendships only in access to welfare associations.

Although market-place friendships were important for sustainability of trading livelihoods, they did not entirely displace other, inherited networks, but at least in part, built upon them. This is evident from the overlapping sources of contact in some cases. Particularly striking, is the overlap between market friends and brotherhood members in the markets of Senegal (over 80%). It was also found that a significant proportion of those whose welfare group contact was a friend in the market, also had made their contact through, other friendships (40%), family relationships (over 30%), and neighbours (29%). The conclusion is that traders either have multiple characteristics in common with their contacts or that they find different contacts through different sources.

For the more strictly financial relationships required by savings groups, overlaps are very much smaller. Only 30% of Senegalese savings groups members quoted both market friends and brotherhood members, while the overlaps between market friends and other friends, relatives, neighbours, church members and ethnic group, were also less common (generally significant at 5% or 1%). Least common were overlaps between market friendships and others in the case of contact with lenders.

While some old ties are weakened by these processes, others are strengthened. The Mouride Brotherhood in Senegal is a case in point. Membership of the brotherhood serves as an introduction to customers and suppliers in the market place. This was attested in interviews by hawkers, who needed to be trusted by wholesalers, and by wholesalers, worrying about which hawkers to trust with their goods. At the same time, the heavy dependence of traders on their brotherhood membership has reinforced the political and financial influence of the brotherhood, which acts, inter alia, as a pressure group in all trade policies in the country.

The role of the church in Ghana is equally interesting. Similarly to the traders interviewed in Kenya (Lyons and Snoxell, 2003) virtually every trader interviewed explained that financial and trading matters were kept separate from the church and that church members should not be involved in loans or savings associations. This separation of the ‘spiritual’ and business domain was the most marked difference in the approach to social capital and livelihoods between Ghanaian and Senegalese traders.
Different associational memberships play diverse roles in peoples’ business lives. Joining a savings group does not serve the same function as a welfare association, and should therefore be seen as an unrelated investment of time and effort.

Although the various socio-financial activities serve different functions, these do interact. In other words, being well linked into one domain, may have an impact in another. It is interesting to note that multiple contacts (i.e. through different networks and acquaintances) with savings groups bore no relation to borrowing rates. The extent of traders’ contacts with their welfare associations, on the other hand, showed significant positive correlation with borrowing rates. This suggests that the welfare association, often described by traders as primarily social, may have a broader economic function in socializing traders into a business network. This possibility requires more investigation.

Multiple links were found to have an impact on the term of the loan. Having more connections within an ethnic group, a home neighbourhood or with fellow migrants was positively and significantly (at 5%) associated with flexibility of payment times, as were connections with family members or other friends.

However, it is important to stress that the biggest difference in access to lending was associated with the number of friendships made in the market-place: having no such friends was associated with sharply reduced borrowing rates, while having two or more such friends was associated with far higher rates (significant at 1%).

**SUMMARY AND CONCLUSIONS**

The introduction to this paper identified the growing importance of social mediation in access to low-paid work in today’s insecure job market, and analysed some of the main strands of writing on social capital, sustainable livelihoods, informality and informal trading. The paper then explored the relationships drawn upon by traders to support their livelihood strategies.

Three questions were posed:

- Are there significant differences in the survival strategies for which social capital is employed, among cultures, political contexts and trading levels?
- In the new processes of urbanization, are the old relationships simply lost in the new, or are traditional networks transmogrified into new?
- What policy conclusions should be drawn to inform urban management practices, as they relate to trade formalisation?

Despite their relative proximity, Ghana and Senegal are very different countries in terms of religion, and gender relations, and also show variation in education, economic conditions and political structure. Nevertheless, the findings presented above show more similarities than differences in the role of social networks in successful trading.

Under enormous pressure of competition in the market-place, and faced with a range of shocks over their life course, traders draw heavily on social capital to underpin both short-term and long-term livelihood strategies.

Findings confirmed that family ties are consistently important in accessing trading jobs and positions and that, although their importance diminishes over the life course, they remain the most important source of contacts for job finding throughout traders’ careers.

However, family was secondary in day-to-day operation in the market-place. Survival in business required cooperation over a number of activities of varying degrees of formality. Important among these were information leading to contact with good customers or suppliers, membership of savings groups and welfare associations, and contact with potential lenders. These functions were important to short-term and long-term sustainability of trade.
Access to all four functions was mediated primarily by friendships made in the market-place. In particular, access to borrowing in a crisis had been critical for well over half the traders interviewed, and access to lenders was most heavily dependent on market-place friendships.

Market-place friendships were actively cultivated, and in some cases involved the use of other ties, particularly through the development of welfare associations. Most notably in Senegal, affiliation with a brotherhood was consistently important, but other sources of friendship were also drawn upon, including family, neighbourhood, and other friendships.

Thus in both cultures, certain old ties remain central to success, while others are incorporated into the new relationships being forged.

The implications of these findings for urban policy are far-reaching. Family relationships are likely to survive work-place change. However, processes of formalization or regulation which displace many traders from the market-place, whether through physical or fiscal means, are likely to leave gaps in the networks of mutual dependence upon which most traders’ entrepreneurial strategies depend. They thus risk directly damaging the livelihoods of those traders who are not incorporated into the new arrangements; and at the same time damaging indirectly the livelihoods of other traders, who have been involved with those who were displaced.

While the patently reasonable caveats about the ‘dark side’ of social capital must be born in mind, these findings strongly suggest that participatory approaches should be adopted in the development and implementation of formalization policies; and that policies should aim to be conservative of social fabric. Moreover, this suggests that traders should be regarded as individuals, and not as interchangeable entities.

The findings also serve to identify traders with no formal education, or who have been widowed, as particularly vulnerable groups whose members are less likely to survive transitions successfully, and are more heavily dependent on market-place social capital. This suggests that certain developmental policies could usefully be targeted at such groups in the market, in particular, microfinance arrangements.

The similarities of survival mechanisms for traders of different sex, religion, market, sector and country, suggest that the rapid growth of markets may present very similar challenges to traders in many cities. In turn this lends support to a growing tendency in the urban management field to accept that policies conservative of social and physical fabric could usefully be more widely adopted and that these policies “…need to reach deeper into the concerns of local people, rather than the priorities of statutory funders, as a basis for service provision and local planning” (Shirlow and Murtagh, 2004).

The similarity of the findings presented, despite the different management structures of the four markets studied, suggests that these principles should be applied by any developer with a developmental agenda, whether from the private or public sector.

At a more theoretical level, the research aimed to contribute to an understanding of the mutual relationship between urbanization and social capital formation. Debate on social capital presented in the introduction to this paper, identifies the importance of long-term relationships, particularly to family and locality, as two important components of social capital, and suggests that these are eroded, rather than reinforced by the migration process. This research is the first, to our knowledge, which attempts to disaggregate and compare the importance of constituent sources of social capital. The conclusion we have drawn is that there is little evidence of the loss of importance of family social capital in traders’ lives, but that the web of relationships on which they depend must broaden, if they are to survive or even prosper. In developing and sustaining their urban livelihoods, traditional ties continue to be important to the traders in this study, but they depend heavily on new sources of social capital as well.
The findings also suggest that, in the case of urban traders, who operate in a constrained, fluid and unstable environment, social capital is less usefully viewed as primarily a group asset or an ecological good (Putnam, 1993), and more usefully viewed as primarily an individual asset. This closely supports Coleman’s interpretation (1988), and subsequent analyses of entrepreneurs e.g. Woolcock (2002).

The formation of civic groups capable of self-government and negotiation has been suggested by Putnam to be the foundation of good governance (Putnam, 1993). Much as observed by Coleman (1988), however, we would argue that this aggregate social function is a by-product and that the social ties described above are primarily vital for individual survival, i.e. that individual needs drive and sustain social capital formation in the market. Thus, in the survivalist societies observed in this research, it is not surprising that political or campaigning organizations struggle to emerge in markets.

While the present paper has focused mainly on survival strategies used, further research is needed into the motivations of the individuals concerned. This would focus on the relative role of sociability, comfort and emotional succor, on the one hand, and of such economic-rational motives as access to information and financial safety nets on the other, as individuals’ primary reasons for forming organizations or joining them.

Taking a longer view, further research is needed to analyze the changing relationship between sociability and rationality in the formation of market-place social capital and its variation over traders’ life course.

The high proportion of first-generation migrants in among the traders in this study suggests that further longitudinal or comparative research could also be usefully applied to identify whether the features of trader society identified in this study reflected an interim stage of urbanization, perhaps characterizing a society largely comprised of first-generation migrants.

Finally, the importance of market-place friendships for survival and stability of livelihoods, suggests that markets should not be relocated or removed in the process of formalization, without thorough consultation, and suggests that further research would be useful to seek mechanisms for the development of markets which draw on investment and management by traders.

REFERENCES


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ROGERSON, C.M. (1989)


WIEGO http://www.wiego.org/
## TABLES

### Table 1.1: Trader profile

<table>
<thead>
<tr>
<th>Market:</th>
<th>female (%)</th>
<th>with no formal education (%)</th>
<th>Migrants to city (%)</th>
<th>aged over 42 (%)</th>
<th>Began FT work under 16 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(N)</td>
<td>(N)</td>
<td>(N)</td>
<td>(N)</td>
<td>(N)</td>
</tr>
<tr>
<td>Colobane</td>
<td>20.7 12</td>
<td>51.7 30</td>
<td>70.7 41</td>
<td>17.2 10</td>
<td>31.0 9</td>
</tr>
<tr>
<td>Sandaga</td>
<td>38.6 22</td>
<td>43.9 25</td>
<td>66.7 38</td>
<td>28.1 16</td>
<td>39.5 17</td>
</tr>
<tr>
<td>Madina</td>
<td>87.8 65</td>
<td>10.8 8</td>
<td>70.3 52</td>
<td>39.2 29</td>
<td>0.0 -</td>
</tr>
<tr>
<td>New Makola no. 2</td>
<td>85.7 60</td>
<td>14.3 10</td>
<td>64.3 45</td>
<td>48.6 34</td>
<td>2.9 2</td>
</tr>
<tr>
<td>total</td>
<td>61.4 159</td>
<td>28.2 73</td>
<td>68.0 176</td>
<td>34.4 89</td>
<td>13.3 28</td>
</tr>
</tbody>
</table>

### Table 2.1: Help with finding jobs

<table>
<thead>
<tr>
<th></th>
<th>present job (N)</th>
<th>one job previously (N)</th>
<th>two jobs previously (N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>no help</td>
<td>N 75 (29.4)</td>
<td>N 49 (26.2)</td>
<td>N 27 (27.0)</td>
</tr>
<tr>
<td>family</td>
<td>N 131 (51.4)</td>
<td>N 102 (54.5)</td>
<td>N 59 (59.0)</td>
</tr>
<tr>
<td>friends</td>
<td>N 49 (19.2)</td>
<td>N 36 (19.3)</td>
<td>N 14 (14.0)</td>
</tr>
<tr>
<td>total</td>
<td>N 255 (100.0)</td>
<td>N 187 (100.0)</td>
<td>N 100 (100.0)</td>
</tr>
</tbody>
</table>

### Table 2.2: Importance of family in job finding by sex and country: (percent of traders naming family members as crucial contact in job finding)

<table>
<thead>
<tr>
<th>Job:</th>
<th>present (%)</th>
<th>one previous (%)</th>
<th>two previous (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N (%)</td>
<td>N (%)</td>
<td>N (%)</td>
</tr>
<tr>
<td>Ghana</td>
<td>73 (50.7)</td>
<td>68 (54.8)</td>
<td>45 (57.7)</td>
</tr>
<tr>
<td>Senegal</td>
<td>58 (50.4)</td>
<td>34 (54.0)</td>
<td>14 (63.6)</td>
</tr>
<tr>
<td>Men</td>
<td>47 (47.0)</td>
<td>33 (55.0)</td>
<td>14 (58.3)</td>
</tr>
<tr>
<td>Women</td>
<td>84 (52.8)</td>
<td>69 (54.3)</td>
<td>45 (59.2)</td>
</tr>
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</table>
### Table 3.1: Rates of saving group membership

<table>
<thead>
<tr>
<th></th>
<th>Ghana</th>
<th></th>
<th>Senegal</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(N)</td>
<td>(%)</td>
<td>(N)</td>
<td>(%)</td>
</tr>
<tr>
<td><strong>savings rates</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>men</td>
<td>19</td>
<td>31.6</td>
<td>81</td>
<td>7.4</td>
</tr>
<tr>
<td>women</td>
<td>125</td>
<td>51.2</td>
<td>34</td>
<td>41.2</td>
</tr>
<tr>
<td>no formal education</td>
<td>18</td>
<td>55.6</td>
<td>55</td>
<td>20.0</td>
</tr>
<tr>
<td>matric or above</td>
<td>60</td>
<td>45.0</td>
<td>13</td>
<td>7.7</td>
</tr>
<tr>
<td>age FT: youngest tercile</td>
<td>33</td>
<td>54.5</td>
<td>48</td>
<td>16.7</td>
</tr>
<tr>
<td>age migrated: youngest tercile</td>
<td>18</td>
<td>66.7</td>
<td>39</td>
<td>23.1</td>
</tr>
<tr>
<td>self-employed hawker</td>
<td>11</td>
<td>63.6</td>
<td>18</td>
<td>22.2</td>
</tr>
<tr>
<td><strong>All traders</strong></td>
<td><strong>144</strong></td>
<td><strong>48.6</strong></td>
<td><strong>115</strong></td>
<td><strong>17.4</strong></td>
</tr>
</tbody>
</table>

### Table 6.1:
**Means of knowing person with whom traders cooperate in business**

<table>
<thead>
<tr>
<th>contact with:</th>
<th>Customers &amp; suppliers</th>
<th>Savings group</th>
<th>Welfare Association</th>
<th>lender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source:</td>
<td>N (%), N (%)</td>
<td>N (%), N (%)</td>
<td>N (%), N (%)</td>
<td>N (%), N (%)</td>
</tr>
<tr>
<td>family</td>
<td>56 (22.8), 18 (12.6)</td>
<td>48 (33.6), 64 (43.2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>market friends</td>
<td>158 (64.2), 59 (41.3)</td>
<td>57 (39.9), 87 (58.8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>other friends</td>
<td>91 (37.0), 26 (18.2)</td>
<td>48 (33.6), 44 (29.7)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>all respondents</td>
<td>246</td>
<td>143</td>
<td>144</td>
<td>143</td>
</tr>
</tbody>
</table>
APPENDIX 3
DISSEMINATION AND PUBLICATIONS
APPENDIX 3
DISSEMINATION AND PUBLICATIONS

Dissemination has been carried out through workshops and seminars (see Sec. 3.1, below) professional publications (Sec. 3.2) conference presentations (Sec. 3.3), and the development of a research and practitioner network (Sec. 3.4).

Table 1: Summary of outputs (proposed and achieved)

<table>
<thead>
<tr>
<th>Output type</th>
<th>Proposed</th>
<th>Achievements to date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seminars (Section 3.1)</td>
<td>Dakar</td>
<td>Completed, Nov. 03</td>
</tr>
<tr>
<td></td>
<td>Accra</td>
<td>Completed, Dec. 04</td>
</tr>
<tr>
<td></td>
<td>Durban</td>
<td>Planned to take place in Johannesburg, Nov. 2004</td>
</tr>
<tr>
<td></td>
<td>London</td>
<td>Completed, June, 03</td>
</tr>
<tr>
<td>Seminar proceedings (Section. 3.2.1)</td>
<td>Publication and distribution</td>
<td>In revision</td>
</tr>
<tr>
<td>Good practice manual (Section. 3.2.1)</td>
<td>English</td>
<td>Published, in distribution</td>
</tr>
<tr>
<td></td>
<td>French</td>
<td>Published, in distribution</td>
</tr>
<tr>
<td>Academic papers (Section 3.2.2)</td>
<td>English (1)</td>
<td>Three (3) articles (one in revision, one in submission, one in preparation)</td>
</tr>
<tr>
<td></td>
<td>French (1)</td>
<td>Three (3) articles, as above</td>
</tr>
<tr>
<td>Presentations (seminars and conferences, Section 3.3)</td>
<td>Two planned</td>
<td>Nine presentations made</td>
</tr>
<tr>
<td>Informal Trade Network (Section 3.4)</td>
<td>-</td>
<td>In development</td>
</tr>
</tbody>
</table>

3.1 WORKSHOPS / SEMINARS
Three workshops have been held so far, and a fourth is being planned.


Organized by the Urban and Peri-Urban Research Unit and hosted by London South Bank University, this project brought together a group of UK development practitioners and researchers involved in issues related to street trade and market
formalization with the research team and those members of the steering committee who were able to attend.

A draft of the good practice manual was circulated in advance to all invitees, together with a project summary and a summary of findings. Colleagues were asked to comment on the draft.

Responses were presented at the workshop, and discussion developed. Conclusions, including written and verbal commentary from people who were unable to attend and from collaborators and stakeholders abroad, were then incorporated in a final version.

A further outcome of this workshop has been the formation of an Informal Trade Research Network, to be hosted initially at London South Bank University (see Sec. 3.4 below).

3.1.2. “Seminaire – atelier sur le theme: la modernisation et le developpement durable des marchés urbains”, CREA, 24.11.03, University Cheikh Antah Diop, Dakar, Senegal

Co-organized by Centre de Recherches Economiques Appliquées together with London South Bank University and hosted by the Université Cheikh Antah Diop

The workshop brought together twenty five participants from local government (Dakar metropolitan authority), national government (the national Department of urban and physical planning, and the ministry for economics and trade), trader representatives from the markets of Sandaga and Colobane, representatives from NGOs (CIDA, ENDA-Pop and ENDA-Graph), trading associations (UNACOIS and UNACOIS-DEF), the research team (Dr. Michal Lyons, Prof. Ibrahima Dankoco, research assistants and field workers).

Research findings were presented by Simon Snoxell (Participatory Methods and Physical Planning Issues in Sustainable Formalization) and Prof. Dankoco (sustainable market management models), and commentary offered by representatives of six stakeholders.

Discussion focused on consultative plans for formalization of Marche Sandaga, through removal and redevelopment.

3.1.3. “Seminar on sustainable market formalization”, ISSER, 27th November, 2003, University of Ghana Legon, Accra, Ghana

Co-organized by ISSER (Institute for Social Statistical and Economic Research) and London South Bank University, and hosted by ISSER at the University of Ghana, Legon.

The workshop brought together twenty participants from local government (Accra Metropolitan Authority Planning Department and Ga District Authority Planning Department), national government (Ministry of Planning), representatives of traders (Achimota Market, New Makola No. 2, Madina Market), representatives of microfinance organization (Agricultural Savings Bank, Madina Market, and Central Market, Tema).

Research findings were summarized in two papers presented by Dr. Michal Lyons (‘The Importance of Market-Place Social Systems among Petty Traders in Ghana and Senegal’ and ‘Sustainable Practices for Management and Physical Planning of Urban Markets’). Each presentation formed the focus of presentations and commentaries by seminar participants. The first was the focus of discussion about market-place social
systems, their implications for management and for development of micro-finance initiatives. The second was the focus of discussion on the viability of spatial strategies and related participatory mechanisms.

Proceedings from this Workshops 2 and 3 are being compiled at London South Bank University and will be circulated to all participants and other stakeholders.

3.1.4. “Seminar on sustainable market management and formalization”, Johannesburg, South Africa, November 2004

Co-organized by London South Bank University and MMA Architects, City Markets Company, Johannesburg Urban Regeneration Board and London South Bank University, and hosted by University of Witwatersrand, this seminar plans to bring together practitioners and academics from South Africa’s three major cities in a debate on sustainable market formalization principles and practice. Findings from the DFID-funded research will be presented and discussed. Funding is being sought to widen participation to include stakeholders and researchers from other African cities.

3.2 PUBLICATIONS

Publications have been targeted at the academic and practitioner communities, both francophone and Anglophone.

3.2.1 Professional / practitioner publications


3.2.2 Academic publications (peer reviewed)


### 3.3 PRESENTATIONS (Conference / workshop / seminar)


Lyons, M (2003) The Implications of Market Based Social Systems among Petty Traders in Ghana and Senegal, Seminar on Sustainable Market Formalization, ISSER, ULG, 27.11.03


### 3.4 INFORMAL TRADE NETWORK

This group was initially formed by participants of an initial workshop at London South Bank University (See Sec. 3.1.1). The original membership included members of: DESTIN, LSE; Centre for Building and Development Research, University of Central England; Department of Planning, University of Wales, Cardiff, and the Periurban Research Unit, London South Bank University.

Membership of the network has now expanded to include other UK members, as well as members outside the UK (from, inter alia: HSRC, South Africa; SEED, ILO, Geneva; ISSER, UGL, Ghana; CREA, Senegal; ITDG-EA, Nairobi).
The Network has recently submitted a proposal to ESRC under its Seminar Series Programme. Further plans are to collaborate on research proposals (see below), to comment on academic and professional publication drafts, to circulate materials of general interest, and so on.

A mail group is being established and a website is planned.
APPENDIX 4
SUMMARY OF METHODS
APPENDIX 4
SUMMARY OF METHODS

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1. STRATEGY

The overall strategy of this project was to test a number of hypotheses about the role of social capital in petty trading by a) carrying out a general but extensive questionnaire with 264 market/street traders of diverse profiles from selected markets, b) interviewing key-informants such as government officials, NGO workers, academics, members of the business community and market/street traders.

Six objectives were pursued. Over traders’ working lives:

• Identify ‘career’ trajectories i.e. mobility:
  ➢ into trade and out of it
  ➢ among forms and degrees of formality
  ➢ upward and downward mobility

• Assess the importance of social capital as a livelihood asset amongst urban petty traders.

• Determine the forms of trust and networks on which traders draw, as groups or individuals

• Explore how traders maintain, create and deploy their social capital and the strategies they employ in order to improve their political, commercial and social status.

• Examine the impact of formalization of street-trading on traders’ social capital.

• Identify formalization models and lessons for urban policy.

2. THEORIES AND LITERATURE

2.1 Trade

Any project studying petty trading needs to take into account the extensive literature on trading. The literature is widespread in its geographical focus and in its theoretical origins. Yet it should also be noted that many of the problems which traders experience are easily observed on a walk through an African market.

Trading and markets are just one element of the informal economy. Recent expansion of the informal economy in many cities of the developing world is marked, the reasons for which range from population explosion, the stagnation of the rural economy, and the inability of the informal sector to absorb excess labour. In recent years structural adjustment policies have greatly contributed to the growth of informality by downsizing and making more flexible formal employment and increasing dependence on the money economy and by accelerating rural-urban migration. These trends have coincided with the promotion of democratic systems and a weakening of the state.

In sub-Saharan cities, an important aspect of change has been the growth of street-trade. Markets and street trading are a key feature of the urban landscape and economy in most African cities especially in West Africa where they have been traditional places of exchange and consumption of both agricultural and manufactured goods. Over 60% of urban labour, 80% of which is female, is employed in these
markets (WIEGO website, see references). The daily rhythm of city life, land use, transport networks and culture revolve around markets and street trade.

A massive increase in street trade poses significant problems for Africa’s cities; congestion, safety, health, land disputes etc. From traders’ point of view, newcomers often experience exploitation and uneven access to resources (Rogerson, 1996, Friedman and Hambridge, 1991, Lund and Skinner, 1998, Senkwe, 2000). Castells and Portes (1989) write that there are conflicts of interests within the informal sector, which “simultaneously encompasses flexibility and exploitation, productivity and abuse, aggressive entrepreneurs and defenceless workers, liberalisation and greediness.”

Street-trade has been the focus of urban-management strategies based on different approaches to both street-trading and urban governance. Policy responses to informal street-trade exemplify those applied towards the informal sector in general (see Bromely, 2000, p5-10, for the pros and cons of street trading from an urban managers perspective). Broadly, these range from accommodative and facilitative interventions to prohibitive and exclusionary measures.

Across the developing world there exists reluctance to accept informal trade, because it seems to hinder efficient operation of cities and ‘prevents progress’ (Rogerson, 1989; Hansen, 2000). However, the underlying principles of the ILO policy, and that of other organizations, have shifted, emphasising improvement of the income-generating potential of informal-sector activities, removing exploitation and raising employment standards (Singh, 1999). According to this paradigm, governments should concentrate on creating an enabling environment for the informal sector. Furthermore, the introduction of structural adjustment policies has coincided with the development of a ‘post-modern’ public sector ethos and public participation (Rakodi, 1991).

The prohibitive interventions stem from a view of street-hawkers as a ‘social pollution’, which brings problems of hygiene and difficulties for traffic. Bromley demonstrates in her study of Quito that exclusion of informal commerce is rooted in the emergence of an aesthetic / cultural discourse mixed with functional considerations (also see Middleton, 2002, on formalization in Quito). The exclusion or removal of traders is often the culmination of long-term efforts to control their occupation of public space, and will typically have involved a number of interests, e.g. formal traders (from individuals to corporations), the tourism sector, haulage associations, private developers and conservationists.

The accommodative approach is informed by a perspective of informal trade as a vibrant, sustainable and desirable activity that must enrich the formal economy. Tokman reflects a common view in claiming that ‘inadequate legislation, excessive red tape and inefficient bureaucracy’ in developing countries force activities to be performed beyond the law (1992:3). As Cross (2000:33) argues, informality often ‘appears in the grey area between the imposition of laws and the lack of enforcement of those laws due to a combination of the inability of the state to do so and that ability of the poor and relatively unorganized to thwart enforcement’. He proposes solutions focusing on ‘expanding zones of informality or semi-formality rather than expanding specific informal enterprises. Because for example street markets have this capacity to regulate themselves’.
Given the widespread failure of formalization policies and the continuing search for an adequate policy response to the current rise of street trading this project seeks to:

1) Demonstrate how a deeper understanding of trading livelihoods can help policy be more sensitive to trader needs and more developmental.

2) Contribute to formalization policy formulation in terms of conflict resolution.

3) Draw on a better appreciation of trading livelihoods to improve participatory policy formulation

2.2 Livelihoods

The DfID Sustainable Livelihoods Approach (SLA) is a useful means of fulfilling the pressing need to better conceptualise how traders operate. The SLA is a tool or guideline to understanding development actors. It requires a skilled user and does not give any easy answers. It was originally used to look at rural farmers but more recently has been applied to urban subjects (Rouse and Ali, 2001). The DFID SLA can be found on: [http://idpm.man.ac.uk/cprc/CPToolbox/DFIDSLFrameworkdigram.doc](http://idpm.man.ac.uk/cprc/CPToolbox/DFIDSLFrameworkdigram.doc).

The SLA boasts a holistic consideration of social, economic, institutional and physical aspects, which affect livelihoods. It encompasses the causes of poverty; including vulnerabilities such as lack of assets, institutional inadequacies, and lack of access to services. The approach also takes into account the presence of livelihood assets, transforming structures and processes and livelihoods strategies and outcomes (Rouse and Ali, 2001, Scoones, 1998, Rakodi, 2002).

Trends effecting traders include; increased competition due to increasing numbers of street traders, reduction of customers due to decline in disposable incomes, and increased taxation. Like all city dwellers traders suffer from growing pressure on services, infrastructure and the threat of disease. Shocks vary from major currency devaluations (such as that of 1994 which reduced the value of the FCFA by 50%), forced displacement, and personal ones such as the loss of a partner or sudden costs, such as medical bills. Some trends and shocks, such as the reduction of import duties, are positive.

Groups and individuals are seen as holding five forms of assets: financial capital, human capital, natural and physical capital, and social capital. Actions can be a combination of individual and collective agency, resulting in political empowerment and economic self-improvement (Scoones, 1998). Rakodi explains that the poor aim to “cope with and recover from stress and shocks, by stinting, hoarding, protecting, depleting or diversifying the portfolio (of assets); to maintain or enhance capability or assets; and to provide sustainable livelihood opportunities for the next generation” (2002, p6). This approach lends agency to the poor (in as far as they can strategise) and emphasises their dependence on multiple activities for survival, both as individuals and groups.

Another benefit of the SLA is that it is particularly gender sensitive. It illuminates for the researcher the gender biased distribution of assets and the different livelihood strategies of men and women. Women often have dependent households (Senkwe, 2000, Lecarme-Frassy, 2000). They turn to often turn to survivalist non-manufacturing activities (Lund and Skinner, 1998). Men on the other hand are more likely to enter trading earlier in life, gain more experience and capital, and leave at an early stage for the formal sector (Senkwe, 2000).
Livelihood frameworks have however been criticised on a number of levels (Edington, 2001). Their emphasis on poor people’s ability to strategise has been seen as awarding the poor more choice than they actually enjoy (Bealle, p74, in Rakodi, 2002), particularly in relation to different levels of state authority. Other critics observe a depoliticisation of poverty, and have sought to add a sixth asset, political capital, to the framework (Scoones, 2002).

This project has identified 3 questions, which emerge from the SLA.

1) What is the relative importance of different assets in a trader’s livelihood?

2) To what extent are traders really able to strategise in the face of trends and shocks?

3) How can they achieve political influence?

2.3 Formality

With the aim of making the SLA more relevant to street traders (as Rouse and Ali, 2001, do for waste pickers) this project emphasised the context of formality. One means of strategising and gaining political influence, as the livelihoods literature talks about, is through effectively formalising or de-formalising. This fluidity has made the term, ‘informal sector,’ a problematic one. Allen (2001) charts the development of the latter term with clarity. It was Hart (1973) in Ghana, followed soon after by the ILO in Kenya, who promoted the concept, defining it in terms of size and capitalization. Cross (2000, p32) suggests that Portes et al. gets closest to an adequate understanding of the phenomenon by defining it as “economic activity that uses illegal means to produce legal products” (for an up to date review of the current debate on informality see Centeno and Portes, 2003).

Yet distinction between legal and illegal is grey. The informal and formal sectors are in fact closely interlinked (Rogerson, 1999). Formality and informality are interwoven in a complex matrix. In the case of trading we felt it necessary to widen the term to encompass five different components of formality as shown in the following table: 1) regulatory and legal regime 2) management and administrative regime 3) fiscal and revenue interventions 4) access to formal finance 5) organization of traders. A typology of formalization informed the questionnaire development and subsequent policy advice, and is summarized in Table 1.

Taken as referring to so many factors formality clearly impinges on nearly every aspect of livelihoods. It may transform social, economic and political relations.

Formality, as represented in the table above, and DfID’s SLA, both form the conceptual frameworks by which this project studies traders. These two approaches should be viewed as overlapping and interrelated. Viewed as such they give rise to two important questions:

1) In what ways do different types of formality impact upon a trader’s livelihood?

2) What types of formality are traders most keen to engage with and when and why may they choose to de-formalize?

3) What is the role of the state in promoting trader livelihood sustainability?
2.4 Social Capital

Formality and the SLA constitute the conceptual context of this project. Social capital is the conceptual focus because of its prominence for traders amongst the pentagon of livelihood assets. It is by concentrating on social capital and by coupling the SLA with the formality schema that this project operationalises the livelihoods approach.

Social capital has been increasingly adopted as a conceptual framework for organising and understanding the contribution of social relationships to a broad range of issues.

Identified by Bourdieu (1980) as a mechanism by which the French landed gentry maintained the privilege and power inherent in their physical, human and financial capital, the concept of social capital has come to integrate the quantifiable aspects of networks, with a more anthropological approach to analysis, which leaves room for discussion of expectations and norms, rules and sanctions. This in turn affords insights into the processes through which social relations are formed and transformed, and through which they may impinge on other spheres of life and livelihood.

Adoption of social capital has been rapid and widespread it has come to encompass a wide range of meanings. Some scholars have developed social capital as a concept to interpret civic action (notably Putnam, 1993, 1995). Others have focused on the duality of social capital as an asset of individuals as well as groups (Coleman, 1988), seeing its potential to enrich the neo-classical economic concept of rational action.

Yet ‘social capitalists’ have not gone uncriticized. There certainly remain some serious conceptual challenges. These range from whether social capital can be considered a group or an individual asset and if it can be exhausted like financial capital, to how it is measured and whether it is the cause or effect of trust and networks. Fine (2000) has berated the World Bank’s espousal of the term as an attempt to de-socialise economics. Putnam, especially, has been severely criticised for leaving out the analysis of power (Harriss, 2002). This criticism has been accompanied by considerable developments in our understanding of social capital. Putzel has pointed out “the dark side of social capital” (Putzel, 1995; supported by Portes & Landolt, 1996). Recently there has also been a push, spearheaded by Moser and Lister (1999) and Colletta and Cullen (2000), to understand the role of social capital in promoting and preventing conflict.

An increasing number of scholars have argued that social capital is the most important form of capital among the poor (Rakodi, 2002; Uphoff, 1999, p2; Woolcock, 1997, p186) and that it is recognised as such by the poor themselves (Douglass, 1998; Dersham & Grzirishvili, 1998). The fundamental theme of DFID’s ‘Urban Livelihoods’ (Rakodi, 2002) is that social capital is particularly important for the urban poor. Sue Phillips (p136 in Rakodi, 2002) demonstrates in tabular form how the flux of urban life can provide both opportunities and barriers to social capital formation. One of the most important urban dynamics is the monetarisation of life (see Robson/Roque, 2001, for Angola and Van Dijk, 1983, for Dakar). Phillips cites Beall, 1997, in writing that “what emerges is a picture of dualism, with weakened social capital resulting from the breakdown of traditional relationships and networks, on the one hand, and on the other, a rich associational life resulting from the need to form new and varied reciprocal relationships and networks in the complex social milieu of the city.” (p137).

Scholars as far back as Adam Smith have looked at the impact of social capital on enterprise. Smith argued that repetitive interaction in the market breeds’ trust that in
turn reduces transaction costs. Fukuyama, 1995, notes that the level of trust and familiarity between economic agents influences economic exchanges. Fafchamps and Minten, 2001, argue that social capital reduces transaction costs and even uncertainty (also see Anderson and Jack, 2002 for a discussion of the “articulation of social capital in entrepreneurial networks”). Fafchamps argues that traders go out of their way to construct networks of relationships with other traders, family and potential moneylenders. Other authors such as Mayoukou, 1994, in the case of Congo, note the importance of social capital in microfinance (also see Buckley, 1997, for Ghana). Bouchard’s study of women traders of Kinshasa also highlights the importance of social capital in such activities. In the case of Senegal a number of authors have emphasised the role of social capital, primarily in terms of the ‘gift-giving logic’ in trading (Van Dijk, 1983, Repetti, 1999, Ndione, 1994) and networks (Ribot, 1998). Pena has looked closely at trading associations in the case of Mexico and Lyon (2003) in Ghana. According to Lyon associations allow traders access to credit and information with contracts based on trust. For Pena associations are deal makers which also manage social assets.

In a context of traders’ livelihoods, four questions emerge out of the social capital debate:

1) How important is social capital for a trader’s livelihood?
2) In what way can it have a negative impact on trader’s livelihoods?
3) How do traders create, maintain and deploy their social capital in order to improve their political, commercial and social status?
4) How do external factors, such as formalization, impinge on these processes?

3. HYPOTHESES
A number of questions were identified for analysis in the formal and grey literature reviewed above on social capital, livelihoods, formality and trading. These questions first looked at avenues for improvement of formalization policies, the threats to and assets of traders, the significance and dynamics of different types of formality and the role of social capital. As a picture of trading livelihoods emerged the following hypotheses were developed:

1) Social capital is an essential component of survival and success in petty trade, because it is an essential means of social, financial and spiritual support; 2) It is the destruction of trader networks which is partly responsible for the frequent failure of formalization policies; 3) Traders who do survive such transitions, are reliant on the development and adaptation of new social networks.

Formalization policy would clearly be enhanced if it took account of the importance of social capital in a trader’s livelihood. It would also be improved if it drew on such knowledge to promote participatory policy formulation and implementation.
<table>
<thead>
<tr>
<th>Category or sphere of formalization</th>
<th>Description/Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical realm</strong></td>
<td></td>
</tr>
<tr>
<td>Macro</td>
<td>Interventions to regulate where trading will take place. They are usually of a policy nature that focus on the urban planning and physical aspects of the markets. Ostensibly, these are invoked to deal with perceived environmental health concerns, nuisance, and congestion of streets public spaces.</td>
</tr>
<tr>
<td>• Spatial relocation</td>
<td></td>
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<tr>
<td>• Spatial enclosure</td>
<td></td>
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<tr>
<td>• In-situ upgrading</td>
<td></td>
</tr>
<tr>
<td>• Upgrading of buildings and services</td>
<td></td>
</tr>
<tr>
<td>Micro</td>
<td></td>
</tr>
<tr>
<td>• Interventions to regulate where trading will take place. They are usually of a policy nature that focus on the urban planning and physical aspects of the markets. Ostensibly, these are invoked to deal with perceived environmental health concerns, nuisance, and congestion of streets public spaces.</td>
<td></td>
</tr>
<tr>
<td><strong>Regulatory and legal regime</strong></td>
<td></td>
</tr>
<tr>
<td>• Registration, permits and licensing</td>
<td>These are interventions that seek to control entry into the market as well as the behaviour of those allowed to operate therein and to bring clarity regarding the legality of business and service activities in the sector.</td>
</tr>
<tr>
<td>• Spatial by laws and regulations</td>
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<tr>
<td>• Health by-laws and regulations</td>
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<td>• Hours of trading regulations</td>
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<td>• Labour regulations</td>
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<td>• Welfare and benefits regulations</td>
<td></td>
</tr>
<tr>
<td><strong>Management &amp; administrative regime</strong></td>
<td></td>
</tr>
<tr>
<td>• Partnerships</td>
<td>In response to persistent local problems and prevailing norms of government, especially changing ideologies of decentralized development planning, changes are made to the institutional structures for management and administration of markets.</td>
</tr>
<tr>
<td>• Private sector</td>
<td></td>
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<tr>
<td>• Sub-contracting</td>
<td></td>
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<tr>
<td><strong>Fiscal and revenue interventions</strong></td>
<td>Interventions that seek to make traders pay for the public services they use at the market as well as contribute to the national accounts in fashions similar to those of the formal economy. Issues arising include administrative capacity, financial viability, economic incidence, and political acceptability and free rider problems.</td>
</tr>
<tr>
<td>• License fees</td>
<td></td>
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<tr>
<td>• Payment for services provided e.g. refuse removal, security, storage, parking</td>
<td></td>
</tr>
<tr>
<td>• Rental of space</td>
<td></td>
</tr>
<tr>
<td>• Annual taxes</td>
<td></td>
</tr>
<tr>
<td>• Daily rates and tolls</td>
<td></td>
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<tr>
<td><strong>Financial restructuring</strong></td>
<td>Control of traders can take indirect route through loans and micro-credit schemes introduced by banks, insurance companies, donors or government. At the same time the industry can also self-regulate through internal or grassroots finance schemes, money lending and savings groups. Affordability and economic incidence are key issues arising.</td>
</tr>
<tr>
<td>From outside</td>
<td></td>
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<tr>
<td>• Micro finance</td>
<td></td>
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<tr>
<td>• Micro credit</td>
<td></td>
</tr>
<tr>
<td>From within</td>
<td></td>
</tr>
<tr>
<td><strong>Organization of traders</strong></td>
<td>Traders form organizations whose structure and purpose vary from those designed facilitate routine business operations such as product procurement, those to deal with social distress within and outside the markets, those designed to deal with a crisis, to resist or negotiate threats form within and outside the trading sector. For example, traders may come together in order to resist authority or negotiate intended market changes.</td>
</tr>
<tr>
<td>• Organizational Structure</td>
<td></td>
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<tr>
<td>• Product or sector organization</td>
<td></td>
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<tr>
<td>• Market wide organization</td>
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<td>• Crisis organization</td>
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<tr>
<td>• Defensive organization</td>
<td></td>
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<tr>
<td>• Clientelism</td>
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</tbody>
</table>
4. SUMMARY OF DEFINITIONS

Before proceeding to the fieldwork it was first necessary to define further what was meant by such terms as; formality, social capital, livelihoods, sustainability, petty trade etc. Illustrated by the review of literature above, these terms are all to varying degrees controversial. Nevertheless for purposes of operationalisation the following definitions were developed:

**Petty trade**: is defined as self-employment in the selling of commodities or services, ranging in formality from hawking to shop owning. The project focused on the sale of legal goods and services. Petty trading also varies in terms of scale, timing, location, remuneration, type of workforce and types of goods and services. Petty trade should be viewed in the context of a trader’s life cycle. Traders, or members of their households, operate in formalized markets as well as informal ones, at different stages of their lives, or simultaneously, e.g. through colleagues or relatives.

**Livelihoods**: It is worth here repeating Rakodi’s view of livelihoods as a process by which the poor “cope with and recover from adverse trends and shocks, by stinting, hoarding, protecting, depleting or diversifying the portfolio (of assets); to maintain or enhance capability or assets; and to provide sustainable livelihood opportunities for the next generation” (2002, p6).

**Trends**: A number of adverse trends were identified as forming the context for trade in Africa’s cities today. These are the decline of formal employment, the decline of employment in services, manufacturing and agriculture; slow economic growth, resulting in slow growth of disposable incomes in the urban economy as a whole; and the increasing competitiveness of trading in urban market-places.

**Shocks**: While some shocks are likely to affect most people active in a given economy (natural disasters, currency devaluations, etc), some are particular to individuals (loss of partner or parent, favours called in, illness in the family) and others are particular to traders (the demolition of stalls, imposition of taxes, etc). In the present study, any shock which caused a trader cash flow problems, was considered relevant to the sustainability of the business in question.

**Sustainability**: Sustainability is considered by DfID to be the core concept of the livelihoods framework. Scoones (1998) explains: “A livelihood is sustainable when it can cope with and recover from stresses, maintain or enhance its capabilities and assets, while not undermining the natural resources base.” (quoted in Rakodi, 2002, p18).

**Formality**: refers to a trader’s relationship to the state and the level and density with which he organizes the cooperative aspects of his trading. The following components of formality can be distinguished here: 1) regulatory and legal regime 2) management and administrative regime 3) fiscal and revenue interventions 4) access to formal finance 5) organization of traders. Formality is viewed as fluid. Tokman (1992) argues that all traders operate on a continuum somewhere between legality and illegality. This project however does not view formality in such a linear fashion, but identifies separate components.

**Social capital**: is defined following a number of scholars as networks and the relationships of trust, which underlie them. The review of the literature above did however note the wide variety of perspectives on social capital.
Social capital has traditionally been sub-divided in the following way. Bonding capital binds members of a group together (i.e. market colleagues of equal status), linking capital is the tie between relatively weak and relatively powerful people (i.e. between traders and market committee members) and bridging capital connects people from different groups. This research confronted the criticism that the livelihoods framework leaves out power and politics by exploring linking capital between actors of different power, and by attempting to identify instances of bridging and attitudes to bridging, eg in the occasional collaborations between markets to exert political pressure.

Among scholarly definitions, a dichotomy can be identified. This relates to ‘ownership’ of social capital. The fundamental concern in this research is with traders as individuals facing a hostile environment, and a fundamental assumption made here is that social capital can be owned and used by individuals (e.g. Plateau, 1992). This is not to negate the importance of social capital as a group asset (Putnam, 1993), but to argue that is secondary to our interest here.

Networks (or ‘structural’ social capital, Uphoff (2000)) are defined for the purpose of this paper as those relationships or groups of relationships, reported by individuals as being, or having been, of assistance in operating as traders. Networks may exist between traders of the same ethnicity or product, or simply acquaintances of any identity and circumstance. Networks constitute a reservoir of resources and information through which traders can tap into the knowledge and help of other traders. Rather than simply locating networks this paper aims to explain how they are operationalised.

Trust: (or ‘cognitive’ capital, Uphoff (2000)), is the set of laws, norms, attitudes, beliefs, and culture by which such relationships are managed and on the basis of which expectations about mutual and reciprocal behaviour may be held. Their level of formality varies with the level of organization involved, ranging from dependence on cultural norms, to dependence on state laws. However, these areas clearly overlap.

5. CONTEXT

5.1 Countries and Cities

Dakar and Accra were chosen as case studies for their differences and similarities, producing a fruitful comparison. The choice was narrowed by our own practical experience, the prevalence of conflict and instability in so many African cities (especially Abidjan) and our desire to work in West Africa.

We were interested in the following similarities:

- With some variation of indicators both countries are very poor. Whilst Senegal has experienced on average higher rates of economic growth than Ghana both countries have encountered the positive and negative impacts of economic structural adjustment and political liberalisation. Senegal however continues to lag behind in literacy rates, per capita income and life expectancy.
- Dakar has grown steadily since the turn of the Century to encompass all of Cap Vert. Dakar’s population is now over 2 million, 40% of which are migrants. Accra’s population has also swelled rapidly to 2.5 million, thanks partly to migration and like Dakar is the economic focus of the country.
• Dakar and Accra suffer from the same urban problems of other African cities; poor urban planning and sanitation, pollution, inadequate services and infrastructure and, in Dakar especially, congestion. Car ownership in Dakar has increased 3 fold in 5 years, largely due to cheaper cars as a result of the reduction of import duties thanks to structural adjustment. A terrible road system is exacerbated by the geographical fact that Dakar finds itself at the end of a peninsula.

• Both cities are coastal ports and attract rural to urban migrants from the interiors of their countries, from neighbouring inland countries which are even poorer (Mali, Burkina Faso, Niger), and from others (Guinée Bissau, Sierra Leone, Liberia and Cote d’Ivoire) which are in conflict.

There were also relevant differences for which we chose these two West African cities:

• Both cities face similar challenges in managing vending, but have pursued different paths. In Senegal municipal efforts have focussed on the provision and management of buildings for fresh-food markets. Other trades find accommodation in the private sector or through self-provisionment. Street traders are therefore particularly vulnerable to clearance and blackmail. In Accra municipal run buildings are numerous and multi-sectoral. Nevertheless, their periphery is clogged with stalls and hawkers.

• The project also intended to compare cultural, social and administrative differences, which might emerge from a similar length of French and British colonial occupation and continuing influence. This aim coupled with our other objective to inform the Anglophone literature on social capital with that written in French.

• Given our findings on the role of Christianity in trading in Kenya it seemed important to compare this with the role of Islam. Dakar is the only predominantly Muslim city (other than the much smaller St. Louis and Nouakchott) on the coast of West Africa. Dakar also seemed a fertile ground to study the role of religion in trading because of the central position of the brotherhoods in trading and the economy in general (Guèye, 2002).

The major South African cities enjoy considerably more economic resources and have attempted to balance a developmental agenda with one which promotes international investment and improved management of urban infrastructure. The models adopted for development, ownership and day-to-day management differ widely between Cape Town, Johannesburg and Durban, and have been used to inform analysis of management structures in the two principle study cities.

5.2 Market Choice

In order to test our hypotheses markets were selected according to carefully identified factors. The only major practical consideration was the need to reduce travelling time every day.

Market selection reflected the following factors:

• Location in city – Two city centre markets and two just peripheral to the CBD were chosen to reflect the possibility of different trading networks, different levels of trader self-organization and different levels of government intervention. In as far as all the
markets were located in built up areas they all faced physical planning challenges of different orders.

- **Principal products sold** – Different products require different financial resources and different supply and support networks and pose varying entry barriers. Some are seasonal.
- **Gender of traders** - Certain trading activities are dominated by a particular sex. Women and men enjoy different social capital profiles.
- **Age, Ethnicity and Religion** - some markets are dominated by a particular age, ethnic group, brotherhood or religion. In this respect our major concern was to avoid such markets.
- **Type of market buildings** – As the project is concerned with the impact of the planning and architecture of market infrastructure we endeavoured to find markets, which reflected a variety of building types.
- **Presence of failed physical formalization** - Some of the markets were chosen because one or more of their buildings lay empty and so exemplified a failed attempt to formalize and improve livelihoods.
- **Form of management** – Management regimes can vary enormously and have a greatly differing impact on traders.

*New Makola Market* is an 'inner city' market where formalization has used the model of private-public partnership to rebuild and manage the market. The objective was to create a market space in which to re-settle traders at old Makola market that had been destroyed by fire. In practice, not all traders in the market are from the old Makola, and not all traders from the old market settled in the new.

*Madina Market* is a peri-urban market run by a rural district local authority. The GA District Assembly developed it with support from international donors within the framework of the government's village market development strategy. The objective was to upgrade physical infrastructure and lately to improve revenue collection, refuse removal, security and general environmental health. On Saturdays, it acts as a regional market. Attention was also paid to *Dome Market*, which at the time of the field trip was experiencing relocation. This was an opportunity to discuss with traders events that were still fresh and ongoing.

In Dakar, the sprawling *Sandaga Market*, acts as the heart of the city's economic activities and has acquired cultural and political significance. At its heart (run by the municipality) are sold meat and vegetables and on the adjoining streets shops of all sizes (many run by Lebanese) sell a wide range of products. Attempts to reduce traffic have succeeded but by no means reduced incursions on to the streets. There are currently large market buildings being constructed within a mile of Sandaga. A small shopping mall is recently opened.

*Colobane Market* has also spilled over into surrounding streets and with it, pollution, congestion and violence. The market specializes in imported clothes and is dominated by recent male immigrants. Buildings are of poor design and construction. One municipal building has stood almost empty since 1984. Redevelopment of Colobane, aiming to house 1800 new stalls, was on going at the time of the field surveys in early 2003.

**Table 2: Market typology**
<table>
<thead>
<tr>
<th>Category &amp; Features</th>
<th>New Makola</th>
<th>Madina</th>
<th>Sandaga</th>
<th>Colobane</th>
</tr>
</thead>
<tbody>
<tr>
<td>City location</td>
<td>inner city</td>
<td>peri-urban</td>
<td>Inner-city, at the central junction of the downtown</td>
<td>inner suburb, at a majoy motorway exit</td>
</tr>
<tr>
<td>Management regime</td>
<td>private company</td>
<td>rural local authority</td>
<td>urban local authority</td>
<td>urban local authority, part of the market lies within the municipality of Guelle Tappee and the other in Colobane</td>
</tr>
<tr>
<td>Product Type</td>
<td>full range</td>
<td>full range</td>
<td>full range, electronics and tourist curios boutiques line one neighbouring street and the other is dominated by shops, often owned by Lebanese, selling cloths. At the heart of the market are sold meat and vegetables.</td>
<td>full range, dominated by imported cloths and shoes, though a small section does sell meat and vegetables as well as other wares.</td>
</tr>
<tr>
<td>Type of Market Buildings</td>
<td>enclosed</td>
<td>part enclosed with spill over</td>
<td>A central old building covering an undivided space, neighbouring streets of boutiques and shops and a new multi-story new shopping centre.</td>
<td>Two old market buildings, one used and one virtually empty, unpaved road lined with shops with boutiques etc.</td>
</tr>
<tr>
<td>features</td>
<td>ground level sheds, shops and stalls</td>
<td>Shops in one storey buildings and ground level stalls and sheds</td>
<td>diverse building at various levels, massive commercial district</td>
<td>diverse buildings at ground level, market is sprawling with boutiques being established further and further from its core,</td>
</tr>
<tr>
<td>Relation to neighbourhoo d</td>
<td>part of a chain of markets close to Accra CBD</td>
<td>integral part of the Medina CBD.</td>
<td>integral part of the Dakar CBD</td>
<td>integral part of Colobane CBD</td>
</tr>
<tr>
<td>Age of formal market building</td>
<td>old trading area but the 'New' formal market opened in 1992</td>
<td>old trading area but the 'New' formal market opened in 1992</td>
<td>old trading area, but formal market developed in 1951</td>
<td>old trading area, main section of formal market developed in 1951; another area developed in 1986; informal area in private redevelopment today</td>
</tr>
<tr>
<td>Gender balance</td>
<td>Women dominate the sale of food stuffs and men dominate electrical goods and tourist curios.</td>
<td></td>
<td></td>
<td>Male dominated</td>
</tr>
</tbody>
</table>
6. QUESTIONNAIRE CONSTRUCTION

6.1 Preparing the Questionnaire
Whilst in Nairobi in October 2003 we interviewed 35 traders with an open questionnaire to test preliminary ideas and identify issues relating to interview techniques in a busy marketplace. A full questionnaire was then drafted in consultation with country collaborators, to draw on local expertise.

The first stage of work in Senegal and Ghana required discussing the questionnaires further with the local field workers and drawing on their local expertise. Each question was systematically analysed to make sure that it was culturally appropriate and that all parties were in full agreement about its translation into local languages (Tui, Akan, French and Wolof). It was also important to induct the researchers into some of the theory and motives behind the questionnaire. Many of them were very interested. With our collaborator the researchers systematically analysed the questions, tested and discussed as well as acting out role-plays.

Finally, the local researchers trialled the questionnaires in city markets, to fine-tune translations and interview techniques. For example we learnt that hawkers in Dakar could not answer such a long questionnaire due to time and space constraints. A shorter questionnaire was therefore developed especially for these hawkers.

6.2 Questionnaire Construction
The following section explains the questionnaire was constructed to test the hypotheses cited in Section 2 above. Its essential aim was to enable the collection of present and historical data, to allow the construction of a picture of business change, economic and social mobility over the life course, and its relation to changing individual social capital.

Questionnaires (app. 4) are best summarized under the following headings:

- Business profile: product/service, level of formality (shelter quality, location, tax position), income and expenditure
- Trader profile: age, sex, education, religious affiliation, household size and structure, dependents
- Trader history: personal history since leaving parental home; and work history since start of full-time work
- Trend management: reciprocity and competitiveness, long-term financial strategies, development of customer and supplier base, associational affiliations
- Crisis management: borrowing history (occasions, reasons, lenders, repayments)
- Social capital: social capital for all above functions (structural and cognitive)

It is important to note that the questionnaires asked about change over time. Life and trading stories were recorded, in some cases covering a period of over forty years, and up to four or five earlier jobs. Questions about associational membership, trading practices, borrowing and lending and other market functions were posed for the past as well as for the present.

Interviews with traders took approximately two hours to complete.

As a result of local consultation, there were also a number of differences between the Accra and Dakar questionnaires. The Accra questionnaire focused more on the trader’s life histories and activities outside the market. The Dakar questionnaire on the other hand investigated
more deeply network membership. It attempted to assign a network characteristic to every interaction in the market and outside.

In Senegal a number of changes were made to include the brotherhoods as part of questions of network membership and identity. All questions referring to religion were adapted to suit the confessional profile of Senegal. For example a further question was included on monogamous and polygamous marriage. On our collaborator’s advice the profile questions were also put at the end so as not to alienate the respondents early on. We also added categories of traders such as coffee sellers, traditional and non-traditional, who are a recent and fast growing presence in Dakar. In Ghana provision was made in the questionnaire for the significance of market Queens. In terms of micro-credit the Ghanaian questionnaire asked about Susus and the Senegalese about tontines. In the Senegalese reference was also made not only to generic mutual aid groups but to the brotherhood-based study and prayer circles, Mbotaye and Dhairra.

7. INTERVIEWS

7.1 Sampling traders

It was vital to interview traders from a wide range of status (i.e. product and market location) in the market so as to reflect our view of trading as an activity of 1) upward and downward economic mobility, 2) where traders move among different levels of formality at different times and to different extents 3) where traders diversify their economic activities.

Therefore spatial and product considerations were used to ensure that a range of traders was included among those surveyed. Traders were purposively selected to ensure that each spatial and product category was considered.

Traders were first categorised by product. Each product reflects different aspects of a trading life. High value products sell less frequently and therefore incur a different type of risk than low value easily sold products. Some goods have low entry barriers others such as electronics require more knowledge and initial outlay. Still other products demand more time and energy. Finally some products are seasonal. Clearly the type of product will very much determine the livelihood strategy and vice versa. The research examined: perishable foods, non-perishable foods, electronics, household goods, and cosmetics cloth and clothes.

Once the traders had been categorised by product they were then broken down according to formality and type of market location. The area in and around each market was roughly mapped to identify spatial zones or blocks within which conditions were homogenous in relation to legality, including:

- Roofed or enclosed market building
- Access forecourts, parking or service areas
- Shopping malls
- The street

Traders can also operate in any position of the trade hierarchy that stretches from hawking to wholesaling, and sometimes diversify among them.

Table 3 summarizes the sampling procedure for perishable foods traders in Colobane Market, Dakar.
Table 3: Sampling perishable foods traders in Colobane Market

<table>
<thead>
<tr>
<th>market</th>
<th>product</th>
<th>zone</th>
<th>Shelter formality</th>
<th>No.</th>
<th>total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colobane</td>
<td>Perishable foods</td>
<td>Municipal building</td>
<td>Shop n/a</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Stall</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Table/shed n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Ground/hawker n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Open lot</td>
<td></td>
<td>Shop n/a</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stall</td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Table/shed</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ground/hawker</td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Private mall</td>
<td></td>
<td>Shop 2</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stall n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Table/shed n/a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ground/hawker</td>
<td>n/a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The street</td>
<td></td>
<td>Shop 2</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stall</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Table/shed</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ground/hawker</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>total</td>
<td></td>
<td></td>
<td></td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>

7.2 Key-informant interviews

A semi-structured questionnaire was used for in-depth interviews with key informants in the public sector/local authority departments of health, planning/estates, rates, tribunals and treasury. In the private sector we talked to owners of market buildings, chief executives, employees and other service providers. In the NGO sector we interviewed experts in health provision, microfinance, small and medium enterprise development and education, as well as union leaders. Key operations at each market and the agencies involved were identified at each market.
These institutional key informants were interviewed in order to:

(a) gain a deeper understanding of regulatory regimes that impinge on markets
(b) gain access to secondary data,
(c) identify market characteristics required as inputs to the selection of markets and trader surveys.
(d) illuminate legal and institutional relations
(e) identify and confirm insights into the strengths and weaknesses of market formalization strategies
(f) investigate the networks used by traders of all socio-economic levels.
(g) solicit general opinions about problems and solutions for the markets.
(h) look into how patterns and trajectories of trading have changed over time.

8. PROBLEMS ENCOUNTERED AND LESSONS LEARNT

The purpose of this part of the report is to present field notes and lessons from the research. It attempts to discuss some of the practical issues that need to be understood when working closely with traders.

8.1 Getting the most out of interviews

- Deciding on the length of the questionnaire was difficult. On the one hand we wanted to learn as much as possible about each trader and, on other, we risked boring and frustrating the traders.
- With the likelihood of trader being easily bored or distracted it is important to prioritise the sequence of questions.
- Virtually all interviews were completed, and most interviews lasted about one and a half hours. However it was virtually impossible to interview hawkers for more than a few minutes at a time. A shortened version of the questionnaire helped resolve this. Interviewers often had to walk with the hawkers as they sold their wares.
- Some traders are very reticent. Leading questions were used only as a last resort. Other methods of building trust include assurance of anonymity, support from leaders, repeated visits and passive observation over a period.
- Working with traders requires a sharp awareness of their opportunity costs when being interviewed. An interviewer must stand aside to allow the trader to sell. This time consuming courtesy must be accounted for in interview planning. The opportunity for observation can be very productive.
- Interviews may not always be finished before the trader goes home. In massive markets it is important to take note of the location of the trader’s position and perhaps even his or her contact details.
- Few Senegalses traders speak French. In Ghana more speak English. However without a translator it is very hard to communicate with traders.
• It is important to ask the permission of the leader of the market association or other relevant authorities before beginning interviews. This way trouble will be avoided and traders may be keener to respond.

• As an interviewer it is wise to ask the respondent for somewhere to sit down, as standing for consecutive 2-hour interviews is exhausting.

8.2 Sensitive or difficult questions

• Questions concerning a trader’s relationship to authority, income and expenditure, religion and trust of fellow traders were sensitive. When issues of local-political sensitivity are discussed this provokes some discomfort amongst traders and leaders. Focus groups can then be established to discuss such issues.

• Senegalese traders tend to claim that they always help others without expecting any reciprocation. They do this because their faith dictates so.

8.3 False Information and Perceptions of Researchers

• There are many issues of trust involved with a foreigner conducting interviews and there may be several motives behind answers; 1) participants give you the answer they think you want to hear, 2) they base their answers on how you might help them in the future¹, 3) participants are bored, don’t understand, or have been asked the same question too many times before (e.g. as in South Africa they are ‘over-researched’).

• Traders may sometimes perceive researchers to be government officials. This is particularly a concern for traders illegally occupying land.

• Women traders and especially employees of traders were particularly reluctant to talk.

• Therefore locals generally make better interviewers. Most of the problems above can be minimized by use of local university student or researchers, with proof of identity to assuage mistrust.

• In conducting interviews it is important to be honest, friendly, and patient. Lying about your research objectives may in the long term frustrate traders and cause you more harm than good.

• There is a need to crosscheck information garnered from interviews. This can be done with key informants and in focus groups or workshops.

8.4 What Can a Foreign Researcher do in the Markets?

• A foreign researcher can locate traders in the market with whom they can communicate. These traders can be viewed as key informants. An informal open discussion with such trader may garner the best results.

¹ A number of traders expressed an interest in using the foreign researchers as business partners in Europe (particularly in the clothing market at Colobane).
• Observing traders do their business can be very informative. Such observation may be in the form of walking around the markets or by sitting next to a trader for a couple of hours during an informal interview.

• There is also a need to interact with local researchers.

8.5 Fruitful cooperation with local collaborators

• Time must be spent making sure that the collaborator shares and understands the theoretical and methodological outlook of the principal researcher.

• With the right incentives and enthusiasm the collaborator can give fundamental advice.

• All the local researchers employed can contribute intellectually to the project. The advice of students who know something of the issues at hand can be helpful. Nightly meetings with the researchers contributed to both the methodological and theoretical development of the project.

• A basic but important point is to encourage the researchers to write clearly on the questionnaires. Otherwise a considerable number of responses are lost.

• There is also a need for absolute clarity on what the researchers are expected to fill in the spaces provided.

8.6 When to go

• The rainy season in Senegal (September to early November) can cause problems in terms of heavy rainfall and high humidity. Under such conditions the markets may become especially uncomfortable. On the other hand researchers may also want to look into seasonal variations in trading livelihoods and so should make the effort to do fieldwork at all times of year.

• Saturdays and Sundays are working days in Senegal although the markets are quieter on Sundays. This can be a good day to do interviews when traders have more time. In Ghana Saturdays are just too busy to do any interviews and on Sundays markets and shops are largely closed.

• It is best to interview traders in the early afternoon or early morning, when they have few clients.

8.7 Working with comparative questionnaires.

• There is a need to remain flexible in terms of the construction of the questionnaire. Face to face discussions with the collaborator and initial observations in the market can change perspectives and priorities.

• Whilst changes can be made to the questionnaire, core questions must be kept in order to allow comparison.

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APPENDIX 5
FURTHER RESEARCH
APPENDIX 5

FURTHER RESEARCH

1) In focusing on urbanization and mass entry into informal trade, the present research has investigated a ‘first wave’ of impacts on urban markets, which followed from structural readjustment and associated macroeconomic and political phenomena. This resulted in the development of new conditions of competition and stratification among mainly indigenous traders, and in the adaptation of indigenous social capital systems. Observation of markets in sub-Saharan African cities, eg Dakar, Nairobi, Accra, Durban and Cape Town suggests that a ‘second wave’ of impacts is taking place: the ‘invasion’ of markets by goods and/or traders from the far East. This offers an opportunity for the study of two interesting long-term facets of market-place change: 1) What role will existing social capital systems play in defending existing market share, e.g.: In Dakar’s markets, the brotherhoods displaced the Lebanese; Will the Chinese now displace the brotherhoods? 2) How will a changing trading elite influence the further development of horizontal and vertical market-place social capital systems among traders?

2) Bourdieu (1963) identified the underlying economic rationale for social relations, arguing that some apparently purely social activity should be seen as a form of work. This economic rationalist interpretation was shared by Coleman (1988). Their arguments informed the present research. Yet the importance given by some traders to friendship and particularly to spiritual and emotional support in their development of associations which are apparently primarily financial in purpose, lead us to question the overall primacy of economic rationality in the pursuit of market-place social capital. Further analysis of existing data will be carried out and supplemented with research currently being undertaken in Nairobi, to further investigate the question of motive in the formation of market-place social capital.

3) Weber identified the role of religious belief and its attendant social ethical infrastructure in informing attitudes to economic activity among protestants. Our finding show the existence of very different attitudes to trust among Christian and Moslem trades in Accra. Preliminary analysis also suggests that the charismatic churches now enjoying a large-scale revival in Ghana, as in many African countries, may be preaching an ethic which emphasizes investment in the church, rather than businesses, and which thus actively discourages accumulation. Further analysis of existing data from Accra and Dakar, in conjunction with new data being carried out in the field in Nairobi will be used to inform further research on the present day role of religious ethic in the long-term economic development of informal traders.

4) In collaboration with ITDG-EA, a proposal is being developed to translate findings from the research into action research for the sustainable management and development of new markets in Kenya.