

**ECONOMIC IMPACT OF RELOCATING HAWKERS
FROM NAIROBI CENTRAL BUSINESS DISTRICT TO
THE NEW NGARA MARKET**

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Declaration

This research paper is my original work and has not been presented for a degree in any other university or education institution.

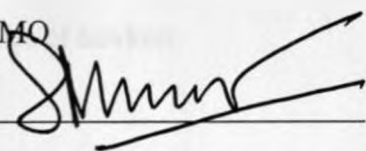
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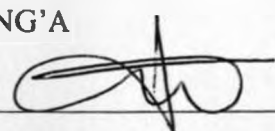
Approval

This research paper has been submitted with our approval as the university supervisors.

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Abstract

This paper describes the economic impact of relocating hawkers from NCBD. Working from the existing literature and interviews, this paper assesses the impact of relocating hawker's businesses from the NCBD to the Ngara market by examining whether the traders have benefited from the relocation or not and also by comparing the sales volume of the hawker's businesses before and after the relocation. This paper also offers recommendations regarding the availability of alternative market space that is acceptable by the Local Government and convenient for both the hawkers and customers to improve and stabilize incomes of hawkers.

Abbreviations

GDP - Gross Domestic Product

HIV/AIDS - Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome

IDS - Institute of Development Studies

GOK – Government of Kenya

NCBD - Nairobi Central Business District

NCBDA – Nairobi Central Business District Association

NCC – Nairobi City Council

ROK – Republic of Kenya

SPSS - Statistical Package for the Social Sciences

CHAPTER I

1.0 INTRODUCTION

1.1 Background

After independence, Kenya promoted rapid economic growth through public investment, encouragement of smallholder agricultural production, and incentives for private (often foreign) industrial investment. Gross domestic product grew at an annual average of 6.5 percent from 1963 to 1972. Agricultural production grew by 4.7 percent annually during the same period, stimulated by redistributing estates, diffusing new crop strains, and opening new areas to cultivation (GoK, 2003).

Kenya's economic performance weakened in the course of the 1990s to the point that in several years real per capita income fell, while unemployment continuously increased and poverty became ever more pervasive. Among the causes of this unsatisfactory performance were stop-go macroeconomic policies, the slow pace of rural reform, and governance problems. The often lax fiscal policy led to the accumulation of short-term government debt, which, in combination with declines in the saving rate, translated, into very high lending rates in real terms in recent years. This, together with other high costs of doing business in Kenya-on account of corruption, increasing insecurity, deteriorating infrastructure and other market distortions-depressed investment and its effectiveness and as a consequence employment and economic growth.

Kenya's inward-looking policy of import substitution and rising oil prices made Kenya's manufacturing sector uncompetitive. The government began a massive intrusion in the private sector. Lack of export incentives, tight import controls,

foreign exchange controls and the high cost of doing business made the domestic environment for investment even less attractive.

Kenya entered the 21st Century in the middle of what was arguably the worst economic crisis since the country gained independence in 1963. Hailed for many years as a success story in Sub-Saharan Africa, the economy in the early 90's had begun to decline and to exhibit features characteristics of the mulled economies of the region. The gross domestic product (GDP) growth rate declined continuously from a peak of about 6.5 percent per year during the decade 1963-72 to less than 4 percent per year in the following decade. Growth rate slowed from an average of 5 percent in 1986-90 to an average of 3.8 per cent in 1988-1991. In fact the growth had fallen every year since 1989, hitting 2.2 percent in 1991 and turning negative in 1992. In early 90's the labor force was growing at about 4.1 percent per year and over 6 percent in urban areas. When the economy was growing at 5 percent per year only about 48000 wage paying jobs were created annually, against an annual increase in the labor force of almost 400,000 most of whom were educated and aspiring for wage paying jobs.

GDP actually fell to 1.2 percent in year 2000 and then it began to improve in 2002 when it registered a 1.1 percent growth and reached 1.4 percent in 2003; it was 4.3 percent in 2004 and 5.8 percent in 2005 (Republic of Kenya, 2006).

Kenya's problems are deeply rooted and multifaceted. They include high levels of poverty and unemployment, poor health conditions, high child mortality, HIV/AIDS, poorly developed infrastructure and high cost of doing business. Lack of gainful employment coupled with poverty in the rural areas has pushed people out of

their villages in search of better source of living in urban areas. These migrants do not possess the skills or the education to enable them to find better paying and secure jobs in the formal sector and they have to settle for employment in the informal sector. There is another section of the population in this country that is forced to join the informal sector in order to survive. These are workers who were earlier employed but lost their jobs because of closures or retrenchment of civil servants by most state owned corporations.

The small-scale agricultural sector is the single largest source of employment in Kenya, absorbing about 51 percent of the labor force. The urban informal sector is the next largest source of employment, comprising over 10 percent of the labor force, followed by the urban formal sector at 7 percent in 1994 (Ronge, et al, 2002).

In 2005, the urban informal sector was the largest source of employment comprising 78 percent of the labour force while the urban formal sector absorbed about 22 percent of the labour force. The urban informal sector had registered an increase of 27 percent while the urban formal sector increased by only 7 percent when compared with the 2001 statistics (Republic of Kenya, 2006).

The 2004, Kenya's Economic Survey noted that, the Micro and Small Enterprises, which are part of the urban informal sector created 458,800 new jobs constituting 94.3 percent of all new jobs created outside small scale agriculture. On the other hand, the formal sector created only 27,900 new jobs and grew by 1.6 percent. Micro and Small Enterprises share of contribution to the GDP was 18.4 percent (Republic of Kenya, 2004).

The activities of the urban informal sector in the public arena of cities are particularly apparent in the case of street-based enterprises, which are widely known as hawking. Although these street enterprises are mostly hidden from the state in terms of taxation, they involve very visible structures, and are often subject to certain limited administrative processes such as simple registration or daily collection of cess. The main forms are retail trade and service. These economic activities involve simple organizational, technological and production structures. They also rely heavily on family labour and a few hired workers who have low levels of economic and human capital and work on the basis of informal employment laws (Mitullah, 2003).

Hawking is one of the economic activities that provide employment in the urban informal sector. What mainly distinguishes formal from informal business is that informal business is carried out from a temporarily shelter or no shelter at all. Such areas of operation include no fixed abode like hawking, temporary shelters on the council land or open spaces and on other people's undeveloped plots. Those in the informal sector are exempted from trade licenses. These include hawkers, those operating from open markets and from temporary and semi-permanent structures. Hawking offers a means of earning an income for the growing numbers of the unemployed and contributes to the gross domestic product. With small amounts of capital and little or no built infrastructure, hawkers often work in precarious and insecure situations, as their work places are urban public spaces, pavements and streets.

A street trader is broadly defined as a person who offers goods for sale to the public without having a permanent built structure from which to sell. Street traders may be stationary in the sense that they occupy space on the pavements or other public/private spaces or, they may be mobile in the sense that they move from place to place by carrying their wares on carts or in baskets (Suharto, 2002). In this study the terms 'street trader' and 'hawker' have the same meaning and are often interchanged.

Hawkers play a significant role in the Kenyan economy contributing to incomes and engaging a large number of people in employment. People engaged in hawking face several obstacles that limit their incomes and contribution to the economy.

There have been several attempts by the Nairobi City Council to evict hawkers from the NCBD, which have borne little fruit in solving the problem of street trading. From time to time, hawkers have been relocated from the NCBD to different sites designated as permanent premises but these relocations have not lasted long. Allocations and evictions have become the norm for Nairobi City Council.

In the year 2005, over 10,000 hawkers were evicted from the NCBD and relocated to the Ngara market, a suburb which is about 4 kilometers from NCBD. The relocation turned chaotic as hawkers who missed space engaged their colleagues who had been allocated space in running battles. The hawkers who missed space in the Ngara market slowly trickled back into the NCBD and have been trading within the city center until the month of October 2006 when the Nairobi City Council once again enforced an eviction order and proposed a by-law that anyone who buys from a

hawker shall be charged KShs.10, 000 or face 3 months imprisonment and that a second arrest shall attract double the punishment, with the same charges facing the hawker (Kathuri, 2005).

Hawkers operate their businesses in areas that can be classified as public spaces and are originally unintended for trading. As most hawking activity occupies busy streets, sidewalks, or other public spaces, these activities are often considered to be illegal. This status makes traders victims of harassment and susceptible to threats from police and other government authorities. The police and Local Government occasionally attempt to enforce the law and sometimes in doing this they are accused of being overzealous, arbitrary or discriminatory (Suharto, 2002).

Eviction of hawkers from their back street premises and NCBD to the Ngara market was made without due consideration as to where they would all be taken and this resulted in violence and chaos as hawkers who had missed space at the market began clobbering their colleagues who had been allocated stalls. The relocation has not totally solved the street vending problem, since there is an emerging problem of over-crowding in the markets and an emergence of informal markets outside the formal markets. The move to Ngara market was not well planned and displayed poor planning by the Local Authorities and Nairobi City Council.

On the 25th October 2006, President Kibaki issued a ban on hawking in Nairobi city center. He stated that several markets are to be put up where hawkers can rent or buy stalls to carry out their businesses. These markets are to be built away from the NCBD. In the meantime the hawkers have had their proposal to be allowed to trade in the city center within organized time frames rejected by the City Hall.

According to the 2002 – 2008 Kenya Development Plan, measures would be put in place to ensure control and regulation of hawking within the NCBD. The Local Authorities in most urban areas have begun implementing this policy but hawkers have resisted these relocation efforts.

1.2 Problem Statement

Given the elasticity of employment to production registered by the Kenyan economy in early 1990s the growth rate of GDP that would be required in order for employment to grow at the rates promised by the National Rainbow Coalition (NARC) government once it took over leadership (of about 500,000 job per annum) would simply be phenomenal. For example taking the modern and informal sectors together, the elasticity of employment growth with respect to growth of GDP in these sectors was 1.1 during 1989- 91. For wage employment, the elasticity was 0.7. If these elasticities were to remain the same, then to get employment in the modern and informal sectors together, GDP to expand at an average rate of 14 percent so as to absorb all the entrants in the labour force this would require the combined GDP in these sectors to grow at an average of 13 percent. According to Economic Survey of 2007, the average growth rate for modern and informal sectors was 6.19 percent during 2002 - 2006.

Although hawking is factored in the GDP calculation, the Local Government does not allow hawkers to trade within the NCBD citing incidences of insecurity, congestion of the city and environmental pollution. However, through hawking within NCBD, customers find adventure markets as they are offered cheaper goods

hence boosting their purchasing power. Traders who run exhibitions, due to trade liberalization, tend to sell their goods at a favorable price to majority of consumers.

The local authorities issue and regulate business license under the Local Government Act Cap 265. Those in the informal sector are exempted from trade license, these include workers, those operating from open markets and form temporary and semi-permanent structures, whereas, those operating from open markets and from temporary and semi- permanent structures are taxed through paying of cess to the local council. Hawkers do not pay cess as they are ever mobile (moving) with a view to meeting their customers.

The government has maintained its commitment to contain the public sector wage bill over the recent past by slowing the rate of recruitment. There is now limited recruitment in the Central Government to replace those leaving through natural attrition except for the new ministries whose recruitments were undertaken after the period in reference. The informal sector also referred to as the *Jua-Kali* sector continues to play an important role in absorbing unemployed persons in the labor force who do not join the modern sector. The Kenyan informal sector covers all small-scale activities that are normally semi-organized, unregulated and use low and simple technologies and employ few persons. Majority of the small businesses such as retailers, hawkers and other service providers fall in this sector. The ease of entry and exit into this sector coupled with the use of low level of or no technology makes it an easy avenue for employment creation.

The major goal of this study is to address these neglected issues. This study intends to provide an empirical basis for the analysis of the impact of relocating

business by analyzing the volume of items sold in the period 2005 and 2006. It tends to capture this through the day-to-day sales of commodities at Ngara market. It will also bring into focus the outcome of the relocation of hawkers from NCBD to Ngara market.

1.3 Objectives

Interest has now grown within many Kenyan urban areas to resort to trade as a way of finding a source of livelihood and employment. It is thus inevitable to identify and quantify the crucial parameters in policy formulation. There is little information on the impact of relocation of hawkers from NCBD to Ngara market. The present study is therefore very relevant in helping to fill this gap and provide policy relevant information.

Generally, the goal of this study is to determine the impact of relocating hawkers from NCBD to Ngara market.

Specifically the study intends to

- Determine if the relocation benefited or did not benefit the traders.
- Evaluate the extent of the impact of relocating hawkers on total volume of sales.
- To identify problems faced by hawkers and give policy recommendations.

1.4 Significance and justification of the study

This study aims to investigate the impact of relocating hawkers to alternative markets outside the NCBD and how it has affected their trading activities by determining whether the traders have benefited from the relocation or not and by comparing the volume of sales before and after the relocation. This study will form a

basis for making informed decisions on this pertinent issue of relocation of hawkers from the NCBD.

While there have been some studies done on street trade in Africa, not many focus on the economic conditions of street traders, most studies carried out in Kenya mention small scale manufacturing enterprises as opposed to micro trade enterprises where hawkers fall. This study will therefore provide new knowledge and add to the stock of existing literature on this topical issue of hawking, problems experienced by hawkers and offer solutions to these problems.

CHAPTER II

2.0 LITERATURE REVIEW

2.1 Theoretical Literature

2.10 The Changing Perception of Small-Scale Enterprises

The small-scale, informal sector has been recognized to play an important and growing role in Kenya as in other African countries. However, the small-scale activities are generally seen as important for employment creation and income generation for poor people with no alternatives, but often as not having any real importance for the economy at large (Livingstone, 1991). They are therefore expected to expand during economic crisis and contract again during up-swings (Daniels, 1999). The focus of small-enterprise policies and also of many small enterprise studies has therefore often been on their ability to create employment and generate income for the poor rather than on what they do and how they contribute to the economy. This is highly problematic as the ability of the small enterprises to play a social role clearly rests on their ability to play an economic role.

With the introduction of structural adjustment programs during the 1980s and 1990s there was an increasing tendency to see the small enterprises as a more integrated part of the economy, partly because many small traders distribute formal sector products and partly because they, to some extent serve the same markets. Success in the formal sector should therefore lead to success in the small enterprise sector while crisis in the formal sector will lead to crisis in the small enterprise sector. The small-enterprise sector was therefore expected to develop pro-cyclical with the formal sector (Pedersen, 2000).

However, recent literature on rural-urban linkages and the importance of the rural non-farm activities indicate that the small enterprise sector has been growing in spite of

stagnation in the formal economy, and not just because the poor have no alternative (Bryceson, 2002). There are at least three reasons why we should expect the market for small enterprises and not least for small traders, to grow in spite of the generally stagnating economy. Firstly, increasing commercialization of the rural areas increases the need for commercially traded goods even if the economy as a whole is not really improving. Secondly, trade liberalization and agricultural diversification tend to shift trading activities from the state owned enterprises and large private enterprises to small-scale trade and production. Where the agricultural system before liberalization tended to concentrate on growing a few cash and food crops for the export and urban market, liberalization has led to diversification of the agricultural production as well as a diversification of the trade channels for the large food and export crops (Evans and Ngau, 1991; Ellis and Mdoe, 2003). Thirdly, the market for industrial goods, both locally produced and imported, has been growing due to increased urbanization. This means that the development of the small enterprise sector is linked to the largely irreversible processes of urbanization and rural commercialization and therefore not cyclical although the type of small enterprises developing during the up-swings may not be the same as during economic crisis (Pedersen, 2000). According to Daniels (2003) entry into the small enterprise sector in both the urban and rural areas is highly correlated to the development of agricultural value-added.

Therefore, while some people may operate small enterprises because they have no options, many do it because it gives them an income comparable to other available options and in addition liberties and possibilities to use constraint work time and other

resources which they could not use in an ordinary wage job (Pedersen, 2000; Daniels, 2003).

2.11 Relocation of Hawkers

Like the Government of Kenya today, compared with the experience in Mexico City during Ernesto Uruchurtu's regency from 1952 to 1966, Uruchurtu made use of a number of rhetorical claims about the evils of street vending to justify his strong action against street vendors in the face of legislation that basically legalized the activity. Today street vendors are accused of everything from causing competition for legitimate stores, avoiding taxes, to causing air pollution and a general public health threat. Foremost among the rhetoric used against street vendors by Uruchurtu was that they caused traffic congestion and were the cause of inflation because of the purported effect of "intermediarism" (Cross, 1998).

Rather than simply forcing street vendors to give up their trade and replacing them with modern supermarkets, which would have dealt efficiently with the perceived problem of intermediarism, Uruchurtu began an ambitious program for the construction of covered market buildings to house the vendors who were displaced by the above orders. The markets were built from public funds and rented to the vendors at a symbolic cost, officially in order to reduce the cost to the final consumer but, more importantly, to entice vendors into moving off the streets without resistance. As an official who entered public service at the time explained, in order to entice the vendors into the markets Uruchurtu gave them refrigerators, scales and even then he gave them the maintenance and care of their merchandise with guards, light, water and many of their other needs included in their nominal rents (Cross, 1998).

In the market area of La Merced, at that time the largest outdoor market area of the city, market space was constructed for 6,727 vendors. In the area known as La Lagunilla, 2,036 vendors were accommodated and in the commercial area of Tepito 4,488 vendors were placed in market structures. All of these were inaugurated in 1957, although in some cases previous market structures for far fewer vendors had existed before and been replaced. Altogether, in 1957 alone 18,414 vendors were relocated into 36 markets, and between 1953 and 1966 a total 174 markets were constructed or reconstructed for 52,070 vendors raising the number of markets in the Federal District from 44 to over 200. This level of market construction has never been repeated, and the markets built during this period accounted for 77.6% of the 67,066 market stalls in the city in 1993, 26 years after Uruchurtu. Even these figures underestimate the contribution of Uruchurtu to the present-day public market system in Mexico City since over a dozen markets were in the process of final planning or construction when Uruchurtu was removed from office (Cross, 1998).

One section of the 1951 market regulation allowed street vendors to form voluntary civil associations to represent their interests and to prevent city officials from ignoring them, and required that the Market Office recognize them as long as they had at least 100 members. After Uruchurtu realized he could not just ban street vending overnight, but had to construct markets for their relocation, he had to decide how to construct markets for the thousands of independent vendors who existed throughout the city. Very astutely, he laid down a policy that only recognized groups of at least 100 street vendors would have a market constructed for them. More importantly, only such

groups would be allowed to sell on the street pending completion of their market: vendors who were not members of recognized associations would therefore be repressed.

The experience in Mexico city during Ernesto Uruchurtu's regency from 1952 to 1966, the period during which a massive market construction program to take street vendors off the street was carried out, was that while street vendors seemed pleased with the market construction program at first, the markets were simply not profitable for many vendors, who began a slow process of returning to the streets. A number of reasons accounted for this fact:

1. Lack of adequate market planning for the new commercial center
2. Resistance to the greater level of control over vendors in the markets
3. Changes in the nature of commercialization due the change of locale from the public thoroughfare to the enclosed market buildings.

Constructed on available lots or areas of cheap land values, the markets were usually not as centrally located as the street markets they replaced, meaning that fewer clients came to them. While new clientele were built up over time, many vendors seem to have left during this initial phase. In addition, the symbolic rents were by no means the only cost of entering the markets: besides the continuation of corruption because many of the administrators were ex-police officers, and highly susceptible to such activity (Eckstein, 1977). City officials also used the markets to gain control over the commercial activities of the vendors in ways they found difficult or impossible to control in the street, such as imposing regular hours and regulating product lines. A third factor was that the simple change of locale from the public thoroughfare to a market changed the nature of selling. Because of its location in public space, a street market is not just a place of private

economic transactions: it is a place of socialization, a place to eat, to see and be seen, to chat with neighbors and friends, and a place to see what is available, and what takes one's fancy. On the other hand, public markets are more constraining in the sense that the closed space gives a sense of alien proprietorship, and one must therefore have a specific purpose to be there. Again, this required vendors to adapt their marketing strategy, an adaptation that few were prepared for.

For these and other reasons, the relocation of thriving street markets into closed markets damaged the commercial allure of whole neighborhoods. By mid-1953, even the established merchants of Polanco were urging the city to let street vendors come back, because they claimed their sales had dropped by 50% while other neighborhoods where vendors had remained experienced an increase in sales. Many vendors from this period claimed they suffered even greater losses and their savings were depleted. Some took to selling door-to-door, some had to get factory jobs, while others simply went to areas where markets were under construction to make a business out of getting a stall for free and reselling it after a few weeks (Cross, 1998).

2.12 Associations of Street Vendors

Associational life is an important resource for those engaged in small and micro enterprises. Street vendors associations have several functions that include: establishing and defending legal rights of vendors; setting up effective channels for representing members; raising the profile of street traders and protecting their interest in policy processes; building leadership through empowering members and providing concrete benefits for members (Lund and Skinner, 2000). The associations provide insurance against insecure welfare and business environment as well as providing business

requirements. In spite of these important roles, street vendors associations are characterized by instability.

In Kenya, majority of street traders do not belong to any street vending association, while others belong to several associations with no relationships. Street vendors work in isolation, with majority having no knowledge of associations that address street vending issues (Alila and Mitullah, 2000).

Lund (1998) in her work in South Africa notes that vendors interest group associations can assist informal economy workers in many ways. For example, bulk purchase of goods, negotiation with Local Government for improved amenities, negotiation with the formal business sector in order to improve linkages or access resources and networks, getting collective access to skill training, organizing self regulation for marketing, improved safety and security and to assist traders defend their legal rights.

Unlike market traders, street traders in most African cities are not organized. According to Lund and Skinner (2000), poor organizational level of street vendors is attributed to their being in the informal sector. They argue that those operating within the informal sector are not typical targets for organizing efforts by trade unions and other organizations focused on the situation of the working poor. Lack of organization reduces the vendors' negotiation power. They lack a collective voice in city planning, and their concerns are rarely brought forward for consideration by local authorities. The lack of organization and professional solidarity has contributed to the street vendors' ignorance of their legal rights. Skinner observed that the lack of organization made negotiations in Johannesburg and Cape Town very difficult. Formation of umbrella organizations,

similar to the Informal Trade Management Forum in Durban, and the Queenstown Hawkers Association in Queenstown were viewed as positive moves (Skinner and Lund, 1999). Such organizations provide service to their members, for example bulk purchase, marketing goods, training, management of trading sites, advocacy and representation.

A study conducted in Kenya in 1998 concluded that there was need to provide support to street vendors. The support should include advocacy, negotiation with authorities, and facilitating street vendors to form and strengthen their own organizations (Graham, et al, 1998). In Kenya, majority of street vendors associations are small with about 30 members. Prior to 2000, associations mostly addressed welfare issues such as sickness, funerals, payment of school fees and purchase of household goods, mostly restricted to groups dominated by women. Most of these associations were not conceptualized as street vendors associations, and did not concentrate on vending issues (Alila and Mitullah, 2000). Their study found that some of the vendors' representatives were self-styled leaders who were not recognized by those they claimed to represent. This reduces their capacity to mobilize street vendors and engage in negotiation, advocacy and policy influence.

The major role of street traders associations is to address problems of street vending, to fight for the rights of the vendors, particularly the right to space and to protect vendors from harassment and seek recognition and integration of street vendors in urban development. Since the completion of the IDS study (Alila and Mitullah, 2000) and the beginning of a facilitation program of street vendors associations by the IDS in collaboration with the StreetNet, street vendors associations have began playing the advocacy role. They negotiate with urban authorities on behalf of their members,

mobilize resources for business and mediate in cases of disputes among members. The associations are currently in the process of forming a national alliance of street vendors in Kenya.

Studies carried outside Africa show a high potential of organising. For example, in Mexico City, the organization of street vending has made it difficult for city agencies operating alone to take any effective action against street vendors. Thus, street vendors organizations have important roles to play. They provide vendors with a forum for sharing ideas, protection, recognition and handling problems affecting their business operations. In the Philippines, the country's lawmakers consulted cooperative leaders of vendors associations and they participated in the drafting of city ordinances. They were further contacted during congressional and senate hearings (Graham, et al, 1998).

Another example of what being organized can achieve, is the case of New York City. In 1993, the mayor passed a resolution that no street vendors would be allowed in the streets. In response, the vendors mobilized themselves in protest by calling a meeting, where they invited the media and demanded specific areas of operation. They sent a letter to the mayor and a map with approximately 21 sites where they preferred to be relocated. Three of the sites were approved after an eight-month negotiation (Cross, 1998).

Mitullah (2003) found that the relocation policy would have been more successful if the street traders had a unifying body advocating and negotiating on their behalf. In this research, it was noted that in relation to relocation, the availability of an acceptable site of operation is a precondition for compliance with various statutes relating to business operation. The Local Government Authorities are reluctant to allocate vending sites within the NCBD and allocate sites outside the NCBD, which vendors often decline to

move to. Meaningful engagement of stakeholder groups has only been initiated with pressure from fragmented street trader associations. In order to have effective policy dialogue and negotiation there is need for joint action both at the local and national level by the various street associations, urban authorities and other stakeholders.

In the year 2005 when the Local Government Authorities announced that hawkers must be relocated from the NCBD, many protests emerged – first and foremost from the hawkers themselves and surprisingly enough from some assistant ministers and Members of Parliament. Two schools of thought emerged to explain why a government policy could be met with such defiance. The first school of thought, which comprises hawkers, some Members of Parliament, assistant ministers and ordinary people holds that hawking is very okay in the NCBD because after all there are hawkers on the streets of major towns in the world like Washington D.C., London and New York. They also justify their opposition to the government arguing that most of the hawkers have taken loans to set up their businesses and are the sole breadwinners of their families, hence denying them the right to earn a living is tantamount to killing families. Most of them will become poorer because they will have no alternative, unemployment will increase and one of the consequences of this state of hopelessness would be escalation of crime. They also advance the claim that it is high time that they are referred to as traders and not hawkers. They also claim that hawkers belong to the class of the downtrodden and their rights must be respected.

According to a survey conducted by Kathuri (2005), an average hawker in Nairobi earns approximately KShs.20, 000 per month and the capital stock of vendors in the NCBD is worth approximately KShs.70 million. It is evident that the hawkers

perceive their trade as a way of life rather than passing time. Indeed they use their money for a living and for the education of their children. The second school of thought apparently comprises the government, businessmen within the NCBD and the NCBD Association and an overwhelming public. Although it is the government's policy to create order in the NCBD, it appears that the businessmen and the NCBDA are in effect the ones behind the scheme to relocate hawkers. This is because they have suffered a great deal not only from stiff competition by hawkers but also obstruction to their businesses. They argue that the government should be supported to restore order in the city and criticize those supporting hawkers as doing so to achieve their own interest. The proponents of this school argue that hawking in the NCBD has contributed to congestion, insecurity, and pollution; this is the main position of the government. Looking at the two schools of thought, one would be in dilemma to really make a decision and this is perhaps the reason why it has taken decades to resolve the hawking problem. The government has instead employed the fire-fighting strategy ranging from arresting the hawkers and releasing them the next day to relocating them in suburbs of Nairobi City with limited space. Essentially, many hawkers identify themselves with specific points and goods and also pay some tax in the form of purchasing business-operating licenses to the government. By referring to hawkers as traders or entrepreneurs we adopt a positive connotation about them hence the desire to positively design policies for promoting them and vice versa.

2.13 Growth of Street Trading

Kibas (2005) noted that many successful experiences around the world have led to the conclusion that one of the best ways to reduce unemployment and push the economy

forward is to encourage local economic development through small business enterprise development. Some of the reasons he advances for this argument are that small enterprises tend to be labor intensive and provide more jobs thus reducing the number of jobless people; small enterprises also tend to reduce the number of tax users but increases taxpayers; small-scale entrepreneurs reduce social frustrations and pressures, economic income and power disparities; they enhance self-empowerment in which an individual is able to grow out of a meaningless life into a position of increased status, improved life style and ability to control their own destiny. It is accurate to say that these small-scale entrepreneurs are people with full entrepreneurial spirit that needs to be strengthened and not killed. In Kenya, for instance, the government through its policies recognizes the role of the small-scale entrepreneurs in driving the county's industrialization by the year 2020. Even in the creation of jobs, the small-scale entrepreneurs, referred to as the informal sector are supposed to create most of them. This is a crucial consideration given that Kenya is a labor surplus country. It is equally important to recognize that the government has policies - rules and regulations that are aimed at creating order in the society. But in spite of this the same government seems to lack an integrated mechanism on how to support these small-scale traders.

Hawking as an economic activity survives not merely because it is an important source of employment but also because of the services it provides to the urban population. Hawkers provide goods and services at affordable prices to the urban poor and middle-income groups. Hawkers are popular because they provide much needed goods and services that the larger retailing outlets are unable to provide.

In most African cities, street trade is a common source of employment for many urban dwellers, however, in most countries, it is unaccounted for and unrecognized in the national economic statistics. The local authorities collect substantial revenue from the sector but do not maintain records of the numbers and the contribution of the sector to urban economy, which implies that these local authorities are unable to adequately plan since they have no representative statistics of the sector (Mitullah, 2003).

2.2 Empirical Literature

Mitullah (2003) in her report on Street Vending in African Cities: A Synthesis of Empirical findings from Kenya, Uganda, Zimbabwe, Ghana, Cote D'Ivoire and South Africa, found that street vending was an important source of income and employment. The synthesis was based on a review of six case studies conducted in six countries in Africa. Each of the case studies relied on both primary and secondary data.

Despite the important role of street vending, the activity was less understood, less recognized and unaccounted for in national economic statistics. This resulted in lack of enabling policies, regulations and organization of the sector. The street traders worked in hostile environment without basic infrastructure and services, but full of harassment, including beating and confiscation of goods by urban authorities. They also faced both market and investment problems. Overcrowding, dwindling sales due to poor location and low purchasing power among customers were some of the problems. Investment problems included: lack of capital, secure site of operation, corruption, heavy taxation and confiscation of goods by urban authorities among others. Although traders paid dues to urban authorities, the authorities were not able to adequately deliver required services.

In this synthesis it was found that mainstream economists are perceived as lacking an understanding of street vending, and hence its lack of coverage in economic measurement in all the countries and cities covered. There had also been minimal research in the area of street vending. For example, in Ghana a number of studies have been done on market trade but the case study was the first study on street vending. Thus, the case studies do not provide estimates of street vendors.

Although it has been argued that vending attracts those who have limited opportunities for obtaining formal employment and/or prestigious business, and minimizes chances of social exclusion and marginalization; street vending is increasingly becoming an option for many citizens. It is no longer limited to the lower social groups, especially the underprivileged who carve out a living in an environment full of harassment by urban authorities as experienced in the case studies. A number of entrepreneurs have entered the trade as an option, especially since the beginning of the Structural Adjustment Programs [SAPs] that resulted in the retrenchment of civil servants across Africa.

The Uganda case study shows the importance of informal economy throughout Uganda's turbulent civil strife. The informal sector is nearly the largest employer in Uganda accounting for 13 percent of the labor force as compared to 5.3 percent in the formal sector.

In all the case studies, women dominate street vending. This was attributed to the fact that there were limited economic opportunities for women in both rural and urban areas, gender bias in education, and augmenting husbands income. Besides these facts, street vending had a special appeal for women due to its flexibility. Women were found to easily combine street vending with other household duties, including taking care of children. The Uganda case study points out that women participate in street vending as a way out of a predicament. Women have moved from being subsistence and commercial farmers to engaging in trade and informal employment. In most cases they vend when their husbands cannot sustain the family or to supplement the husband's income. The

Kenya case study argued that the formation of women's groups gave women some form of recognition and freedom in an otherwise male dominated society.

Street vendors were found to be exposed to conflicts among themselves, with urban authorities and with formal traders. Apart from South Africa where Section 122 of the Constitution and the White Paper on Local Government protects street traders, other case studies had no legal provisions that protected street vendors. The South African legal provisions were found to have improved the business environment of street vendors. The policy environment of South Africa is comparatively supportive of street trade.

The study on which the synthesis was based also established that there were slight regional and country variations in the goods and services provided by street traders. However, based on the findings from the case studies certain generalizations are applicable to street vending in Africa. These generalizations are as follows: -

- Majority of street vendors are women, although there is also a large number of men and children
- Majority of street traders are own account workers, with a majority engaged in retailing
- Most traders are married and support large families with a high percentage of women being sole breadwinners. The rest of the traders are either single, widowed or divorced
- Most female traders take care of their own domestic chores, only a few are assisted by relatives. The same applies to working in the streets
- The male traders have domestic work done by their wives who are mostly housewives

- At work places in the streets, more men hire assistants or have helpers as compared to women
- Most street traders live close to their work place and walk to work. Few use taxis and buses
- Most traders have primary and below levels of education. A few have secondary education while very few have professional training. However, the younger traders tend to have higher education than the older traders
- Male traders seem to have more professional training as compared to women traders
- Most street vendors undertake vending due to lack of other sources of income and employment
- Widows and women who have been deserted by spouses opt for the street trade
- Men tend to join street trade while young and leave early for other jobs, while women join street trade later in life and continue till old age
- Male traders invest in businesses that require high capital and also yield more profits, while women make less profits because they are mostly engaged in activities that require less capital
- Most street traders work between 8 – 12 hours a day, although the starting and closing time vary depending on gender, type and location of business. Men tend to trade for longer hours.

Mitullah concluded that there is need for African Governments through the Local Authorities to address policies, regulations and organization of street vending. The South

African case provides a lesson on what constitutional and policy response can do to informal economic activities.

Bhowmik (2005) found that while the study had collected information on street vendors for most of the countries in Asia, the information presented is in no way comprehensive in covering all aspects of street vending.

The author concluded that though the Asian countries have witnessed an increase in street vendors, their governments are by and large indifferent to the specific needs of this sector. Street vendors perform an important role in providing services to the urban population, especially the poor. The governments unfortunately hardly ever recognize their contributions. Instead, the governments are more often than not hostile to them. This is a result of a broader issue concerning the informal sector as a whole. In most Asian countries the informal sector is very large and it constitutes the mainstay of the economy. Instead of protecting this sector and ensuring that its workers get their minimum dues, the governments are indifferent to their existence. Street vendors are an important part of the informal sector not only because of their numbers but because of the crucial roles they play in preserving this sector. Those in the informal sector usually consume the goods sold by street vendors, as they are cheap. Moreover, a significant amount of goods produced by small industrial units in the informal sector is marketed through them. In fact we have a situation where one section of the urban poor (street vendors) helps the other sections of the urban poor by providing them low priced goods and by marketing their products. Unfortunately, instead of recognizing their contributions to the economy, governments view street vendors as encroachers or criminals.

The synthesis of the case studies by Mitullah focuses on assessing constraints to business growth in the informal economy while Bhowmik's paper examines research done on street vendors in Asia with the aim of assessing the magnitude of street vending in different countries in Asia and the composition of street vendors, this study relies heavily on secondary data. Both studies look at the socio-economic conditions of street vendors and are of a qualitative nature.

This research examines the economic impact of relocating street vendors from the NCBD to suburbs of Nairobi City with focus on their volume of sales thereby being both quantitative and qualitative in nature.

CHAPTER III

3.0 METHODOLOGY

3.1 Conceptual Framework

In the cities of developing countries, informal economic activities are found in almost all main roads and arteries as well as in residential areas. From the point of view of development planning, it is important to understand why the operators of these small-scale informal enterprises choose the sites or locations where they run their enterprises. To arrive at this understanding, the analysis of some theoretical models of industrial locations is first required.

Yankson (2000) outlines the main tenet of location theories. He states that there are two main lines in such a classical model: the first seeks to maximize profits through the least cost approach; the second seeks to increase profits via the maximization of sales. However, Yankson (2000:316) confirmed that:

“Location is not simply a matter of achieving maximum profits, whether through minimization of costs or maximization of sales. There are other variables that need to be considered: locational interdependence, the difficulty of evaluating the relevant variables, especially costs in different locations, market conditions and the policies of rival firms, and whether firms indeed seek to maximize their profits or not.”

According to Yankson (2000:316), the classical model is not a good framework for studying the location decisions of small firms, particularly in developing countries. It does not allow for uncertainty, hence it probably cannot provide satisfactory explanations of the spatial behavior of small entrepreneurs in non-Western countries. Yankson went on

to argue that the behavioral model developed by Pred in 1967 is more likely to be beneficial and complementary to the classical model (Yankson, 2000:317). It focuses on people's incomplete knowledge and inability to utilize available information in order to obtain optimal location in terms of concerned profits.

Pred (1967) constructed a representation based upon a behavioral matrix where one axis represented the available information and the other the capacity to use it. This takes into consideration that even if information may be available, it may not necessarily be used properly or could even be analyzed incorrectly. Some decision makers are thus better than others. This representation assumes that most locational decisions are not optimal, but acceptable, that is profitable. A profitable location is within a spatial margin of profitability, which is simply a set of locations where the incomes derived from an activity are superior to the incurred costs of that location for example rent, labor, etc.

Even if Pred's behavioral matrix is almost impossible to apply to the real world, it underlines the possibility of sub-optimal locational decisions, which itself is a good reflection of reality. Uncertainty is implicitly assumed because the decision maker is not certain that a locational choice would be profitable (within the spatial margins of profitability) until the choice has been made. Even if all the necessary information was at hand, it is not guaranteed that the chosen location will be profitable.

Consumers in location models display preference for both the utility gained from a particular brand's characteristics as well as its geographic location; these two factors form an enhanced product characteristic space. Consumers are now willing to sacrifice pleasure from products for a closer geographic location, and vice versa. For example, consumers realize high costs for products that are located far from their spatial point (e.g.

transportation costs, time, etc) and also for products that deviate from their ideal features. Firms have greater market power when they satisfy the consumer's demand for products at closer distance or preferred products.

In 1929, Hotelling developed a location model that demonstrates the relationship between location and pricing behavior of firms. He represented this notion through a line of fixed length. Assuming all consumers are identical except for location and consumers are evenly dispersed along the line, both the firms and consumer respond to changes in demand and the economic environment. In Hotelling's Location Model, firms do not exercise variations in product characteristics; firms compete and price their products in only one dimension, geographic location. Therefore, traditional usage of this model should be used for consumers who perceive products to be perfect substitutes or as a foundation for modern location models.

In an example of fixed firms, assuming that the line in Hotelling's location model is actually a street with fixed length and that all consumers are identical, except they are uniformly located at two equal quadrants a and b , which is divided in the center by point o . Diagrammatically this is shown as in Figure 1;



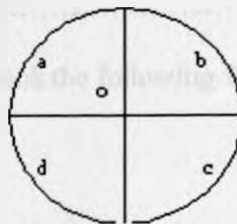
Source: Author 2006

Consumers face a transportation/time cost for reaching a firm, denoted by t ; they have no preferences for the firms. There are two firms in this scenario, Firm X and Firm Y; each one is located at a different end of the street, is fixed in location and sells an

identical product. Given the assumptions of the Hotelling's model, consumers will choose either firm as long as the combined price P and transportation cost t of the product is less than the competitive firm. For example, if both firms sell the product at the same price P , consumers in quadrants a and b will pick the firm closest to them.

The price realized by the consumer is $P + t = P_1$, where P_1 is the price of the product including the cost of transportation. As long as t for Firm X is greater than Firm Y, consumers will travel to Firm Y to purchase their product; this minimizes P_1 . Only the consumers who live at point o , the halfway point between the two firms, will be indifferent between the two product locations.

In the case of firm relocation we assume that the line in Hotelling's location model is actually a street with fixed length. All consumers are identical, except they are uniformly located in four quadrants a , b , c , and d ; the halfway point between the endpoints is point o . Consumers face an equal transportation/time cost for reaching a firm, denoted by t ; they have no preferences for the firms. This is shown as in Figure 2;



Source: Author 2006

There are two firms in this scenario, Firm X and Firm Y; each one is located at a different end of the street, is able to relocate at no cost, and sells an identical product. In this case, Firm X and Firm Y will maximize their profit by increasing their consumer pool. Firm X will move slightly toward Firm Y, in order to gain Firm Y's customers. In response, Firm Y will move slightly toward Firm X to re-establish its loss, and increase

the pool from its competitor. The cycle repeats until both firms are at point O , the halfway point of the street where each firm has the same amount of customers. If only Firm X can relocate without costs and Firm Y is fixed, Firm X will move to the side of Firm Y where the consumer pool is maximized. Consequently, the profits gained from Firm X significantly increase, while Firm Y incurs a significant loss.

3.2 Model Specification

The model used in the study was based on multiple linear regression form, partial correction coefficient and logit model. It was multiplicative because there was a need to calculate the value of exogenous variables. The goal of the study was to model the Benefit (B), accruing to hawkers who relocated from NCBD to the Ngara market as a function of Volume of sales (V), Price (P), Cost of running business (C) and Stock/Quantity of goods purchased for sale (Qps). The dependent variable, Benefit, took a value 1 if the hawker benefited from the relocation and 0 if the relocation did not benefit the hawker. The model was multiplicative and took the following form;

$$B = f(V, P, C, Qps) \dots \dots \dots (1)$$

The standard equation of the model took the following form,

$$Y_i = (\beta_0 X_1^{\beta_1} X_2^{\beta_2} X_3^{\beta_3} X_4^{\beta_4})$$

Where the form of the logit model formula is:

$$P(Y) = 1 / (1 + \exp(-(\beta_0 + \beta_1 * X_1 + \beta_2 * X_2 + \beta_3 * X_3 + \beta_4 * X_4))) \dots \dots \dots (2)$$

with $P(Y) = 1 / (1 + e^{-9})$ as the reduced form of the equation 2.

Where β_0 is a constant and β_i are coefficients of the explanatory variables. The computed value $P(Y)$ is the probability of traders benefiting from the relocation to Ngara market and it ranges between 0 and 1. A greater value of $P(Y)$ implies a greater

probability of traders benefiting from relocation. When $P(Y)$ approaches infinity, probability of the traders benefiting from relocation approaches 1, indicating a high likelihood for the traders to benefit. When $P(Y)$ approaches negative infinity, probability of the traders benefiting from relocation approaches 0. When $P(Y)$ equals zero, the probability is 0.50, implying a 50/50 chance for the traders to benefit.

Re-writing equation 1 in logarithmic form with a stochastic term;

$$\ln Y = \ln \beta_0 + \beta_1 \ln X_1 + \beta_2 \ln X_2 + \beta_3 \ln X_3 + \beta_4 \ln X_4 + \mu \dots \dots \dots (3)$$

The relationship between the dependent variable and explanatory variables was expected to be either negative or positive as follows;

The coefficient for Volume of sales (V) is expected to be positive because an increase in sales leads to greater benefit on the condition *ceteris paribus*.

The coefficient for Price (P) is expected to be positive because an increase in price of commodities sold leads to greater benefit on the condition *ceteris paribus*.

The coefficient for Cost (C) is expected to be negative since an increase in costs of running business leads to lower benefit on the condition *ceteris paribus*.

The coefficient for Stock/Quantity of goods purchased for sale (Qps) is expected to be positive; this is because an increase in quantity of stocks purchased for sale implies greater benefit from economies of scale on the condition *ceteris paribus*.

Therefore on a priori grounds, β_1, β_2 and β_4 are expected to be positive while β_3 is expected to be negative. The constant (intercept), β_0 , shows the value of the dependent variable when other variables are zero. The value of the dependent variable is independent of the intercept and error term μ .

The stochastic term is assumed to satisfy the following conditions;

- i. It is assumed to have a constant variance for all observations - the assumption of homoscedasticity.

$$\mu (\mu^2) = \sigma^2$$

- ii. Normality assumption; it is assumed to be normal and random with a mean zero and variance σ ; i.e.

$$\mu \sim N(0, \sigma^2)$$

- iii. Non – multicollinearity; implies that none of the explanatory variables be correlated with any other explanatory variables, nor with any liner combination of these variables.

3.3 Research Design

To determine whether the traders have benefited from the relocation or not and analyze how the relocation of hawkers from the NCBD to Ngara market has impacted their sales volume, this study has drawn on both the logit model to illustrate a sequence of cause-and-effect relationships and Hotelling's Location Model, which seek to increase profits through minimization of costs or maximization of sales. The Hotelling location model hypothesizes that a firm often finds it advantageous to locate in the center of the market, where center may be defined either geographically or by product characteristics. This enables the firm to maximize market share by reducing transportation costs for customers, or persuading customers that the firm's products are a safe compromise. Such location decisions result in product homogeneity and clustered locations for similar firms. This model was useful in this research because the hawkers relocated to the Ngara market had been assured of their security of tenure since this market had been identified by the

Local Authorities as a legal site for their trading activities hence ruling out the issue of uncertainty.

This study considered the hawkers business as the unit of analysis and hence the variables herein considered are those that affect the operations of the business. The hawker aims at maximizing profits subject to exogenous constraints, which include volume of sales, price of commodity sold, cost of running business and stock/quantity of goods purchased for sale.

3.4 Population and Sample

The target population in this study was all hawkers in Kenya with the accessible population being the hawkers who were relocated from the NCBD to Ngara market.

The research utilized the systematic random sampling technique. Systematic sampling is the selection of every n^{th} element from a sampling frame, where n , the sampling interval is calculated as the number in population divided by the number in sample. Using this procedure each element in the population had a known and equal probability of selection. This makes systematic sampling functionality similar to simple random sampling. It is however, much more efficient and much less expensive to use.

The Ngara market was selected as the research location because it is the only site hawkers relocated from the NCBD were settled by the Local Authorities.

To determine the sample size to be used, this study utilized the social science research formula. Since there was no estimate available of the proportion in the target population assumed to have the characteristic of interest, 50% was used as recommended by Fisher et al (1983).

3.5 Data Collection Procedures

Data for this study was obtained from both primary and secondary sources. The study utilized data from the year 2004 i.e. before hawkers were relocated from the CBD and data from 2006 after hawkers were relocated to the Ngara market. This period was relevant to capture the impact of relocating hawkers from the CBD to Ngara market.

The primary data was obtained through semi-structured interviews which were conducted at the Ngara market on the selected sample. This data included the respective incomes and number of customers who accessed the hawkers both before relocation from the NCBD and after relocation to the Ngara market.

The research used semi-structured interview schedule. This technique of data collection was relevant to this study because:

- It enabled the interviewer to establish rapport with the respondent.
- It allowed the interviewer to observe as well as listen.
- It permitted more complex questions to be asked than in other types of data collection.
- It was an effective method of gathering data when the data collection instrument was lengthy.

Note taking was used to record respondent's responses during the interview. This method was preferred because:

- It usually has higher response rate than written or telephone survey methods.
- It is good for complicated questions.
- It is easy for respondents to ask for clarification of questions.

- It is easy for the interviewer to ask for clarification of answers or to probe for more information.
- It does not require literacy or mailing address on the part of respondents.
- When responses are noted as the interview progresses, it facilitates data analysis since the information is readily accessible and already classified into appropriate categories by the interviewer. This is especially so if the interview is semi-structured.
- If note taking is done as the interview progresses, no information will be left out owing to forgetfulness or any other kind of omission.

Interviewers were trained since quality of data is sensitive to the skill and cultural competency of the interviewer.

The secondary data sources included local newspapers, statistical abstracts from the Central Bureau of Statistics and various journals from International Labor Organization.

3.6 Data Analysis

The study utilized both primary and secondary data. Secondary data was collected through review of key documents to determine the existing literature on hawking and to help identify crucial elements that need to be prioritized in the design of a market for relocation. Existing knowledge was explored this knowledge included strategies and approaches that had been previously been used, existing policies and legislation were also reviewed. The information was used to guide the development of survey tools. Primary data was obtained from the respondents through semi-structured interviews which were conducted at the Ngara market. Respondents were selected through systematic random sampling of hawkers at the market.

Thereafter, questionnaires were coded for data entry. Data cleaning was done to validate content errors i.e. to check the inconsistencies that might have arisen during data entry and/or data collection. Preliminary analyses were done to identify the distribution of variables and also cross check the responses in the data with the questionnaire. Such univariate analyses included running frequencies; cross-tabulation, descriptive statistics such as mean, standard deviation, standard error and drawing graphs for pictorial presentation. Normality test was done to identify the distribution of our variables since in the model specification; one of the assumptions was that our model followed a normal distribution. Data entry was done using excel spreadsheets and was exported to Stata, a data analysis and statistical software and SPSS for cleaning and analysis. Data cleaning, normality test and logistic regression were also done in Stata program. SPSS was used to run cross-tabulations to obtain the proportion percentages to be used for descriptive statistics. To test for significance, chi-square test of proportions was used.

CHAPTER IV

4.0 DATA ANALYSIS, INTERPRETATION AND DISCUSSIONS

4.1 Descriptive Statistics

Table 4.0 shows the gender composition of the respondents. The researcher found it important to analyze the gender composition of the sample interviewed because men and women were found to play different roles within Ngara market.

Table 4.0: Gender of the Hawker

Gender	Frequency	Percentage	Cumulative Percent
Male	23	46.0	46.0
Female	27	54.0	100.0
Total	50	100.0	

From Table 4.0 the percentage of female hawkers in the sample chosen was 54 percent while that of male hawkers stood at 46 percent. Women represented a greater share of the traders, this was attributed to the fact that majority of the women were contributing to labor required in running the business as family members. As opposed to women, men were found to be the owners of the businesses some of whom were engaged in formal employment, employers were also predominantly male. This was ascribed to the fact that women face gender based constraints, which confined them to providing cheap labor in running businesses; these constraints include cultural and institutional restrictions to ownership and control of property and income, household and childcare responsibilities and attitudes towards women's economic activities and access to resources.

Table 4.1 shows the age group distribution of the respondents with the productive age groups falling between 20 and 65 years. The researcher deemed it necessary to study

the age distribution in Ngara market since different age groups were found to play different roles in the Ngara market setup.

Table 4.1: Age

	Age group	Frequency	Percentage	Cumulative Percent
1	20 - 29	10	20.0	20.0
2	30 - 39	20	40.0	60.0
3	40 - 49	11	22.0	82.0
4	50 - 65	9	18.0	100.0
	Total	50	100.0	

Table 4.1 shows that most of the respondents fell in the 30 - 39 age group which accounted for 40 percent of the sample chosen, with the second largest group being those in the 40 - 49 age group. This group accounted for 22 percent of the sample size. The respondents who fell in the 20 - 29 age group accounted for 20 percent of the sample chosen while those who were above 50 years accounted for 18 percent of those interviewed.

Majority of the respondents who fell in the 20 - 29 age group were found to be wage workers within the market while those in the older age groups were more likely to be self-employed or owners of the businesses. This may be attributed to the fact that most young respondents lack access to capital to start businesses and were less skilled in terms of running businesses; the older respondents on the other hand were more likely to have access to capital either from borrowings or savings and were found to be more skilled in terms of running businesses.

Table 4.2 shows the distribution of the respondents by education. Education, an important factor in the development of knowledge and skills, played a significant role in determining the nature of individuals in the sample chosen.

Table 4.2: Level of Education

Level of education	No. of Hawkers	Percentage	Cumulative Percent
Primary	16	32.0	32.0
Secondary	27	54.0	86.0
Other	7	14.0	100.0
Total	50	100.0	

Table 4.2 indicates that 32 percent of the respondents had attained primary education, 54 percent of the respondents had attained secondary education while only 14 percent had received other forms of tertiary education. Majority of the respondents had undergone secondary education with fewer respondents receiving tertiary education. Low levels of education were registered in the respondents, this implied that the traders generally possessed low skill levels and lacked the levels of formal education required for formal employment.

Table 4.3 shows the classification of goods sold in Ngara market. This classification was considered to be important to the study because it would enable the researcher to ascertain which class of goods appealed to the respondents and clientele.

Table 4.3: Classification of Goods Sold

Items Sold	Percent	Frequency	Cumulative Percent
Food items	52.0	26	52.0
Non-food items	48.0	24	100.0
Total	100.0	50	

Table 4.3 revealed that 52 percent of the respondents dealt in food items while 48 percent of the respondents dealt in non-food items. Food items included fruit and vegetables, snacks, soft drinks, cereals and cooked meals while non-food items included new and used clothing, shoes, small electrical appliances, newspapers, utensils, household goods and cigarettes. Results from Table 4.3 implied that there was higher demand for food items than for non-food items and as such most enterprises were food

based. It was also found that goods sold in Ngara market were similar in nature and had close substitutes.

4.2 Empirical Results

4.2.1 The Logit Model

To predict the probability that traders benefited in Ngara, we had intended to use the following logit model; $P(Y) = 1/(1 + \exp(-(\beta_0 + \beta_1 * X_1 + \beta_2 * X_2 + \beta_3 * X_3 + \beta_4 * X_4))$ as described in equation 2.

The assumption made was that Y is linearly related to the variables shown below:

$$\ln Y = \ln \beta_0 + \beta_1 \ln X_1 + \beta_2 \ln X_2 + \beta_3 \ln X_3 + \beta_4 \ln X_4 + \mu$$

The dependent variable P(Y) approached 1 if the hawker benefited from the relocation and tended towards 0 if the relocation did not benefit the hawker, where β_0 is a constant and β_i are coefficients of the explanatory variables with $\beta_1, \beta_2, \beta_3$ and β_4 being Volume of sales (V), Price (P), Cost (C) and Stock/Quantity of goods purchased for sale (Qps) respectively.

On a priori grounds, $\beta_1, \beta_2,$ and β_4 were expected to be positive while β_3 was expected to be negative. When running data in the SPSS program, coefficient β_3 for Cost (C) was found not to be a statistically significant predictor of traders benefiting from the relocation and was therefore was dropped from the analysis. We thereafter adopted a new model that took the following reduced form:

$$B = f(V, P, Qps) \dots \dots \dots (4)$$

The standard equation of the model took the following form:

$$Y_i = (\beta_0 X_1^{\beta_1} X_2^{\beta_2} X_3^{\beta_3})$$

The coefficients of the explanatory variables β_1 , β_2 and β_3 now represented Volume of sales (V), Price (P) and Stock/Quantity of goods purchased for sale (Qps) where the form of the logit model formula adopted was:

$$P(Y) = 1/(1 + \exp(-(\beta_0 + \beta_1 * X_1 + \beta_2 * X_2 + \beta_3 * X_3))) \dots \dots \dots (5)$$

with $P(Y) = 1 / (1 + e^{-9})$ being the reduced form of the equation 5.

Re-writing equation 4 in logarithmic form with a stochastic term;

$$\ln Y = \ln \beta_0 + \beta_1 \ln X_1 + \beta_2 \ln X_2 + \beta_3 \ln X_3 + \mu \dots \dots \dots (6)$$

Table 4.4 shows the results from the data analysis of the logit model adopted.

Table 4.4: Logit Estimates Results

Variable	Coefficient	Asymptotic Error	t statistic	95% Confidence Interval	
Volume of sales	0.185	0.013	14.65***	0.159	0.210
Price	-0.034	0.008	-4.35***	-0.049	-0.018
Cost	(dropped)				
Stock	-0.026	0.013	-2.04*	-0.052	0
Constant	0.695	0.121	5.72***	0.450	0.940

* 95% Significance level

*** 99% Significance level

The regression equation was therefore:

$$Y_i = 0.695 + 0.185 \text{ Volume of sales} - 0.034 \text{ Price} - 0.026 \text{ Stock} \dots \dots \dots (7)$$

The computed R-squared was 0.8468 with the adjusted R-squared as 0.8369.

Adjusted R-squared was more useful in this case because the R-squared was calculated based on a sample, not the entire population. The reduced form of the logit model therefore utilized the adjusted R-squared in the equation $P(Y) = 1 / (1 + e^{-0.8369})$ and a probability of 0.6978 was obtained.

On a priori grounds the coefficient β_1 for Volume of sales (V) was expected to be positive because an increase in sales leads to greater benefit on the condition *ceteris paribus*. Table 4.4 shows that β_1 was 0.185, a statistically significant result; the increase

in sales was attributed to the fact that Ngara market is located near several public transport bus stops and residential areas and is therefore accessible to most customers.

The coefficient β_2 for Price (P) was expected to be positive because an increase in prices of commodities sold led to greater benefit in terms of revenue for the traders on the condition *ceteris paribus*. Table 4.4 shows that coefficient β_2 was found to be -0.034 , a statistically significant result; this showed that prices for commodities had decreased. Decreasing the price of a good that has an elastic demand causes relatively greater increase in quantity demanded which will finally result in increased revenue. Goods sold in Ngara market were categorized as those taking up a larger proportion of an individual's income and normal goods indicating that the goods had a relatively elastic demand. However, it was also important to note that price is influenced by the type of distribution channel used, the type of promotions used, and the quality of the product, price will usually need to be relatively high if manufacturing is expensive, distribution is exclusive, and the product is supported by extensive advertising and promotional campaigns, prices for commodities sold in Ngara market were relatively low, this is because low prices were found to be a viable substitute for product quality, effective promotions and energetic selling effort by the traders.

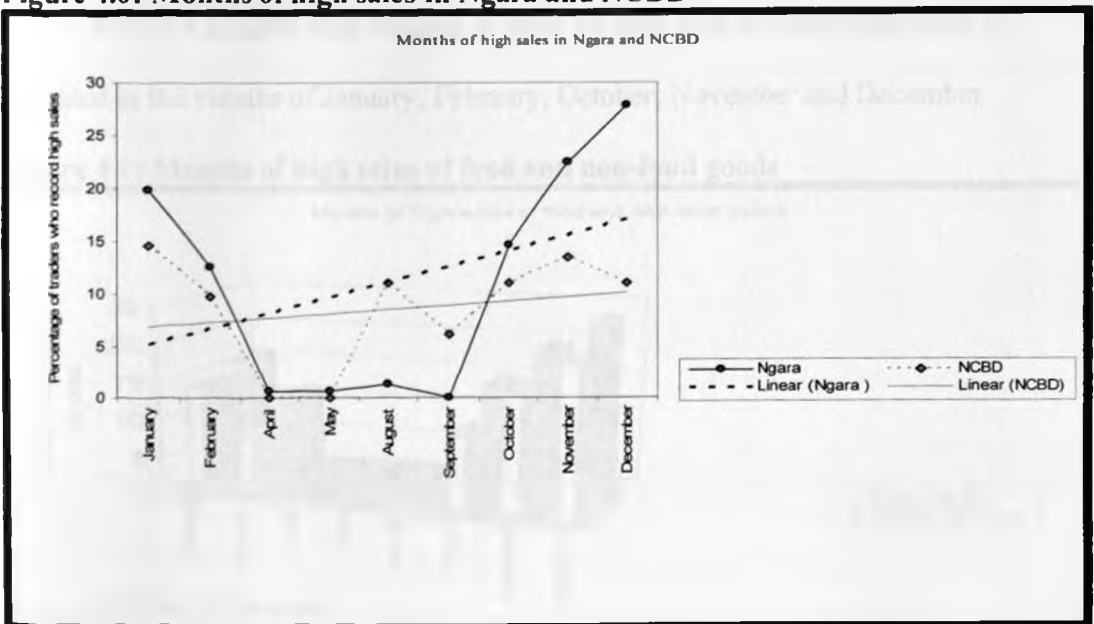
The coefficient β_3 for Stock/Quantity of goods purchased for sale (Qps) was expected to be positive; this is because an increase in quantity of stocks purchased for sale implies greater benefit from economies of scale on the condition *ceteris paribus*. Table 4.4 shows that the coefficient β_3 was -0.026 , a statistically significant result. This implies that traders were not buying inputs in bulk thereby not taking advantage of volume discounts.

The computed value $P(Y)$ was the probability of traders benefiting from relocating to Ngara market and it ranged between 0 and 1. When $P(Y)$ equals zero, the probability is 0.50, implying a 50/50 chance for the traders to benefit while a greater value of $P(Y)$ implied a greater probability of traders benefiting from relocation. In this study given adjusted R-squared as 0.8369, the probability that the move to Ngara benefited traders was therefore 0.6978 showing that hawkers were found to have benefited from the relocation. The effect of the decreased Price (P) and Stock/Quantity of goods purchased for sale (Qps) on the overall benefit from relocation was offset by the positive impact of the relocation on the Volume of sales (V) resulting in a greater probability that the traders benefited from the relocation.

4.22 Comparison of Sales Volume in Ngara and NCBD

Figure 4.0 shows two trend lines that represent the relationship between months that traders recorded high sales and low sales.

Figure 4.0: Months of high sales in Ngara and NCBD

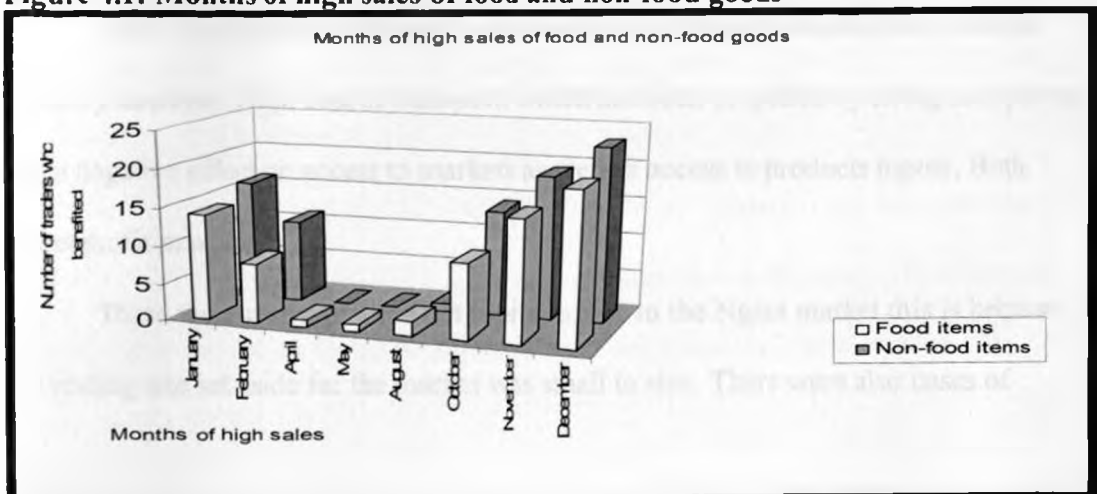


It is evident that in the beginning of the year the percentage number of traders in Ngara and NCBD was high. This was attributed to high sales recorded at the end of the year due to festivities in the month of December, which was carried forward to the beginning of the year. In the beginning of the year, volume of sales in Ngara market was higher than NCBD due to the varied types of goods sold i.e. both food and non-food. In the subsequent months until the month of April where there was an insignificant volume of sales, there was a sharp drop in the amount of goods sold. Volume of sales dropped steadily in February in both Ngara and NCBD because most customers had paid school fees for their children.

The two trend lines in Figure 4.0 also show the difference in the percentage of traders who benefited from high sales. The trend line of the traders in Ngara market rose steadily from the beginning of the year until the end. However, the trend line of traders who benefited during operation within NCBD is lower than that of those who benefited while in Ngara market.

Figure 4.1 shows high volume of sales for both food and non-food items as recorded in the months of January, February, October, November and December.

Figure 4.1: Months of high sales of food and non-food goods



However, in the beginning of the year the volume of sales was low as compared to the close of the year. December was the peak of business after a steady rise from the month of October. This was attributed to the festivities within the month of December.

More non-food items were sold during this months, this is because the non-food items were more affordable in the market as compared to those sold in the established formal enterprises.

4.23 Problems Faced by Hawkers

Hawkers are faced with many problems. This section discusses the main problems experienced by hawkers in their day-to-day operations.

Hawking is considered an illegal trade and the street vendors face constant harassment from the authorities. The vendors are forced to pay a sizeable part of their income as bribes in order to keep plying their trade. This has led to increased insecurity, crime and violence especially during riots.

Street vendors were found to operate without much needed infrastructure. There were few stalls for business operations and these stalls were devoid of business furniture such as benches and shelves for storage of stock.

Lack of accessible roads and limited access to transport was another problem faced by hawkers. High cost of transport, which has been propelled by rising fuel prices, has a negative effect on access to markets as well as access to products inputs. Both affect profit margins.

There were many vendors but limited space in the Ngara market this is because the trading site set aside for the market was small in size. There were also cases of

foreigners competing with legitimate vendors for space. This had led to congestion and unhygienic conditions in the market.

Lack of electricity has hindered growth of businesses because traders are unable to operate electric machines for production and refrigeration systems for preserving agricultural products.

Hawkers also experienced limited access to finance and banking. Micro-credit availability is crucial to the development of those in the informal economy. However, banking facilities that cater to hawkers were absent.

Street vendors were found to keep unreliable records this was not only due to the low priority attached by new and fresh entrepreneurs, but also a lack of training in basic math and accounting skills, as well as business management skills. Most hawkers, therefore, lost track of their daily transactions and could not account for their expenses and their profits at the end of the month.

Hawkers also lacked access to economies of scale because they could not afford to buy in bulk. They were thus forced to pay retail prices for their goods resulting in inflated costs during acquisition of stock.

Demand factors such as low cash flow in many of the buyers, small size of the market and shortage of customers were found to lead to low and irregular business cash flow for these street vendors.

Lack of capital was another impediment to street vendors. First, these businesses were started with limited capital because most vendors lack collaterals such as cars or land titles that can be deposited to get loans from the traditional commercial banks. On

the other hand, the loans provided by micro finance institutions are small, with a short repayment period and high interest rates.

In addition, most businesses, such as those dealing in foodstuffs, were affected by lack of proper storage facilities. This has been a major limitation on business success because most agricultural products require preservation and have an inelastic demand meaning that even if their prices are lowered, quantity demanded would not increase in that same proportion to clear the market of surpluses.

Another important issue raised was that there was no cooperation between street vendors and NCBDA due to the fact that there was not enough control among the vendors themselves. This signifies that lack of a strong unifying body to voice their concerns is one of the major problems affecting hawkers because it is through such bodies that hawkers are able to negotiate in the areas of policy, planning and enforcement and advocate for better working conditions.

CHAPTER V

5.0 CONCLUSIONS AND POLICY RECOMMENDATIONS

5.1 Conclusion

Although there are many problems facing hawking businesses, measures have been taken to arrest some of the problems. Construction of police posts and installation of streetlights had reduced the issue of insecurity. Of the traders interviewed, 20 percent believed that formation of hawkers association had enabled hawkers to articulate their views collectively. Besides, 13 percent of the hawkers viewed the opportunity the city council gave the traders to build their stalls in the Ngara market as one of the measures taken towards addressing problems experienced by hawkers. Security guard's services were also engaged in order to address the problem of insecurity.

Hawking within the NCBD is illegal, not only are licensed businesses within the city paralyzed by congestion on the streets and pavements when there is hawking within the NCBD, but there are more instances of insecurity and health hazards which pose a great threat to the development of the NCBD. Hawkers may boast of high volume of goods sold during their operation within the NCBD. However, these goods are sold at low prices and this is detrimental to other businesses within the town. As businessmen there is need for coexistence because some hawkers depend on the licensed business owners within the NCBD to supply their goods.

5.2 Recommendations

On the basis of the research findings and reviewed literature, the following recommendations are put forward as a means to offer solutions to the mentioned concerns.

As the custodian of the market centers, the NCC should keep the market clean by constructing proper sewerage and disposal systems and equally important maintain efficient storage facilities for the hawker's goods. This is viewed as a way of attracting customers who are otherwise kept off by the filthy state of the market.

Lack of access roads to the market not only stop potential customers from accessing the market, but also discourage businessmen from transporting goods in bulk as there are no routes to enable commercial lorries to access the market place. The NCC through both local and central government should construct access roads to the market.

In order to attract more customers; the NCC should also improve security in the market and construct modern stalls. NCC should also set specific days as market days to boost volume of sales and more so, enable customers establish the types of goods sold in the market. In addition, traders from other areas will be attracted and this will also boost the revenue collection from the market.

The percentage of food items sold in the market is about 50 percent of the total volume of items sold; therefore due to the nature of food items sold, while constructing modern stalls within the market, the city council should provide electricity and install refrigeration facilities within the stalls to enable traders to store perishable goods.

Traders should form associations where they can channel their views and also receive formal training in business management; such organizations will give the traders a forum to ask for business financing loans from the banks and micro-finance institutions and also receive training in basic accounting and business management skills. Emphasis should be placed on the importance of proper record keeping because it would enable a businessman to have accurate information on which to base decisions such as projecting

sales and purchases or determining the break-even point and making a wide range of other financial analyses.

Problems associated with hawking and their suggested solutions are interlaced, unless amicable solutions are found, problems experienced by hawkers cannot be addressed holistically. This calls for concerted efforts of both hawkers and stakeholders alike to come to a consensus in order to abate the problems experienced by hawkers.

5.3 Limitations of the Study and Avenues for Future Research

The present study has certain limitations that need to be taken into account when considering the research and its contributions. However, some of these limitations can be seen as fruitful avenues for future research under the same theme.

This study has focused on a phenomenon that is a very extensive and major one, i.e. street trade. Clearly, this represents a challenging task for research regardless of the more specific interests that the study may have. In this study, this extensive and complex phenomenon has been studied from a rather narrow empirical perspective. The selection of the single case study design naturally brings forth many limitations as far as the generalization of the results of the study is concerned. Thus, the empirical setting, the Ngara market and the situation faced by hawkers after relocating from the NCBD, can only be seen as a kind of pilot context of the relocation process. On the other hand, this also represents the whole idea of making this study. By understanding something about this particular case more in depth, we might eventually also learn something about more general phenomena. The empirical analysis of Ngara market conducted in this study represents therefore only a single case and what is more, from the perspective of this single actor, the hawker. To study the impact of relocation through multiple case study

design, for example, is clearly one of the future research challenges in this topic. Multiple case study design would enable a researcher to test the conceptual framework of the study further. However, as the theme of this study has been related to an emerging issue in market relocation from town center's, it can be seen that eventually there will be more matters arising from the issue of relocation in other towns so that their emergence, even through multiple case studies becomes different, i.e. the emergence needs to be studied retrospective.

The chosen case market also can be seen to include certain limitations in the sense that the market was at such an emerging stage. Although this was used as a selection criterion, it could also be argued that for the future research on this topic, an empirical setting where the market had advanced a bit further would have revealed more, especially as far as the dynamism of the market relocation process is concerned. However, the decision to concentrate on the analysis of a single case market especially from the perspective of hawkers who were relocated from the NCBD was essential in order to examine the impact of the relocation.

Another limitation of this study is the perspective adopted. Instead of trying to understand the market relocation process in general, this study has been first and foremost limited to the hawker's perspective from which conclusions are drawn. This can thus also be seen as a limiting factor in this study.

The conclusions as well as the limitations of this study also bring forth some fruitful and interesting possible avenues for future research that might be needed in relation to the theme of the study. The most important avenue for future research lies in continuing the elaboration of the elements of the market relocation process. A more

thorough understanding of the market from the buyer's perspective could be achieved by considering the connections, hierarchies and interplay of the market process elements more explicitly. Understanding the supplier's standing points and driving forces with regard to the market relocation process elements would be interesting as well. The role of intermediaries is also worth pursuing with regard to the topic. Moreover, it would be holistic to combine the perspectives of all of these actors in the market relocation process.

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APPENDICES

APPENDIX 1: WORK PLAN AND PROPOSED BUDGET

Time Schedule

Activities/Months	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Proposal & instrument design	➤	➤	➤					
Literature review	➤	➤	➤	➤	➤	➤	➤	
Presentation					➤			
Data collection					➤	➤		
Data coding					➤	➤		
Data analysis					➤	➤		
Draft report						➤		
Final report							➤	
Final report dissemination								➤

Source: Author 2006

Proposed budget

	Activities/Items	Unit cost KShs.	No. of Units	Total
1	Allowances to research assistants	2,000.00	10*10 days	20,000.00
2	Computer services	2,000.00	10	20,000.00
3	Stationery	2,000.00	5	10,000.00
4	Transport cost	50.00	20	1,000.00
5	Communication	5,000.00	1	5,000.00
6	Reproduction cost	1,000.00	5	5,000.00
7	Indirect costs	5,000.00	1	5,000.00
8	Miscellaneous expenses	5,000.00	1	5,000.00
	Total			71,000.00

Source: Author 2006

APPENDIX 2: INTERVIEW SCHEDULE FOR HAWKERS

Instructions

The disagreement between hawkers and the government has had a long-standing history, particularly in Nairobi. The main reason being the hawkers are not in agreement with the governments decision to relocate them from the NCBD to markets in the suburbs of the city. This research aims to investigate the impact this relocation has on the number of customers accessing these markets and the effect this has on the hawkers' incomes.

This study will also explore the idea of alternative market space convenient for the hawkers, customers and Local Government Authorities. Through your support in responding to the following questions you will help the researcher and all stakeholders of Local Government solve these problems. The information you are going to give will be treated as confidential and will be used for this research work only.

Interview Schedule

- 1) Gender (a) Male (b) Female

- 2) Age
 (a) Below 20 (b) 20-30 (c) 30-40 (d) 40-50 (e) Above 50

- 3) Level of education
 (a) Primary (b) Secondary (c) University (d) Other

- 4) Reasons for venturing into hawking as a business activity.
 (i) _____

(ii) _____

(iii) _____

(iv) _____

(v) _____

5) Problems faced in the hawking business.

(i) _____

(ii) _____

(iii) _____

(iv) _____

6) What steps have been taken to ease the above problems?

(i) _____

(ii) _____

(iii) _____

(iv) _____

7) What kind of items do you sell?

Food items: Yes No

Non-food items: Yes No

8) Compared with the times you were trading within the NCBD, do you record higher sales in Ngara than you used to?

9) Which months did you record high sales?

10) Which month(s) did you use to record highest sales when you were operating with NCBD?

11) What volume of products /item do you normally sell in a year?

Quantity

12) On average, what quantity of your commodities do you sell in a month?

13) On average, how much do you get as total sales in a month?

Amount in KShs.

14) On average, how much do you price your items?

Amount in KShs.

15) On average, how much do you incur in terms of business running costs in a month?

Amount in KShs.

16) On average, how much do you incur in terms of business running costs in a year?

Amount in KShs.

17) How much do you normally purchase?

(a) Quantity

(b) Unit Price

(c) Amount per unit in KShs.

18) What are your suggestions regarding alternative solutions to the problems faced by hawkers that will be convenient for NCBDA, hawkers and customers?

(a) _____

(b) _____

(c) _____

(d) _____

(e) _____

(f) _____

(g) _____

(h) _____

(i) _____

APPENDIX 3: DATA COLLECTED FROM INTERVIEW SCHEDULES

Gender of the hawker

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	23	46.0	46.0	46.0
	Female	27	54.0	54.0	100.0
	Total	50	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 - 29	10	20.0	20.0	20.0
	30 - 39	20	40.0	40.0	60.0
	40 - 49	11	22.0	22.0	82.0
	> 50	9	18.0	18.0	100.0
	Total	50	100.0	100.0	

Level of education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Primary	16	32.0	32.0	32.0
	Secondary	27	54.0	54.0	86.0
	Other	7	14.0	14.0	100.0
	Total	50	100.0	100.0	

Classification of goods sold

		Frequency	Percent	Valid Percent	Cumulative Percent
	Food items	26	52.0	52.0	52.0
	Non food items	24	48.0	48.0	100.0
	Total	50	100.0	100.0	

Months of high sales in Ngara

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	November - February	5	10.0	10.0	10.0
	October - November	2	4.0	4.0	14.0
	December - February	6	12.0	12.0	26.0
	November - December	5	10.0	10.0	36.0
	October - January	7	14.0	14.0	50.0
	October - February	8	16.0	16.0	66.0
	December	1	2.0	2.0	68.0
	December - January	3	6.0	6.0	74.0
	August	1	2.0	2.0	76.0
	September	1	2.0	2.0	78.0
	April - May	1	2.0	2.0	80.0
	November - January	1	2.0	2.0	82.0
	October - December	6	12.0	12.0	94.0
	NAP	3	6.0	6.0	100.0
	Total	50	100.0	100.0	

Months of high sales during operation in NCBD

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	The same always	16	32.0	51.6	51.6
	October - January and August	4	8.0	12.9	64.5
	August - February	5	10.0	16.1	80.6
	January - February	1	2.0	3.2	83.9
	Every month	3	6.0	9.7	93.5
	January, February and November	2	4.0	6.5	100.0
	Total	31	62.0	100.0	
Missing	DK	12	24.0		
	NAP	7	14.0		
	Total	19	38.0		
Total		50	100.0		

Quantity of items purchased for sale

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	.25	2	4.0	4.0	4.0
	.50	5	10.0	10.0	14.0
	1.00	11	22.0	22.0	36.0
	1.50	1	2.0	2.0	38.0
	2.00	6	12.0	12.0	50.0
	3.00	4	8.0	8.0	58.0
	10.00	1	2.0	2.0	60.0
	15.00	1	2.0	2.0	62.0
	30.00	1	2.0	2.0	64.0
	98.00	16	32.0	32.0	96.0
	99.00	2	4.0	4.0	100.0
	Total	50	100.0	100.0	

Volume of products sold in a year

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10	1	2.0	2.0	2.0
	98	46	92.0	92.0	94.0
	99	2	4.0	4.0	98.0
	120000	1	2.0	2.0	100.0
	Total	50	100.0	100.0	

Average sales in a month

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	98	9	18.0	18.0	18.0
	99	1	2.0	2.0	20.0
	1500	1	2.0	2.0	22.0
	9000	1	2.0	2.0	24.0
	10000	2	4.0	4.0	28.0
	12000	2	4.0	4.0	32.0
	15000	5	10.0	10.0	42.0
	20000	10	20.0	20.0	62.0
	25000	4	8.0	8.0	70.0
	30000	9	18.0	18.0	88.0
	35000	4	8.0	8.0	96.0
	50000	1	2.0	2.0	98.0
	100000	1	2.0	2.0	100.0
	Total	50	100.0	100.0	

Stock/Quantity of goods purchased in a day	Cost of running business in a month	Cost of goods sold	No. of times a trader purchases goods in month	Quantity of goods purchased per month
0.5	8000	30000	8	4
2	7200	20000	8	16
0.25	1800	20000	3	0.75
0.25	4000	15000	2	0.5
0.25	10400	3000	8	2
0.5	20000	100000	5	2.5
30	8400	20000	7	210
1	3500	20000	7	7
3	6000	30000	3	9
0.5	2500	16000	5	2.5
0.25	3600	15000	9	2.25
1	2400	20000	3	3
3	10500	30000	7	21
1	10500	20000	7	7
0.25	800	12000	8	2
1	4500	9000	9	9
1	2000	12000	4	4
1	3000	13500	6	6
0.5	1400	15000	7	3.5
1	5600	10000	8	8
2.5	10000	15000	10	25
1	40000	30000	4	4
1	2400	10000	6	6
0.5	7000	10000	7	3.5
0.5	2000	50000	4	2
1	2400	15000	8	8
0.75	2000	25000	5	3.75
1	4000	25000	4	4
1	9000	30000	6	6
1	2000	15000	5	5
2	3600	25000	6	12
1.5	4200	20000	6	9
2	5400	25000	6	12
15	6000	30000	4	60
0.5	13500	20000	9	4.5
0.25	2700	10000	3	0.75
2	3600	20000	4	8
10	6000	35000	2	20
1	4500	30000	3	3
2	4000	25000	5	10
2	9000	30000	6	12
1	7500	35000	5	5
3	3600	15000	6	18
3	8000	35000	5	15
1	2400	12000	6	6
0.25	5000	15000	5	1.25
2	60000	30000	6	12
0.5	9000	20000	6	3

APPENDIX 4: MULTIPLE RESPONSE ANALYSIS

Reasons for hawking

Category label	Count	Percent of Responses	Percent of Cases
Self employment	21	20.8	43.8
Lack of funds to further education	5	5.0	10.4
Requires little capital to start	5	5.0	10.4
Lack of formal employment	22	21.8	45.8
Loss of spouse	14	13.9	29.2
It does not require experience	7	6.9	14.6
I did not go to seek for formal employment	12	11.9	25.0
To earn a living	13	12.9	27.1
I needed money to support my siblings	2	2.0	4.2
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Total responses	101	100.0	210.4

Problems faced in hawking

Category label	Count	Percent of Responses	Percent of Cases
Harassment by city council	25	25.8	53.2
Jailing without trial	5	5.2	10.6
No co-ordination among hawkers	2	2.1	4.3
The market unhygienic, keeps customers away	4	4.1	8.5
Insecurity in the market	7	7.2	14.9
No customers because of petty thefts	14	14.4	29.8
High taxation	10	10.3	21.3
Lack of enough capital to expand the operations	5	5.2	10.6
Ngara market is not known	2	2.1	4.3
Lack of transport	1	1.0	2.1
High fines by the city council	1	1.0	2.1
No electricity to operate machines	1	1.0	2.1
High cost of purchasing goods	2	2.1	4.3
Lack of access roads to the market	4	4.1	8.5
High cost of transportation	3	3.1	6.4
Neglect by the city council	4	4.1	8.5
High cost of operation due to giving out bribes	2	2.1	4.3
Loss of goods when because of riots	3	3.1	6.4
Lack of storage facilities for goods	1	1.0	2.1
Congestion in the market	1	1.0	2.1
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Total responses	97	100.0	206.4

3 missing cases; 47 valid cases

Measures towards reducing hawker's problems

Category label	Count	Percent of Responses	Percent of Cases
The city council has constructed police post	7	46.7	50.0
Every hawker was given an opportunity to voice their concerns	2	13.3	14.3
Installation of street lights	2	13.3	14.3
Initiation of hawkers association for dialogue	3	20.0	21.4
Security employed to guard goods	1	6.7	7.1
	-----	-----	-----
Total responses	15	100.0	107.1

36 missing cases; 14 valid cases

Type of goods sold

Value tabulated = 1)

Dichotomy label	Count	Percent of Responses	Percent of Cases
Food items	26	50.0	53.1
Non-food items	26	50.0	53.1
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Total responses	52	100.0	106.1

1 missing cases; 49 valid cases

Suggestions to alternative solutions to problems experienced by hawkers

Category label	Count	Percent of Responses	Percent of Cases
Keep the market clean; construct sewerage systems	9	8.7	19.1
Construct modern stalls	18	17.3	38.3
Provide loans to hawkers to expand operations	15	14.4	31.9
Construct access roads to the market	22	21.2	46.8
Set specific days as market days	6	5.8	12.8
Provide security for customers	7	6.7	14.9
Install electricity in the stalls	4	3.8	8.5
Hawkers to form association to channel views	1	1.0	2.1
Construct enough stalls to relocate all hawkers	5	4.8	10.6
City council to manage market	2	1.9	4.3
Reduce tax levied on goods	9	8.7	19.1
Lower the cost of living	1	1.0	2.1
Allow hawkers to operate within NCBD at specified times	2	1.9	4.3
Construct an alternative market to relocate all hawkers	1	1.0	2.1
Construct special stalls for food kiosks	1	1.0	2.1
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Total responses	104	100.0	221.3

3 missing cases; 47 valid cases