

POLITICAL TRANSITIONS AND VULNERABILITY OF STREET VENDING IN MALAWI

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Abstract

According to the World Bank and United Nations indicators, Malawi is one of the poorest countries in Africa. During the one party autocratic rule of Dr Banda from 1964 to 1993, the government encouraged people to work on their farms; hence the informal sector was largely suppressed. When the multiparty system of governance was introduced in 1994, a new government led by a business tycoon Bakili Muluzi of UDF introduced business loans to assist Malawians set up informal businesses. Consequently, the informal sector – mainly street vending- mushroomed in all the urban centers of Malawi. The president himself said that he was patron of the street vendors. When another president Dr Bingu wa Mutharika, an economist, took over the government in 2004, he insisted that all vendors must be removed from the streets. In April 2006, he mobilized the police and the army through what was termed operation dongosolo (Dongosolo is a chichewa word which means 'order') to remove all vendors from the streets. This was effectively implemented despite serious threat of opposition from vendors. The informal sector that had been a source of livelihood for most unemployed Malawians was wiped out within a matter of days. Using a qualitative approach, the study aims at analyzing the political transition in the country and its consequences on street vending- especially in the city of Zomba. The findings show that political transitions have had a positive and negative impact on street vending in the country.

Keywords: Malawi, Street vending, Informal sector

1. Introduction

Based on a ten year research on street vending, Cross (2000) concludes "street vending should, by all logical criteria, eventually disappear"; despite this logical criteria Cross adds "what we found, however, is that street vending, despite some problems and frequent attacks, is a thriving and growing phenomenon". Interestingly, in the analysis of urban street vending in Malawi, Jimu (2006) agrees with Cross's conclusion when he asks the question "can the *resilience* of street vendors to urban authorities and the government's drive to relocate them from streets be a reflection of their power or powerlessness

against marginalisation and underdevelopment of their livelihood strategies?" (emphasis added). This is a very good question but in relation to recent developments in the informal sector of Malawi, it is largely outdated. Currently, there is nothing like "resilience" of the street vendor because since 19th April 2006, all street vendors in urban centres were effectively removed from their 'business premises' and relocated to the newly built flea markets. Probably the second part of Jimu's question is more relevant; that is to say: Is this relocation a sign of the vendor's "powerlessness against marginalisation and underdevelopment of their livelihood strategies?". This is a question worthy pursuing so as to help answer the mystery surrounding the present government's 'success' to relocate the vendors after the past successive governments had failed. This relocation also puts into question Cross's decade observation that despite attacks from authorities, street vending "is a thriving and growing phenomenon". Even with the apparent demise of street vending in Malawi, people could not fully accept that it had indeed happened. The forced relocation of street vendors in Malawi, though not entirely unique in contemporary Africa, has had a significant impact on the informal sector activities as well as livelihood of many other Malawians who depended on it for their every day survival. An analysis of the impact of this relocation exercise, especially on livelihood of the vendors is also an aspect of interest in this paper.

The paper mainly focuses on the city of Zomba in Malawi. Located in the southern region of Malawi, Zomba is the former capital city of the country. Despite the fact that it is one of the highly urbanized areas of Malawi, amongst the few studies that have ever been conducted relating to street vending, almost none focused on the city itself. The paper relies on empirical and secondary data. Empirical data was obtained from interviews with the former street vendors (currently operating in Zomba's flea market-also known as the Vendor's Market and Matawale market); former executive members of the Zomba Street Vendors Association; local municipal assembly authorities; and finally some members of the general public within Zomba. Secondary data was obtained from newspapers (especially the country's popular *Nation* newspaper), government documents as well as a general review of the literature on street vending.

Taking into consideration that "street vending is possibly the most visible and significant aspect and manifestation" (Jimu, 2006) of the *urban informal sector*, the paper starts by giving a theoretical framework of the informal sector itself. The paper explores the relevance of the informal sector to contemporary third world economies. The paper then proceeds to discuss the peculiar features of street vending as compared to the informal sector in general. Lastly, the paper discusses in greater detail the status of street vending in Malawi after giving a brief background to the informal sector in the country.

2. The Informal Sector: A Problem or Solution to Third World Economies?

There are various definitions describing the informal sector however, it is not the purpose of this paper to fully discuss or evaluate these various definitions¹. What is significant in the conceptualization of the term “informal sector” is that since its first usage by ILO in the Kenya and Ghana study of 1970s, it has been changing. Initially, the informal sector was regarded as distinctively different from the formal sector. Recently however the new understanding of the term “emphasize the existence of informal employment in both the formal and informal economy” (Richards *et al* 2006). Cross’s (1999) definition of the informal sector (that encompasses street vending) is well articulated and encompassing hence adopted by this paper. Cross describes the informal sector as “the production and exchange of legal goods and services that involves the lack of appropriate business permits, violation of zoning codes, failure to report tax liability, non-compliance with labor regulations governing contracts and work conditions, and/or the lack of legal guarantees in relations with suppliers and clients.”

It is generally agreed that the informal sector in developing countries is rapidly growing especially after the ‘new wave’ of democratic dispensation in the early 1990s. Although this is regarded as a welcome move in some circles, other scholars have a contrary view; they pinpoint the fact that the informal sector is detrimental for the economic development of a country. Some of the arguments against the informal sector are raised by Kutcha-Helbling (2000) who powerfully argues that the growth of the informal sector “is an indication that something is wrong...a large informal sector has serious consequences for private sector activity, economic growth and development, and the consolidation of democracy”. The most significant part of Kutcha-Helbling’s argument is that he links the problem of the informal sector to higher levels of “consolidation of democracy” and not only the economic sphere as most scholars do. Kutcha-Helbling (2000) raises eleven arguments that are summarized below in Table 1.

Despite the above arguments against the informal sector and the negative attributes it is associated with², there is growing evidence that the informal sector plays a critical role in the development of a nation. Madziakapita (2003) argues, “there is clear evidence that the benefits of the informal sector in many countries can no longer be ignored.”

¹ According to Farrell, Roman and Fleming (in Kutcha-Helbling 2000:4) There are two approaches in defining the informal sector and these are definitional and the behavioral approaches. In this regard, the definitional approach refers to the informal sector as an “economic activity unrecorded in official statistics such as the gross national product (GNP)”. On the other hand, the behavioral approach “is based on whether or not activity complies with the established judicial, regulatory, and institutional framework”.

² There are several negative terms used to describe the informal sector such as: “shadow, unofficial, third, underground, gray, hidden, counter, and parallel” (Thomas in Kutcha-Helbling 2000:4).

Those against the informal sector overlook the fact that there is a strong relationship between the formal and informal sector. Contrary from the view that the formal and informal sectors are in competition, both sectors benefit from each other in a number of ways. Cross (2000) clarifies this argument when he mentions “many formal products are available in poorer areas, but only because they are provided by informal stores and stalls”. Arguably, he adds that: the popularity of Coca Cola, Pepsi and innumerable other snack and consumer products is made possible in Third World countries by the small-scale distribution channels of these products that makes ample use of informal and semiformal distributors and retails outlets that reduce the final cost to the consumer in poor areas.

TABLE I : PROBLEMS CREATED BY THE FORMAL SECTOR

	Problems created by the informal sector	How the problems are created
1	Undemocratic Decision-making and misguided Policies	The informal sector does not have property rights and this empowers the elite who have property and also influence policy making
2	Distorts Resource Allocation and Lowers Productivity	Inefficient use of resources is inevitable due to non-official engagement of the informal sector.
3	Erodes Competitiveness	The formal sector shoulders the tax burden hence become uncompetitive when compared to the informal sector that doesn't pay taxes.
4	Lack of access to and higher costs for essential public services	Due to the illegality of the informal sector, it is denied the opportunity to connect the water, electricity and phone services
5	Less government revenue for public services	The formal sector is tempted to become informal so as avoid the taxes and this leads to less government revenue.
6	Lack of information and lack of transparency invite corruption	Not able to enjoy certain services and information due to its illegality, the informal sector may resort to corrupt practices.
7	Weakens the credibility of political institutions and democracy	The mere existence of the illegal informal sector may be interpreted as failure of the political institutions of the government
8	Wastes Resources and hinders growth	The informal sector's assets are not rationally invested due to “lack of sound, accessible, legally protected property”.
9	Increases and reinforces poverty and inequality	Workers in the informal sector earn low incomes because of ill-designed institutions and this leads to inequality when compared with workers in the formal sector.
10	Weaken trade union power and erodes workers' benefits	Employers hire fewer workers formally and hire more short-term workers informally. and this erodes trade union power
11	Inaccurate contributions to international and regional organisations	Distorted decision making for international and regional bodies due to inaccurate data being used (informal sector is left out in the data).

Authors' summary based on arguments raised by Kutcha-Helbling (2000)

Madziakapita (2003) further argues that the informal sector helps to absorb labour of the new arrivals in the urban areas. Without the existence of the informal sector it is likely that a 'social-economic crisis'

can emerge hence destabilize the whole society in general. As opposed to the formal sector, the informal sector capably creates a large number of jobs at a very low capital cost because it doesn't factor in 'extra' costs such as employment benefits. More specifically the informal sector provides "employment consistency in a discriminatory labor market, and a social life"(Morales, 2000).

Bugnicourt (1995) makes an interesting observation when he states that the informal sector as opposed to the formal sector sometimes has the willingness to sell at a loss so that in the long run it can benefit by winning the customer's loyalty. Similarly, the informal sector can sell at a loss in order to deal with an immediate cash flow problem. In both cases the poor are greatly assisted.

More importantly, Richardson (1984) mentions that the informal sector works like the training ground for skills and entrepreneurship development. In the long run psychologically, the informal sector gives the poor people an opportunity to understand and later prove that they are worthy something and that they can effectively take action to sustain themselves and their families (Bugnicourt, 1995).

The informal sector also acts like an import saving for the nation because in most cases (but not always), it relies on local materials and recycled (or second-hand) capital goods (Richardson, 1984). Cross (2000) argues, "the paradox is that, despite these problems, the informal sector is now often called upon by today's development experts to take over where the formal sector has failed". He states that the formal sector has in many ways failed to eradicate unemployment hence the government and NGOs are currently busy providing loans to these institutions so that they develop. According to him, this is a clear indication that the informal sector is recognized as critical for national development. Cross (2000) further argues that scholars tend to focus mainly on what the informal sector lacks as compared to the formal sector but they "overlook are the features that actually make the informal sector successful—the spirit of survival and flexibility".

3. Peculiar Features of Street Vending In The Informal Sector

Although street vending is not really different from the informal sector in general, there are some noticeable elements that make it unique. However it should be pointed out that some informal sector activities might share the street vending characteristics- though to a lesser extent. These peculiar features of street vending are:

Firstly, street vending is more than a commercial activity but a lifestyle. Cross (2000) refers to his own research that "vendors have many times claimed that street vending is also a life style choice, allowing them greater personal freedom and flexibility". In other words, street vending provides "a social life" (Morales, 2000). Some vendors like to operate their business in the 'hustle and bustle' of the city

because they want to 'feel' the city life while earning a living at the same time. Similarly, Mitullah (2003) argues that:

Although it has been argued that vending attracts those who have limited opportunities...street vending is increasingly becoming an option for many citizens. It is no longer limited to the lower social groups...A number of entrepreneurs have entered the trade as an option.

Morales (2000) further raises thought provoking arguments related to the issue of treating street vending as a lifestyle. He argues:

Vendors are individuals, but vending is an outcome of the choices of many people, each one a part of a variety of social relationships...an activity whose benefits and costs cannot be reduced to a single metric and should be understood over time and, analytically speaking, from the perspective of the studied not of the analyst.

Secondly, by taking over the public space, street vending has an advantage in the sense that this "minimizes overhead costs of rent and utilities, and is thus ideally suited for informal growth." (Cross, 2000). Similarly, it provides suitable services to the public so that they do not have to go to shops (Bugnicourt, 1995).

Thirdly, although referring to the informal sector in general, Cross's (2000) observation of "the spirit of survival and flexibility" is probably more applicable to street vending as compared to other informal sector activities. Xaba *et al* (2002) also refers to this scenario as "survivalist' activities". These terms imply a very high level of commitment towards goal attainment amongst street vendors. Everyday, new ways of survival have to be discovered whenever threats to their activities are looming. In relation to flexibility, street vending provides the opportunity to sell commodities in small quantities for those who can't afford large quantities (Bugnicourt, 1995). For example street vendors may buy a packet of salt from a shop and then re-pack the same in small quantities so as to assist the poor who cant afford a large pack.

Despite these peculiar features of street vending authorities regard it as an 'eye sore' which needs to be removed. The reasons why street vendors resist relocation are neither well understood nor appreciated by the authorities. Jimu (2005), raises three main reasons why street vendors resist relocation: (1) they want to have "direct access to actual and potential clients"; (2) their activity is in most cases their only or "major source of livelihood" which is strongly defended against any possible interruption; finally (3) "any effort by the municipal authorities to evict them is construed as contravention of their fundamental human rights".

4. Economic Situation In Malawi and The Size of The Informal Sector

According to a series of World Bank and the UNDP's *Human Development Reports*, Malawi is regarded as one of the poorest countries in the world. In fact poverty in Malawi is perverse "widespread, deep and severe" (Malawi Government, 2002). According to the last *Integrated Household Survey* of 1998, 65.3 % of the Malawian population is poor [poverty line calculated at livelihood dependent on \$0.34 per day] (NSO, 1998). This environment has also contributed to the growth of the informal sector.

According to Mitullah (2003), in Africa, there hasn't been enough research in the area of street vending. Consequently "the negligence of the street vending activities has resulted in the lack of accurate estimates of the numbers of street traders". There is no agreement on "how to measure the informal sector and on its actual size" (Kutchahelbling, 2000). Different scholars have produced different results in relation to size of the informal sector. The major reason for these variations is the different techniques utilized in order to measure this sector. Based on some few studies, the size of the informal sector in Malawi can be determined. Richards *et al* (2006) notes that only 12 percent of the total workforce in Malawi is in the formal sector. This entails that the remaining larger percent of 88 is either in smallholder agriculture or the informal sector. More specifically, the World Bank in the 1999/2000 period estimated that the informal sector in Malawi contributed 40.3 percent to the country's GNP (Richards *et al* 2006). Based on these figures it is not surprising that the informal sector in Malawi is as large as that of other developing countries in the region.

5. Street Vending In Malawi

Street vending in Malawi has been going for a long time- even way back during the colonial days. During the one-party autocratic rule of Dr Kamuzu Banda, street vending as well as other informal activities were seriously suppressed or frowned upon. Dr Banda created what was known as the Malawi Young Pioneers (MYP) to encourage the unemployed youth to work in the fields or take up vocational training activities. Although in later years the MYP became well known as paramilitary wing of the ruling Malawi Congress Party (MCP) it played a critical role in reducing unemployment in the country (Phiri, 2000). Commenting on the role of the MYP during a political rally held in April 1975, Dr Banda mentioned that (in Phiri, 2000):

I organised the Young Pioneers so that the youth would make useful citizens of the country. I did not want our youth to roam the streets of Zomba, Blantyre, and Lilongwe, loafing with their hands in their pockets . . . parasites leaning on their parents, depending on their parents to give them everything while

they just sat and ate, doing nothing. No, they had to be taught first and foremost, discipline and respect for their elders; then respect for manual labour.

However when the MCP led government was waning in authority, with calls for multiparty system of governance, the MYP was disbanded in 1993 through a Malawi Army operation known as Operation *Bwezani*. In 1994, the constitution was amended to allow for multiparty elections. The United Democratic Front led by Bakili Muluzi took over government. Unlike Dr Banda, Muluzi encouraged the informal market, he even stated that he was 'Minister of Vendors' or 'patron of the vendors'. This doesn't imply that street vending was initiated by the democratic transition. However, democracy enhanced the street vending activities in Malawi thus, "any attempt to associate the origins of extralegal activities [referring to street vending] to democracy is not only wrong but misleading"³. Muluzi, facilitated the Creation of Small and Medium Enterprise Fund (SMEF) which the Reserve Bank of Malawi coordinated. This was meant to be a revolving fund. Coming from a business background, Muluzi in his political rallies encouraged Malawians to be involved in small business ventures. Organisation such as Small Enterprise Development Organisation of Malawi (SEDOM), Women's World Banking (WWB), National Association of Business Women (NABW) and several others implemented the SMEF. Muluzi even commended the street vendors in his National Assembly speech of June 2002 when he said "I am proud to say that those who are doing small-scale business as vendors or hawkers are prospering in our liberalised economy" (*Nation* quoted in Richards *et al* 2006). Apart from the availability of funds and relaxation of regulations, the growth of street vending and the informal sector in general is attributed to several other factors such as unemployment due to privatization, retrenchment in the public sector and many other related factors. These have been adequately discussed in the works of Jimu (2005), Madziakapita (2003) and Richards *et al* (2006).

In Malawi as in most other African countries, street vendors trade in a number of commodities operating from different locations of the urban areas. Some of the commodities they trade in are fruits and vegetables, cooked food, toys, electrical appliances, second hand clothes and shoes, bicycle parts and many other related commodities. They also provide a number of services such as barbering, shoe polishing, photography, hairdressing, commercial pay phone services, repair works of shoes and watch etc. During the second term of Muluzi's rule, he made efforts to 'formalize' street vending. In this regard, he sought funds from Malawi's largest conglomerate, Press Holdings Limited (managed through Press Trust) to build the flea markets or popularly called the 'Vendor's Markets'. Muluzi mentioned that as 'patron' of the vendors, he felt vendors needed to be protected from the hot sun and rains so that they

³ John Chikago, "The extralegal society in Malawi", the *Nation* 7 January 2007.

can comfortably ply their trade. The understanding was not necessarily that they were going to be forced to move from the streets once these markets were constructed.

The trust in 2002 provided K123 million (about \$12m) to Blantyre and Lilongwe City Assemblies and Zomba (then it was a Municipality) to build flea markets so as to help bring about cleanliness and reduce congestion on the streets. Press Trust referred to these projects in their 2002 and 2003 reports, as “the biggest project the Trust has ever undertaken” in the urban areas of Malawi.

When the markets were completed, the vendors refused to relocate. They, amongst other reasons, mentioned that the markets are not well designed and too small to accommodate all the vendors. Despite a lot of pressure from the local assemblies, nothing was done. When the new President Bingu wa Mutharika took over the government in 2004, there were indications that things were bound to change. Bingu resigned from the ruling UDF party that ushered him into government and set up his own Democratic Progressive Party (DPP). Although the new president set up a programme to provide loans to the informal sector traders, he started implementing certain policies that the former president had overlooked such as relocation of the vendors. Despite overwhelming opposition from the street vendors, Bingu forced the vendors to occupy the flea markets after mobilizing heavily armed police in an operation code named *dongosolo* (chichewa word which means ‘order’). Bingu threatened that he was going to use the army if the vendors resisted the armed police.

6. Operation *Dongosolo* and Marginalisation of The Vendors: Why The Operation ‘Succeeded’

Although Cross (2000) argues that street vending always survives “to the extent that it can withstand hostile attempts to over-regulate or eliminate it, either through evasion, negotiation, or conflict”, operation *dongosolo* in Malawi has demonstrated a different outcome from Cross’s observation. Some of the reasons for the ‘success’ of operation *dongosolo* can be attributed to:

Pressure from the Press Trust/ the Donor

In January 2006 the Press Trust started exerting pressure on the government to ensure that the vendors are relocated to these newly constructed flea markets. The Press Trust’s Executive Secretary Clement Chilungulo complained to the government indicating that it “was disappointed that after spending over K123 million (about \$12m) to build flea markets for vendors, the structures have instead been turned into white elephants because the vendors continue to refuse to occupy them”.⁴ The trust

⁴ Ntonya George “Press Trust Dissapointed” *Nation* 18 January 2006.

further threatened to suspend construction of a flea market in Mzuzu and additional ones in Lilongwe and Blantyre cities. Chilungulo added, "It's disappointing from our perspective. Having spent so much money we see the structures not being used. Any donor would feel sad and disappointed." The trust indirectly blamed the government by attributing the failure "to a relative failure in social mobilisation and an absence of the necessary legal framework". Taking into consideration that the trust is one of the major donor of development activities in the country the government had to react- and it did with swiftness. The vendors were registered before being allocated space in the flea market.

Absence of the local political representatives (councillors)

There are different types of local assemblies in Malawi: the city, town and district assemblies. There are four city assemblies (Blantyre, Zomba, Mzuzu and Lilongwe), and several district and town assemblies.

Local assemblies in Malawi are composed of:

1. One member elected from each ward within the local government area (councillors);
2. Traditional Authorities and Sub-Traditional Authorities from the local government area as non-voting members;
3. Members of Parliament from the constituencies that fall within the local government area as non-voting members;
4. Five persons as non-voting members to be appointed by the elected members to cater for the interests of such special interest groups as the Assembly may determine (GoM, 1998).

Each assembly is headed by a chairman, who serves a five-year term and is elected by members of the assembly on their first meeting. In the case of a city or municipal assembly, the chairman is known as the mayor. Each local authority area is divided into wards and represented by a democratically elected councillor, who remains in office for a four-year term. As the only voting member of the assembly, the councillor is the most important individual in an assembly. The first local assembly polls were conducted on 21st November 2000. However, the term of the councillors was over in 2005 and the government has not yet organized fresh elections. One of the reasons given for failure to organize the elections is lack of funds. This has somehow negatively affected the street vendors. Most councillors knew that they were brought into office through mostly the support of the vendors themselves. In this regard, the vendors had to some extent an authoritative voice through the councillors.

In spite of the fully entrenched democratic and legal framework, the street vendors in Malawi lost one of their channels of influence. Their situation is akin to what the informal sector in Ghana has been

experiencing as depicted by Kwasi Adu-Amankwah, Deputy Secretary- General of Ghana Trades Union Congress.⁵His observation on the informal sector in Ghana aptly captures the scenario of street vendors in Malawi where there are no councillors to represent their views at local assemblies. Kwasi Adu-Amankwah observes that:

Regardless of their numerical strength, in relation to the entire workforce, [the informal sector] lack representation in the policy process and have no presence in the corridors of decision-making and power. They have neither the facilities nor the possibilities to influence the conditions and decisions that affect them in any systematic manner; nor do they have any access to the services they need to operate effectively and efficiently.

Lack of support from the ruling party

Interestingly, Mutharika started to introduce harsh policies against the vendors when he had just unceremoniously ended his link with the UDF, the party that had sponsored his presidency in the May 20, 2004 general elections.

During the 1999 election campaign, the UDF heavily used the vendors' grievances as a campaign tool. At that time, the UDF officials accused then MCP president, Gwanda Chakuamba, of scheming to oppress the street vendors when it was alleged Chakuamba "would kick vendors out of the streets to restore order and the beauty of Malawian cities like Blantyre"⁶. In this scenario many people doubted whether the UDF government would ever evict vendors "as they were regarded untouchables"⁷. This made most vendors to defy the local authorities to the extent that some vendors even mentioned that they were ready to die in the street rather than experience the eviction. No wonder "no one could question their defiance"⁸. Nevertheless, the vendors overlooked the fact that the political environment had changed. Bingu wa Mutharika knew that most vendors were supporters of the UDF but he had resigned from that party hence free to implement any policy that was against the vendors' interests.

Extreme use of force

When the eviction of street vendors was looming in April 2006, the chairman of the Vendors Association (Lilongwe branch) Potifala Thembakako who was accompanied by other chairpersons from Blantyre, Limbe and Zomba presented a petition to Members of Parliament pleading for their intervention. According to their representatives, the vendors were worried that the government had threatened to use

⁵ Undated, accessed at www.streetnet.org.za/english/ghana.htm

⁶ Sabola Taonga, "Vendors eviction: Who benefits?" *Nation*, 27 April 2006

⁷ *ibid*

⁸ *ibid*

the Army and Police to force them out of the streets. Mr Thembakako said "I can't understand why they want to use guns on a matter all of us can resolve amicably."⁹ A few days before the date of eviction Limbe street vendors converged for prayers at Kamuzu Upper Stadium. The vendors wanted to pray so that God should intervene on their behalf. However the Police intervened instead so as to disrupt the meeting claiming that it was not approved. A chaotic scene erupted when a group of Police officers threw tear-gas into the praying crowds. Many were also arrested at the same venue. The government spokesperson, Patricia Kaliati responded, "we had have enough sympathy with them. We gave them loans, rehabilitated...flea markets and if anything they should have occupied the markets first and raised their grievances later"¹⁰

7. Impact of Operation *Dongosolo*

The various interviews conducted with the vendors, local authorities and other individuals indicated that most former street vendors had either gone back to the rural areas to farm as subsistence farmers or are now occupying the newly built vendors' market. There were mixed reactions from the general public concerning this eviction of the vendors-some commended the government while others disagreed with the move. The views of those who supported the government's move are aptly summarized in one of the comments expressed in the *Nation* newspaper of 18th April 2006:

*That is why I want to say thumbs up to government for a job well done on the vendors. The fact that they have been in the streets for the past 12 years does not make their business legal.... The bottomline is that no one is above the law... Let cleanness and beauty return to our cities. Let people move in the streets with peace of mind*¹¹

Others felt that despite the problems of congestion and hygiene the vendors used to sell commodities at reasonable prices that benefited the majority, especially the poor. Below is an analysis of the impact of operation *dongosolo*:

Loss of revenue for the assembly

According to the municipal assembly officials, they are now getting less and less revenue when compared to the period soon after relocation. Before the vendors were brought into the market revenue collection was very low (amongst the vendors they could only collect K400.00 per day) as most of them refused to pay. The vendors used to argue that the city was not providing any service to them. Soon

⁹ "Govt puts foot down on vendors", *Nation*, 18 April 2006.

¹⁰ *ibid*

¹¹ Nhlane, Steven "My Diary". *Nation*, 22 April 2006

after April 2006, when they were reallocated, almost all the vendors were paying the daily fee of K20.00. It was easy to collect the fee because they were all in the market. However since April 2006, the total revenue has been decreasing because most of the vendors are abandoning their businesses. Most of them claim that they are not generating enough profits as they used to do in the past and this is affecting the local assembly revenue. According to one municipal official, some of the vendors have gone back to their respective villages where they are involved in small-scale farming. Vending has no longer become viable for their survival. In April 2006, the flea market used to generate approximately K6,000.00 per day but now the revenue has gone so low as K3,500.00 per day. According to the Flea Market Master, another problem that has emerged is that some of the vendors refuse to pay the daily fee of K20.00 because they argue “we were forced to come here- with guns on our heads. We did not want this place in the first place. Why should I pay? You only pay for something that you are interested in, not a forced service.”

Another reason why the vendors refuse to pay the daily fee is that they are not allowed free access to the toilets in the market. They pay K5.00 in order to relieve themselves; for a bath the fee is K20.00. The local authority officer however mentioned that initially the facilities were free but it was discovered that some items such taps were being vandalized hence the local assembly decided to outsource the facility to a private service provider who charges the users. According to the local assembly officer, the facility has been operating without any problem soon after the private operator took over. The vendors complain that the profits generated from their business is already low and they don't have to be overburdened with extra costs- just because they want to answer the call of nature; “isn't the K20.00 everyday fee we pay not enough to cater for all the other needs?”, they enquired.

Loss of revenue for the vendors and some shop owners

All the vendors interviewed mentioned that they have noticed a major reduction in the profits generated from their businesses. They mentioned that the success in their business is highly dependent on the unplanned decision-making of their customers. Customers decide to buy their items not because they had initially planned to do so, however the moment they see the items they are enticed to buy. The relocation, away from the general public, entails that their prospective customers are neither able to see nor get enticed to buy the items. People who plan beforehand to buy items end up doing so in shops and not the vendors. The case of Eunice Moyo, cited below, shows the extent of the problem created by this loss of profits/revenue:

Eunice Moyo is a 40-year-old a widow living in Chikanda area of Zomba. She has five grown-up children and the first born is now completing his secondary school studies at a local private secondary school.

She had been a street vendor for close to six years. Mainly, she had been selling second-hand clothes. Before the forceful relocation she was selling close to the Zomba bus depot gate. On a good day she used to make K5, 000.00 or more per day as profit. She has managed to build a house in Chikanda where she is staying with the money realized from her business. She also could manage to send her children to private schools and feed the family. With the relocation, she has very few customers and now can only manage to realize between K 500.00 to K1, 000.00 per day. She emphasized that sometimes she goes home without selling anything at all. Mrs Moyo added that “*Ndimangoyamika Mulungu ngati anthu andigula tsikulimenele*” (I only thank God when someone manages to buy my items on that day). Moyo is now struggling to feed and pay fees for her children. She thanks God that she at least built her own house during the good business days.

The study also revealed that before relocation, some vendors used to work together with the formally established shop owners- especially shop owners of Asian origin. Some vendors used to get the commodities on credit and at a reduced price from these shops. The vendors in turn sold the items to the public at a slightly higher price. After the items were sold, the vendors managed to repay the shop owners and kept the extra money realized. In some cases certain commodities that were close to the expiry period such as milk, batteries etc were sold to the vendors at a relatively very low price. In this case the poor consumers, vendors and the shop owners were benefiting in the process. Taking into consideration that loans are not easily accessible amongst the poor in Malawi, the arrangement between the shop owners and the vendors themselves assisted the latter to fully operate without going through the trouble of raising capital. The removal of the vendors from the streets has disrupted this arrangement to the extent that both, the vendors and the shop owners are experiencing loss of revenue.

Corruption amongst the law enforcers

It was revealed during interviews that there are some vendors who manage to discreetly sell their items to customers along the streets without the knowledge of authorities. These vendors however sell small but relatively valuable items such as DVDs, CDs and vehicle detergents. However when the police or other authorities find such vendors they are not automatically arrested. Several vendors explained that the police, who are supposed to ensure that no one is plying their trade along the streets, are sometimes very corrupt. The police are given K500.00 or more and then they allow these illegal street vendors to continue selling their item discreetly. Those who illegally sell relatively non-valuable items such as *mandasi* (locally made cakes) or doughnuts are automatically arrested. The main reason is that *mandasi* and doughnuts do not generate a lot of money hence such vendors can't afford to bribe the police.

Tension amongst the vendors

At Zomba Flea Market two antagonistic camps have emerged amongst the vendors. One camp belongs to those who have fully complied with the regulation to operate within the market. The second camp doesn't want to fully comply to the regulations hence tend to find any excuse to break the municipal regulations. The latter group normally operates outside on the premises surrounding the flea market. According to the authorities, this group has finally been allowed to ply their trade outside the flea market (but not far from the flea market walls). The main reason given is that when the market was being opened, there were too many vendors against small limited space. Consequently some were allowed to operate outside but within the immediate vicinity of the flea market.

However, this arrangement has created divisions amongst these vendors. Those operating inside the market feel that the authorities are deliberately relaxing the regulations so as to appease those operating outside. They argue that those outside are easily accessible to the customers hence are highly advantaged. This tension is bound to create more problems in the future. The chairman of the market, who is also the former chair of Zomba Street Vendors Association, argues that those operating inside the market created this problem. According to the chairman, when the street vendors were being demarcated space in the flea market, some of them used their family relations to have more spaces than required. They were claiming more space with the prospect of renting out the rest to others. This led to a situation whereby the market was wrongly declared to be full when in actual fact there was still some room. In this case the remaining vendors who did not have space were allowed to operate outside on condition that they stick to the areas close to the flea market.

Growth limitation and other problems due to poor design of the markets

Most vendors complained that the new vendors market was poorly designed. The old Zomba market is wire fenced so that people outside can easily see some of the commodities being displayed inside. However, the flea market has a very high brick wall. The vendors complain that the war psychologically affects them because it is like being in a prison. One man selling plastic items mentioned " I really wonder why they decided to have this market with such a very high brick wall, are we in prison?" He continued to mention that outside the market he usually meets some of his former customers but they refuse to come to this flea market. Some of the reasons given are that the market seems to be too odd. Specifically, he mentioned that most of his customers have never even entered the flea market at all.

The space in the market is too small and it assumes that the vendors are not capable of expanding their businesses. Each vendor was allocated only one square meter of space to ply his or her trade. One lady who sells second-hand clothes complained that:

Outside I had a lot of space but here I was only given one square meter. What viable business can you undertake with such a limited space. Being a street vendor doesn't mean that you lack innovation for growth.

Those relocated to Matawale market complain that their new market is not worthy to be called a market at all. The Matawale market is located on an area that used to be an open ground. It literally had no structure. Two toilets were built while the vendors were already on the site. According to one of the vendors, "our relocation was hastily done without full preparation on where they were going to place us, imagine where we are now? Why should we be paying tax here when there is no proper services?" he asked. Due to financial constraints the local assembly official mentioned that they are unlikely to construct the market at Matawale soon. Undoubtedly street vendors are wrongly believed to be contentious "because city planners have left them with no other *viable* place to go" (Cross, 2000, emphasis added).

Loss of trust with the government

The vendors also indicated that they no longer trust the present government and its so-called democratic principles. The majority complained that the president rules the country like the former dictator Kamuzu Banda. One man selling tomatoes at Matawale market complained that "we vendors are no threat to any one, why are they treating us like this when all we want is to earn a living which they are denying us; are we criminals?". He continued to argue that the government should create jobs for them or else leave them to operate freely. Another woman selling fruits at the same Matawale market questioned the virtues of democracy as seemingly advocated by the ruling party when she said "Is this what it means to be in a democratic country?"

The vendors indicated that as long as the present government was in control it is almost impossible for them to come back to the streets. They believe that the government is strongly against them because the majority of the vendors support the former president and his UDF party. They indicated that they were all going to vote against this government in the next general elections.

Upsurge of theft and robbery cases

Although not fully substantiated by data the vendors interviewed stated that some of their colleagues had mentioned that they would resort to criminal activities such as theft and robbery in order to ensure that they survive. The ordinary citizens of Zomba who were randomly interviewed also mentioned that the rise in criminal activity in the city was mainly due to the removal of the vendors from the streets. A few months after the vendors were evicted, several cases of theft, robbery and burglary occurred in the city of Zomba. For example four Watchmen at Mulunguzi Secondary School were brutally murdered by robbers. It was also reported that some robbers who attacked a household in Matawale Township said that they had no alternative since their livelihood had been taken away.

8. Conclusion

The paper notes that the vendors have not yet developed viable alternatives for their survival. Their businesses are either regressing or being abandoned. They have no hope of returning to the streets where they used to make a lot of money. Probably the government's major challenge was how to control street vending so that it shouldn't negatively affect the development of its urban centers. By trying to formalize the sector through provision of a formal markets (the flea markets), loans and registration, the government is "potentially undermine the very factors that make many informal enterprises successful" because "where street markets have become vibrant sources of economic growth, it is due to the fact that they have been able to avoid rigid regulatory control and regulate themselves" (Cross, 2000). Cross's observation seems a plausible solution for Malawi's vendors when he states that letting the sector "to remain largely informal within certain broad guidelines (and making sure that broad public health concerns are met)" ultimately "would allow at least some informal firms to naturally grow until the point at which it makes more sense to become formal in order to protect their capital and resources".

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