Battling For Street Entrepreneurship Space in the Dwindling Economic Conditions: Divergent Views of the Main Players in the Game

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Abstract: Street entrepreneurship has emerged in the whole world as an alternative occupation for many household for time immemorial. It is increasingly recognized as an integral component of urbanization. Street trading has a significant contribution to the urban and national economy. It is arguably associated with attracting those people who have limited opportunities for obtaining formal employment and owning prestigious enterprises. In Zimbabwe a number of street entrepreneurs have entered into the streets as an option because of so many reasons. Literature has it that street entrepreneurship is always associated with informality and it is associated with symptoms of developmental backwardness. The notion is in tandem with the structuralism perspective which views street entrepreneurship as a necessity driven activity. The study used the case study research design stemming from the qualitative research paradigm. In the study in-depth interviews and an open ended questionnaire were used as data generation instruments. Data were presented and analysed thematically. The participant in the study felt that there are many reasons why people engage in street trading. It came out in the study that. Therefore it was recommended that the municipality and the government should not push the street entrepreneurs by force out of the streets but should develop marketing premises at designated places for use by these traders.

Keywords: street, entrepreneurship, space, dwindling economic condition, divergent view.

INTRODUCTION
Street vending has been in practice for time immemorial [1]. The world over, micro and small enterprises have been accepted as the veritable vehicles for economic growth and development [2]. The essence of such enterprises is that they have the potential of reducing unemployment and alleviate poverty especially in developing countries. Policies that are made, some of them being pro-poor policies are bent to help the poverty trapped individuals in the society so that their potential is realized and recognized to the contribution they make towards sustainable economic development.

Yankson [3] argues that economic hardships have forced many people to migrate from rural areas to urban areas especially in most developing countries. A study by Asiedu and Agyei-Mensah [4] revealed that movement from the rural areas to urban areas is a result of the need to better livelihoods of those involved in migration. Unfortunately, the urban area opportunities which act as attracting forces for jobs which give a stable income are currently unavailable as reports indicate that unemployment statistics are skyrocketing in developing countries. Mitullah [5] in the study on street vending in Africa indicated that street entrepreneurship has a significant contribution like any other micro, small and medium enterprises to the urban and nation economy. Although street entrepreneurship is not highly accepted it has a role to play in the nation economy in terms of occupation of the urban dwellers.

Studies by Kayuni and Tambulasi [6], Dimas [7], Willense [8] and Mitullah [5] agree that street entrepreneurship is a result of economic marginalization of certain individuals. Although street entrepreneurship is argued that it attracts those who have limited opportunities as they migrate from rural to urban setups, to obtain formal employment, the end result is frustration of the individuals as they fail to access those opportunities and the end result is engagement in miniature enterprises. Street entrepreneurship is increasingly becoming an option for many citizens in urban areas of developing countries to such an extent that some are no longer bothering to find alternative employment. Street entrepreneurship is being practiced by people from all walks of life. The rich, middle class and the poor are all mingling in the streets in search of the United States Dollar in Zimbabwe. It is no longer limited to lower social groups as it was in past and in

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literature, who carve out a living in an environment full of harassment by urban municipal authorities [5].

In Zimbabwe a number of street entrepreneurs have entered the occupation as an option, especially since the beginning of Economic Structural Adjustment Programme (ESAP) which resulted in the retrenchment of many workers in a bid to right-size the workforce. This happened in both the public and private sector. Street entrepreneurship has emerged as an alternative occupation for livelihood for over hundred years and is increasingly recognized as an integral component of most urban economies [7, 5]. Literature from studies carried in the area of street entrepreneurship [1, 8, 9, 10, 3] reflect that street entrepreneurs are broadly classified as people who sell goods and services in public places including sidewalks, train stations and other publics. The new twist in the street entrepreneurship is the inclusion of those who sell mobile phones, textbooks, vegetables and fruits and other farm produce, and recently imported clothes including suits, jackets and shoes. Street entrepreneurs are part of a growing informal economy who invariably escapes compliance with state and municipal regulations for formality of business operations. According to Callaghan and Ventor [8] in most cases, street entrepreneurs have no legal status to conduct business and they are constantly harassed by municipal and other law enforcing agencies in the city centre. Street entrepreneurs use streets that which are needed by many other users for other purpose there creating a chaotic situation in the central business district of many cities.

Street entrepreneurship has long been seen as a controversial issue. Scholars such as Chadamoyo and Dumbu [11], Dumbu [2], Yankson [3] advocate that street entrepreneurship is a positive dynamic which enables large numbers of people to gain a foothold in the urban economy whilst as some authors like Aro-Gordon [9] argue that street entrepreneurship is a symptom of developmental backwardness. Nevertheless, the concept of street entrepreneurship, whether we like it or not it remains a panacea to urban unemployment reduction which has a ripple effects on the reduction of crime rate and other antisocial activities that are associated with urbanization. In many developing countries and in Zimbabwe in particular, street entrepreneurship is actually absorbing a large number of people thereby leveraging the unemployment rate on the decline side.

However, street entrepreneurship has developed against the desires of the city managers. Dimas [7] in the study on street vending indicated that of the many challenges faced by city managers today, undoubtedly street entrepreneurship ranks at the top. Anyone against street entrepreneurship would view this kind of occupation as a perpetual problem for streets and sidewalk users in cities and the spillover effect of such activities is a major source of both human and traffic congestion. Also, their informal setting and business refuse cause untold pollution and environmental degradation to the beautiful and scenic environment of the cities [12]. With this in mind many city councils see the need to avoid street entrepreneurs and their activities by putting punitive measures such as payment of excessive fines and confiscation of their goods as ways of preventing street trading. Such actions prompt reaction by the street entrepreneurs and usually battles are fought to gain space in the untradeable business environment with player having convergent ideas about how business should be done. In some cases, in these battles between street entrepreneurs and the municipal police, lives are lost and valuable assets are destroyed and no one is accountable to that. Research on street entrepreneurship has been done intensively but no single research has focused on the conflicting views of street entrepreneurship between the street entrepreneurs and the local authorities. Hence the current study is focusing on this unearthed area of study.

Statement of the problem

Despite the fact that the government of Zimbabwe is trying by all means to empower the historically marginalized black population through initiation of a number of pro-poor policies, those policies have not reached fruition. Individuals are allowed to start and own businesses and even to trade openly. The gesture by the government seems to be poking the nose of the city managers who wake up one morning and find all streets occupied by street entrepreneurs in their bid to caution themselves against the economic hardships in the country. Street entrepreneurship is a global phenomenon with millions earning a living on it but there are divergent views on the persistence of the practice in the economy especially in developing countries. Therefore the current study seeks to establish the different and diverging views of the main players in street entrepreneurship in Masvingo Urban.

Research questions

The current study was guided by the following research questions:

- What are views of the Masvingo municipality on street entrepreneurship?
- What are the views of the street entrepreneurs on street entrepreneurship in Masvingo Urban?

Research objectives

The study was guided by the following objectives:

- To determine the views of Masvingo municipality on street entrepreneurship
- To establish the views of the street entrepreneurs on street entrepreneurship in Masvingo
Significance of the study

Street entrepreneurship has become a vital safety net for both the urban poor and rich. With view in mind the current research will assist the town planners and managers to be prepared for the increase in number of street entrepreneurs as a result of the economic downturn which is currently being faced. People will increasingly flow into the street to carve out a living. Such increase will act as an alarm to the city managers to increase facilities such as toilets and rubbish bins to cater for the dump by these vendors and their clientele. The desire of this study is highlight to the government and any individuals that play a role in policy formulation and implementation to determine the primary issues facing those that enter into street entrepreneurship in order to adapt policies to better suit the requirements of street entrepreneurship.

Theoretical framework

Attention in both academic and research circle is shifting towards the entrepreneurial potential of the informal sector of the economy in many countries of the world. Both scholars and academics are agreeing on the immense contribution of the informal sector to the opportunities of the economies [2]. The informal sector of any economy is characterised by Micro and Small Enterprises which act as the seedbeds for the development of larger enterprises in terms of production and management development. Informal sector is seen to be dynamic and vibrant source of entrepreneurial activity that needs to be harnessed and graduated into the formal sector [9]. However, Callaghan and Venter [10] assert that informal sector is a trap associated with impoverishment and as a survivalist response of marginalized individuals with no best alternatives at their disposal. In studying the informal sector leading to what can be described as street entrepreneurship there are several theories that can be used. These theories help to explain street entrepreneurship. It is commonly agreed in the theories that there are causal factor that lead individuals to practice or engage in street entrepreneurship. A number of theories are used to explain why individuals engage in street entrepreneurship and these include among others postmodern theory, rational economic choice theory, structural theory and the modernization theory [13]. Of all these theory the theory that best describes how and why individuals engage in street entrepreneurship is the structuralist theory. The theory is sometimes known as the necessity-driven theory of street entrepreneurship.

Street entrepreneurship is sprouting and manifesting in different parts of every urban centre in developing countries. To explain this widespread persistence and growth of street entrepreneurship, a structuralism perspective has shown that this move or practice is conducted by individuals out of economic necessity. Street entrepreneurship is seen as the last resort in the absence of alternative means of livelihood of marginalized individuals in the economy. Existence of street entrepreneurship is always painted by the same brush of informal economy. The informal economy is one which is not regulated and operates on its own alongside the formal sector leading to dualist view where the total economy is the aggregate of the formal and the informal sector [14]. According to the structuralist perspective the development of the street entrepreneurship is the emergence of capitalistic tendencies in the economy which pushes certain individuals out of the formal sector because the capitalist has financial resources. Production in the economy is on the basis of capitalist and subordination that occurs in the economy. In this view the large capitalists are frequently equaled with formal enterprises while the majority of the workers are pushed out of the formal sector leaving them with no option but to create their own employment in the informal sector in order to survive.

In the view of the structuralist perspective what drive most of the individuals into street entrepreneurship are heavily pronounced desire for one to survive in the presence of economic difficulties. The situation suits very well the developing economies where levels of poverty are high and governments are failing to exonerate their people from absolute poverty. Life in urban areas is becoming very expensive to those that do not have a stable job that brings home a stable income. For a livelihood, people end up going into the streets to vend and fend for their living. Therefore vending becomes a necessity. This sphere of street entrepreneurship is entered by its participants out of necessity as a survival strategy [13]. Street entrepreneurship, in the structuralist point of view is generally regarded as an economic activity for marginalized populations which is left with nothing to do except vending [15]. In order to continue surviving in the turbulent economic environment the individuals resort to a number of businesses along streets and in front of well-established premises. The place for vending is thought to ideal for the street vendors as it brings convenience to pedestrian customers [16]. All the kinds of enterprises that are established by the vendors in the street are depicted by the structuralist view as necessity-driven endeavor which is largely insecure and unstable. After having looked at the theory that informs the study the next section dwells on the methodology that was used in this study.

RESEARCH METHODOLOGY

The study was premised in the qualitative research paradigm, a multi-method focus involving an interpretive, naturalistic approach to the phenomenon under study. This means that qualitative research paradigm focuses on studying a phenomenon in its natural settings, attempting to make sense of or interpret phenomenon in terms of meanings brought by research participants [17]. Qualitative research paradigm is grounded in a philosophical position broadly called

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interpretivist which is concerned most with making sense on how the phenomenon under study is interpreted, understood and experienced based on the methods of data generation [18]. The methods for data generation in qualitative research are quite flexible and sensitive to the social context in which data are produced. The major reason for grounding the current study in the qualitative paradigm was mainly the fact that qualitative research seek to produce smooth and clear understandings of the phenomenon on the basis of rich contextual and detailed data obtained from the rich informants.

In the study case study research design was used. In qualitative research, researchers make inferences from the sample of words from each participant’s truth on a particular issue [19]. This allows the participants to express themselves freely their feelings, experiences, thoughts and opinions. Thus I purposively sampled a sample of six participants from the street entrepreneurs, municipal police and city management for the purpose of this study basing on their convenience and richness in information that I required. Tedlie and Yu [19] further argued that purposive sampling technique is associated with sampling rich informants who are in a position to provide answers to a research study questions who deliberately selected for the important reason that they possess valuable information better than others concerning an issue under investigation. To gather data an open ended questionnaire and semi structured interviews were administered to the participants [20].

RESULTS AND DISCUSSION

It was established in the study that there are several reasons for individual households participate in street trading. Among the several reasons cited by the research participants, the need for a livelihood ranked at the top. Economic hardships have forced many people to engage in street entrepreneurship. Currently, job opportunities in the urban areas are scarce as many companies are folding or scaling down operations in Zimbabwe and in Masvingo urban in particular. Those who were once employed are joining the so called reserve army of labour (the unemployed) and they are left with nothing to carve out a living but to remain in the streets to earn a dollar for the daily bread. The need for basic commodities like accommodation, food, clothing and transport forced individuals to carve out a living from street trading. When asked why they are engaging in street entrepreneurship the participants echoed the following statements:

- Streets give us an opportunity to interact with the customers and listen to what they want and we quickly provide that.
- Selling our wares from the designated vending points is not profitable as we lose customers to the already established firms. Therefore it is rather better to be close to where the customers are and negotiate with them.
- In the environment that is characterised by low availability of formal employment, even the trained individuals are out here to get a dollar for a living.
- Life is difficult that one ends up in the street selling whatever the customers are demanding.
- Source of employment

One participant in the study indicated that the economy is characterised by high unemployment. As long as job opportunities are remaining scarce for grab by the urban population, street entrepreneurship will continue despite frantic efforts by the city council management to control and eradicate it. As it has been indicated in this study earlier on that the participants in street entrepreneurship are driven into the activity out of necessity. Street entrepreneurship is necessities driven activity that when local authorities battle for space with the street entrepreneurs they are battling for space with individuals who already have no other source of survival. This kind of belief prolongs these street wars to control space in the streets between the local authorities and the street entrepreneurs. With this in mind, it becomes very difficult to eradicate street entrepreneurship completely as is the desire by the local authorities because there are wars that are fought between these two (local authorities and street entrepreneurs) for controlling space on the streets.

Street entrepreneurship as source of revenue for city council

Some participants in this study indicated that street entrepreneurship can be a source of revenue for the city council and the government at large. If the city council can provide some form of assistance to the street entrepreneurship there is opportunity for them to rack in some revenue from these individuals trading along and on the sides of the streets in the city. One of the participants alluded to this by saying: 

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If the city council wants us to pay for trading on the streets we can pay. What we do not want is the situation where they harass us.

I think, let us have a policy which sates and stipulates that all street traders should pay a certain amount of money per day to the city council

Considering the number of people in street trading the council can get a substantial amount of money from street trading tax

We will not be able to pay for water bills, electricity and other social amenities if we are denied space for trading on the street.

Inferring from the above statements, it is clear that the participants in the street entrepreneurship are definitely ready to pay to council fees for participating in street trading. Therefore by denying street entrepreneurs space on the street for practicing their entrepreneurship, can lead to revenue blockages especially when it comes to payments of rates. The majority of the people who engage in street entrepreneurship rely on income they can from street trading. Water bills, rents, electricity bills and other fees for social amenities are funded by the income from street trading.

Participants in street entrepreneurship

Some studies [13] have the view that those people who engage in street entrepreneurship are the poor. For many reasons street entrepreneurship has been viewed controversially as a symptom of developmental backwardness. Street entrepreneurship has been regarded as an activity of the economically marginalized or disadvantaged people. However in this study it has been disproved as the results are greatly differing from the thinking that street entrepreneurship is a preserve of the economically disadvantaged group of urbanized population. For example William and Gurto [13] argue that street entrepreneurship is entered by its participants out of necessity as a survival strategy and is generally regarded as an economic activity for marginalized population which is left with nothing to do for survival except vending. Participants in this study shared their views on who participate in the street trading and gave the following statements.

- It is not that we are poor because we are trading here on the open space. We are just augmenting the incomes earned by our spouses who are employed elsewhere.
- Street trading is another way of increasing distribution channels for my trading stock
- It is cheaper because you need a small amount of capital to start trading in the street than the amount capital required in establishing a formalized enterprise.
- Trading in the street is a way of expanding one’s business by increasing accessibility to the market which is flooded with impulsive buyers.

City council perceptions on street entrepreneurs

The study deduced that the spirit of participating in street entrepreneurship is not out of desperation as indicated by studies by Yankson [3] Ndhlovu, [15]; Callaghan and Venter [10], Aro-Gordon [9]. Some participant indicated that they have their own established shops but are just taking advantage of the opportunity where there are no binding rules to stop trading in the streets. People feel that street entrepreneurship is source of untapped market which is full of people who are impulsive buyers. Therefore those who trade on the street have a chance of pouncing on these impulsive buyers than someone selling his/her wares on designated vending sites. Street entrepreneurship is therefore not commonly occupied by the economically marginalized individuals but it is a heterogeneous composed activity where both the poor and rich intermingle to get the market share for their wares either to get a dollar for a living or expand the income and accessibility to the market for the purpose of expanding one’s sales.

Street traders cause a lot of environmental degradation as far as pollution of the land is concerned.

They are difficult to manage even those we have introduced the system of collecting a small fee from them. Some of them run away from our officials who are responsible for collecting the trading fee from these people.

Their business is erratic and very difficult to predict as one can be on the streets trading today and tomorrow the person is not on the streets.

Cause problems to other street users such as pedestrians and motorists.

Congest the city centre and at the same time congesting the services in the city centre such as public toilets and water

Illegal traders flocked into streets blocking pavements and roads in some instances

The city managers are well troubled by the existence of the street entrepreneurs and one thing they dream off is a street without traders. If the city managers look at the cleanliness of the environment

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Views of the municipal police on street entrepreneurship

In-depth interviews with the municipal police had that the police have their own perceptions as regards the existence of the street entrepreneurs on the streets in Masvingo city. Some of the municipal police interviewed felt that street entrepreneurs earn their livelihood as well as serving common people on the streets by providing goods for daily consumption. However, these traders are a nuisance to the traffic by slowing down the traffic or causing traffic jam when they attempt to sell their goods even to passersby motorists. This behavior has a potential danger of causing accidents especially during peak hours of morning and evening. Also, the street entrepreneurs are a nuisance as they are used to using abusive language to other road and pavement users for attracting attention. Therefore, there is need to regulate and even restrict street entrepreneurs to only designated places.

Customers’ perceptions on street entrepreneurship

In-depth interviews with customers along the streets indicated some differing views on the existence of street entrepreneurs. Interviewed customers felt that street entrepreneurs are convenient to them as they provide services to the common people by making a variety of goods available conveniently. Also, the prices are comparably cheaper as customers are allowed to bargain for a price reduction. There is always mutual agreement on the price before a transaction is done. Street entrepreneurs are flexible on their pricing and this makes it attractive to customers. In this way they can push sales volumes in a short time and can allow them to make more orders for stock to sell. If a customer is a regular buyer, credit sales can be offered and some discounts in form of additional items are offered. Moveover, with street entrepreneurs, goods are available any time of the day. When it comes to the point that street entrepreneurs encroach into public space the interviewed customers felt that they do not and these entrepreneurs need to be protected from harassment by both city managers and government. One of the customers interviewed lamented that the existence of the street entrepreneurs was bringing sanity to competition and leading to improved service delivery by the well-established enterprise. Existence of the street entrepreneurs on the street destroys monopoly by the well to do shops. Street entrepreneurs have developed good customer care because every time they negotiate and transact with a client they first of all greet and humble themselves regarding the client as king.

Shop owners’ views on street entrepreneurship

Many street traders are trading in front of other shops. The street entrepreneurs are displaying their wares, some at the entrance of established shops selling similar items to those that are sold in the shop. In many cases the customers first get reception from the street trader before getting into the shop. This has cause serious negative relations between shop owners and the street entrepreneurs. War of words is the order of the day as the two struggle to get fort on the natural market out there. The main cry by the shop owners is that the street traders are taking business from them yet they do not pay rent, tax or any form of revenue remittance to the government or the city council. By doing so they are attempting to push formal enterprises out of business. Street entrepreneurs use different tactics to deal with the competition with the formal enterprise. These tactics, in the form of oiled customer care, price bargaining, provision of additional gifts to purchasing customer and generally developing intimate relations with the customers among others are championing best delivery of service from the street entrepreneurs. This is because the street entrepreneurs do not require a building or any kind of decent shelter to work from but simply place makeshift shelter which can be removed at any time to new places. Also, street traders are taking advantage of where they obtaining their wares. The sources are regarded as cheap whilst comparably the shop owners are getting their stock from expensive sources. This gives the street traders an opportunity to dictate price ranges of a wide range of goods.

CONCLUSIONS AND RECOMMENDATIONS

Street entrepreneurship has become indispensable in economies which are dwindling and synonymous with urbanization. However, the activity is facing serious numerous challenges although in many cases it is regarded as the nursery for entrepreneurial development and growth. The challenges range from source of capital to access to trading space. As a result of these numerous challenges and also the drive by the desire to carve out a living from street trading the street entrepreneurs are regarded as a nuisance in the city set up to such an extent that city managers and government are vowing to flash them out of the street using any means. The present study concluded that fighting for space on the streets remains a challenge for present and future governments if ever employment opportunities remain scarce. People irk a living out of trading and can do so in the streets. Although street entrepreneurship plays an important role in urban economies by generating employment for diversity of the population other stakeholders like municipal police, shop owners

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and city management are taking street entrepreneurs as people who must be thrown out of the street to bring sanity and proper corporate governance for sound and professional business operations. On the other hand street entrepreneurship was found to be a source of livelihood to the general population of Masvingo both the rich and the poor as they all jostle to occupy space which provides a natural market set up.

Therefore, it is recommended in this study that the city managers should proactively plan to design and manage urban space is such a way that there are not open spaces left idle. Those spaces that are not put in to use should be allocated to the street entrepreneurs formally so that they can contribute to the revenue collection by the council. Space economics is very prudent in the organization and management of the city. Majority of the street entrepreneurs are not paying any levy to the government and the city council and are operating illegally. However levying those street entrepreneurs on their present illegal sites will be legalizing illegalities. It is common sense that the city council with the help of government must develop designated places where these street entrepreneurs should operate from. This needs registration formalization and the process must not be difficult to access by the people who practice street entrepreneurship. By doing so, the street entrepreneurs would contribute to the revenue of the city council when levied on properly designated trading sites. Currently the council is losing thousands of dollars for being unable to levy the street entrepreneurs. Our informal sector requires decent and sheltered sites to do business and they should be adequate to cater for the increased need for trading in the city as street entrepreneurship has emerged as an alternative occupation for households for over hundred years and it is increasingly recognized as an integral component of most urban economies. It is also recommended in this study that street entrepreneurs should be given proper places to sell their wares. Selling for designated places does not mean moving the street entrepreneurs away from customers but selling in front of other shops that are legally paying levies to the city councils is not fair at all. People must not compromise the standards of doing business although we condone high level of entrepreneurship and black empowerment.

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