Assessment of the Contribution of Street Vending to the Zimbabwe Economy. A Case of Street Vendors in Harare CBD

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Abstract: This study sought to determine the contribution of street vending to Zimbabwe’s economy. This was motivated by the need to have a clear appreciation of the socio-economic benefits that could accrue to Zimbabwe if street vendors were formalised. The study was done in Harare CBD. Data was collected using quantitative methodology and analysed through SPSS. The target population included all street vendors who operate within Harare’s CBD. The results of the study showed that 86.6% of street vendors depended entirely on street vending as their source of income. Furthermore, the study indicated that street vending contributes to economic development by creating jobs, providing alternative source of income particularly for women and provides low cost products to mainly low-income groups in the city. The study concluded that regulatory authorities and government should put in place legislation and policies that recognise street vendors as key players in the country’s national economy.

Keywords: Street, Vendor, Contribution, Economy

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I. Introduction
Street vending is universal across the world, especially in developing countries (Bhowmik 2012). Available statistics show that street vending accounts for 15 to 25% of total informal employment in Africa’s cities and contributes between 46 to 70% of total trade value added in Benin, Burkina Faso, Chad, Kenya, Mali, and Tunisia, (Skinner 2008). The Zimbabwe economy has been underperforming resulting in high cost of living and high unemployment, (Zimbabwe Independent, 2016) As a result most people were forced into street vending (Njaya 2015, Njaya 2014). In Zimbabwe, street vendors represent one third of the population and 100 000 of these are said to be in Harare, (Njaya 2016). However, there has been a general tendency to reduce the activities of street vendors as a nuisance within the urban milieu. According to (Kumari 2015), street vendors often face harassment and arbitrary restrictions from civic authorities. Street vendors work in hostile environments without basic infrastructure and services. According to Mkhize (2013), street vendors are harassed and in some cases assaulted and their goods confiscated by urban authorities. This negative perception of street vendors has resulted in conflicts with urban authorities over licensing, taxation, site of operation, sanitation and working conditions, (Hasam, 2015), Despite the street vendors’ role in the economy, Dube and Chirisa (2012) observed that street vendors continue to struggle at the margins of the economy.. The failure to recognise street vendors as entrepreneurs with potential to generate income has resulted in loss of potential revenue from street vending registration fees, hawking licenses and taxes since the street peddlers continue to operate without licenses. While the City of Harare, acknowledges the presence of street vendors through collection of levies and the introduction of new vendors’ by-laws contained in Statutory Instrument 159 of 2014, Herald (June 4, 2015), there has been no legal framework to legalise the operations of street vending in Zimbabwe, (Uzhenyu 2015). With a measure of legitimacy, the City of Harare authorities will be able to collect more revenue while the vendors may be able to expand their businesses resulting in a win-win scenario. There is no comprehensive study that has examined the contribution of street vending activities to Zimbabwe’s economy. Therefore, the purpose of this study is to evaluate the contribution of street vending to the economy with the view to inform policy on the benefits of recognising and formalising street vending activities.

II. Literature Review
Kusakabe (2015) classified literature on street vending into four groups. The first category represents literature which examines how street vending contributes to the income of the urban economy, (Bhowmik 2012, Adhikari 2012, Hasan and Alam (2015) and how street vendors provide consumers with convenient and affordable services and retail options for the urban poor, (Wongtada 2014, Feng and Wu (2016).

The second collection of literature supports and expands the political economy perspective of street vendors by analysing how street vending contributes to women’s economic empowerment and
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independence,(Chauke, et al., 2015, Chingono, 2016; Mramba, 2015). In a study by Amankwaa (2015), male sachet water vendors sold 10 bags daily less than what women sold and men earned GH₵25 daily while women earned GH₵35. This study also indicated the economic and social importance of street vending to the urban poor who due to the booming sachet water business were now able to earn almost six times higher than the daily-minimum-wage (DMW) pegged at GH₵6.

The third anthology of literature on street vending relates to policy issues, uncertainty and ambiguity of the legal status and rights of street vendors, (Devlin 2010), Ehrenfeucht 2012, Natawidjaja, et al 2015, Bénit-Gbaffou 2016 and the organisation of street vendors into representative associations, (Lazar 2012). Bhomwik 2012, Roever 2016, Weng and Kim 2016). According to Wongtada (2014), street vendors all over the world face a common set of challenges ranging from harassment from civic authorities, arbitrary relocations from vending sites to confiscation of their goods. Consequently, different countries have developed frameworks to regulate street vending with some promulgating anti-street vending law while others recognise vending as an ‘honesty’ way of living through the integration of street vending and other informal activities into the formal sector. The most notable policy for urban street vendors (National Policy on Urban Street Vendors) was developed in India, (Shatkin 2014) although it’s yet to be fully implemented, (Roever 2016). In Thailand, Bangkok street vending is recognised as a valuable economic activity (Yasmen and Nirathron 2014) whereby street vendors are classified into eight tax code categories. According to SEDA (2008) Durban, South Africa is credited for being one of the first to cities to adopt street vendors’ policy. This resulted in the quantifying of street vendors contribution to the economy. According to Njaya (2014) Zimbabwe has no policy framework that enables street vendors to participate in the economic activities of the country.

The fourth class of literature on street vending examines the relationship between street vending and the use of urban space, (Meneses-Reyes 2014, Bostic, et al., 2016, Eidse, et al 2016). This set of literatures is divided into two. On one hand, there is literature focusing on how street vending gives a new lease of life to urban spaces, (Huang, et al., 2014, Xue and Huang 2015) while on the other, (Steel 2012, Kim 2016, Sarpong and Nabubie 2015) argue that street vendors are a real menace to the urban environment.

2.1. Theoretical framework

Theoretically, scholars such as (Skinner 2008, Ndhlovu 2011) have found the study of street vending difficult to categorise. The challenge emanates from the lack of analytical rigour and dearth of studies that independently look at urban street vending. As a result, there are competing theories regarding the role of street vending as an important economic activity. Since street vending is largely considered as a mere spectacle of the urban informal sector, most of the arguments on street vending are polarised into either the Reformist or Marxist theoretical discourses within the informal sector, (Jimu 2004, Bieler 2014). The reformist theory’s view is that street vending contributes to economic growth through alleviation of poverty and unemployment, (Jimu 2016, Hope 2001). However there is no clarity on how the reformist perspective can be achieved, (Musiriri 2010:29). On the contrary, the Marxist theory does not acknowledge the informal sector contribution to national gross domestic product (GDP). The theory states that there would be very little loss to the economy, if the informal traders are taken off their occupation, (Menyah 2009). The two theories of Reformist and Marxist on street vending has left too much room for speculation about street vending contribution to the economy. This study therefore seeks to provide an in-depth account of the economic and social importance of street vending activities to the urban population and the general state economy.

According to Williams and Gurtoo (2012), street vending has been traditionally viewed from two theoretical viewpoints: Modernisation Theory and Structuralist Theory. The Modernisation Theory views street vending as a remnant of a premodern era that is slowly becoming extinct while the Structuralists perceive street vending as a survival tactic of last resort driven by economic necessity in the absence of alternative means of livelihood,(Williams & Gurtoo 2012). Contrary to the Structuralists, contemporary studies perceive street vending as a rational economic choice as expounded by the Neoliberal, Bhomwik (2012). This study will be grounded within both the Structuralist and Neoliberal perspectives whereby street vending is viewed as a necessity-driven activity or a rational economic choice.

The Structuralist discourse fits well in the Zimbabwean context which experienced almost two decades of economic challenges characterised by high unemployment, retrenchment of workers and closure of industry. According to Chirisa and Muchini (2011), in Zimbabwe most people were forced into street vending as a result of the rising cost of living, high unemployment rate due to an unproductive industrial sector, the stagnant and underperforming economy, and a mostly unproductive farming sector. Consequently, the increase in the number of vendor is out of necessity as a survival strategy, (Njaya 2015). However, for some people street vending is necessitated by an entrepreneurial choice than a survival strategy. Njaya (2014) argued that some of the vendors are entrepreneurs who employ up to five paid employees. Therefore, individuals with an entrepreneurial eye enter into street vending based on a rational economic decision that may entail escaping over-regulation in the formal sector or by-passing the costs, time and effort of formal registration, (Williams and Gurtoo 2012).
2.2 Economic importance of street vending to street vendors

Street vending is an attractive economic strategy and source of livelihood for the unskilled and illiterate new arrivals to the city, (Tshima and Jari 2013). With increasing rural to urban migration and the contracting formal sector, street vending and other forms of informal employment become the most attractive means of survival for the urban poor, (Chirisa & Muchini 2011), Adhikari(2012); Njaya (2015). According to Ray and Mishra (2011), vending has become an important source of employment for a large number of urban poor. Timalsina (2012) argued street vending in Nepal maintained or improved resource productivity. This resulted in vendors securing ownership of and access to assets, resources and income-earning activities as well as ensuring adequate stocks, flows of food and cash to meet the vendors’ basic household needs.

Street vendors also provide low-cost basic goods and food items to other lower income groups within the cities. According to Natawidjaja et al. (2015), since the late 1990s, after the collapse of banks and industries due to the Asian economic crisis, street vending has played an important role by becoming a coping mechanism for low income households in the city of Surakarta.

Evidence shows that the monthly incomes from street vending are very low compared to the national average of formally employed individuals, (Roever 2014). However, according to Mengistu and Jibat (2015) most street vendors engage in street vending activities to supplement their low income or to cushion their spouse’s low salary. Ray and Mishra (2011) also argued that despite the low incomes generated from vending activities, the real problem is that vendors do not wait for handouts and/or employment opportunities from the government or engage in begging, stealing or extortion is a clear sign that street vending is a form of income distribution with great economic potential. Research also shows that through street vending, most women have taken the role of bringing food on the table, (Amankwaa 2015), Chingono 2016, Roever 2016). Therefore, street vending does not only enable the formally ‘marginalised’ peddlers to meet their minimum daily food, but also teaches and inspires women and youths in particular to value work.

However, despite the widespread occurrence of street vending by most households in Harare, its contribution to household income as a source of livelihood is still not clear (Njaya 2014). Street vending has not been studied extensively to show its contribution to the state economy. This has resulted in limited appropriate policy interventions to harness the economic potential from this form of entrepreneurship.

2.3 Economic and social importance of street vending to the state economy

According to Fletcher and Ahmed (2011), street vending activities play three fundamental roles in the economic systems of cities. The first essential role of street vending is that it is an important form of employment to a substantial number of the urban and migrant population. In Zimbabwe, with conservative figures pegging unemployment rate at 90%, Civil Society Organisations estimated that street vendors account for two-thirds of the population in the major cities, (Gcumeni and Reeler 2015). Street vending also indirectly sustains jobs of other employees who work in industries which manufacture or produce the wares sold by the street vendors, (Chen (2002). As such it is not only the livelihood of vendors which relies on street vending but also the farmer, small scale producers and other home-based industries who lack the resources to market their own product.

The second important economic contribution of street vending according to Flaming et al. (2015) is that the activities of street vendors have a cascading effect across the local economy. This is shown when street vendors sell their products to passers-by, as their profits accumulate, it leads to higher demand for more goods and services from local suppliers. The end results is increase of their stock levels and sales. Demand from suppliers in this chain enable the more employment opportunities in the upstream supplier chain thereby broadening the tax revenue base for the state. (Flaming et al 2015

Thirdly, Ray and Mishra (2011) stated that street vendors offer a low-cost, decentralised and highly efficient system of distributing products required on a daily basis. These are goods such as fruits and vegetables, a market which the formal sector cannot adequately serve. The Food and Agriculture Organisation (FAO) has also acknowledged the important role played by street vendors in promoting access to food at low prices, (FAO 2016). In Surakarta, the street vendors have also been seen as tourist attraction aiding to the state’s Gross Domestic Product (GDP) contribution, (Natawidjaja, et al. 2015).

2.4 Economic value of street vending

In a study which quantified the multiplier effects of vendor sales on economic output, job creation, and public revenue in Los Angeles economy, Flaming et al. (2015) found that expenditures by vendors generated $517 million in economic stimulus from $504 million spent within a year. This implies that for every $1 earned by a street vendor, $1.02 in economic output is stimulated, (Flaming et al. 2015). In Cambodia, Kusakabe (2006) showed that street vendors earn on average USD52.70 per day, and spend USD24.20, leaving a profit of USD1.48. In a study carried out in Thailand, Kusakabe (2006) reported that more than 70% of vendors earned a daily profit of more than 200 baht. Given that the minimum wage of Bangkok was 169 baht in 2004, the income from street vending was relatively high such that street vending is no longer a survival strategy for the urban
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III. Methodology

The case study research strategy used for this study allowed the researcher to investigate and retain the holistic and meaningful characteristics of real-life events, (Zainal, 2007). Since the study was done at a specific point in time, a cross sectional study was adopted. A cross-sectional survey was conducted to gather numerical data from the sampled participants aiming for classifying features, count them, and construct statistical models in an attempt to explain what is observed, Barbie (2010). The quantitative research method allowed the use of predetermined questions to an entire group, or sample, of individuals. A questionnaire was administered to the street vendors to collect quantitative data. The choice of using a questionnaire survey was motivated by the fact that a questionnaire survey is a least-cost research strategy which according to Fowler Jr (2013) enables the researcher to collect large amounts of data over a short period of time.

The target population for the study included all street vendors who operate within Harare’s CBD. The sample for the questionnaire survey was determined using the method proposed by Krejcie and Morgan (1970). Based on the conservative figures obtained from the Vendors Initiative for Social Transformation (VISET), approximately 20,000 vendors occupied Harare’s CBD as at November 15, 2016 (Daily News, 2016). However, unofficial reports estimated the total number of vendors in Harare CBD to be over 100,000 (Wadzai, 2015). Therefore, since the total population was large and unknown, the sample size was determined using the sample size formula for finite population shown below.

\[
\text{Sample Size} = \frac{Z^2 \times p(1-p)}{\text{ME}^2}
\]

Where:
- \( Z \) = Z value (e.g. 1.96 for 95% confidence level)
- \( p \) = percentage picking a choice, expressed as decimal (0.5 when \( p \) is unknown)
- \( \text{ME} \) = margin of error/confidence interval, expressed as decimal (e.g., 0.1 = ±10)

Using a confidence level of 99%, the calculated sample size for the study was 166 vendors. However, because the majority of street vendors operating in Harare’s CBD are not registered to conduct their trade, there was no representative sampling frame for all the vendors operating in Harare making it difficult to use probability sampling techniques. Furthermore, the vendors continue to play cat and mouse with both the Harare Municipal police and the Zimbabwe Republic Police (ZRP) which made it even more difficult to conduct probability sampling. As a result, a non-probability sampling technique was used to select the individual participants. To ensure that the sample was representative, a two-stage cluster sampling plan was devised whereby the first stage involved clustering of locations in street network space and the second stage involved drawing a convenient sample from equidistant sampling points for each of the streets from which the samples were drawn.

The data from the questionnaire was coded and captured in Microsoft Excel spreadsheet and transferred to SPSS version 23.0 (IBM Corp, 2014) statistical software package for in-depth analysis. Descriptive statistics were calculated and the relationships between the variables were analysed using cross-tabulations. In cases where the relationships between variables were high, Chi-square tests were used to determine the significance of association. The analysed data were presented in the form of tables, frequency tables, pie charts and bar graphs.

All the statistical computations were done at 99% confidence level.

IV. Findings

<table>
<thead>
<tr>
<th>Questionnaires</th>
<th>Targeted Respondents</th>
<th>Valid Responses</th>
<th>Response rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviews</td>
<td>166</td>
<td>100</td>
<td>60.24%</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>7</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 1: Respondents

The targeted sample size for the questionnaire survey was 166, however, due to incompleteness of some questionnaires only 100 valid responses were obtained giving an overall response rate of 60.24%. According to Nulty (2008), a response rate of above 50% is acceptable for self-administered questionnaires in business surveys. Therefore, this suggests that the data gathered in this study was representative of the population of interest.

4.1. Background of respondents

61% percent of the respondents were females while 39% were males. A total of 61.5% of the respondents indicated that their household head was male while 38.5% of the households were female headed. 30.6% of the respondents were below 20 years old. However, for ethical reasons, all of the respondents were aged 18 and above. Approximately 21.43% of the respondents were aged between 21 and 30 years while 22.45% were aged between 31 and 40 years. An additional 23.47% of the sampled participants were aged between 31 and 40 years. An additional 23.47% of the respondents were aged below 20 years old. However, for ethical reasons, all of the respondents were aged 18 and above. Approximately 21.43% of the respondents were aged between 21 and 30 years while 22.45% were aged between 31 and 40 years. An additional 23.47% of the sampled participants were aged...
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between 41 and 50 years while only 2.04% were above 50 years old. The less than 20 years category represented the modal age of the respondents, therefore, the results suggest that a substantial number of vendors are aged below 20 years.

Seventy-three percent of the respondents were educated to the level of ordinary or advanced general certificate while only 2% had achieved a certificate or diploma at tertiary level. About 25% of the respondents had not received formal education up to graduate certificate in education at ordinary level (GCE O’ Level). Even though a quarter of the respondents did not receive formal education, they could account for their sales and expenses. The employment status of the respondents showed that 3.06% were contracted employees, 87.76% were self-employed whereas 6.12% of the respondents were permanently employed.

![Figure 1: The distribution of respondents by their years of experience in street vending.](image)

Approximately 30.93% of the respondents have been engaging in street vending for periods between 6 and 10 years while 14.43% had more than 10 years’ experience in street vending. A total of 45.36% of the respondents were involved in street vending for periods of more than 6 years.

Approximately 51.52% of the respondents indicated that other members from their household had engaged in street vending activities between April 2016 and April 2017.

Responding to whether vendors belonged to any vendor association, 38.54% of the respondents did not belong to any vendor representative association, only 38.54% of the respondents were associated members. Regarding their legal status, only 7% of the respondents indicated that they operated with a valid City of Harare hawker’s licence.

### Table 2: Economic and social importance of street vending to street vendors

<table>
<thead>
<tr>
<th>Enquiry</th>
<th>Response option</th>
<th>Frequency</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you do any other work apart from street vending</td>
<td>Yes</td>
<td>13</td>
<td>13.4</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>84</td>
<td>86.6</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>97</strong></td>
<td><strong>100.00</strong></td>
</tr>
<tr>
<td>Do you work as a Street vendor on a full time or part time basis</td>
<td>Full time</td>
<td>82</td>
<td>87.23</td>
</tr>
<tr>
<td></td>
<td>Part time</td>
<td>12</td>
<td>12.77</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>94</strong></td>
<td><strong>100.00</strong></td>
</tr>
<tr>
<td>Do you think street vending is a viable source of livelihood</td>
<td>Yes</td>
<td>56</td>
<td>56.57</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>21</td>
<td>21.21</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>99</strong></td>
<td><strong>100.00</strong></td>
</tr>
<tr>
<td>Given a choice would you stop street vending and opt for alternative jobs?</td>
<td>Yes</td>
<td>52</td>
<td>55.32</td>
</tr>
<tr>
<td></td>
<td>Not sure</td>
<td>22</td>
<td>22.22</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>74</strong></td>
<td><strong>100.00</strong></td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>42</td>
<td>44.68</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>94</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>
As shown in Table 2 only 13.40% of the respondents do other kinds of work apart from street vending while 86.60% merely rely on street vending as their source of income and livelihood. This explains why almost 87.23% of the respondents work as street vendors on a full time basis. Nevertheless, while the majority of the respondents (87.23%) spent much of their time vending on the streets, only 56.57 are satisfied that street vending is a viable alternative source of livelihood. In actual fact, 44.68% of the respondents showed that given an alternative option, they would stop street vending and opt for alternative jobs.

4.2. Factors which contributed to the respondents’ decision to engage in street vending activities.

The main factors the respondents considered as the main motivating factors which influenced their decision to engage in street vending were lack of alternative employment (19.47%), ensuring household food security (14.64%), and no other sources of income (12.99%) and to supplement income from other activities (12.58%).

Figure 2 shows the reasons why the respondents chose street vending ahead of other business options.

![Figure 2: Reasons for choosing street vending ahead of other business options](image)

Low establishment costs (31.99%) followed by high levels of profitability and viability (26.77%) emerged as the main reason why the respondents engaged in street vending ahead of other business options. High cost of registration in the formal sector contributed 23.15% of the decision to engage in street vending instead of establishing formal businesses.

4.3. Standards of living change

Asked whether their standards of living had changed for the better as a result of street vending, 68.75% of the respondents affirmed that their standards of living had indeed changed for the better while only 31.25% felt otherwise.

4.4. Dependents of street vending income

Approximately 44.6% of the respondents indicated that 3 to 5 people depended on their street vending income while 38% indicated that they take care of 6 or more people using money generated from street vending. Only 2.2% of the respondents did not have any dependents surviving on their street vending income.

4.5. Economic value and contribution of street vending to the economy

To determine the economic value and contribution of street vending to the national economy, the respondents were asked to state the average the initial capital they invested into their business, the average gross value in USD of their current stocks, their daily profit and the total amount in USD they pay in registration and licence fees per year as well as the average amount of money they paid in fines or penalties in the last 12 months.
months. Over half of the respondents (54.95%) started with initial capital of between USD5.00 to USD20.00 whilst about 25.27% invested between USD21.00 to USD50.00 when they started their street vending business. Only 12.99% of the respondents started with an initial capital outlay of over USD50.00. Almost 38.95% of the respondents maintain an average gross value of stocks between USD 21.00 and USD 50.00, while 22.11% maintained a minimum stock level between USD 50.00 and USD 100. About 6.32% of the respondents indicated that their average gross value of stocks amounted to over USD 100.00. About 26% of the respondents indicated that they made average daily profits between USD 10.00 and USD 20.00. Only about 5.0% of the respondents made average daily profits ranging between USD 21.00 and USD 40.00 with 69% of the respondents making profits of less than USD 10. Regarding the registration and payment of licences, approximately 85.9% of the respondents indicated that they did not pay anything towards registration and licences with only 12% paying between USD 1 - USD 100. About 2.2% paid between USD 201 and USD 500. As a result, the majority of the respondents (49.5%) paid fines ranging between USD 1 to USD 100 while 9.1% paid between USD 101 and USD 200. However, about 39.4% did not pay any fines or penalties despite the fact that most of them are operating illegally.

4.6. Measures to improve business operations and contribution to economy

The majority of the respondents suggested that their activities will significantly improve for the better if they are allowed to register and operate legally. The second emerging theme was having access to proper infrastructure followed by easy access to loans.

V. Discussion

The findings in the study indicated that the majority of vendors in Harare CBD are females. This resonates with Chauke, et al. (2015) Chingono (2016) Mramba (2015) where women are said to be empowered through street vending. The data suggests that there is a high proportion of female headed households in Harare which may be one of the contributing factors to the incidences of street vending by women. Although data suggest that most households are male headed, it contradicts to the proportion of female to male vendors data. The findings suggests that a substantial number of vendors are aged below 20 years. This contradicts such authors whose most street vendors’ age were between 30 and 59, (Dube, Mkhize and Skinner 2012) and, Bhowmik 2012) where most vendors were between 24-43 years.
According to the study, respondents had attained satisfactory levels of education to speak about the issues in the questionnaire. This contradicts with WIEGO (2011 and Roever 2014) where the majority of street vendors are illiterate. A total of 45.36% of the respondents were involved in street vending for periods of more than 6 years. This can be attributed to street vending being a reliable source of income and means of survival in harsh economic conditions, (Tshuma and Jari 2013, Ray and Mishra 2011). This implies that most of the respondents had been vending for a relatively long period such that they have a good understanding of the contribution of street vending to their per capita income and national economy.

Vendors who operate without a hawkers licence were a large proportion. This, according to Dube and Chirisa (2012) has contributed to the animosity between vendors and the City of Harare Municipal Police as they try to enforce the city by laws. Since the majority of the respondents, about 92% (Table 4.5), are operating illegally without a City of Harare hawkers’ licence, poor enforcement of registration fees, licences and levies as well as low/no levies (18.09%) are perceived to be the main reason why the respondents prefer street vending ahead of other formal business activities.

Only 2.2% did not have any dependents surviving on their street vending income in the study. This shows that street vending is a sustainable source of livelihood as found out by (Ray & Mishra, 2011 Ray & Mishra, 2011, Natawidjaja et al 2015), where street vending provided a coping mechanism in times of economic hardships.

According to the study, the main reason people in urban areas take up street vending is because of limited employment opportunities. According to Ray and Mishra (2011), vending has become an important source of employment for a large number of urban poor. The responses converge with findings by Timalsina (2012) where the standards of living for street vendors improved as they were able to own assets. Despite the potential of street vending to the economy, only 10.5% paid taxes while 89.5% did not pay any taxation from the profits they generated in the last 12 months. Although this was the scenario, about 77.60% respondents also expressed their willingness to pay income tax. 79% of the respondents said they were willing to relocate to designated vending zones.

VI. Implications Of Research

With the upsurge of street vendors in Harare, CBD, this study has found some gaps that should be addressed by the regulatory authorities in order to reach an amicable agreement.

6.1 Legislation and Policies

The study recommends the regulatory authorities in particular the local government authorities design a supportive legislative and policy framework that provides and promote an environment for earning livelihoods through street vending. The study also recommends government to facilitate the ease of regularisation of street vending activities by repealing and amending restrictive laws and enacting appropriate laws that legitimise vending zones in urban development plans.

6.2 Registration and Licensing

The study recommends street vendors register their activities with the relevant authorities and also encourages vendors to pay for hawkers licences. The study also recommends vendor representatives associations to recruit members in their associations so as to advocate for self-compliance amongst its members.

6.3 Vending Zones

The study also recommends that the designation of vending zones must be accomplished through a consultative participatory process to ensure that the designated vending zones are pragmatic and sufficient for existing demand for vendor’s goods and services.

VII. Conclusion

Based on the findings, the study concluded that street vending has become an important source of employment for a large number of urban population and vending activities play an important socio-economic role as a coping mechanism for low income households. The study also concluded that the street vendors’ standards of living improved through vending activities. A comparison of the initial capital employed and the gross value of stocks suggest that the respondents’ income has increased from the initial capital employed. A third of the respondents made profits averaging more than USD10 per day. The conclusion was therefore that street vending has a multiplier effect as their profits accumulate which leads to higher demand for more goods and services. The study concluded that regulatory authorities and government should put in place legislation and policies that recognise street vendors as key players in the country’s national economy. The study also concluded that vendors need to register and pay for their hawkers licences to legalise their activities.
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