

Website: <u>www.jriiejournal.com</u> ISSN 2520-7504 (Online) Vol.5, Iss.4, 2021 (pp. 118 – 130)

### Tracking the Government Policy Role on Socio-Economic Empowerment of Street Vendors in Urban Areas

Onego, Roseline <sup>1</sup> Dr. Gladys Rotich<sup>2</sup> Dr. Ronald Martin Onsiro<sup>3</sup> & Prof. Kenneddy Mutundu<sup>4</sup>

<sup>1&2</sup>Jomo Kenyatta University of Agriculture and Technology

<sup>3 & 4</sup>Mount Kenya University

Corresponding Author: roseonego4@gmail.com

Abstract: In the last decade, Africa has experienced unprecedented increase in unemployment and poverty rates. The situation has worsened especially in the urban areas due to COVID-19 pandemic containment measures and increased rural urban migration in search of opportunities which have been shrinking over time. Consequently, many urban dwellers opted for street vending as the main source of their livelihood. Despite this fact, street vendors seem to struggle for recognition. The Aim of this study was to examine the contributions of government policies and regulation on socio-economic empowerment of Street vendors in urban areas of Kenya. It was guided by Development as Freedom Approach. Descriptive cross-sectional survey research design was adopted. A sample size of 384 street vendors from Nairobi, Mombasa and Kisumu Cities. Multistage sampling was employed. Primary data was collected using face to face questionnaire survey, interview guide, and observation guide. Data was analyzed using descriptive and inferential statistics with the help of Statistical Package for Social Sciences (SPSS) version 24. The study revealed a negative significant relationship between government rules and regulations on socio economic empowerment of street vendors. It recommended that policy makers should enact supportive policies that will lead to improvement in working conditions of street vendors especially trading on public space; identification and legislation of all street vendors and tracking systems for street vendors in hostile working environments to enable them meet their roles.

Keywords: Street vendors, government regulations and policies, socio-economic empowerment, urban dwellers

#### How to cite this work (APA):

Onego, R., Rotich, G., Onsiro, R. M. & Mutundu, K. (2021). Tracking the government Policy Role on Socio-Economic empowerment of street vendors in urban areas. *Journal of Research Innovation and Implications in Education*, *5*(4), 118 – 130.

### 1. Introduction

As a good number of the world population is enjoying the best standards of living and the greatest freedom to live meaningful lives, unfortunately, majority of the populations especially in south are stark in the worst form of deprivations. Unemployment, low productivity in agriculture and the need to migrate to the urban to search for employment has obliged millions in developing economies to engage in street activities. Street vending activity is thus an integral part of the urban economy

posing both benefits and the challenges. (Agada, Kurotimi, Duke, & Okoyan, 2018; Alebachew, 2017; Eghosa, 2019, Mramba (2015). Street vending is the smallest units of business of microenterprise. Street vendors are persons offering merchandise and ventures available to be purchased to the general population without a lasting developed structure yet with transitory static structure (Bharan, 2014; Ndlovu, 2011; Alebachew 2017). By definition, street vending activities can fall on the continuum from wholly formal at one end to wholly informal at another end. They usually operate without

business permits, violate zoning codes, tax evasion, and in most cases lack compliance with labour regulations governing the working conditions, and lack the legal protection (Mramba, 2015; Bamhu & Pamhidzai, 2019; ILO & WIEGO, 2013).

Although the role of street vending varies across economies, communities are embracing the activity more and more as manifested on most of the streets in the cities across the world (Mitullah, 2005; IMF, 2017). Street Vending activities account for significant percentage of the informal sector, as a share of total informal employment, street vending Micro Enterprises account for 15-25 % in Africa (Agada, Kurotin., Ebikela, and Okoyom, 2018; ILO & WIEGO, 2013). Street vending activities plays a core role in supplying cheap goods and services across the world. It is a source of living to a majority of the poor, unskilled, socio-economical marginalized population and is a vital means of survival for people in countries lacking proper socio-economic safety nets and unemployment insurance( Agada, et.al, 2018; Yelwa & Adam (2017).

Kenya has experienced unprecedented increase in unemployment and poverty rates both in the rural and urban areas. Most of the economic activities have been slowed down especially by COvid-19 restrictions resulting from containment and cessation of sections of the population. Thus, many urban dwellers have opted for street vending as the main source of their livelihood (Sifuna, 2019). However, despite the vivid reasons for their existence, they still receive negative vibes from the government authorities. The availability of national laws and local policies that address street vending activities in Kenya have not helped much. Street vendors still face multiple challenges in relation to access to space with numerous evictions and confiscations that contradicts the language of rights adopted in the national constitutions and the developmental approach that underpins it (Sifuna, 2017; WIEGO, 2019). The constitutional rights and policy principles have not been translated into binding laws and tangible practices at the local level (Mramba, 2015; Bamhu & Pamhidzai, 2019; Kalema, 2019). This study is set to investigate the contributions of government policies and regulations on socio-economic empowerment of street vendors in urban areas of Kenya.

### 2. Literature Review

# 2.1 The Practicality of Street Vending Legal Framework

Policies set standards in provision of public goods and services and they protect consumers and investors, hence,

implementation of policies on food vending is very essential for success of the businesses (Racaud, 2018). Balanced policies and regulation contributes to reducing harassment and corruption affecting street vendors but also provide vital information to city authorities. Inconsistency in the implementation of government policies has been cited as one of the drawbacks to street vending activities. The vast majority of existing literature indicates that urban policies and regulations are biased against street vending which deter street vendors from efficiently performing their business (Athanne, 2011; Alila, 2013; WIEGO, 2013). Most of the countries in the South have national legislation that establishes the broad framework for regulating street vending. With all these attempts, the historical principal challenge to street vending activities still remains the lack of recognition as a legitimate economic activity by the local by-laws and ordinances (Bamhu & Pamhidzai, 2019; Mramba, 2015).

It is observed that in countries where Local by-laws, regulations and ordinances exist like in Ghana, South Africa, Peru and Thailand, the right to vend is not recognized but makes permission to vend subject to detailed regulations and restrictions on timing and place of trade, and the types of goods that street vendors can sell (Social Law Policy 2014 in Bamhu & Pamhidzai, 2019). Some restrictions are so unreasonable that it is impossible to comply with and yet still non-compliance is a criminal offence that attracts a penalty of imprisonment. Even when the policy and legal instruments themselves are supportive, their enforcement and implementation may be inadequate or inefficient. Excessive business regulations can discourage micro enterprises from growing into larger and more productive firms (USAID, 2019). The ideal and street vendors' reality suggests that local authorities have not translated the constitutional rights and policy principles into binding laws and tangible practices at the local level (WIEGO, 2019). And yet still, if with a good will, governments are capable of coming up with policies that will play a key role to regulate this trajectory. These polies can be designed in the way that they will play a key role in strengthening the micro enterprises.

In China, South Africa and Singapore, the governments have recognized street vending as an economic sector. The most remarkable policy for urban street vendors (National Policy on Urban Street Vendors) was developed in India, (Roever & Skinner, 2016; Shatkin, 2014). Every street vendor in India has a right to carry on their vending business in the vending zone allotted to him in his /her terms in the vending certificate (Mramba, 2015; Roever, 2016; Alebachew, 2017; Mazhambe; 2017; Sinha & Roever, 2011). In Colombia, local governments have implemented policies to guide with street vending such as relocating the vendors, however, these policies have not worked. Intervention programs that advocate for vending activities are rare and vary from depending on the city (Mart fiez & Short, 2016; Acevedo & Nez, 2018). Howevr, in Thailand, Bangkok street vending is recognized as a

valuable economic activity (Yasmmen & Nirathron, 2014 as cited in Roever & Skinner, 2016) whereby street vendors are classified into tax code categories. More so Durban, South Africa is credited for being one of the first to cities to adopt street vendors' "policy (Alebachew 2017, Mazhambe, 2017).

South Africa, state and provincial legislation and polices provide an intermediate layer of regulation between national and local regulation (WIEGO, 2019). In the same spirit, Tanzania and Zambia are some of African countries that have taken strides to assist street vendors in terms of business locations. The worst manifestations of the relationship between the street vendors and the government occurred in Tunisia, On 17 December 2010, the young Mohamed Bouazizi, who was unlicensed street vendor, goods were confiscated by a municipal officer on the streets of rural Sidi Bouzid. This occurrence has happened repeatedly to him; for the past seven years, he had been harassed often by municipal officials, who took his goods, fined him, and stole his money almost on a daily basis for licence to be finally granted him. He was chased out of the Provincial Governorate offices and publicly humiliated. Distraught with hopelessness, he claimed his life two weeks' later sparked revolutions and civil wars across the Arab world, which ignited the Arabs Spring (Gumisiriza, 2021). A closer incident happened in Kenya in Kisumu City. A 39 years old Beatrice Magolo, a widow and a mother of four children was dragged on the tarmac by a speeding county vehicle.

The Government of Kenya views informal sector as critical to industrialization, commercial development and income generation. Street Vending is one of the most vivid activities under the informal sectors. However, street vendors face a number of constraints. These include insecurity of tenure for the spaces occupied, unfavorable laws and policies, lack of access to credit facilities, inadequate market and poor infrastructure (Oyango, 2015). While the street traders refer to national laws and the recent constitution to support their claims to trade in the streets, the local authorities in most urban areas use bylaws from the colonial era to deter vendors from accessing to the public space. At the national level, the informal sector and small-scale enterprises are recognized and presented as sectors, which should be supported, as indicated in the Kenya Vision 2030 national development plan. In this spirit, Horn (2018) observed that it is common for legislation and by laws to contradict constitutional provisions particularly when most of the legislation is more dated than the constitution and for implementation of laws to nevertheless proceed unconstitutionally, unless authorities are forced through successful litigation or class actions to respect constitutional provisions in their enforcement practices.

Informal sectors are influenced by laws and policy regulations including Physical Planning Act (Cap 286) of

2010, Urban Areas and Cities Act No. 13 of 2011, County Government Act 2012 and Public Health Act Cap 242. The Physical Planning Act (Cap 286) gives city authorities powers to reserve and maintain all the land planned for open spaces, parks, urban forests and green belts in accordance with the approved physical 20 development plan. No person shall carry out development within the area of a local authority without a development permission granted by the local authority. No licensing authority shall grant, a license for commercial or industrial use for which no development permission had been granted by the respective local authority. No local authority shall grant development permission for commercial purposes without a certificate of compliance issued to the applicant by the Director or an officer authorized by him or her (Republic of Kenya, 2010) (Oyango, 2015). Sifuna (2017) noted that Kenyan laws adopt a policing approach, mainly proscribing the trade and treating street vendors as outlaws. The policies have not supported pro-poor strategies in the considerations of the current socioeconomic realities of urban poverty. Racaud (2018) argues that the lack of formal recognition of street trading at the local level contradicts national law.

## 2.2 Availability of Information on the Street Vending legal Framework

African street vendors need to know the law, how it works, and, most importantly, how to use it to their benefit (Vargas, 2013). Literature has it that even though law has a potential for improving the lives of the poor, legal reform is not always the main way for informal workers to gain empowerment. It is alleged that informal workers are not really excluded from the rule of law but instead the law is used to oppress their work. Street vending is an occupation that entails little start-up capital, and therefore draws a large section of the urban poor who lack awareness on the legality of the business (World Bank, 2013). Street vendors through their unions where available, organize for bargaining forums with city officials, helping to promote the exchange of information and ideas on critical issues facing street vendors, market vendors, and hawkers. This helps in educating street workers and other informal sector workers on how to exercise their rights against harassment (Horn, 2014; Forkuor, 2017).

However, majority of street vendors have limited or no knowledge of the laws and regulations that regulate their work. This means that many street vendors do not fully understand their legal rights and are unaware of their legal obligations (Roever 2014). This compromises their ability to comply with the legislation. Lack of awareness of the laws makes street vendors vulnerable to abuse and unable to claim and defend their rights. As Street vendors becomes more empowered, they begin to feel more confident and capable. This, in turn, leads to increased ability to manage their merchandise that results in more improved self-image. The negative perception of Street vendors that has been internalized also begins to change

and may redefine it to convey positive qualities. Bamhu & Pamhidzai, (2019) recommend that street vendors can engage in campaigns to promote awareness about street vendors' circumstances and the challenges that they face through the media, demonstrations, and engagement with government and the communities. This is because acceptance of hostile government policies or acceptance of poor management of the implemented policies could have a drastic negative impact on their capabilities and performance.

### 2.3 Relationship between Government authorities and street Vendors

There are several accounts of the contemporary exclusion of street vendors from urban space and apply to many other countries. The possession of urban planners of converting cities for recognition as modern and world class cities is one of the major factors against street vending (Roever 2014, Roever and Skinner 2016, Kalema, 2019. Xue and Huang, 2015. Lindel, 2010). They are portrayed as offensive and illegitimate invaders, who inhibit the ability of cities to modernize and achieve a global status. Street vendors are perceived as a sign of chaos and disorder; and a failure of metropolitan authorities to instill order within the cities (Forkuor, 2017, Turner & schneberg, 2012). Also to its negative effects on the image of cities, street vendors have often been perceived as creating a safe haven, through their congestion of streets, for crime to flourish. They are considered as untrustworthy people who, in collaboration with thieves and drug dealers deceive unsuspecting members of the public and pedestrians. By their crowding of city streets, they are perceived as making it possible for thieves to hide and move among them unnoticed, a situation that adversely affects the activities of more established and formal shop owners (Forkuor, 2017, Lindel, 2010, Alila, 2013). Focus has been draw to their adverse effects like, causing congestions, the use of public space, risk of tax evasion, health and safety risks (Mramba, 2015).

Consequently, the tone of these local laws resonates with the political and public discourse that blame street vendors for the dirt, disease, crime and congestion in urban spaces (Social Law Project 2014b, Roever and Skinner 2016,

Kalema, 2019). Street vendors are perceived as a nuisance and responsible for destruction to the city's public areas by blocking the roads, damaging pavements, public health and traffic fluidity, loss of business for shop traders and high costs for maintaining the street. They are labelled by the public and the media by negative terms like; invade, flooded to describe their disgust of vendors' occupation of public spaces, signifying the undesirability of their occupation of public spaces. Worst of all, the Covid-19 pandemic, has also introduced new governance instruments to intensify the urban restructuring through a series of interventions that derive their acceptability from a global consensus that preventing mass gatherings, reducing mobility, and imposing social distancing and hygiene standards are among the measures to be taken to prevent and contain the spread of Covid-19 (McCloskey et al. 2020). Struggle for the street has intensified since and during the pandemic. Consequently, the vast majority of street vendors face various manipulations, which are cultivated by government corruption and general lack of accountability.

### 3. Methodology

This study was carried out in in urban areas of Kenya; Nairobi, Mombasa and Kisumu. Development as Freedom Approach by Amartya Sen (1999) was adopted. These urban areas are major urban the prime street vending activities with prime street vending activities streets. Multistage sampling, was employed to arrive at a sample size. Purposive sampling was employed to sample streets. The streets were purposively sampled for study because they record the highest concentration of street vendors. Structured questionnaires were administered to three hundred and eighty four (384) based on Krejcie & Morgan (1970) formula, questionnaires were distributed to street vendors in the selected urban areas. Three hundred (300) questionnaires were returned. Interviews and observation checklist was also utilized. Data was analyzed using descriptive and inferential statistics. Findings were presented in tables, figures, and narrations. Inferential statistics used were regression and Pearson correlation coefficient tests. Manual analysis of qualitative data from the key informants analyzed among major concepts.

**Table 1: Sample Distribution** 

		Sample size	Percentage Respondents	of
Urban Area	<b>Target Population</b>			
Nairobi	14,000	166	43.08	
Mombasa	10,000	118	30.77	
Kisumu	8,500	100	26.15	
Total	32,500	384	100	

#### 4. Results and Discussion

### 4.1 Demographics

**Table 2: Demographics of the Respondents** 

Demographics	Category	Frequency	Percent	
Gender	Male	158	52.7	
	Female	142	47.3	
Age	Below 25	37	12.3	
	25-30	104	34.6	
	31-35	58	19.5	
	36-40	56	18.6	
	41-45	23	7.7	
	46-50	2	0.5	
	Above 50	20	6.8	
Educational Level	Lower primary	20	6.7	
	Upper primary	55	18.3	
	Lower secondary	47	15.7	
	Upper secondary	139	46.3	
	University	19	6.3	
	Tertiary	20	6.7	
Household size	1 to 2	74	24.7	
	3 to 5	138	46	
	6 to 8	80	26.7	
	Above 8	8	2.6	
Marital Status	Singe	65	21.7	
	Married	177	59	
	Separated	34	11.3	
	Divorced	4	1.3	
	Widow/widower	20	6.7	
Position in Household	Bread winner	268	89.5	
	Dependent	32	10.5	
	•			

Table 2 indicates that there are slightly more male (52.73%) than female (42.7%) street vendors in Nairobi, Mombasa and Kisumu towns. On Age, majority of the vendors are aged 25 and 30 years. This is represented by 34.6 percent of the respondents. This is followed closely by street vendors aged between 31-35 and 36-40. In other words, the age distribution of most street vendors ranges between 25 and 35 years. The findings reveals that most of Kenya's youths depend on the possibilities that the informal sector offers, employment and self-employment alike. Nevertheless, these results generally indicate that

street vending cuts across all age groups, that is, the young as well as the elderly.

The results reveal that majority of street vendors (46.3%) have upper secondary qualifications as their highest level of education. This was followed by street vendors with upper primary education. In addition, there is a sizeable number of street vendors with tertiary and university qualifications. The same is true that formal employment is very scarce for young people with primary and secondary education and worse among those with no formal education. The study reveals an average household size of

3-5 children. This is in tandem with Kenya's average fertility rate of about 4 children per household (Kenya Census Report, 2019). With regard to marital status, the study has established that majority of street vendors are married (59.1%) followed by those who are still single. This is in agreement with Adhikar (2017) who found that, there were more married individuals among street vendors than the unmarried and widowed ones. The study has established that most of them (89.5%) are bread winners while the minority (10.5%) are dependents.

This result conforms to other finding from other African nations such as South Africa (Sharyn et.al, 2018), Zimbabwe (Madziba, 2017), Tanzania (Muhanga, 2017), where by men dominated the street vending business. This is attributed to the cultural perspective of gender roles where men are considered more entrepreneurial and are the breadwinners in the African context. However the results are indifferent to Uwitije (2015) in Kigali, Zimbebwe (Mazhambe, 2017), Nigeria (Adedeji, 2014), who reported that women were dominant in street vending this might be caused by the insurgence of Covid-19 where many men lost their jobs in the formal sector, the shift in cultural believes where women are becoming more entrepreneurial and increase in female headed families where women have become the sole bread winners of the family.

In addition, the study has established that majority of street vendors are aged 25-30 years and most vendors have upper secondary education as their highest level of education, though a few had university and tertiary level qualifications. The findings reveal that most of the vendors constitute of primary and secondary school leavers, however, it is perplexing that there were college graduates with certificate, diploma and bachelor's degree in various specializations. This indicate that there is a serious problem of unemployment in the country that needs urgent attention. This findings resonates with (Kiruma and Munushi; 2021). Furthermore, the study has

revealed that on average, street vendor's household size is between 3-5 members and majority of the street vendors surveyed are married. Moreover, the study has learned that majority of the street vendors are breadwinners in their households. The next sub-sections summarize findings based on the objectives.

The gender differentials could be attributed to regular crack downs on street trading by local authorities. During this crack downs, there is no special treated given to the women, elderly nor disabled. The business environment was too hostile for women due to harassment of different kinds than their male counterparts. Harassment on the part of local authorities is fairly common across the board and is especially common among women and fresh Produce vendors (Roever, 2014). With regards to marital status, the findings are in agreement with Adhikar (2017) who found that, there were more married individuals among street vendors than the unmarried and widowed ones. The study reveals an average household size of 3-5 children. This is in tandem with Kenya's average fertility rate of about 4 children per household (Kenya Census Report, 2019). Concerning the position of the street vendor in the household, the study has established that most of them (89.5%) are bread winners while the minority (10.5%) are dependents. The study corresponds with the findings of Buniun, (2012) that street vendors are directed to meeting household needs. Street Vending gives underestimated individuals access to a salary, however unpredictable, it is still key for family unit survival (Bunjun, 2012, Sharyn et.al, 2018).

## **4.2** Efficiency of the Government Policies and Regulation

Table 3 presents summary statistics where street vendor had been asked to rate various statements related to government policy and regulations on a scale of 1-5; where 1-Totally disagree (TD), 2-Disagree (D), 3-Neutral (N), 4-Agree, (A) 5-Totally agree (TA).

**Table 3: Government Policies Descriptive Statistics (N=300)** 

Variable	TD	D	N	A	TA	Mean	Std.
	%	%	%	%	%		Deviation
There are regulations governing vending activity	4.1	47.3	5.9	31.8	10.9	2.9818	1.18192
The process of registering vending business is not bureaucratic	8.6	53.6	15	18.6	4.1	2.5591	1.02086
I have registered my vending business	7.3	58.6	12.3	13.6	8.2	2.5682	1.07690
I pay the charges required to do business officially	4.1	50	5.9	26.8	13.2	2.9500	1.20965
I require vending license for me to do my business	5.9	35	17.3	32.3	9.5	3.0455	1.13786
The available regulations have played great role in intervention for street vending activities	6.8	59.5	17.3	11.8	4.5	2.4773	.94817
I face harassment from city authorities during my operations	5.5	23.6	9.5	51.4	10	3.3682	1.11277
The requirements for vending business are made clear by City authorities	9.1	49.1	19.1	16.8	5.9	2.6136	1.05588
There is adequate information regarding to registration of vending business and business licenses	10.9	33.6	34.5	15	5.9	2.7136	1.04019
The cost of registering street vending business is affordable	11.8	32.7	34.1	15.9	5.5	2.7045	1.04640

**Key:** Mean *Totally disagree=1-1.9*, *Disagree=2-2.9*, *Neutral=3*, *Agree=3.1-4*, *Totally agree=4.1-5* Source: Researcher (2021)

The mean responses ranged from disagree to agree meaning that street vendors had varied views on the contributions of government policy and regulations on street vending. For example, they disagreed on the arguments that the process of registering vending business is not bureaucratic (mean=2.5591, TD=1.02086),

There is adequate information regarding registration of vending business and obtaining licenses (mean=2.7136, TD=1.05588), and also that the requirements for vending business are made clear by City authorities (mean=2.6136, TD = 1.05588). These findings imply that the process of registering, and getting vending licenses is not smooth. On the other hand, majority of the respondents agreed to the assertion that street vendors face harassment from city authorities (mean=3.3682, TD=1.11277). This is in agreement with Racaud, (2018), Alebachew (2017), USAID (2019) who observed that most of the local authorities use outdated restrictive policies, by-laws and regulations intended to control and regulate the growth of

street vending micro enterprise, in some cases legal contradictions are tangled up with political contradictions thus need for successful enabling environment interventions, such as those related to firm registration, tax administration, and tax policy reform, which relieve constraints faced by microenterprises, may lead to their significant growth .

### **4.3 Factor Analysis for Government Policies and Regulations**

Next, the researcher carried out factors analysis on government policies and regulations Likert to reduce items for correlation, regression and hypothesis testing. Table 5.3 presents KMO and Bartlett's Test which shows that the sample was adequate given a KMO value of 0.825. In addition, since the Bartlett's Test p-value is less than 0.05 (0.000), finding imply that Bartlett's test for Sphericity is significant, and therefore factor analysis was satisfactory.

Table 4 KMO and Bartlett's Test for government policies and regulations

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.825
	Approx. Chi-Square	880.226
	Df	45
Bartlett's Test of Sphericity		.000
	Sig.	

Table 5 Total Variance explained for Government Policies and Regulations

Component			Extrac		of Squared	Rotatio		of Squared	
	Total	% of	Cumulative	Total	% of	Cumulative	Total	% of	Cumulative
	Total	Variance	%	Totai	Variance	%	Total	Variance	%
1	4.403	44.031	44.031	4.403	44.031	44.031	3.481	34.809	34.809
2	1.374	13.738	57.770	1.374	13.738	57.770	1.898	18.983	53.793
3	1.052	10.520	68.290	1.052	10.520	68.290	1.450	14.498	68.290
4	.702	7.022	75.312						
5	.650	6.503	81.816						
6	.466	4.662	86.478						
7	.397	3.965	90.443						
8	.364	3.644	94.087						
9	.346	3.460	97.546						
10	.245	2.454	100.000						

Extraction Method: Principal Component Analysis.

The PCA extracted three components which accounts for 68.29 percent. Finally, the rotated component matrix (See Table 6) the first and second components are loaded with variables associated with registration while, the third

component is associated with business licensing. Thus, for correlation and regression, a composite variable was created between the first two components.

Table 6: Rotated Component Matrix<sup>a</sup> on Government Policies and Regulations

Variables		Component		
	1	2	3	
There are regulations governing vending activity	.844	.126	.062	
The process of registering vending business is not bureaucratic	.751	.149	.139	
I have registered my vending business	.697	.346	.217	
I pay the charges required to do business officially	.799	166	.250	
I require vending license for me to do my business	.255	.413	.712	
The available regulations have played great role in intervention for street vending activities	.705	.342	.147	
Street vendors face harassment from city authorities	.126	155	.078	
The requirements for vending business are made clear by City authorities	.666	.367	009	
There is adequate information regarding to registering vending business and business licensees	.205	.809	.115	
The cost of registering street vending business is affordable	.126	.782	064	

Extraction Method: Principal Component Analysis

# 4.3 Hypothesis Test for contributions of Government Policy and Regulations and Socio-economic Empowerment

The study tested the hypothesis that Government policies and regulations has no significant effect on Street Vending

Micro Enterprises and Economic Empowerment Urban dwellers in Kenya. Using Spearman's rank technique, the results of the test are presented in Table 7

**Table 7: Test for Hypothesis** 

Number of obs	300
Spearman's rho	0.841
Prob > t	0.000

Findings indicate rejection of the null hypothesis given the P-value =0.000), less than 0.05. Thus, this study concludes that there is a statistically significant relationship between

government policies and regulations and socio-economic empowerment of street vendors.

# **4.4** Availability of Information on the Legal Framework

Most of the respondents were not informed on the necessary procedures for registering the merchandise. This contributed to a greater extent the informality of their merchandise as they did not have the necessary information for the process. Most of the respondents (mean=2.9818, TD=1.18192) did not agree that there are regulations governing vending activities. Majority of the respondents (mean=2.7136, TD=1.0558). They did not agree that there is adequate information regarding registration of vending business and obtaining licenses. While majority (mean=2.6136, TD=1.0558). This concurs with Roever (2014) who reported that the vast majority of street vendors do not fully understand their legal rights and are unaware of their legal obligations. This consequently, compromises their ability to comply with the legislation. Only 20.9% of the respondents agree that there was information regarding business registration and licensing. The finding are in agreement with Vargas, (2013) that there is need for African street vendors to be informed about the legal framework, how it works, and, most importantly, how to use it to their benefit.

### 4.5 Relationship between City Authorities and Street Vendors

Majority of the city authorities and regulators have a biased attitude towards street vending businesses, they take the repressive legal framework approach. Majority of street vendors (mean=3.3682) agreed that they face harassment from city authorities during their operations. This is in agreement with Sifuna (2017) who noted that City authorities have opted for the policing approach to deal with street vendors. Likewise, they also disagreed to the fact that they pay required charges to do business officially, (mean=2.9500, TD=1.20965). Vendors are perceived as a nuisance, disrupting urban activities in the urban centers. Consequently, they do not issue substantial vending licenses and registration. They make the process

so costly and bureaucratic, the findings revealed that very few vendors had registered their businesses. The findings (mean=2.5682, TD=1.07690) on the item, I have registered my vending business. The findings are in agreement with The Tanzania Human Development, survey (2014) that highlighted those local authorities in Africa are a major impediment to the development of informal sector activities.

## **4.6 Practicality of Legal Framework on Street Vending Microenterprises**

The findings of the study revealed that the existing legal framework in Kenya like in many other developing countries, failed to recognize street vending as a legitimate trade and an important source of livelihood. The findings revealed that the process of registering the street vending business is very bureaucratic. Most of the respondents (mean=2.5591, TD=1.02086) did not agree that the process of registering vending business was not bureaucratic. They also did not agree to the fact that the available regulations had played a great role in intervention for street vending activities ((mean=2.4773, TD=.094817). However, they perceived that operating a business that is registered and which adhere to government regulations is likely to increase their chances of raising more profits through increased stock.

The quantitative study findings conform to the interview findings where one licensing officer noted;

There are many regulations and laws that attempt to control and mange street vending activities. However, it has been a challenge to implement such. One of the rules is to ensure compliance in obtaining permit to do business. Apparently, majority of the vendors hardly obtain such permits. And this is just attributed to one problem that is the difficulty ascertaining how many they are. This kind of business is so temporal that

documenting for proper control, has been nightmare for the County. Even if the numbers remain constant or certain, it is difficult to ascertain on who was here and who is still in the activities. [KI 001]

City authorities perceived the activity as a grave social problem that must be controlled and regularized by the state. The findings depict a situation where the government policies and regulations to control the street vending may not be a practical exercise for today. However, one Key Informant (KI, 002) mentioned that the county government has been through in enacting and implementing the regulation of the street vending especially within the Central Business District (CBD). One case was highlighted in the media where the enforcers dragged one street vendor over the road while tied on the patrolling vehicle.

The study findings also revealed efforts by local government to allocate space for vending and provide registration through licensing. However, vendors also cited several ways in which the city authorities hinder their businesses the process of registering, and getting vending licenses was reported to be a strenuous one.

Harassment by municipal officials places a great burden on street vendors. Virtually all of the street vendors in the study identified harassment including arrests and confiscations of merchandise.

An adjusted R squared statistic for the government policies and regulations on street vending value for the first model (.386) is relatively lower than that of the second model (0.413). This informed the rejection of the null hypothesis that the government policies and regulations have no statistically significant effect on Street Vending Micro Enterprises and Economic Empowerment Urban dwellers in Kenya (P-value =0.000 < 0.05). The findings are in tandem with USAID's (2019) posting that numerous policy and legal factors can erode the capacity of microenterprises to create employment opportunities, sustain themselves, and increase profits. In addition, the revelations by Oghenekohwo (2015) reiterating that different countries have developed frame works to regulate street vending activities with some promulgating anti-street vending law reflect the study findings in the interview results. The qualitative findings through one of the KIs who explained that they had put in place registry ensures that would inform the best practices related to street vending. According to the USAID (2019), extreme business legal factors and regulations can discourage micro enterprises from growing into larger and more productive firms. On this, the findings of the study agree with those of Sekhani, Mohan, & Medipally, (2019), Street vendors receive limited legal protection from labor rights, often facing poor working conditions.

#### **5.** Conclusion and Recommendations

#### 5.1 Conclusion

Street vendors in the urban areas of Kenya actively participated in the activity as their main source of livelihood despite the numerous challenges they encountered since this enabled them to have an income and consequently meet their day to day needs. Street Vending has contributed towards empowerment of street vendors through distribution of incomes as benefits to street vendors and their families. However, their incomes are still low and not enough to support their livelihood due to poor implementation of the legal framework on their activities.

The study rejected the hypothesis that government policies and regulations has no significant effect on Street Vending Micro Enterprises on socio-Economic Empowerment of Urban dwellers in Kenya. Government policies and regulations are a major setback towards the success of street vending micro enterprises thus negatively impacting on their socio-economic empowerment. Extreme legal factors and discouraged street vending micro enterprises from growing into larger and more productive firms consequently, diminished their capability to increase profits thus negatively impacting on their socio economic needs. Even where the policy and legal instruments was supportive, their enforcement and implementation was inefficient.

The finding of this study coincides with Amartya Sen (1999) argument in Development as Freedom Approach. Street vendors were determined to improving their lives through vending from their own perspectives. However, their freedom to manage and operate their micro enterprises was negatively affected by the manner in which the legal framework was implemented. The restrictive setting fashioned by the legal framework hindered their potentials to effectively meet their socioeconomic freedoms. The study concludes that the government has a chief role in expanding the freedoms of the poor which can result to improved wellbeing.

#### 5.1 Recommendations

- ➤ Policy maker should enact supportive Policies that will lead to improvements in working conditions of street vendors by making their micro enterprise legal; the need for existence of street vendors through identification and legislation; and tracking systems for street vendors in hostile working environments.
- > There is need for a Participatory urban design approach where by street vendors should work collaboratively with local government, city authorities and regulators to design more

appropriate vending zones and facilities where vendors and pedestrians congregate for exchange.

#### References

- Acevedo J. D. R. & Nez L., (2018). A Proposed Credit Risk Assessment for People at the Bottom of the Socio-economic Pyramid in Cali, Colombia. *Review of European Studies; Vol. 10, No. 3; 2018* ISSN 1918-7173.
- Adhikari, D.B(2017) Informal street food trade: a source of income generation in urban Nepal. *Econ. J. Dev.* **23 & 24**(1–2), 1–7 (2017)
- Adedeji, J.(2014). Spatial implications of street trading in Osogbo Traditional City Centre, Nigeria. *Architecture Research*, 4(1A), 34–44.
- Agada, F. A., Kurotin M., Ebikela, D. S., and Okoyom. (2018). The Economic Impact of Street Vending in Nigeria: A study of Balyelsa State. ILARD *International Journal of Economics and Business Management*, Vol 4, No 6. 2018.
- Alebachew, A. (2017) Street Vending and Local Authorities in Addis Ababa City: Challenges and the Way Forward. AAU Institutional reprocity. <a href="http://etd.aau.edu.et/handle/123456789/7166">http://etd.aau.edu.et/handle/123456789/7166</a>
- Athanne, M. (2011). Entrepreneurship in Kenya, Nairobi .
- Alila, O. P. (2013). Enhancing lobbying capacity of women street vendors the challenges in the Kenyan policy environment.

  Institute for Development Studies: University of Nairobi.
- Bunjun, K.N. (2012) Consultancy report on progress of successful African women entrepreneurs: Kenya. Nairobi. UNICEF
- Bharan N. (2014). Employment and poverty alleviation. Ministry of Urban, Government of India

- There is need to improve the information on the rights of the street vendors as a way to increase awareness and understanding about the dos and don'ts of Street vending micro enterprises.
- Bamhu, Pamhidzai H. (2019). Street Vendors and the Legal Advocacy: Reflections from Ghana, India, Peru, South Africa and Thailand. WIEGO Resource Document No. 14. Manchester, UK: WIEGO.
- Eghosa, O. L. (2019) Exploring the Theories, Determinants and Policy Options of Street Vending: A Demand-Side Approach. Urban Studies Vol 57 (1) 56-74.
- Forkuor, J. B (2017) Effective and Inclusive Regulation of Street Foods in Kumasi: Promoting Food Safety, Protecting Consumers and Enhancing the Wellbeing of Food Vendors. Danish International Development Agency Danida Ghana Street Foods Project.
- Gumisiriza, P. (2021) Street Vending in Kampala: From Corruption to Crisis. African Studies Quarterly Volume 20 (1)
- Horn, P. (2014). Collective bargaining in the informal economy: Street vendors. Manchester, UK: Women in Informal Employment: Globalizing and Organizing. Available from http://www.wiego.org.IMF (2017) 'Sub-Saharan Africa: Restarting the Growth Engine. Regional Economic Outlook'. Washington DC: International Monetary Fund.
- ILO-WIEGO. (2013). Women and Men in the Informal Economy 2013: A Statistical Picture 2nd Edition. Geneva: ILO.
- Kalema, S (2019) Street vending and the economic development of Kampala City.

  Kampala International University:

  College of Humanities and Social Sciences. MA. Thesis.
- Kenya Population and Housing Census (2019)— Vol. 1Read more at:
  https://www.theelephant.info/docume
  nts/2019-kenya-population-andhousing-census-vol-1/The Elephant Speaking truth to power.

- Kirumirah and Munishi (2021) Characterizing
  Street Vendors in the Urban Settings
  of Tanzania: Towards Sustainable
  Solutions to Vendors' Challenges.
  ARCA 2021: Sustainable Education
  and Development pp 245-261
- Lindel I. (2010). African Informal Workers.
  Collective Agency and Transnational
  Organizing in Urban Africa. London,
  Zed Books
- Madziba, E. (2017). Street Vending in Zimbabwe:
  An urban scourge or viable enterprise
  Great Zimbabwe University, Faculty
  of Commerce, Department of
  Management Studies. International
  Journal in Commerce, IT & Social
  Sciences (Impact Factor- 4.218)
  Vol.04 issue-05, (May, 2017) ISSN:
  2394-5702
- Martínez, L., & Short, J. (2016). The informal economy of cities in the south.

  International Journal of Sustainable Development and Planning, 12(4).
- Mazhambe. A. (2017) "Assessment of the Contribution of Street Vending to the Zimbabwe Economy. A Case of Street Vendors in Harare CBD." IOSR *Journal of Business and Management* (IOSR-JBM), vol. 19, no. 9, 2017, pp. 91–100.
- Mitullah, W.V. (2005). Street vending in African cities: A synthesis of empirical finding from Kenya, Cote d'Ivoire, Ghana, Zimbabwe, Uganda and South Africa. Background Paper for the 2005 World Development Report.
- McCloskey, B., Zumla, A., Ippolito, G., Blumberg, L., Arbon, P., Cicero, A., Endericks, T., Lim, P. L., Borodina, M., & WHO Novel Coronavirus-19 Mass Gatherings Expert Group. (2020). Mass gathering events and reducing further global spread of COVID-19: A political and public health dilemma. The Lancet, 395(10230), 1096—1099. https://doi.org/10.1016/S0140-6736(20)30681-4.
- Mramba, R. N. (2015) The Conception of Street Vending Business (SVB) Income Poverty Reduction in Tanzania.

- International Business Research, 8(5), p. 120.
- Muhanga, M.(2017) Informal sector in urban areas in Tanzania: some socio-demographic, economic and legal aspects. Int. J. Account. Econ. Stud. **5**(2), 163–168 (2017).
- Ndhlovu, N. P. (2011). Street vending in Zambia. A case of Lusaka District. Unpublished master's dissertation, Institute of Socioeconomic Studies (ISS) The Hague, The Netherlands.
- Oghenekohwo, J. (2015) Pattern of Food Hygiene and Environmental Health Practices among Food Vendors in Niger Delta University. Eur J Food Sci Technol. 2015;3 (1):24–40
- Oyango. (2015). Tracing Kisumu's path in the coproduction of knowledge for urban development, in Polk M (ed.) Coproducing Knowledge for Sustainable Cities: Joining Forces for Change. London, Routledge: 70-98
- Racaud S. (2018). Ambiguous resource: "informal" trading street in Kisumu, Kenya. Articulo Journal of Urban Research 17-18.
- Roever, S. (2016). Informal Trade Meets Informal Governance: Street Vendors and Legal Reform in India, South Africa, and Peru. *Cityscape*, 18(1), p. 27.
- Roever, S. (2014) Informal economy monitoring study sector report: street vendors.

  Cambridge: Women in Informal Employment: Globalizing and Organizing.
- Roever, S., and C. Skinner (2016). 'Street Vendors and Cities'. Environment & Urbanization, 28(2): 359–74. https://doi.org/10.1177/095624781665 3898
- Sen, Amartya (1999) Development as Freedom. New York: Alfred A. Knopf: 366 pp. ISBN 0 375 40169 0.
- Sekhani ,R., Mohan, D. & Medipally, S. (2019 Street vending in urban 'informal' markets:

  Reflections from case-studies of street vendors in Delhi (India) and Phnom

- Penh City (Cambodia). Cities 89(2019) 120-129.
- Sharyn, Sassen, Galvaan, Roshan and Duncan, Madeleine (2018) Women's experiences of informal street trading and well-being in Cape Town, South Africa. S. Afr. j. occup. ther., Apr 2018, vol.48, no.1, p.28-33. ISSN 2310-3833
- Shatkin, G. (2014). "Contesting the Indian City: Global Visions and the Politics of the Local" International Journal of Urban Regional Research 38: 1-13
- Sifuna (2017) The need to Reform Kenya's Law on Street Vending: From Policing To Facilitation. South Africa Journal on Human rights Vol.24.2008. Issue 1 Pg. 157-179
- Sifuna, S. (2019) The need to reform Kenya's law on street vending: From policing to facilitation. *South African journal on human rights* (S AFR J HUM RIGHTS). 24(1):157-179
- Sinha, S. & Roever, S. (2011): India's National Policy on Urban Street Vendors. WIEGO Policy Brief No. 2. Cambridge, MA: WIEGO.
- Social Law Project (2014). Street vendor's Laws and Legal Issues in South Africa. WIEGO Law and Informality Resources. Cambridge, MA, USA: WIEGO.
- Tanzania Human Development Report (2014)

  Economic Transformation for Human
  Development. Economic and Social
  Research Foundation
- Turner, S and Schneberg, L.(2012) Street Vendor Livelihoods and Everyday Politics in Hanoi, Vietnam: The Seeds of a Diverse Economy?. Urban Studies. 49(5) 1027–1044, April 2012
- USAID (2019). EatSafe: Evidence and Action
  Towards Safe, Nutritious Food:
  Consumer and Vendor Perspectives
  and Practices Related to Food Safety in
  Nigeria: A Review. The U.S.
  Government's Global Hunger & Food
  Security Imitative

- Uwitije, C., (2013) Contributions of Street Vending On Livelihood of Urban Low Income Households in The City of Kigali, M.A Thesis, Dep of SDS, Nairobi University.
- Vargas, A. (2013) Outside the law: an ethnographic study of street vendors in Bogota.

  Lund Stud. Sociol.

  Law 45.. <a href="https://ssrn.com/abstract=28">https://ssrn.com/abstract=28</a>
  37686
- WIEGO. (2013) Women and Men in the Informal Economy 2013: A Statistical Picture 2nd Edition. Geneva: ILO.
- WIEGO (2019). Street Vendors and Legal Advocacy: Reflections from Ghana, India, Peru, South Africa and Thailand. Resource No. 4
- World Bank. (2013). Informal Enterprise Survey (IFS) 2013 Washington, DC: World Bank
- Xue, D., and Huang, G. (2015). Informality And The State's Ambivalence In The RegulationOf Street Vending In Guangzhou, China, *Geoforum*, 62, 156–165.
- Yasmen, G. & Nirathron., (2014) Vending in Public Space:The Case of Bangkok. WIEGO -Vending-Public-Space-Bangkok-WIEGO-PB16.pdf. 2014.
- Yelwa, M. and Adam, A. (2017). "Informality and Economic Growth in Nigeria: 1980-2014" *Journal of Economics and* Public Finance 3: 405-417.