

## **Street Food vending on Poverty and Unemployment in the Mahikeng Local Municipality, South Africa**

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### **Abstract**

The South African street food industry is essential in elevating the socioeconomic standing of sellers. However, most studies on street food vending focused on perception, safety, consumption, and handling of street food. Therefore, it is necessary to fill this gap. The study explores street food vending contribution on poverty and unemployment in the Mahikeng Local Municipality. The study's goal was accomplished by using a mixed research methodology. A sample size of 401 respondents were selected for the study and data was obtained using structured, semi-structured and unstructured questionnaires. The study found that street food vending creates jobs not only for the people involved in the trade, but also for people who would otherwise be unemployed, for example, those who are retrenched. In addition, street food distribution has become a cornerstone for vendors to generate income to supplement family income that improved the standard of living of the vendors. Additionally, some vendors were able to acquire assets such as livestock and landed property from the profit made from the business, contributing to reducing poverty incidence among traders in the area. The paper concludes that street food vending has contributed in creating jobs thus, reducing poverty incidence. However, the street food industry continues to confront obstacles such as lack of cash and credit and location-based business restrictions. Therefore, in order for SFV to be effective, steps must be taken to minimise the difficulties affecting the industry.

**Keywords:** *Informal sector, Street food, Street food vending, Poverty, Unemployment*

## **Introduction**

Both rural and urban residents like eating street food, particularly those who lead hectic lifestyles because of work, education, or family responsibilities. Street foods are termed ready-to-eat foods and beverages prepared and/or sold by hawkers and vendors, particularly on streets and other similar public places (Food and Agricultural Organization, 2012; Imathiu, 2017). Due to their affordability and convenience, these items are consumed by the majority of town residents. Around 2.5 billion people worldwide eat street food every day, primarily due to its accessibility and inexpensive price (Fellows and Hilmi, 2012; Rahman et al., 2014; World Bank, 2018). Although street food vending (SFV) is seen by some economists, civil servants, and governments as a parasitic and unproductive form of disguised unemployment, the sector has experienced a significant growth during the past few decades, due to socioeconomic changes in many countries, most particularly in developing countries (Von Holy and Makhoane, 2006: 2; Bhowmik, 2005; Etzold, 2014; Moussavi et al., 2016; Vanek et al., 2017). In addition to being recognised for their accessibility and affordability, street meals also significantly contribute to the maintenance and improvement of people's nutritional status as well as the preservation of society's cultural and social history (Food and Agricultural Organisation, 2012; Roever, 2014; World Bank, 2017; Mwove et al., 2020; Hill et al., 2019).

In South Africa, studies have revealed that SFV has made a more significant contribution to household life at the level of employment, income, and poverty reduction in both rural and urban areas. The types of food sold are Kota (bread, potato chips, atchar and polony), boiled and roasted maize (mealies), fresh tomatoes, fruits, beverages, and pounded beef. Also, sold are spinach, cabbage, pumpkin, beetroot, potatoes, bread, and potato chips, and beef stew with rice or porridge and chisanyama (braai meat). In addition, vendors deal with foods such as Magwinya (Fat cakes), menoto (chicken feet), polony or atchar, and tlhakwana (cow and sheep legs). Also available for purchase are beef intestines, rice, and pap (Department of Trade and Industry, 2019; Mahikeng Local Municipality, 2019).

The majority of SFV studies have concentrated on perception, safety, consumption, and handling of street food, despite the impact of SFV on unemployment and poverty, disregarding the impact it has on unemployment and poverty. Therefore, this study intends to fill this gap. Additionally, some legal and policy frameworks such as the Constitution of the Republic of South Africa (Act 108 of 1996) and the Mahikeng Informal

Trading Policy of 2016 has been adopted by the South African government to improve street food vending. The industry is still a source for concern, nevertheless, since it seems that the legal and administrative frameworks are ineffective given the problems that food vendors continue to face with regard to access to cash, credit, business locations, and transportation. The government and municipalities have the authority to provide a supportive environment for the expansion of small companies in the area under Section 22 of the 1996 Constitution's Bill of Rights (Government Communication and Information System, 2008). The Mahikeng Informal Trading Policy of 2016 seeks to address challenges such as licenses, as well as trading space and permits facing informal traders and food vendors at the municipal level (Roever, 2014; Department of Trade and Industry, 2017; Mahikeng Local Municipality, 2019).

A study of the contribution of SFV on poverty and unemployment would hopefully help policy makers, such as the Department of Trade and Industry, with information they can use in planning and implementing measures aimed at promoting the sector. The following goals served as the study's direction in order to respond to this: determine the food types sold and evaluate the impact of street food vendors on job creation and poverty reduction in Mahikeng Local Municipality. The study was hinge on the dualist theory which states that the informal sector (SFV) comprised minimal activities separate from formal sector that act as a safety net and provide income for the poor in times of crisis. The paper is divided into seven sections. The first section introduced the topic. The theoretical framework is the second part, and the literature review is the third. The fourth part discusses the methodology used for the paper. The paper's methodology is covered in the fourth section. The results and comments are covered in the fifth part. The seventh section is the study's conclusion, while the sixth section is the path forward.

## **Theoretical Framework**

Data were scrutinised and the study was guided by the dualist theory of the informal sectors, which includes street food vendors. In addition, the theory was very instrumental in understanding the impact of street food vending on unemployment and poverty reduction in the world, South Africa at large and the Mahikeng Local Municipality in particular. The connections between the informal and formal economic sectors can also be seen through the lens of this idea. This argument adds to the evidence that, if supported, a connection between the informal and formal sectors might be highly helpful in fostering the growth of the street food industry

in the informal sector. Hart (1973) and International Labour Organisation (2003) argued that the dualist theory of the informal sector comprised minimal activities separate from formal sector that act as a safety net and provide income for the poor in times of crisis. According to the dualist, the formal sector alone cannot offer enough jobs for a growing labour force in the economy; informal jobs therefore arise to provide temporary employment for workers unable to find opportunities elsewhere (Misati 2010). However, the dualist approach is critiqued for making the oversimplified and naive assumption that all economic activity can be categorised into formal and informal sectors, despite the fact that many activities exhibit characteristics of both. By asserting that there are just a few or no connections between the formal and informal sectors, the theory likewise gives minimal consideration to this connection (ILO, 2003; Misati, 2010).

## **Literature Review**

In many regions of the world, particularly developing nations, street food vendors play a significant role in the reduction of poverty and creation of jobs for rural and urban residents, which promote economic growth (Marras, 2014; Roever, 2014; FAO, 2019; ILO, 2019). Fellows and Hilmi (2012) argue that street food vending in Latin American countries such as Brazil, Peru and Colombia have enabled people to move out of poverty since it has the potential to create employment for many family members and can provide for many other stakeholders involved in the supply chain. Street food vending alone accounts for the employment of millions of people who are poor, unskilled and have limited formal education. Compared to clothing vendors, street food vendors have helped households lower the prevalence of poverty through employment ((ILO, 2019; World Bank, 2019). Informal economy monitoring study (2015) conducted in Lima, Peru, posits that the education level of most women involved in SFV was concentrated mainly in the basic level (completion of primary school or less), while the education level of men was at the upper middle level (secondary school or higher). The sale of street food has assisted in giving these vendors especially women jobs, which has decreased poverty.

According to the scoping research on the informal food sector in South Africa, Mali, Rwanda, and Senegal, more than 60,000 individuals are employed by street food vendors, out of which 35,000 are women. These women had more decision-making authority in their homes than windscreen washers did (FAO, 2016). Gani (2016) states that street food

trading provides job opportunities especially for unskilled and foreigners in Nigerian and Ghana cities such as Lagos, Abuja, Enugu, Accra and Kumasi, and people earn a living from street food trading that reduce the incidence of poverty (Solomon-Ayeh et al., 2011; FAO, 2019). Street food vending provided employment and income to approximately 21% of Kenya's population, mainly in urban areas in 2012. This equalled 13% of the contribution to employment and income in 2008 (Roever, 2014; Etzold, 2014; Gender energy research program, 2016; Moussavi et al., 2016; World Bank, 2019). Cleopas (2014) established that in the Southern Africa Development Community region, for example, Lusaka, Zambia, street food trading promotes viable socioeconomic activity by providing gainful employment for 20 to 60% of populations with limited education and skills, despite the fact that limited education demonstrated by food vendors implied a corresponding lack of basic skills in food safety and hygiene. However, the street food trade helped improve the general economic well-being of households by enabling very low-income households to meet their fundamental necessities.

More than 60 000 individuals were employed by street food vendors in South Africa in 2014, many of whom lacked formal training, giving the country the chance to lessen poverty (Skinner and Haysom, 2016; Department of Trade and Industry, 2016). Furthermore, 75% of food vendors made an average income more than R1, 000 each week, 25% created an income that ranged between R1, 000 and R3, 000 a week from street food vending better than the income earned by day or casual labourers (Dardano (2003; Tregenna, 2012; Human Science Research Council, 2019). The Statistics South Africa (2016) report confirms that 35% of food vendors in Tshitale/Hlanganani, Limpopo were able to support their children from their street food income with respect to their basic needs such as education, clothing, and food than those who depend on social grants. Although according to the vendor's SFV does not constitute a career for many, it does provide a temporary income until something better shows up (Draper, 1996; Khongtong et al., 2014; Statistics South Africa, 2015).

Statistics According to a South Africa (2019) survey conducted in the Eastern Cape in 2012, 29% of immigrants from nations like Nigeria, Sierra Leone, Lesotho, Zimbabwe, Pakistan, Cameroon, and Ghana were making a living by selling street food. Furthermore, 64% of migrant workers in the province (Gauteng) said that the street food industry allowed them to make money. This income was used to support their families, 76% of vendors acknowledged that street food vending enabled them to take care of their family of more than two (Khong-tong, 2014; Fourie and Kerr,

2015). Roos et al. (2013) maintain that small general dealers, spaza shops and street food vendors are the main source of food, income and employment in a low-income community near Worcester in the Western Cape. Eighty (80%) of the respondents' reveal street foods are cheap to buy and employ about 15% of the population. Although the authors such as Gani, Roos et al., Skinner and Haysom, fellows and Hilmi, Tregenna and Martins views can be commended, however, more emphasis were on health, consumption, perception and safety of street food ignoring the contribution of SVF on poverty and unemployment.

## **Methodology**

### ***Study Site and Selection***

The Mahikeng Local Municipality is located in Ngaka Modiri Molema District Municipality in the North West Province of South Africa. It is divided into 35 wards consisting of 103 villages, six (6) townships and a few suburbs. About 75% of the area is rural. The Mahikeng Local Municipality contributes 40% to the District's economy and has the highest Gross Value Added (GVA) (Mahikeng Local Municipality, 2016). Most of the populace in the Mahikeng Local Municipality constitutes the historically disadvantaged groups and poverty level in the area stands 41.4% and youth unemployment for the age 15-34 stands at 47.1%. In addition, majority of the households in area rely on external economic activities, especially state grants for survival (Mahikeng Local Municipality, 2019).

## **Methods**

It is an exploratory study that employed a mixed method of research. Adopting a mixed method approach (quantitative and qualitative) was considered appropriate in view of its importance to the objective of the study since it gave a better understanding of the research problem. They complement each other and therefore add robustness to the findings, thus compensating for the disadvantages of these methods when they are employed separately. To address the research issues, the study also used an exploratory and descriptive research design. An exploratory methodology was used to find answers and solutions for the study because there was a shortage of information regarding how street food selling affected unemployment and poverty in the Mahikeng Local Municipality. On the other hand, a descriptive research design offers a better framework for

describing data and study subject characteristics (Baxter and Jack, 2008; Gray, 2014).

### **Sample Size and Sampling**

In the Mahikeng Local Municipality about 3,500 people are involved in street food vending. The figure comprises all those who are selling raw-food, snacks, fruits and cooked food and beverages. Out of the 3,500 people, 401 were selected using the Kothari (2004) formula.

$$n = \frac{z^2 p(1 - p)}{d^2}$$

Where: n is the sample size, z is the z statistic at 95% confidence level ( $z = 1.96$ ), p is the estimated population proportion, taken as  $P=0.5$  (maximum variability), e = the desired precision level of  $\pm 5\%$  at 95% confidence level. This gives a better representation of the population (11%). In relation to sampling, a cluster and simple random sampling methods were adopted to obtain samples for quantitative data while non-probability sampling, specifically purposive and snowball techniques were used in recruiting the key informants and those for the focus groups discussions (qualitative data). Key informants include the officials from the Environmental Health Practitioner from the MLM, Local Economic Development, Small Enterprise Development Agency, local government authorities from the Mahikeng Local Municipality and District Municipalities. Officials from the Department of Trade and Industry and Economic Development and Tourism were also selected for the study.

### **Data Collection**

Structured, semi-structured, and unstructured questions were used in the study to collect data from respondents and participants. To gather quantitative data, a structured questionnaire with closed-ended questions was used. Questionnaires were designed in such a way as to elicit responses on the socio-economic profile of street food vendors, types of food sold and impact of street food trading to poverty reduction and unemployment. A semi-structured interview guide was used to obtain data from focus group discussions. Forty participants (40) divided into four (4) groups of ten (10) members took part in the focus group discussions. Unstructured interview was utilised to collect qualitative data from the key informants.

Key informants were interviewed informally to get qualitative information. In order to get material that was extremely pertinent to the study, secondary data were also utilised in the research. Legislation, the Department of Trade and Industry, Statistics South Africa, non-governmental organisations, the Department of Economic Development and Tourism, the Small Enterprise Development Agency, the Local Economy Development, and the Mahikeng Local Municipality were some of the secondary data sources used.

### **Ethical Consideration**

At every stage of the study, adequate procedures were taken to uphold ethical standards. During the research, informed permission was guaranteed by making sure that the respondents or participants fully understood any potential dangers. The ethical issue of informed consent was overcome by sending a cover letter to institutions such as the Department of Trade and Industry and Mahikeng Local Municipality as well as vendors outlining the intention and methods, nature of the research, and the duration of the research. Anonymity in the research was assured by ensuring that neither the researcher nor the readers of the findings can identify a given response with a given respondent or participant. Confidentiality was guaranteed by ensuring that responses from respondents or participants are not revealed in public. The researcher also assured respondents that the study was conducted purely for academic purposes. Additionally, none of the participants or respondents was coerced into taking part in the survey. Participants were free to leave at any time they want.

### **Data Analysis**

There were two data analysis programmes used for this research. Data from the quantitative investigation were analysed using the Statistical Package for Social Science (SPSS 25). Descriptive statistics were created to demonstrate socio-economic and demographic data, types of food sold and contribution of SFV. Interviews (transcripts and field notes) from key informants and focus groups were captured using ATLAS. ti.

### **Results and Discussion**

This section discusses the findings and the effects of SFV on poverty and unemployment in the Mahikeng Local Municipality.

### Bio-Graphical Data of Street Food Vendors

**Table 1: Bio-graphical data of food vendors (n=401)**

Bio-graphical data	Frequency	Percentage
<b>Gender</b>		
Male	125	31.2%
Female	276	68.8%
<b>Age group</b>		
Less than 20 years	5	1.2%
20-25 years	12	3.0%
26-30 years	25	6.3%
31-35 years	57	14.2%
36-40 years	154	38.4%
40+	148	36.9%
<b>Marital status</b>		
Single	203	50.6%
Married	99	24.7%
Widowed	21	5.3%
Co-habitation	55	13.7%
Divorced	23	5.7%
<b>Educational level</b>		
No schooling	178	44.4%
Grade 1-4	129	32.2%
Grade 5-8	69	17.2%
Grade 9-12	17	4.2%
Diploma	4	1.0%
Degree	4	1.0%
<b>Income level</b>		
Less than R1000	313	78.0%
R1001-2000	56	14.0%
R2001-3000	20	5.0%
R3001-4000	8	2.0%
R4001+	4	1.0%
<b>Types of house occupied</b>		
Brick	353	88.0%
Mud	37	9.2%
Shack	11	2.8%
<b>Nationality</b>		
Botswana	4	1.0%
Cameroon	2	0.4%
Democratic Rep. of Congo	1	0.2%

Lesotho	3	0.8%
Mozambique	5	1.2%
Nigeria	4	1.0%
South Africa	372	92.9%
Swaziland	1	0.2%
Zimbabwe	6	1.5%
Other	3	0.8%
<b>Ethnic group</b>		
Boers or English	4	1.1%
Ndebele	5	1.4%
Tshwana	323	88.3%
Tsonga	4	1.1%
Sepedi	4	1.1%
Sesotho	5	1.4%
Swazi	6	1.6%
Venda	9	2.9%
Xhosa	2	0.5%
Zulu	4	1.1%
<b>Live in a household</b>		
1-2	43	10.7%
3-4	139	34.7%
5+	219	54.6%
<b>Religious affiliation</b>		
Christian	375	93.5%
Muslim	9	2.2%
Pagan	17	4.3%

Table 1 reveals that females (68.8%) dominates the street food sector in the Mahikeng Local Municipality as compared to (31.2%) males. Given how simple it is to start a company selling street food, many women in the region rely on it as their main source of income. Women also participate in SFV since they can manage their time between employment and other commitments like caring for their families and children. Food and Agricultural Organization (2016) demonstrates that in Ghana street food vending street food vending in Ghana is primarily a female-run industry that is concentrated in pockets of the city with extreme poverty and close to schools. According to the report, women made up 67.7% of those selling street food in Ghana, while men made up 32.3%. Regarding the age categories, 75.3% of people engaged in street food vending were 36 years of age or older, and their involvement in the industry reflects the role the sector plays in providing employment, skills, and money and so aiding in the eradication of poverty in the region. This research is in line with a study conducted in Central Asia region, where it was observed that a majority of

female traders were aged between 30 to 39 years and are often older than their male counterparts (World Bank, 2019). In addition, nearly half of street food vendors 44.5% lack formal education. This situation suggests that SFV, accommodates vendors who lack formal education and provides them with income and employment, thereby increasing street food trader's potential to reduce income inequality and poverty. This result is in line with a study done in Accra, which found that 94% of the street food vendors were females and had little to no education.

The fact that more than half of the participants in the survey who sold street food were single (50.6%) shows that this demographic finds employment and financial security through street food vending. 78.0% of street food vendors made less than R1000 per month on average. Because it involves less startup money, SFV presents a chance for people to supplement their income. This corroborates Tomlins and Johnson, (2010) study that acknowledged that SFV ensures food security for low-income urban populations and provides a livelihood for a large number of workers who would otherwise be unable to establish a business. Most of the vendors lived in brick houses (88.0%). Implying that most of the traders might use the money generated from the trade to live in brick houses. The majority of food vendors involved in the trade was South Africans (92.9%). This shows that the large number of South Africans engaged in the street food sector in the Mahikeng Local Municipality reveal the importance the sector is playing in their lives by generating employment and reducing poverty.

Over half of street food vendors lived with more than five people (54.6%). This suggests that the large members of a home may offer the firm greater assistance, such as labour, leading to expansion. In addition, members living in households might engage in street food vending to sustain themselves and their dependents. This finding supports street food vending studies done elsewhere. SFV contributes significantly in meeting some low-income groups basic needs and generating employment opportunities for people most particularly women with large families (Roever and Skinner, 2016). The investigation also discovered that most of the participating vendors (93.5%) were Christians. Religious affiliation of the vendors is important because some religions prohibit the consumption of some type's food or the way it is processed. For example, eating pork is prohibited in the Muslim religion, and animals must be killed using a specific procedure.

## Types of Food Sold In the Mahikeng Local Municipality

**Table 2: Types of sold in the Mahikeng Local Municipality (n=401)**

<b>Types of food sold</b>	<b>Frequency</b>	<b>Percentage</b>
Red meat pieces (grilled), pap (cooked maize flour) or rice and cold drinks	28	7.0%
Chicken pieces (grilled), pap or rice	30	7.5%
Chicken pieces (boiled), pap or rice and cold drinks	18	4.5%
Chicken stew, pap or rice	55	13.7%
Beef stew, porridge, salad, gravy and vegetables	60	15.0%
Spinach and cabbages	25	6.2%
Cow and sheep legs (tlhakwana)	20	5.0%
Potatoes	20	5.0%
Fresh tomatoes	25	6.2%
Pumpkins	10	2.5%
Fresh, boiled, roasted or dried maize (mealies)	19	4.7%
Kota (bread, potato chips atchar and polony)	15	3.9%
Dumpling (steam bread)	11	2.7%
Beef intestines (Malamogodu)	19	4.7%
Beet root	7	1.7
Fat cake (magwinya), menoto (chicken feet) polony or atchar	28	7.0%
Other	11	2.7%
Total	401	100

The street food industry gives vendors a platform to deal with a variety of foods, allowing people to get employment and skill sets. Additionally, selling different kinds of food in the Mahikeng Local Municipality gives sellers enough money to buy essential goods and services that raise living standards and lower the prevalence of poverty. Table 2 indicates that respondents preferred to vend beef stew, porridge, salad, gravy and vegetables 15.0% followed by those that sell chicken stew, pap (cooked maize flour) or rice 13.7%. Participants in focus groups and conversations with officials also disclosed that they deal in a variety of foods, which has enabled them to acquire skills, jobs, and income that contribute to the area's improvement in wellbeing. In the MLM, food stands might be seen at taxi stands, pubs, intersections, near churches and universities, malls for shopping, work places, and public structures including offices, banks,

hotels, police stations, schools, and gas stations. The location of a food service point in these places is determined by intensity of demand for food items.

In the MLM, participants reported trading in beverages, prepared goods, and raw foods, among others. Some government officials also confirmed that participants trade in foods such as fat cake (magwinya), polony, menoto (chicken feet) or atchar, beef stew, porridge, salad, gravy and wild vegetables called morogo and/or pumpkin leaves morogo (morogowalephutshe), chicken stew, pap or rice and beef intestines (malamogodu) that fetches them sufficient income and reduces poverty incidence in the Mahikeng Local Municipality. Participants went on to explain that they also trade in red meat pieces (grilled), pap or rice and cold drinks, potatoes, fresh tomatoes, pumpkins, kota (bread, potato chips and polony), fresh, boiled or dried maize (mealies) called dikgobe or kabu. The sorts of food sold provide people with revenue, work and skills that improve their standard of living. In addition, respondents reported dealing in beetroot, cow and sheep legs (tlhakwana), spinach and cabbages, and dumplings (steamed bread). According to participants, the income generated from the trade encourages them to stay and attract others to engage in the business. In addition, the income made from street food vending allowed them to regain quickly a sense of financial security. One of the street food vendors reported that the income made from the business from selling samp (mixed boiled maize and beans) was so high that it permitted her to continue the trade. It also assisted her to solve financial difficulties and to be self-employed. This corroborates Cardoso *et al.* (2014) study conducted in Latin American countries such as Colombia; reveals that vendors sell street food such as arepas (morsels), bunuelos, champas (corn and milk) and cholados (condensed milk and fruits). Cardoso *et al.* further states that in Argentina, vendors trade in food such as choripan (barbecue), empanades (beef and stew), pizza, milanesa (chicken breast) and asado (grilled beef).

In addition, some participants indicated that due to convenience that is, the availability and accessibility of street foods over space and time allowed them to sell numerous types of food. In addition, participants reported that SFV aids in producing cash because the food they sell offers flexible payment options to regular consumers. One street food vendor stressed that they deal with traditional foods such as pounded beef (tshotlo), boiled meat, gravy and salt (mukwetjepa) the gravy is called morowadinaledi, sorghum (mabele), breakfast tin porridge (motogowamabele) or thick porridge and meat (bogobejwamabele) due to convenience. Consequently, this enables them to produce sufficient profits, jobs, and skills. In addition,

one street vendor stated that she favoured selling pounded beef (tshotlo) because the majority of the area's elderly prefer it. Another street vendor emphasised that he sells fat cake (Maqinya) since it provides sufficient revenue for him. In the morning, you must observe the line. He went on to tell that during the week he awoke quite early to prepare the ingredients. Some participants further revealed they preferred to vend traditional food such as maize or mabele served with sour milk, pap with fresh or sour milk, maize meal served with pumpkins, mixed boiled maize (chopped) and beans (samp) because of its nutritional value. One street food vendor reported that these varieties give the opportunity for customers to select from varied local dishes, and the opportunity to obtain a balanced diet and also fetches sufficient income for them to support their families. In addition, participants claimed that the food trade enables them to earn an income through the different types of food sold; according to these vendors, they are far better than domestic workers in the area are. Melon served with salt (lerotse), soft pounded maize and beans (millet rice), sour milk (madila), first milk from cow (kgatsele) given to kids, sorghum beer, tin maize porridge fermented (mageu), mixed cooked internal organs of either goat, sheep or cattle (serobe) are also other types of food sold by participants in the area.

In line with their nationality, some foreign participants preferred to trade cocoyams, boiled rice and beans, plantains, fried plantain (dodo), baton (fermented cassava rolls), ndole, achu (mashed cocoyam/yellow soup), vegetable, fufu, kwakoko and mbanga soup (mashed cocoyam/palm nut soup) and fufu and eru (fermented cassava and wild vegetable) since it is in line with their nationality. Participants also reported they vend roasted fish, tea/coffee and bread, life chicken, eba and amala (cooked maize and soup), fried/boiled eggs and rice and stew. These foods sold by the MLM offer employment, income, and skills for participants, so contributing to poverty alleviation.

However, a few of participants liked selling multiple meal types. To these participants, selling multiple types of food is more profitable and simpler to amass revenue, which reduces vulnerability to shocks in times of difficulty. Further, selling more than one type of food can also help create more employment opportunities and improve livelihoods, as it provides customers a wide range to choose from traders. One street food vendor confirmed that SFV allowed them to make proceeds through the various types of food sold, according to the participant she is far better than those people who depend on the government packages in the MLM. Another vendor claimed that she could cover her costs by selling more than one type of food. However, she also pointed out that dealing with more than

one kind of food was no easy task since it requires both labour and capital. Another street food trader stressed that selling more than one type of food provide sufficient profits for him and his families to obtain better health that thwarts ill-health. Another merchant noted that selling a range of foods not only generates sufficient revenue, but also develops a sense of national pride and identity when consumed outside the home in an urban setting.

### Impact on Employment and Poverty Reduction

**Table 3: Impact on employment and poverty reduction (n=401)**

Contribution of street food vending	Frequency	Percentage
Jobs	143	35.7%
Skills	72	18.0%
Income	129	32.2%
Food security	19	4.7%
Health	13	3.2%
Education	11	2.7%
Other	14	3.5%
Total	401	100

In the Mahikeng Local Municipality, street food vending plays a key role in reducing poverty through employment development, especially among the underprivileged. In addition to providing employment for individuals directly associated in the business, the street food industry also helps others who would otherwise be jobless, such as those who have been laid off, find work. This contributed to the improvement of their livelihoods. As a source of employment, SFV can also help to address challenges such as economic movement by preventing people from migrating to other areas in search of jobs. Table 3 indicates that 35.7% of respondents reported that street food vending is instrumental in job creation, followed by respondents that revealed that street food vending provides income that influences positively on poverty, livelihoods and unemployment 32.2%.

Most participants of the focus group, together with interviews with the officials, disclosed that street food vending employs vendors and extend same to other people who would otherwise be jobless. This has helped decrease prevalence of poverty in the Mahikeng Local Municipality. The participants went on to explain that street food vending gives them the ownership of their livelihood through skill development and self-employment. This has enabled them to be self-reliant in taking care of their

basic needs such as shelter, clothing, food and water. One street food vendor confirmed that self-employment through food vending has enabled her to have the ability and more confidence to survive and thrive regardless of the situation of the country. Another one reported he was divorced and not working. Why sit alone at home, bored? Involving himself in street food vending provides him the opportunity to be self-employed. He does not have any other business activities to enhance his income. Another vendor stressed that the business gives her the satisfaction in life through employment. She never knew life could be this tough. She had a happy childhood, caring mother and loving father, who were daily wage labourers. She was the family's third child. She has a sister and two brothers. After ninth grade, she stopped going to school since her family couldn't afford to pay for it. The street food industry gives vendors the chance to engage in social media and grow proud of being able to support their families financially. Further by creating jobs, SFV contribute to the achievement of the sustainable development objectives of reducing extreme poverty and hunger, advancing gender equality, and empowering women. This finding agrees with the dualist view. The fact that street food vendors contribute to the economy by creating jobs in the informal sector shows how vital the street food industry can be when supported by supportive laws. This emphasises how crucial it is that there be a connection between the two industries. In addition, although the street food vending in the informal sector is considered inferior to the formal sector, it absorbs people unable to find formal jobs. Even those retrenched from the formal sector turn to street food vending for employment. Due to the importance of the street food sector in the economy by providing employment for the poor therefore, there is a need for the two sectors to coexist. This finding is in line with Kalyani's (2016) research on the organised sector of India's labour force, which claimed that SFV in Bangladesh plays a crucial role in terms of offering employment opportunities to a sizable portion of the working population in the nation and significantly raising national output.

However, a small proportion of participants revealed that the street food sector does not create jobs for them and others. These participants were of the view that challenges such as street vending policy and bylaws (Nuisance Act), shortage of working capital and credit and business location were some of the reasons they do not employ others since it prevents them from generating enough income to employ people to assist in the business. One vendor stated that she does not feel the need to hire anyone because she frequently relies on her children to manage the store, particularly during school breaks. Another person emphasised that because

the income generated is so minimal, she is unable to hire somebody to manage the firm on her behalf.

Additionally, it was revealed via focus group discussions and official interviews that SFV significantly contributed to creating cash that aids in MLM poverty reduction. The money they make from the transaction also gives them the chance to grow their company. Participants also mentioned that SFV money is utilised to supplement household income and enhance wellness. One trader indicated that she got married at the age of 19; she had to manage on her own. Her husband is a cleaner. His earnings were insufficient to take care of the family; she was forced to go out for work. She had a son and a daughter. Until about three years ago, life was manageable. However, after her husband had a stroke life turned upside down for the children and her. He had to stay indoors as he was not able to do any physical work. She settled for street food vending as a vegetable vendor which provided her income to cater for her family since she cannot find work in the formal sector due to no qualification. Another vendor claimed that he started the business with R800 and when business is good in a month he can make R6000 after his expenses. Another vendor revealed that with the income generated from the business, he used it to further his education. According to him, he understands market risk profiling, financial planning and funding that helps to sustain the business. Another trader reported that with the proceeds generated from the trade she used it to build a house and rented it out for R500 per month. According to her when the house is fully occupied will put R6000 per month back into her account. Also, earning rent assists her to have additional money which can be used to invest elsewhere, whether it is saving towards buying a house or investing in the stock market.

One vendor indicated he is able to buy livestock such as pigs, goats, cattle, pigs and sheep with money acquired from the street food trade. Cattle for example, were very important in stimulating households' income since it was seen as an indicator of wealth. In addition, one vendor confirmed that with the income obtained from the street food trade some of them can now access better hospitals than before, which enabled them to improve wellbeing and work long hours. Another vendor claimed some of them use a significant amount of their profit in providing for the health care of their families in the private sector since they provide better services than public sector. Further, participants went on to say that some of the proceeds made from the business are saved in the informal and formal banks. The savings can be used for various activities such as furthering education and sending children to schools. In addition, the savings can also serve, as loans to other people who are not involve in SFV activities.

Future consumption, a key component of an economy, comes from saving. In the long run, it is also comparable to investing. The part of revenue that is not used up in the present period will be used up in a subsequent one, allowing for investment and boosting future total demand. Additionally, profits from the street food industry are used to import or buy formal market stocks that help grow the company. The informal trade segment that includes street food does not operate independently of the formal sector. Additionally, the street food vendors purchase their products from respected stores in the formal economy. Also, goods sold by the street food traders are acquired from reputable shops in the formal sector. The street food industry made it possible for food vendors to amass a certain level of wealth through sales that demonstrated considerable progress in their lives and bigger profits than others who are not involved in the street food trade. People engagement in the street food sector in Zimbabwe increases household incomes and boosts the ability of vendors to purchase food provisions for their households in times of economic misery (Kachere, 2011; Tawodzera *et al.*, 2016; Zimbabwe Government, 2017). The dualist view (Hart, 1973; ILO, 2003), opines that there is few or no link between the formal and informal sector including street food vending. However, since the informal sector, in particular, provides income for food vendors, this finding attests to the existence of a relationship between the two sectors. Additionally, some of the money made in the unorganised sector is saved in financial institutions.

However, a lesser proportion of participants indicated that the insecure nature of some of the business especially perishables such as vegetables, affects the income generated from the business. The participants indicated that the income generated from the business is far too little for survival if the size of the family in the household is considered. In addition, according to participants the money has to be used for some necessities such as grocery, electricity, water, clothing, transport and many more. Further, participants mentioned that they typically utilise the money they make from their businesses to pay for supplies, transportation, and helpers, as well as to pay security guards to guard their products. With their meagre earnings, they also look for a secure location where they can store their things until they return home. The participants also disclosed that there was a general decline in customer demand, which resulted to fewer earnings, as a result of low consumer demand and competition from new dealers. As a result, poverty in the neighbourhood is rising.

## **Way Forward**

### ***Working Capital and Credit***

One of the main causes of the global street food sector's stagnant growth is a lack of finance and working capital. The Mahikeng Local Municipality's street food selling operations faced difficulties due to a lack of operational capital and credit. To offset the challenge this study recommends that both government and other stakeholders involved in the trade should ensure that street food vendors in the area should be provided with credits and/or soft bank loans in the long-term to promote the growth of the sector. Rigid banking requirements such as providing collateral before a loan can be obtained, and high interest rate need to be relaxed to enable vendors to have an opportunity to acquire financial assistance and be given a fair chance to prove themselves. In that regard, the government should act as collateral for vendors to secure the loan from banking institutions.

### ***Street Vending Policy***

A problem for the local street food vendors was the policy regarding food vending on the street. In order for street food vending to prosper, regulation of SFV activities is necessary, however stringent and excessive regulation should be avoided. The report makes recommendations for policy and legal frameworks that the government and municipal authorities should put into place, including Mahikeng Local Municipality rules that encourage and provide a better environment for making a living through the street food trade. The study also recommends that both the government and local authorities should ensure and facilitate an easy regulation of street vending activities in the area. This can be achieved by amending and repealing obstructive laws through consultation with street food vendors and creating suitable laws that legitimize trading zones for the growth of the sector. Also, amending and repealing obstructive laws such as the bylaws might increase vendor's registration and licensing in the MLM.

### ***Business Location***

Business location for vendors is a concern as this reduces livelihoods for vendors. This study recommends that the other stakeholders involved in the street food sector and government should ensure that permanent business location for street food vendors be allocated. Vendors will be able to manage their business smoothly. It is also recommended that the designation of vending areas must be achieved through a consultative

participatory process with the vendors in long-term. This will ensure that the designated trading areas are sufficient and pragmatic for existing demand for the type of foods sold by vendors. This also may reduce harassment and confiscation of food items and utensils and poor communication between municipal authorities and vendors. The informal business sites should be strategically placed to allow access to market and basic infrastructure facilities such as toilets, storage facilities, water, shelter, crèche and electricity. Thus, there is a need for the government and the local authorities to improve conditions, under which street food is sold as stated in the Constitution of 1996 Section 26 and 27.

## **Conclusion**

Vendors who sell street food do so as a means of support since it gives them the chance to build up their wealth through the trade's profits. This encourages efficient operation of the company and, as a result, sector growth. The street food industry is important in advancing the socioeconomic standing of sellers and has an impact on the wellbeing of local businesspeople. Some vendors were able to acquire assets such as livestock and landed property from the profit made from the business that contributed to poverty reduction. However, the street food sector is plagued with challenges such as lack of working capital and credit, business location and street vending policy and lack of infrastructures. These challenges reduce profit made and hindered livelihoods and poverty reduction among vendors in the area.

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