



**SELLING TO EAT: PETTY TRADE AND TRADERS IN PERI-URBAN  
AREAS OF SUB-SAHARAN AFRICA<sup>1</sup>**

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## **INTRODUCTION**

A common sight in Africa's sprawling peri-urban areas is the widespread proliferation of petty traders, hawking items from garden produce to imported consumer goods. These small-scale merchants represent perhaps the fastest growing segment of the labor market in Africa, attracting the unemployed, the displaced, and the impoverished. Recent economic stagnation and restructuring on the continent spurred the growth in this sector, as waged employment declined and inflation spiraled. At least part of the restructuring has been under the watchful eyes of the International Monetary Fund (IMF) and the World Bank, whose programs have slashed public sector employment, urban subsidies (including subsidies on food), and the exchange value of local currencies. All of this has made it difficult for many Africans to subsist without holding multiple occupations, including involvement in all types of trade. As Mamdani points out in the case of Uganda, the economic reforms and restructuring of the past decade have turned waged workers and others into "part-time hawkers (1990:438)." This burgeoning petty trade, often euphemistically labeled the 'informal sector,'<sup>2</sup> has been praised by some as a sign of a healthy private sector, without recognition that its growth is symptomatic of larger structural problems in the economy which leave many individuals with little choice but 'to trade to eat.' The sheer volume of petty merchants in such towns as Maputo (Mozambique) or Accra (Ghana), defies attempts at estimating their population, since they greatly outnumber wage workers as well as 'officially' licensed traders.

In this paper, I explore the social and economic aspects of petty trade and traders in two study sites, Banjul (The Gambia) and Maputo (Mozambique), of the “Peri-Urban Economies in Africa” project.<sup>3</sup> While traders often sell a multitude of items, the emphasis here is on the buying and selling of agricultural and food products, the most important tradeables. As I have argued elsewhere (Little 1999), small-scale trade in these commodities is a significant component of the peri-urban economy. As an occupation, trading is the most important non-farm activity and an occupation that dominates most peri-urban economies of Africa as well (see Egziabher 1994; Tripp 1990). In Maputo, for example, more than 50 percent of households in a sample of 366 households have at least one member currently engaged in some form of petty trade, and income from this activity often exceeds formal wage earnings (Graham et al. 1991:33). This paper will show that at the lower end of the income curve, peri-urban traders eke out a minimal existence, combining different livelihood strategies and faring worse than local agriculturalists. Involvement in trading has been their response to unfavorable access to land, employment, and other means of improving welfare. As urban areas grow and formal sector employment declines, the size and complexity of the unofficial trading sector increases.

### **History and Background**

The Gambia and Mozambique reflect two very different economies and histories, especially during the time when field research was conducted.<sup>4</sup> In 1991 Mozambique was just emerging from a long period of economic and political turmoil and many parts of peri-urban Maputo were still marred with occasional armed incidents. It was a country that even in the African context had witnessed a level of economic and social hardship that was atypical. The state and government parastatals were still prevalent in most sectors of the economy, especially in banking and transport. Western development

agencies and the World Bank and IMF were only just beginning fairly ambitious development and economic restructuring programs (see Hanlon 1991; 1996).

In contrast, The Gambia was a relatively open economy in the early 1990s, where trade was encouraged and where the World Bank had one of its earliest structural adjustment programs in Africa. At the time The Gambia was receiving praise as a democracy with an economy opened to private sector investment and trade (Hadjmichael, Rumbaugh, and Verreydt 1992). In August of 1994, however, the country experienced a political coup that overthrew the government of President Jawara and replaced it with a military regime. Foreign investment shrunk and the involvement of many Western development organizations ceased, or was temporarily suspended (Radalet and McPherson 1995). In short, the 'historical moments' captured in research at the two sites were drastically different. The Gambia was a country with a relatively long history of economic liberalization and political stability but on the throes of a major political change. Mozambique, on the other hand, was just emerging from a period of political and economic instability and at the beginning of a period of market-oriented reforms. A focus on peri-urban traders provided an excellent lens to explore these processes in both countries.

Prior to the mid-1980s domestic trade in Mozambique was highly centralized, with most foodstuffs, including fruits and vegetables, sold through a network of "bonded shops" (*lojas vinculadas*) and consumer cooperatives. Efforts to control the production and marketing of fruits and vegetables in the peri-urban areas were implemented through state programs to encourage production around Maputo (e.g., the creation of the *Cabinet de Apoio a Producao de Maputo*) and the creation of a state parastatal for fruit and vegetable wholesaling (called *E. E. Hortifruiticula*). Considerable amounts of parallel trade in vegetables existed, and the state's ability to control the diversion of produce into

private markets declined rapidly in the early 1980s. Some street traders, called *dumba nengue*<sup>5</sup>, were adept at avoiding state controls, although as recent as 1990 they were still being harassed by government officials. In order to gain access to food and other necessities, consumers relied heavily on informal networks of distribution that often drew on real and fictive kinship ties.

Throughout the early-to-mid 1980s, war-induced destabilization in Mozambique exacerbated the scarcity of food and the inefficiency of controlled markets.<sup>6</sup> The system of controlled food distribution was subject to shortages, distortions, and graft by officials who were well placed to gain preferential access, especially during periods of acute scarcity. This fostered the creation of a parallel (black) market that had high transaction costs and its own set of inefficiencies. Traders tell stories of how they would leave produce at designated secret locations in the evening, to be picked up by a well-do client later that night. As a first step in market deregulation, the state lifted prices and regulations on the fruit and vegetable trade in 1985. With the initiation of the Programa de Reabilitação Económica (PRE) in 1987, the nature of trade in vegetables and fruits was almost completely transformed; private markets were actually encouraged rather than discouraged.

In contrast to Mozambique, The Gambia has a rich history of rural and urban markets, where private trade has flourished for decades. Horticultural trade, both domestic and export, prospered in the 1980s as the country's tourism sector—with its high demand for fresh fruits and vegetables—and export sectors grew rapidly. In 1992 most of the Banjul area's 16 tourist hotels, as well as several tourist restaurants and markets, utilized local traders to procure vegetables and fruits. In addition, The Gambia emerged in the 1980s as an important regional exporter of horticultural products, creating additional opportunities for merchants. The increase in exports was most

dramatic during 1984 to 1990 when they rose from 32 tons per a year to more than 1,145 tons, an approximate thirty-fold increase. Mozambique, by contrast, had a negligible tourism sector and virtually no horticultural exports at the time.

### **TRADE AND TRADER CATEGORIES**

In both the Banjul and the Maputo regions several types of small-scale traders can be distinguished based on scale, type of market, and geographic location. Within each broad category of commerce important distinctions can be made. In Maputo the term *dumba nengue* covers all kinds of street trade, including (in order of importance) the sale of drinks and foods, agricultural products, manufactured goods (soap, matches, cigarettes, etc.), wood and building materials, and arts and crafts. A *dumba nengue* trader often sells items from more than one of these categories, but specialization also occur (discussed in more detail later in the report). Inside the marketplace itself, on the other hand, there are different types of trade and traders. The main types of trade are in agricultural products, foods and beverages, and manufactured goods. Traders may sell at booths within the formal marketplace, but more commonly in the open areas outside of the market or in the adjoining streets. From discussions with Maputo's traders, the selling of small manufactured products in the streets and outside the markets grew rapidly after the advent of liberalization policies.

In the Banjul case the petty commerce sector entails a greater complexity of trade and trader types than in Maputo. It encompasses: (1) canteen or shop traders; (2) table traders who sell produce from tables in the market; (3) on-floor traders in the market; (4) outside-of-market traders who trade on the ground outside the market; (5) street traders; (6) hotel traders; (7) middle person (middleman) traders who mediate between farm and market; (8) Senegal/Gambia long-distance ("border") traders; and (9) wholesalers. There is significant variation between trader categories: traders range from highly organized,

capital-accumulating hotel traders, to petty traders who barely eke out a subsistence. In some ways, the fixed nature of trader categories masks the complexity and heterogeneity of the trading economy in the Banjul area, offering only a partial view of the diverse income-earning strategies adopted by traders. In many cases, traders are involved in a myriad of trading activities that, for example, combines table or wholesale activities with long-distance border trade.

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**Table 1. Types of Peri-Urban Traders in The Gambia<sup>1</sup>**

Type of Trader	Percent of Sample <sup>2</sup>
Canteen	9.0
Table	29.5
Inside market on floor	4.5
Outside market on ground	9.6
Street	3.2
Middle person	14.1
Hotel	14.7
Wholesale	5.8
Long distance border trade	8.3

Source: Little and Dolan 1993:58.

Notes:

<sup>1</sup> Sample size was 157 traders.

<sup>2</sup> Because of rounding the total does not equal 100 percent.

Every market in peri-urban Banjul has tables protected by a *kwiang* (a structure with an iron roof), which are available for the display and sale of goods by **table traders**. These business people generally sell a small selection of vegetables, dried fish, or fresh meats, depending on the market. Table traders comprised about 30 percent of our sample, and were predominantly Mandinka (48 percent of total) and women (96 percent).<sup>7</sup>

There are two types of traders that work on the ground—those inside and outside of the market—and are conveniently labeled **on-floor** and **outside-of-market** traders. The former, who were five percent of the sample, were entirely women and chiefly Mandinka (57 percent of total) or Wollof (29 percent). The latter category (10 percent of the sample) were largely Mandinka (67 percent) and Fula (20 percent) and, again, predominantly women (94 percent). On-floor traders are particularly common in the larger markets—Serekunda, Brikama, and Bakau—due to a growing scarcity of available table space in these places. A fifth category in Table 1 are **street traders**, who also are unable to secure space in the market (or unwilling to pay fees). They can be seen carrying vegetables and prepared food items on their heads to sell in the streets, or displaying their wares on sidewalks. They comprise three percent of the trader sample and were all Mandinka women.

Another trader category in the Banjul area are **hotel traders**, who compete for the relatively lucrative hotel trade. Hotel traders have secured a particularly coveted niche in the horticultural trade and while they may be involved in other types of trade, their principal activity is to supply fresh produce to the hotels. Hotel traders, who accounted for 15 percent of the research sample, were 52 percent Mandinka, 17 percent Wollof, and 17 percent Fula. Overall 92 percent of them were female.



The last three categories in Table 1 are **middle traders, wholesalers, and long distance border (i.e., Gambian/Senegalese demarcation) traders**, who make up 14, 6, and 8 percent of the sample, respectively. They cover the most lucrative businesses and these merchants are chiefly Mandinka, although they also contain the highest percentage of Wollof merchants among the types of commerce. In addition, about 81 percent of men involved in trading fall into these three categories. These data indicate that not only are Wollof disproportionately involved in high-value trade categories, but men also are more likely to control these activities.

It should be noted that the categories of middleperson, wholesaler, and Senegalese/Gambian border traders are particularly difficult to delineate, since the boundaries between them are especially imprecise. In fact, for a great majority of our sample these three categories embody multiple, overlapping supply and trade networks, and demonstrate similar socioeconomic characteristics as well. As I emphasized earlier, it is important not to elicit a distorted view of the trading sector by adhering to rigid categorical boundaries, which can disguise complex and multiple trading strategies. The following case from The Gambia illustrates this.

An example of the multiple roles that traders occupy is Mbai N'Diaye,<sup>8</sup> a 30 year old Mandinka trader from the peri-urban village of Brikama, who has been engaged in vegetable trading for over 12 years. When she began trading she had a table in the peri-urban market of Brikama but abandoned this after four years to work in the Senegal/Gambia border trade. She commutes between Senegal and The Gambia two to three times a month, and on each trip she purchases approximately Dalasis 3,000 (\$353) of vegetables, mainly carrots, cabbages, and onions. Upon her return she sells the produce to wholesalers in the largest peri-urban market, Serekunda. She also has regular table trader clients in Serekunda

who purchase vegetables. If she is not able to sell everything there, she returns to Brikama and sells on the floor "like any other trader in the market." (author's fieldnotes, 1993).

Mbai N'Diaye is an excellent example of a trader who engages in several types of commerce: middleperson, long-distance, and on-floor (marketplace) trade. She feels that many Senegalese border traders like herself aspire to become canteen (shop) owners in the Bakau, Serekunda, or Brikama peri-urban markets. Ownership of a shop is a cherished position when compared to the border trade, an activity marred by persistent transportation problems, border delays, and state harassment. Mbai, however, admits that the required capital for canteen trading makes it inaccessible to the vast majority of traders, including her.

### **Special Case of Hotel Traders (The Gambia)**

The hotel sector in the Banjul area emerged in the 1980s as an important market for local vegetables and fruits. It is a market that is closely tied to the tourist sector and its performance. As early as the 1970s, traders were providing local produce to the hotel sector. Barrett, for example, notes that in the late 1970s hotels already were purchasing an estimated 0.32 kilograms of local produce per visitor: "tourist consumption of vegetables is . . . quite substantial, particularly tomatoes and onions" (1988:202). During 1981 to 1991 the annual number of tourists visiting The Gambia rose phenomenally, from less than 22,000 (Barrett 1988) to more than 110,000 visitors (see Little and Dolan 1993). While figures on consumption of fruits and vegetables by hotels are unavailable for this period, there is little doubt that it grew considerably during these years. By the mid-1980s local traders supplied the bulk of hotel requirements for produce and were the dominant actors in the trade (Daniels 1988:22).

Many Gambian traders who supply hotels procure their produce from Senegal or from export farms rather than from small-scale farms and gardens. As will be discussed later, export farms aggressively entered the lucrative hotel trade in the 1990s, in part to compensate for volatile and declining overseas exports (see Little and Dolan, forthcoming). Certain crops, such as cabbages, are available locally but prices and availability of imported cabbages and certain fruits tend to be better. Senegal and, to a lesser extent, Europe remain as supply sources for the hotel trade, but are currently less important than domestic supplies. This pattern is confirmed by hotel managers who note that the reliance on horticultural imports from Senegal and Europe declined considerably during 1988 to 1993.

With few exceptions, networks of women traders serve as links between the hotels and supply sources. In most cases hotel traders rely on more than one source for supplies, and virtually all of them buy at least some of their produce directly from small farmers. Almost half of the hotel traders (46 percent of total) bought from large export farms, while only 25 percent buy produce regularly from the communal gardens<sup>9</sup> (see Table 2). The cultivation of certain crops, such as French beans and high-quality melons, are almost strictly limited to the export farm sector; and hotel traders rely on them to fill orders for such crops. Local farmers and markets provide tomatoes, lettuce, cabbages, onions, mangoes, and an assortment of other local products for the hotel trade. Since 1991 the boundaries between these different supply sources have become blurred, as export farms are now growing some "local" crops (e.g., tomatoes) to sell to hotels and to the local market generally; no longer do they grow only high-value export products. Additionally their "reject" produce (up to 40-45 of total production) that is unsuitable for export ends up at hotels and local markets. The growing presence of export farms and the competition that they pose is perceived as a major problem by more than 75 percent

of hotel traders. The hotel trade is an increasingly contested arena that dramatically changed during the time of my research, 1992 to 1994.

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**Table 2. Sources of Supply for Hotel Traders<sup>1</sup>**

Percentage of Hotel Traders Who Purchased From:				
Local/Household Gardens	Communal Gardens	Markets	Export Farms	Middleperson Trader
96	25	46	46	8

Source: Little and Dolan 1993:39.

Notes:

<sup>1</sup> Based on a sample of 23 hotel traders.

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Hotel traders aggressively guard their market share and defend their right to supply this lucrative market. An episode in late 1992, when hotel traders (all women) at one large tourist hotel went on strike to protest buying practices of hotel management, attests to the competitive nature of this business (Daily Observer 12/11/92).<sup>10</sup> One does not easily enter the hotel trade and many of the traders have been supplying the same hotels for 5+ years. Less than three percent of all peri-urban traders are involved in the hotel trade, but they are important voices in local commerce. Most hotels attempt to limit the number of traders from whom they purchase, and they prefer to work with organized groups rather than individual traders. Each hotel contracts on average about 18 traders, with a range of 4 to 40. When a hotel is dealing with more than 15 traders,

management usually divides them into two or more sets. They then provide contracts to each group on alternate days, or to three times per week per group. It is at the group's discretion on how to allocate shares among individual traders. In the end a trader in a specific group may end up supplying a hotel around 10 days per month.

Hotel traders cooperate with each other in a variety of market activities. In 72 percent of cases, hotel traders assisted each other with marketing costs, usually related to transport or purchases (see Table 3). This is a larger amount of cooperation than occurs among the general population of traders in Banjul, including those that only sell to the local market. Plausible reasons for the relatively large amount of cooperation among hotel traders include: (1) they actually are not in much competition with each other; (2) it is in the interest of all hotel traders that orders are filled effectively; and (3) the time constraint of the hotel contract (duration of only one to three days) lends itself to cooperative efforts. From the perspective of traders, it is in their collective interest that orders are filled in an efficient and timely fashion, to avoid hotel managers seeking alternative sources.

Since 1990 there has been a decreased reliance on local traders by certain hotels, resulting in a decline of about 10 to 15 percent in the number of traders who supply hotels. According to management, they have reduced the number, because of the excessive transaction and administrative costs associated with procurements from small-scale traders. However, a more likely reason for the decline, which was alluded to in several interviews, is the increased presence of export farms in the hotel trade. More than 80 percent of tourist hotels now rely at least partially on large farms to supply fruits

**Table 3. Cooperative Activities Among Hotel Traders**

Type of Shared Activity	Percent
Transport	22.2
Purchase of Products	50.0
Labor	11.0
Share in Profits of Trade	5.6
Share in Costs of Trade (Bags, rent, etc.)	5.6
Other	5.6
All	100.0

Source: Little and Dolan 1993: 42

and vegetables, and most procurement officers indicate a growing preference for using these enterprises rather than groups of small traders.<sup>11</sup> Hotel managers highlight the reduced transactions costs and the capacity of large farms to provide in bulk; quality is never mentioned as a factor.

### **Special Case of *Dumba Nengue* Traders (Mozambique)**

When compared to hotel traders, the street (*dumba nengue*) traders of the Maputo region represent the other extreme (Table 4). They are poor, young, and recent migrants. They often are female (more than 70 percent) but an increasing number are males, especially recent migrants. The clients of the street trader often are low-income urban and peri-urban residents, not wealthy institutions (tourist hotels) as was noted in the previous section. They generally are younger (average age of 32.3 years) than other Maputo traders and are less likely to be members of market organizations, such as informal credit groups. As noted earlier, the growth in street trading in Maputo began in the late 1980s, when the government relaxed its restrictions on hawking and petty trade. In contrast to an average of over 7 years of trading experience for other Maputo traders, street traders have been in commerce for only 4.7 years on average.

The incomes of street traders are miserably low, less than 5 percent of what Banjul's hotel traders earn. While their average incomes are nearly 15 percent lower than other traders in Maputo, the incomes of the poorest group of street traders are particularly meager—even by Mozambique standards. These petty traders, who earn less

**Table 4. Socioeconomic Characteristics of *Dumba Nengue* Traders**

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Indicator	Average Figures
Average weekly income (mt) <sup>1</sup>	23,287
Average income of those Earning <15,000 mt/week (% total)	5,216 (40%)
Average education (years)	2.09
Average years of trading	4.73
Average household size	7.91
Average age (years)	32.3

Source: Little and Lundin (1993: 5).

Notes:

<sup>1</sup> \$1=2000 metecais (mt) (in 1991).

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than 15,000 mt (US \$7.50 in 1991) per week, represent approximately 40 percent of all *dumba nengue* traders. Their average weekly incomes are only 5,216 mt (\$2.60), less than half the average income (10,712 mt) of the poorest of Maputo's vegetable traders and about 10 percent of what Banjul's street traders earned in 1993 (see later discussion). Among the traders in our study the *dumba nengue* hawkers are the most vulnerable to



poverty, and trading for them is a survival strategy that has been only partially successful.

The *dumba nengue* trade depends heavily on consignment arrangements. In such cases, the supplier provides a quantity of the products and then collects the revenue after they are sold by the street trader. In certain cases the relationship between seller and buyer resembles that between an employer and employee. Rather than operating as independent traders, some *dumba nengue* traders may actually work for a supplier who pays them a certain percentage (commission) of the value of the products that they sell. While I did not examine the *dumba nengue* trade in manufactured goods, this type of arrangement seems to be very common. For example, the "street kids" selling cigarettes may actually be employed by a supplier, who pays them on a commission basis.

## **SOCIAL AND DEMOGRAPHIC CHARACTERISTICS OF PERI-URBAN TRADERS**

As the above examples imply, there are considerable social and demographic differences among peri-urban traders. Marked differences are found in levels of education, income, and gender, as well as in work experience. In the case of Maputo, where private trade was heavily constrained until the late 1980s, more than 50 percent of traders have been engaged in commerce for less than five years. By contrast, others have been traders for more than a decade and these often are the most successful ones. In the remainder of this section I address some of the social differences among different types of traders in the two study areas.

### **Gender Differentiation**

While women comprise the bulk of the trader populations in Banjul (84 percent of total) and Maputo (about 95 percent of total), there are certain high-revenue trading activities where the percentage of males is relatively high. In the Banjul region, the two

most lucrative peri-urban markets—Serekunda and Banjul—have large numbers of males, while they also dominate the lucrative long-distance border trade with Senegal. Many of the canteen owners also are male; while males are also disproportionately represented in the lucrative processed (cooked) food trade in the Maputo region. There also are marked gender differentiation in the ownership of shops, so that twice as many men as women own them. Of those traders who own shops in the Banjul region, the majority (55 percent) are in the upper half of income earners, and they tend to be either canteen traders (37 percent) or wholesalers (18 percent). By contrast, the ownership of other, less lucrative "businesses," such as handicraft production or sewing, is predominantly the domain of women (69 percent of total).

In the Gambian case, average trading income per week of Gambian men (Dalasis 1,531 or \$180.12 in 1993) is more than twice that of women (Dalasis 667, or \$78.47) (see Table 5). Much of the discrepancy is due to males' widespread participation in the high-value canteen and wholesale trades. It is interesting to note that while the complexion of the horticultural trade has been traditionally characterized by the presence of women, men have become increasingly active in this sector, particularly in its more lucrative channels. In all cases men were engaged in either the Senegal/Gambia border trade or as canteen owners; there were very few male table and no male on-floor traders (see Table 1 for a list of trader categories). This suggests that men have greater access to the capital necessary to invest in the more profitable forms of trade than women do. A similar finding is revealed for the high-volume food trade in Maputo.

**Table 5. Average Gross Income per Week by Gender: Banjul, The Gambia**

Gender	Percent of Sample	Average Weekly Income (in Dalasis)
Men	16	1,531 (\$ US 180.12)
Women	84	667 (\$78.47)
All	100	801 (\$94.23)

Source: Little and Dolan 1993:60.

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In Maputo about one-third of processed (prepared) food traders are males and they earn considerably higher incomes than other traders. In contrast to the street traders discussed earlier, merchants selling cooked food and drinks earn the largest average incomes, with very few earning less than 15,000 mt per week. Average incomes from food trading are 47,917 mt (US \$23.96) per week, twice the average income of the *dumba nengue* traders. Many of these processed food traders are school 'leavers' or former government clerks or secretaries, with relatively high levels of education (an average of 5.33 years per trader).

### **Household Demography**

There is a significant correlation between levels of income and household size both in the Banjul and Maputo areas. The largest households are in the wealthier income groups and the smallest are represented in the lower income groups (Table 6.6). This correlation between household size and income also is found among other peri-urban populations in Africa (see Little and Lundin 1992), and reflects the ability of wealthy households to support numerous family members. In both field sites, average household

size tended to increase as trader income grew with few exceptions. Among the wealthiest income category (I), the average household size is 10 in The Gambia and 8 in Maputo, while the average household size was identical (6.7 members) for the poorest trader group in both samples. It should be noted that the trader sample in Banjul was divided into six income groups, while the Maputo study used four income strata. Because of the much greater incomes (in US \$ terms) in Banjul than in Maputo, different income ranges were used to define wealth groups in the two sites (see Table 6). In Maputo, for example, average incomes of traders are extremely low in US dollar terms (about mt 22,100, or US \$11) when compared with Banjul trader incomes (average of US \$ 94.23). Even among the poorest Banjul households, the upper end of the income range (250 Dalasis, or US \$ 29.41) is well above the income of most Maputo traders (see discussion in the next section).

The data on marital status of traders reveal a larger percentage of divorced or widowed traders in Maputo than in Banjul (Table 7). This partially explains the higher levels of female-headed households among trader households in Maputo, even when compared to the general population in Maputo (see Graham et al. 1991). On average about 19 percent of Maputo traders are either divorced (8 percent) or widowed (11 percent), both higher than the proportions recorded in Graham et al.'s (1991) baseline survey of Maputo households. The combined percentage of widows and divorced women are highest among traders in the lowest income group. The vast majority of women traders (more than 70 percent of total) in both study areas reside in households

**Table 6. Average Household Size by Income Group**

Income Group (Weekly income) <sup>1</sup>	Household Size	
	Maputo	Banjul
(I) (Wealthiest)	8	10.0
(II)	6.8	9.1
(III)	7.8	12.0
(IV)	6.7	9.4
(V)		8.9
(VI) (Poorest)		6.7
All (n = 157)	6.95 (n=73)	8.7 (n=157)

Source: Based on Author's field data.

Notes:

1. Different income ranges were used for the different samples, since incomes varied considerably between the two studies. For the Banjul sample (in Dalasis), income groups are: (I) >2,000; (II) 1,001-2,000; (III) 751-1,000; (IV) 501-750; (V) 251-500; (VI) 0-250. For the Maputo sample (in Metacais/mt), income groups are: (I) > 45,000 mt; (II) 30,001-45,000; (III) 15,001-30,000; and IV 0-15,000 mt.

\*US \$1=8.5 Dalasis (1993)

US\$ 1= 2,000 mt (1991)

**Table 7. Marital Status among Traders**

Marital Status	Banjul	Maputo
Single	12%	6.9%
Married, monogamous household	51%	68.5%
Married, polygynous household	29%	5.5
Divorced	4%	8.2
Widowed	4%	11.0

Source: Based on Author's field data.

that are headed by their husbands. A relatively small percentage of Gambian traders (8 percent) are divorced or widowed and, as might be expected, they are poorly represented in the upper income groups (this is in contrast to Maputo where a few wealthy women are widows or single). Traders in polygynous marriages represent a relatively large percentage of the traders in Banjul (29 percent), especially when compared to traders in Maputo where only 5.5 percent of traders reside in polygynous households. This difference may help to explain the larger household sizes in Banjul (8.7 members) than those in Maputo (6.95 members). In addition, the Banjul data show that the largest percentage of traders (45 percent) in the wealthiest income group (I) are co-wives in polygynous households, a finding that challenges certain stereotypes about women traders and their autonomy. In short, while traders may have considerable discretion over how they allocate their income, they usually do not head their own residential units or greatly differ in marital status from other segments of the population. The notion that most women traders in Africa are highly independent and head their own households are simply not borne out in the cases of Banjul or Maputo.

### **Education**

The level of formal education among traders in the peri-urban areas is extremely low, with an average of 1.7 and 1.1 years in Maputo and Banjul, respectively.

Approximately 81 percent of the trader sample in The Gambia have had no formal education whatsoever. While education levels of Maputo traders seem higher than in Banjul, this is misleading because of the inclusion of processed food traders in the Maputo study who have education levels (>5.5 years) well above other traders in Maputo or Banjul. As noted earlier, these often are former civil servants and clerks who were 'downsized' in the 1980s and 1990s. There is also a significant disparity in access to education by gender: four times as many men as women were exposed to formal

education and men have twice the number of years of formal education. In terms of the labor market, the lack of education and skills limits these women to relatively low-income earning occupations, such as petty trading.

Notwithstanding the differences in income levels between the two trader studies, a relatively strong relationship between education and income levels is revealed (see Table 8). In Banjul, for example, traders in the highest income category have the highest education levels (1.8 years), while traders in the lowest income group achieved the lowest on average (0.5 years). The relationship between education and trader income in The Gambia becomes even more salient in an analysis of average weekly incomes. Traders with no formal education (81 percent of the entire sample) earned an average gross weekly income of Dalasis 757, while those with over three years of schooling earned an average of Dalasis 1,205 per week. In a similar fashion Maputo traders with no formal education (48 percent of the whole sample) earned weekly average incomes of 5,220 mt, while average incomes of those with four or more years of schooling were above 45,000 mt. The level of education also strongly corresponds with the more profitable forms of trading, with canteen traders in Banjul possessing the greatest amount of education (4.4 years) followed by hotel traders (1.7 years). In Maputo it was the processed (cooked) food traders in Maputo who have the highest incomes and education levels. In Maputo and Banjul a few successful traders were interviewed who were who had post-secondary levels (12+ years) of education.

**Table 8. Average Education of Traders by Income Category**

Income Group <sup>1</sup>	Average Years of Education: Maputo	Average Years of Education: Banjul
(I)	3.6	1.8
(II)	1.8	1.1
(III)	1.7	0.7
(IV)	1.3	1.7
(V)		1.1
(VI)		0.5
All	1.7 (n=73)	1.1 (n=157)

Source: Based on author's field data.

Notes:

1. See footnote 1 in Table 6.

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### **INCOME, EMPLOYMENT, AND SURVIVAL STRATEGIES**

Variation in incomes by gender, category of trade, and education result in relatively skewed patterns of income distribution that marginalize large segments of the trader population. In most cases, the disparities are even greater when all sources of income (trading and non-trading) are included. This is especially the case in Maputo, where traders are likely to have multiple sources of income. In this section of the paper, income, employment, and non-trading livelihoods are examined, in order to demonstrate how trading serves as a major form of self-employment, as well as a means of survival.



## Trader Incomes and Distribution

Table 6.9 differentiates data by income group for Banjul and Maputo. In both cases, more than 50 percent of traders are in the lowest income groups (IV for Maputo and V and VI for Banjul), while less than 10 percent of traders are in the highest income category (I). In fact more than half of the sellers (many of whom are *dumba nengue* vendors) earned on average 7,641 mt weekly, or about the minimum wage in Mozambique at the time (1991). This lowest income group, which comprised about 53 percent of sellers, earned only 18 percent of total trading income. By contrast, the highest income group in Maputo reaped close to 40 percent of total trading income (see Figure 6.2). Thus, while the vast majority of Banjul and Maputo traders engage in trade as a basic strategy for survival, a minority of the wealthiest merchants pursues it as an accumulation strategy. Notwithstanding the social and economic differences, it is remarkable how similar income distribution patterns among traders are in Maputo and Banjul.

Gender differences are disguised in an analysis of "average" incomes and categories. As was noted earlier, in both study areas men control the most lucrative channels of trade. For example, in The Gambia, 61 percent of men occupy the upper three income categories (I to III), while only 26 percent of women do. A breakdown of income categories by trader type in the Banjul area confirms that activities dominated by men—for example, canteen, hotel, wholesale, and Senegalese/Gambia border traders—are garnering the highest incomes. Thus, canteen traders, who comprise only 9 percent of the trader population, earn the highest average weekly incomes (Dalasis 1,941) and comprise the largest percentage of the upper income strata (27 percent of total). Their incomes are more than 200 percent higher than the average for all Banjul traders.

**Table 9. Income Distribution of Peri-Urban Traders**

Income Group (Weekly incomes) <sup>1</sup>	Maputo (%)	Banjul (%)
(I)	9.4	8.7
(II)	15.6	14.1
(III)	21.9	8.1
(IV)	53.1	18.1
(V)	NA	29.5
(VI)	NA	21.5
All (n = 157)	100.0	100.0

Source: Based on author's field data.

Notes:

<sup>1</sup> See footnote 1, Table.6.

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For the Banjul region, spatial data on market location and incomes were gathered; this was not possible in Maputo since security concerns kept the research team from travelling far from the city. Table 10 vividly captures income differences among traders at different markets vis-a-vis their distance from Banjul city. For comparative purposes, as well as to highlight the **urban effect on incomes**, Banjul market (an urban marketplace) is included in the table. The data show that trader incomes tend to decrease the further out on the peri-urban fringe (as measured by distance to Banjul) the market is. The table highlights the considerable discrepancy in trader incomes between the "urbanized markets" (Bakau, Serekunda, and Brikama) and those in the more rural areas of the peri-urban fringe.<sup>12</sup> For example, trader incomes at Pirang, the most distant center from Banjul and Serekunda, are the lowest in the region. The discrepancy in market

incomes can be partially explained by the absence of high-value traders (for example, canteen, hotel, and wholesalers) and the predominance of low-income ‘table’ and ‘on-floor’ traders in the distant markets. With few exceptions, trader incomes in the urban and peri-urban areas demonstrate a spatial element, so that weekly trader incomes tend to decline vis-à-vis distance from the urban core.

### **‘Other’ Sources of Income**

The great majority of peri-urban traders in Banjul and Maputo engage in trading as their primary economic activity, but most also pursue other livelihood strategies. In the Gambian sample the principal non-trading activity for both men and women is farming; 68 percent of traders with ‘other’ income engaged in agriculture. The other principal economic pursuit for Gambian traders is fishing (50 percent) for men and ‘tie die’ handicrafts (10 percent) and food and textile trading (20 percent) for women.

In both the Banjul and Maputo areas, trader households have a very high percentage of ‘other’ income earners (80 and 71 percent for Banjul and Maputo, respectively) in the household, the majority of whom are husbands or sons. These are individuals in addition to traders, who also contribute income to the household. An analysis of employment and income patterns of household members other than the trader reveals some interesting patterns. In Banjul the most significant non-trading employment—especially among males—is government-sector work (about 19 percent), although drivers and other types of trade (excluding horticulture) comprise a significant proportion (8 and 21 percent of total, respectively) of secondary economic activities (see Table 11). We found that Banjul and Maputo men are more likely than women to be wage earners, or to be self-employed in nonagricultural occupations. There are very marked differences in the gender division of occupations, particularly in professional and skilled occupations that are dominated by men.

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**Table 10. Average Weekly Income by Market, Banjul Area**

Market (and Distance from Banjul City)	Average Weekly Income
Serekunda (8 km from Banjul city)	1,041
Bakau (6 km)	1,294
Brikama (est. 15 km)	585
Pirang (>20 km)	77
Sanyang (>20 km)	530
Lamin (est. 12 km)	292
Sukuta (est. 12 km)	263
Banjul	1,450
All	553

\*US \$1=8.5 Dalasis.

**Table 11. Employment Categories of Household Members Other than Trader (in percent)<sup>1</sup>**

Category <sup>2</sup>	Banjul	Maputo
Some form of Trading	21	4
Government employees	19	18
Farming	12	4
Drivers	8	NA
Self-employed artisans/craftsmen	5	NA
Salaried employee for NGO or Development agency	4	NA
Construction, Office, Industry, incl. brick making.	NA	28
Casual Laborer	4	NA
Domestic service (gardener, guard, maid)	4	3
Do not know	NA	5
None	NA	27
Other	23	11
All	100	100

Source: Based on Graham et. al 1991:33; and author's field notes.

Notes:

<sup>1</sup> This includes other important income earners in the household, other than the trader.

<sup>2</sup> The categories are not totally consistent across both study sites. Some categories in one of the sites may be inclusive of another in the other.

In Maputo about 20 percent of households had more than two income earners, either self-employed or working for wages. The main form of employment there was working in small-scale construction or related industries. This was followed by employment in the government sector, often as a clerk or related office profession (similar percentages of government employment are found for Banjul, Table 11).

Some peri-urban households have members working for wages outside the region and remitting income to the trader and other household members. Remittances can play an important role in financing the business activities of traders; a large number of traders indicate that household members are employed outside of the region. In The Gambia forty-four percent of trader households have absentee members (an average of 1.9 per household), of which 23 percent remit income to the household. As one might suspect, Senegalese traders in The Gambia have more than twice as many absentee members employed outside The Gambia than do Gambian traders. For those traders who receive remittances, the cash is primarily utilized to purchase food for the household (70 percent), buy other household items (7 percent), or purchase clothes (7 percent). In sum, remittances can contribute to the basic maintenance of trader welfare but except among the wealthiest traders they are not generating significant capital for reinvestment in trade or other businesses.

### **Credit Relationships in the Small-Scale Trading Sector**

Virtually none of the peri-urban traders had access to credit from formal institutions, such as banks. However, informal credit arrangements are widespread. In Maputo, for example, 45 percent of traders received credit from their suppliers, often by delaying payments to suppliers until after sale of the produce. More than 50 percent of traders who regularly dealt with the same supplier(s) received some type of credit from them. This was especially the case for street traders in the peri-urban zones. In some

cases the supplier provided the initial capital to help the trader to establish the business, and then regularly provided him\her with products on credit.

In many cases, the larger wholesaler and/or transporters<sup>13</sup> provided some produce to their trader clients on a loan basis. Retail traders enter into such fixed arrangements to insure a regular supply of produce at a fair price. Prices may be agreed upon on a weekly or monthly basis, and traders note that in order to maintain the stability of the relationship they buy from the same supplier(s) even when lower prices can be obtained on the open market. In Maputo and Banjul more than 30 percent of traders have some type of informal buying arrangement with a supplier. In one case this took the form of a written contract, but for most it is a verbal agreement to buy produce regularly at the 'current' market price.

Traders also widely participate in informal credit groups to finance a range of activities. In The Gambia 61 percent of all traders belong to an informal credit group (called *osusu*) and, again, a considerable proportion (37 percent of total) of these participate in the more profitable trading activities. In Maputo traders also are actively involved in informal credit groups (called *xitik*) that finance a limited range of activities. While only 18 percent of all peri-urban households in Maputo report membership in an informal credit association (Graham et al. 1991), 55 percent of petty traders belong to such groups. In both Maputo and Banjul allocations of credit funds show similar patterns, although participation rates differ. They are used primarily to purchase food and other household needs (66 and 39 percent of total uses in Maputo and Banjul, respectively) and, secondarily, to reinvest in trading activities (32 and 25 percent in Maputo and Banjul, respectively). Importantly, Banjul traders use informal credit for a wider range of purposes (e.g., agriculture, social activities, and education) than do Maputo merchants. In Maputo where incomes are extremely low, the bulk of credit is

used to purchase food and other household necessities. Maputo traders who have access to *xitik* groups report average weekly incomes of 33,827 mt (about US\$ 16.90), while those who do not have weekly revenues of only 18,631 mt. Informal groups are the most important source of credit for all households in the peri-urban areas of Banjul and Maputo.

### **Case Histories of Individual Traders<sup>14</sup>**

The diversity of market actors and the changes in the Mozambique economy during the 1980s and 1990s can be illustrated through case histories of individuals. In this section, the strategies and life trajectories of three Maputo traders who were able to adapt successfully to recent chaotic conditions are discussed.

Trader A is an experienced vendor, approximately 79 years old, who has been engaged in business since she was a young girl. She came originally from Gaza Province and was taught the trade by her older sister. She has no formal education but speaks Portuguese reasonably well, and has emerged as the head of an informal group of traders at Xipimanine, a peri-urban market. Trader A also is an active member of several informal credit groups. She is among the most respected merchants at the market and was a major advocate for allowing *dumba nengue* traders to work outside the formal marketplaces. With the relaxation of government restrictions, she has seen a spectacular growth in the number of traders working at Xipimanine (an increase of about 300 percent since the late 1980s).

Over the years, trader A has observed and/or experienced several changes related to trade. Before independence Africans had to have a special card or permit to



sell agricultural products. At that time she used to sell tomatoes, kale, and *kakana* (a local plant used for medicinal purposes). Under the policies of the late 1970s she often sold vegetables on the parallel market because the government-sanctioned stores (*lojas vinculadas*) could not meet local demand. The PRE liberalization program greatly increased supplies and availability of vegetables and other foods, and the quantity of goods at the market generally. However, it also resulted in considerable inflation in food prices: "At present [1991] one can buy sugar, rice, and many types of food at the market . . . and that is good. But it also is bad because the money is not enough and everything is so expensive."

Another change that this trader has witnessed is growth in the number of refugees involved in petty trade, which she says has greatly increased the competitiveness of the markets. It is unclear whether or not her real income has risen in the past few years. A final change that she has witnessed is the increased number of suppliers bringing goods from Swaziland and South Africa. They are mainly males "because they are the ones with good contacts with suppliers in these countries." These suppliers or wholesalers often do not go through established networks of traders, but supply individuals on an opportunistic basis. She does not think this is a good practice and says that it is mainly the new suppliers and new traders who participate in it. She notes: "A good relationship with a supplier makes the business function smoothly. In times of scarcity, for example, many traders have to go and look for products in the farms themselves; but when one has established a good contact with a supplier, he serves you even in times of scarcity."

Trader B, a 43-year-old woman, sells at the Ferroviário market in District IV. She moved to the Maputo region in the 1970s and worked in a factory until she lost her job, just before independence. This is when she began her trading activities. She started by selling fresh groundnuts, sweet potatoes, and cassava to workers around the docks and railway yards in the center of the city. On several occasions she was harassed by authorities, and once she was even arrested for engaging in street trade. This prompted her to move to the peri-urban settlements of District V in the late 1970s, where she started to sell charcoal at small markets. According to Trader B: "This was a dirty business and gave me health problems, so I decided to sell agricultural products, such as potatoes and onions." In the 1980s she moved to District IV and began to sell in an open area near the present market of Ferroviário. She helped to organize a group of traders in 1990 that successfully petitioned the municipality to establish a physical marketplace at Ferroviário (see discussion earlier in this paper). Currently she heads an informal association of market traders and has diversified into selling construction materials (timber and reeds) and firewood, in addition to vegetables. Trader B clearly is in that top 20 percent of vendors who earn a reasonably good income (in excess of 25,000 mt per week) and who are not faced with the welfare and food security problems that confront most small-scale traders.

This trader has observed several changes during the 20-plus years that she has been in business. The two most dramatic are the increased openness of commerce, especially the street trade, and the inordinate number of people now engaged in petty trade. Regarding the latter, she points to the lack of waged

employment and low wages as major factors contributing to the growth. She notes:

Many people are in the business of selling at present because there is a decrease of opportunities for jobs. Women used to be traditionally in this activity, but at present even men are entering because, on the one hand, there is a lot of money to be made there (at least that is what they believe), and on the other, opportunities for jobs are decreasing. Even the specialization that used to be true for certain trade, such as selling coconuts and tapioca, is disappearing: now anyone can enter this trade. Many of the new traders are refugees and displaced people, but many are also local residents who have either lost their jobs or who want to improve their economic situation by working two activities.

Another change that Trader B has observed is the dependence on wholesale suppliers in the large markets. She says that many traders now depend on these suppliers and that they are the ones that determine prices in the peri-urban markets. Peri-urban traders charge a price that reflects the costs of obtaining the produce from their supplier. A final difference from earlier trade that Trader B has witnessed is proliferation in the selling of prepared foods (breads, cooked rice, etc.) at the markets and in the street. According to her, a large number of young men recently have been attracted to this trade.

Trader C is a male, 38 years old, who works as a supplier and transporter. His father had been a miner in the Republic of South Africa (RSA), and when Trader C was around 25 years of age he joined his father there and worked in a factory.

With savings from his employment--and possibly with a loan from his father--he bought a pickup truck in 1984 and went into the transport business. At first he restricted his informal transport business to moving the goods of Mozambican miners in South Africa to their homes in Gaza and Maputo Provinces, in southern Mozambique. He also used these occasions to bring in radios, clothes, and some agricultural products, such as maize and rice, to sell in Mozambique. Business was good, allowing him to purchase a second pick-up truck in 1986, and also a motor pump for irrigation on his farm (then about three hectares) in Chokwe.

In the late 1980s Trader C began to concentrate more on supplying Maputo markets with agricultural products, both from his own farm in Chokwe and from RSA. In 1990 he bought a large truck, which he uses to transport agricultural products and people from Gaza to Maputo, manufactured goods from RSA to Maputo and Gaza, and agricultural products from RSA to Maputo. He maintains a list of traders in Xipamanine to whom he supplies tomatoes, potatoes, and onions on a regular basis. He is using his profits from transport and wholesale activities to invest in his farm in Chokwe, which has now been expanded to about 50 hectares. He says the security situation hampers transport links from Maputo to RSA and to Gaza, but that one has to take the risks to stay in business, and that one has to be very careful and take advantage of government escorts. Trader C also acknowledged that the number of individuals engaged in transporting agricultural products from RSA and Swaziland to Maputo has grown rapidly in the past three to four years. The majority of wholesalers bringing goods from neighboring countries does not own transport but, instead, hire it locally.

The Maputo traders discussed above exemplify successful entrepreneurs and provide qualitative context to the statistics discussed earlier. As discussed at the beginning of this paper, Banjul traders never confronted the kinds of risks and uncertainties that Maputo's merchants have had to face.<sup>15</sup> The two women, Traders A and B, managed to weather the considerable market and economic uncertainties of the 1970s and 1980s, and maintained relatively successful businesses through strong contacts with suppliers and consumers. Although more prosperous than most vegetable traders, these case studies represent the model of the successful, older vendor who endured considerable economic and political changes. Trader C reflects a new market actor of the 1990s, the large-scale supplier/transporter, who accumulated start-up capital in South Africa. He is now heavily involved in transporting agricultural products to market from RSA and, to a lesser extent, from his own farm in Gaza Province. With an improved economic and security situation, this type of businessman is likely to be more prosperous and important in agricultural trade in the late 1990s.

### **TRADERS' PERCEPTIONS OF ECONOMIC REFORMS**

Policy reforms in The Gambia and Mozambique have had a strong impact on small-scale traders in the peri-urban areas. Since many of the market-oriented policies in the two countries were already underway by the late 1980s, it was possible to discuss them with traders and record their responses. These interviews clearly show that the type and magnitude of economic changes were unprecedented, and their impacts were mixed. Some of the effects were strongly tied to the economic reform programs that were implemented in each country, in both cases under the auspices of the IMF and World Bank. In the case of Maputo most traders appreciated the ability to transact trade without fear of government reprisal or sanctions. The PRE, or structural adjustment program, was initiated in 1987 and relaxed restrictions on trade and on foreign exchange.

The PRE also led to a massive infusion of foreign aid, accompanied by supplies of imported commodities that have had a strong impact on commerce. By 1989 the environment for private trade had improved considerably, and petty traders were less likely to be harassed by local officials than had been the case earlier. To quote one elderly woman at Xipamanine: "The government is not doing much, but at least they leave us in peace to carry on with our trade." This perception was shared by most traders, although many would like to see the government invest in improving market facilities, storage, and transport networks.

Approval of recent market reforms did not translate into a perception among Maputo traders that their incomes and material welfare had improved much in recent years. Queried about whether or not their welfare had improved in the past three years, the majority of traders claimed it had not (see Table 12). They said that trade was more profitable in 1988 before the relaxation of street trading regulations. From the perspective of most marketplace vendors, trade was better when there was not so much competition from street traders, many of whom are refugees willing to sell at very low prices. With the influx of migrants and the reduction in restrictions on petty trade, marketplace vendors are often undersold by street traders who usually pay no market taxes. Most traders, however, feel that their profits are more seriously affected by the rapid rise in prices caused by the devaluation of the local currency (an important component of the PRE program) and increased reliance on imports from neighboring countries. Because many traders also consume their food inventory, as well as use their revenues to support basic living costs, rapid inflation is seen as the major negative change during the past three years (Table 12). If one looks at the income of the poorest group of vegetable traders, there is no question that recent inflation makes it difficult for them to meet basic food needs.

In The Gambia market traders also experienced a significant increase in the number of actors entering the trade and criticized the resultant competition from street traders selling the same commodities. Many traders also felt that shrinking market opportunities, exacerbated by the downturn in tourism, the lack of rain in recent years, and the government retrenchment program, are pushing more people into the vegetable trade out of economic hardship. Self-employed trading is a strategy that is increasingly important in The Gambia, as it is in other African countries confronting economic restructuring and difficulties.

A substantial number of traders (69 percent of total) knew of the government's Economic Recovery Program (ERP), instituted in The Gambia in 1986, but fewer traders had noticed the impact of these reforms on their own welfare. Traders in the upper income categories reported greater effects of the ERP on the quality of their lives than traders with lower incomes. While only 14 percent of on-floor and no street traders noted negative repercussions from the economic reforms, 57 percent of canteen traders indicated such impacts. This finding implies that most low-income traders are either unaware of the reforms, outside of their influence, or earn such meager revenues that most changes are irrelevant. The most significant implication of economic reforms on trader welfare is the employment retrenchment of family members: 38 percent of respondents who indicated negative effects from recent reform policies pointed to this. In terms of the reasons for their diminished welfare, Gambian traders stated (in order of importance: (1) the economic reforms (38 percent); (2) the massive entry of people (especially refugees and migrants) into the vegetable trade (20 percent); and (3) declining vegetable sales (11 percent) (perhaps as a result of increased competition from large export farmers and traders). In detailed discussions, traders consistently complained of a falling market share due to the infusion of new traders into their market

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**Table 12      Trader Perceptions of Change and Welfare: Maputo**

Responses	% of Total
Main changes in market during past 3 years?	
Declining number of customers	6
Inflation	39
Increased freedom	6
More supply	2
No change	43
Other	4
All	100
Trade better than 3 years ago?	
Better	4
Not better	46
Same	38
No response	12
All	100

niche. As with the Maputo traders, they see this increase as a result of government ‘downsizing’ and believe that the large number of street traders has increased competition but decreased their own incomes.

### **CONCLUSION**

The proliferation of petty traders in most peri-urban areas can be interpreted as an unhealthy symptom of economic underdevelopment. Employment problems and low



incomes, as well as an increase in the number of migrants and refugees are reasons for the growth in the petty trade sector in the two study areas, as well as throughout Sub-Saharan Africa. With access to farmland and lucrative wage employment highly problematic, recent migrants enter the street trade in order to survive. While petty trading allows this group of traders to survive (at very low levels of welfare), it represents a large underclass of unemployed and underemployed. To view it as a burgeoning class of private sector entrepreneurs paints an unrealistically rosy portrait of the situation.

In both Banjul and Maputo individuals enter the vegetable trade for numerous reasons: trading can offer a feasible way out of unemployment or economic difficulties; trading can be a quick strategy for earning money compared to other economic activities; and trading demands much less capital investment than farming or other business ventures. Difficult access to agricultural land in the peri-urban areas is also an important reason why poorer households often are "pushed" into the less remunerative forms of petty trade. In the Maputo case I show that (1) agricultural plots are very small (on average less than 0.2 hectare); and (2) access to agricultural land is very difficult. Approximately half of the traders who did not own a farm claimed that it was too difficult to acquire one, either because of high prices or because they did not have customary claims to the land. This has particularly been a problem for recent migrants to the area, who rarely gained access to land in the so-called green zone (the peri-urban farming area) of Maputo. Available irrigable land is exceedingly scarce, while rainfed farms in the outlying peri-urban areas presented security problems in 1991. Even among those who owned irrigated farms in the peri-urban belt, average farm sizes were miniscule (c. 0.2 hectares) and hardly adequate for self-sufficiency. Thus, while

restricted access to agricultural land contributed to the rapid proliferation of trading activities, even households with agricultural land must earn incomes from 'trading to eat'.

Access to agricultural land among traders in the Banjul area also is problematic. Only 31 percent of these traders have access to a farm or garden and the majority of these are located in the outer fringes of the peri-urban zone; very few traders have access to farms near the city where land is scarce and prices are high. While upper income traders can accumulate significant levels of capital from peri-urban commerce, among poorer traders restricted access to either land or lucrative waged employment compels them to engage in petty trade. Without access to land for agriculture, women often resort to small-scale trading as the only source of employment and income.

From the vantage point of the peri-urban trader, the effects of economic restructuring are revealed in locations--peri-urban areas--of heightened commercial activity and competition that are generally different from other regions of a country. These areas usually have better access to markets and infrastructure than elsewhere, but also attract poor migrants and the unemployed. Stories are told both of accumulation and impoverishment, while generalizations about incomes and welfare are difficult to make. In short, differentiation rather than homogeneity is the norm, and as has been the case for economies throughout the continent, the economic 'winners' have tended to be males. The dynamic and intricate aspects of the petty trading sector and of peri-urban economies generally invite additional research in these areas. Recognition of the complexity and vitality of both petty trading and of peri-urban areas has only recently caught the attention of Africanists and much remains to be explored.

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## Endnotes:

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<sup>2</sup> Unfortunately the term informal sector often implies a separation of formal (waged) and informal (self-employed or unwaged) work, rather than a focus on the linkages and interdependencies between the two. Individuals and households often straddle these two sectors, engaged simultaneously in both waged and unwaged activities. It is difficult to assess the so-called informal sector without examining such linkages and contradictions.

<sup>3</sup> The background and research methods for the studies are described in detail in Little and Lundin (1991) and Little and Dolan (1993) (also see footnote 1).

<sup>4</sup> Research on trading activities was carried out in Maputo during September 1991 to February 1992; and in The Gambia from December 1992 to June 1993.

<sup>5</sup> *Dumba nengue* is the term used for street traders and quite literally means 'to rely on your feet,' an apt defense against government officials who tried to halt street trading and against South African-based terrorists (Renamo) who ravaged villages until the 1990s (see Magaia 1988; also see footnote 6). According to Issacson, the term itself, *Dumba nengue* is a "southern Mozambique proverb whose point is "you have to trust your feet (1988:2)." In the peri-urban markets of Maputo in the early 1990s it simply meant street traders (those who work on their feet).

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<sup>6</sup> At the time the Mozambique state was threatened and harassed by the South African-backed RENAMO (Mozambique National Resistance). Details of the vicious tactics of RENAMO and its support by the racist apartheid regime of South Africa can be found in Hanlon (1986). Security problems associated with the presence of RENAMO bandits restricted travel in the outer fringes of the peri-urban belt in 1991 and 1992. One peri-urban market that was not in our sample was attacked during 1992 and accounts of banditry in other markets were occasionally heard.

<sup>7</sup> The most important ethnic groups involved with trade were: Mandinka (51 percent of total), Wollof (16 percent), Fula (12 percent), and Jola (8 percent).

<sup>8</sup> Names of individuals are pseudonyms to disguise identity.

<sup>9</sup> Communal gardens are the collective vegetable production units that are found in many peri-urban villages of Banjul (see Little 1999; and Little and Dolan, forthcoming). Often supported with funds from a non-governmental organization (NGO), communal gardens are made up of up to 70-80 women farmers who share water and maintenance costs on communal gardens of up to 8 hectares. Within the gardens individual woman are allocated small plots and are responsible for the production of their own produce.

<sup>10</sup> Managers recognize the political dimensions of the hotel trade and are wary of bypassing local traders for procuring their supplies.

<sup>11</sup> Daniels (1988) found in the late 1980s that some large export farms were selling to hotels, but that the volume tended to be small.

<sup>12</sup> Part of the reason for higher incomes at Sanyang market is that middleperson traders, with relatively high trader incomes, often operate from Sanyang market. They purchase produce from the local gardens or from the EEC-financed scheme there and resell it at Serekunda.

<sup>13</sup> In contrast to vegetable retail traders, most wholesalers and wholesalers/transporters are male.

<sup>14</sup> This section is based on materials from an unpublished report (see Little and Lundin 1992).

<sup>15</sup> There is little data on how Gambia's trading sector has fared since the 1994 coup. Indications are that economic changes have not been too radical and that tourism and trade are still encouraged by the military government (Kakoza et al. 1995).