

A Spatial Analysis of Female Street Traders in the Bloemfontein Central Business
District

by

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Declaration

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Abstract

Literature on South African cities has focused on the spatial transformation of South African cities and in particular, South African Central Business Districts (CBDs). A review of the literature suggests that not much empirical evidence exists on understanding the spatiality of informal businesses in the CBD. This study is therefore aimed at identifying and analyzing the spatial patterns of female informal traders operating businesses in the Bloemfontein CBD. Research objectives include the identification of the spatial locations used by female informal traders in the Bloemfontein Central Business District, an exploration of the importance of location to female informal traders in the Bloemfontein Business District and an exploration of the impacts of location to female informal traders in the Bloemfontein CBD. The study made use of multiple research techniques which included semi-structured interviews, plotting female informal traders' locations using a Global Positioning System (GPS), structured observations and secondary data. Through the application of Cluster Theory and through mapping the locations of the female informal traders in the Bloemfontein, it is clear that there is a clustered spatial pattern of female informal traders in the Bloemfontein CBD. The study also highlighted some of the factors which influenced the clustered spatial patterns of the traders as well as access to customers. The study contributes to the understanding of the importance of location for an informal business and also unpacks some of the implications of clustered spatial patterns. It is, therefore, asserted that spatial patterns of informal trading activities in South African cities are just as important as the patterns of formal businesses.

Keywords: Informal Sector, Female Informal Traders, Cluster Theory, Central Business District, Spatial Patterns

Abstrak

Literatuur oor Suid-Afrikaanse stede fokus op die ruimtelike transformasie van Suid-Afrikaanse stede, en meer spesifiek, Suid-Afrikaanse Sentrale Besigheidskerns (SBK's). 'n Oorsig van die literatuur het aan die lig gebring dat daar nie veel empiriese bewyse bestaan wat begrip het vir die ruimtelikheid van informele besighede in die SBK nie. Hierdie studie is daarom gerig om die ruimtelike patrone van die "plek van besigheid" van vroulike informele handelaars wat tans in die Bloemfonteinse SBK handel dryf, te identifiseer en te analiseer. Navorsingsobjektiewe sluit in die identifisering van die ruimtelike omgewings van die vroulike informele handelaars wat informele besighede bedryf in die Bloemfonteinse SBK en 'n ondersoek van die belang en impak van lokaliteit vir vroulike informele handelaars. Die studie het van verskeie navorsingstegnieke gebruik gemaak: semi-gestruktureerde onderhoude; die ruimtelike plasing-bepalings van die vroulike informele handelaars se lokaliteit in hul handelsomgewing deur middel van 'n Globale Posisioneringstelsel (GPS); gestruktureerde waarnemings; en sekondêre data. Deur toepassing van Klusterteorie en deur middel van die gekarteerde posisionering van die vroulike handelaars, is dit duidelik dat daar 'n gebondelde ruimtelike patroon van informele handelaars in die Bloemfonteinse SBK ontwikkel het. Die studie het ook sommige van die faktore wat die gebondelde ruimtelike patrone, asook die toegang tot kliënte, aan die lig gebring. Die studie dra by tot 'n begrip van die belang van lokaliteit vir 'n informele besigheid en gee meer insig tot die implikasies van gebondelde ruimtelike patrone. Dit waarom gestel dat die ruimtelike patrone van informele handelsaktiwiteite in Suid-Afrikaanse stede net so belangrik is as die handelsposisioneringspatrone van formele besighede.

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ACRONYMS

CBD	: Central Business District
GPS	: Global Positioning System
GIS	: Geographic Information System
LED	: Local Economic Development
NGO	: Non-Governmental Organisation
USG	: Urban Sector Group
GDP	: Gross Domestic Product
SEWU	: Self-Employed Women's Union
WIEGO	: Women in Informal Employment: Globalising and Organising
GEAR	: Growth Employment and Redistribution Policy
IDP	: Integrated Development Plan
MAHA	: Mangaung Hawkers Association

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CHAPTER ONE: INTRODUCTION

1.1 Introduction

This introduction chapter will provide the reader with a concise idea of the research undertaken. In the chapter a background of the study is provided which entails a preliminary literature review of the study, this is followed by the aim and objectives chosen for the study. A brief description of the approach undertaken is provided which is followed by the research methods used to collect the data. The chapter will further outline the significance of undertaking such a study but will also look at some of the limitations challenging the extent of the research. The significance and limitations of the study precede the chapter sequence which looks at how the dissertation is organized in terms of its chapters.

1.2 Background to the Study

Post-apartheid, much of the South African literature focused on the spatial transformation of South African cities and in particular, South African Central Business Districts (CBDs) (Donaldson, 2001; Visser and Kotze, 2008 and Visser, 2003). Literature highlights how spatial transformation has resulted in the physical deterioration of South African CBDs (Visser, 2002; Bremner, 2000 and Popke and Ballard, 2004). This was also the case with literature on the Bloemfontein CBD (Hoogendoorn, Visser, Molefi, Marais, Van Rooyen and Venter, 2008; Hoogendoorn and Marais, 2008). Included in the discussion about spatial transformation of South African CBDs is the growth of the informal sector (Bremner, 2000; Hoogendoorn *et al*, 2008).

During apartheid, economic activities in the informal sector were significantly impacted by the Group Areas Act of 1950 and the Black (Urban Areas) Consolidation Act (No 25 of 1945) (Geyer, Coetzee, Du Plessis, Donaldson and Nijkamp, 2011). Post-apartheid, the facilitation of support can be identified through legislation such as the Business Act of 71 and the White Paper on the National Strategy for the Development and Promotion of Small Businesses in South Africa (Business Act, 1991; Skinner, 2008).

Support of the informal sector through legislation, however, does not imply that all South African cities use the same approach. This is the case as one studies the

different approaches used by Johannesburg and Durban (which highlights the inconsistencies and contradictions in how policies are applied) (Skinner, 2008; Dewar, 2005). What should be considered as one of the critical issues, however, is the level of access to spaces informal traders are provided with to execute economic activities (Brown, 2006). In this case, how the spatially transformed South African cities, in particular the CBDs, accommodate the informal sector.

The informal sector is important because it not only contributes to the economies of most Asian and African cities, but it is also able to absorb the urban poor and provide employment to those who cannot find employment in the formal sector (Yasmeen and Nirathon, 2014; Bhowmik, 2005; Bhowmik, 2003; Valodia and Devey, 2012). Bloemfontein, like other South African cities, has acknowledged and regulated informal trading activities. Regulations include a permit system which allows informal traders access to use the inner-city or CBDs (Donaldson, Goutali, Sam'an, Moe, Pauloski and Utomo, 2014; Mangaung, 2014). Other than how the sector is regulated and the challenges the sector presents, not much empirical evidence is presented on understanding this sector.

There is, therefore, a significant need to examine urban planning and policy in Africa by considering context and emerging internal and situational complexities (Mabogunje, 1990). Rogerson and Rogerson (1999) state that there is a research gap which needs to focus on the production of space in the Global South metropolis (more specifically the reproduction of space in African cities to accommodate the informal sector). One way of understanding this sector is by understanding the geography of businesses in the informal sector.

Empirical evidence on the geography of businesses in the informal sector may provide clues to factors which influence spatial patterns and what implications may come from the spatial patterns. The current study seeks to understand this sector by looking at the spatial patterns of female informal traders who use the Bloemfontein CBD as a location for economic activities. Locations female traders choose may be an indication of negotiation of space (as dictated by the policies of local authorities) and areas in close proximity to pedestrian and vehicular traffic. Using Cluster Theory, the study is able to explore this inclusion of the informal sector in the Bloemfontein CBD by focusing

on the spatial patterns of female informal traders operating businesses in the Bloemfontein CBD.

1.3 Aim and Objectives

The research project is aimed at identifying and analyzing the spatial patterns of female informal traders operating businesses in the Bloemfontein Central Business District (CBD). This study is underpinned by Cluster Theory which informs the importance of location for businesses. In order to make sense of the spatial patterns of the female informal traders, three research objectives were chosen. The first objective is to identify and analyse spatial locations used by female informal traders in the Bloemfontein Central Business District. The second objective is to explore the importance of location to female informal traders in the Bloemfontein Central Business District. The third objective is to explore the impacts (effects) of location with regard to female informal traders in the Bloemfontein Central Business District.

1.4 Research Approach

The study used an inductive approach which is underpinned by grounded theory. The inductive approach is important because the researcher is able to use the data collection and analysis phase to identify an appropriate theory or model (Babbie and Mouton, 2001). This is the case as the theoretical position and assumptions of what is being studied are not clear prior to the collection of data. The theory underpinning this study is Cluster Theory. Cluster Theory allows the study to understand the geography of businesses in the informal sector and also to unpack the importance of location for a business which is part of the informal sector.

1.5 Research Methods

1.5.1 Primary Data

The primary data the study collected included a pilot study, personal survey of female informal traders in the Bloemfontein CBD, semi-structured interviews and structured observations.

- The pilot study was undertaken to ensure that the questions for the semi-structured interviews assist in achieving the chosen research objectives.

- Personal surveys of the female informal traders involved the identification of female informal traders' locations. This allowed for capturing of the Global Positioning System (GPS) coordinates, coordinates which were used to map the locations using a Geographic Information System (GIS) program.
- The semi-structured interviews included different sample groups. The sample groups included; twenty semi-structured interviews with female informal traders, three semi-structured interviews with representatives of the Mangaung Hawkers Association, three semi-structured interviews with representatives of businesses part of the formal sector and one semi-structured interview with a representative from the Local Economic Development (LED) at the Mangaung Metropolitan Municipality.
- The structured observations supported the quantitative data which included the mapping of the female informal traders' locations in the Bloemfontein CBD. The integration meant that the observations allowed the researcher to identify the physical location of the business.

1.5.2 Secondary Data

The secondary data was a research report published in 2014 which provided an outline of informal trading activities in Mangaung. This was provided by the Mangaung Metropolitan Municipality.

1.6 Significance of the Study

The strength of the study lies in its focus on understanding the geography of female informal trading activities in the Bloemfontein CBD. This study is using Cluster Theory in the context of female informal traders in a city of the South. The study used a largely economic theory to analyse the spatial phenomenon of female informal traders in the Bloemfontein Central Business District. This is supported by the use of Cluster Theory and multiple research methods for data collection. Underpinned by the Cluster Theory, the study closes a research gap on the geography and importance of location for a business that is part of the informal sector. Understanding the geography of informal trading activities may provide clues to the factors which play a crucial role in creating spatial patterns for the female informal traders in the Bloemfontein CBD. The study also seeks to inform policy and provide information as to how spatial patterns of female

informal traders in the Bloemfontein CBD can be better understood and managed. The rationale for the inclusion of only female informal traders lies in the demographic representation of female informal traders in Bloemfontein with an estimated 69% participation in the informal sector (Mangaung, 2014). In terms of the gender experience in the workplace and how spatial patterns are arranged, women are more vulnerable to location changes as such changes also impact on established social networks (Hanson and Blake, 2009).

1.7 Limitations of the Study

The first limitation to the study is the focus on female informal trading patterns in the Bloemfontein CBD, and not including male informal traders. The implication being that the research findings of the study cannot be used to generalize across all informal trading activities in the Bloemfontein CBD but just those of the female informal traders. The second limitation presented to the study is lack of focus on street vendors in the Bloemfontein CBD. This is the case as street vending entails mobile trading of goods and services which cannot be mapped because the street vendor moves from one location to another selling goods and services.

1.8 Chapter Sequence

Chapter one is an introduction chapter which provides an outline of what the study entailed. A background is provided which is informed by the literature followed by what the study aims to achieve and outlining the chosen research approach. The research methodologies are explored through an outline of the primary and secondary data which is used. The strengths and limitations of the study are discussed followed by a summary of the chapter.

Chapter two is the literature review which focuses on conceptualising the informal sector, providing a global perspective, a South African perspective and contextualising the concept by focusing on the Bloemfontein CBD. There is exploration of the spatial transformation of the Bloemfontein CBD and how the transformation opened a gap for the inclusion of the informal sector. This chapter also discusses Cluster Theory by defining the theory, and how Cluster Theory is similar and different to other theoretical models. There is a critique of the Cluster Theory and its application in the 'Global South'.

Chapter three is the methodology chapter which looks at the data collection techniques which are applied. The study makes use of qualitative and quantitative data and this includes both primary and secondary data. The primary data consists of a pilot study, personal survey of female informal traders in the Bloemfontein CBD, structured observations and semi-structured interviews using purposive sampling technique. Different sample groups including twenty female informal traders in the Bloemfontein CBD, three representatives of the Mangaung Hawkers Association, three representatives of businesses from the formal sector and one representative from the LED office at Mangaung Metropolitan Municipality. The chapter also outlines the limitations of the methodology and ethical issues taken into consideration.

Chapter four is the presentation of the data results. The chapter provides a brief overview of the research. This is followed by a demographic illustration of the female informal traders interviewed. Preliminary themes are identified and these include; factors regulating/influencing the spatial patterns of female informal traders in the Bloemfontein CBD and the implications of the female informal trader spatial patterns in the Bloemfontein CBD.

Chapter five is the data analysis chapter which focuses on interpreting the data informed by the literature and Cluster Theory. The chapter uses a thematic analysis based on the empirical evidence collected. Themes which are identified include; spatial patterns of female informal traders in the Bloemfontein CBD, factors influencing the spatial patterns of female informal traders in the Bloemfontein CBD and negotiating space in a cluster for female informal traders in the Bloemfontein CBD. The chapter concludes with a summary and main findings.

Chapter six is the conclusion which provides a summation of the study. The chapter provides an overview of the research including the research problem, the aim, objectives and the chosen research methodologies. Each objective is discussed as a theme which integrates the literature, Cluster Theory and the empirical evidence. The chapter outlines the contributions of the study and this is followed by the recommendations and areas where there can be further research done. The chapter concludes with an outline of the main arguments informing the importance of the study.

1.9 Summary

This chapter provided a background on the study, underpinned by preliminary literature. This was followed by the aim of the study and the chosen research objectives the study wanted to achieve. The chapter provided the chosen research methodologies for the collection of primary and secondary data. The significance and limitations of the study were discussed and this was followed by the chapter sequence in the dissertation.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The literature review chapter focuses on conceptualizing the informal sector by looking at the importance of the sector; providing a global perspective and a South African perspective. The chapter looks at the characteristics of the informal sector by focusing on how the sector is defined. This is followed by a global perspective which focuses on the informal sector in Asian cities. A South African perspective on the informal sector is explored looking at legislation and how this affects the informal sector. A historical outline of the Bloemfontein city is explored which is followed by a focus on Bloemfontein post-apartheid. There is also a discussion on Bloemfontein and the informal sector. This is followed by a section that explores what other academic studies focused on and how this current study closes a research gap.

2.2 Characteristics of the Informal Sector

The 'informal sector' is a concept developed by anthropologist Keith Hart (Skinner, 2008; Gregory, Johnston, Pratt, Watts and Whatmore, 2009; Devey, Skinner and Valodia, 2006). There is not a precise definition explaining what the concept of the informal sector entails (Gregory, Johnston, Pratt, Watts and Whatmore, 2009). Though it is a contested concept, consensus is that such informal economic activities are small in size, enterprises are not regulated, at times illegal and with no taxation (Gregory *et al*, 2009; Skinner, 2008). Skinner (2008) reasserts that such enterprises do not have certain government requirements such as registration, tax and social security responsibilities.

These types of activities are usually unstable, family-oriented, with a low profit margin (Gregory *et al*, 2009). Street traders are categorised as part of the informal sector (Skinner, 2008). Another way to understand the informal sector is through a comparative analysis between this sector and the formal sector (Gregory *et al*, 2009). On the one hand the formal sector is defined by secure employment, labour legislation protection and with higher income benefits (Devey, Skinner and Valodia, 2006). While on the other hand, the informal sector comprises of unregistered enterprises, and access to benefits and security is not evident (Devey, Skinner and Valodia, 2006).

Some definitions rely on the absence of characteristics found in the formal sector to explain what defines the informal sector (Devey, Skinner and Valodia, 2006). Such characteristics include; security, regular work, higher earnings, existence of a salary and long term benefits, protection by legislation and unions (Devey, Skinner and Valodia, 2006).

Economic activities in the informal sector constitute activities such as trading, provision of services and manufacturing, and is characterised by different employment relationships and the differentiated economic potentials of the enterprises (Devey, Skinner and Valodia, 2006). Also significant is the location where the economic activities are executed (Devey, Skinner and Valodia, 2006). The notion of an informal economy is still in some ways debated, but has now become a concept included in development paradigms (Daniels, 2004).

To clarify what the informal sector comprises of, the International Conference of Labour Statisticians (ILO) recommended the following criteria (Valodia and Devey, 2012); the enterprise is not registered according to the legislation put in place such as taxation or other commercial legislations, the employees are not registered according to labour legislation practices, and that such enterprise have a relatively low number of employees. Lund (1998), however, argues that the ILO's definition did not take into consideration the changing nature of households and gender positions in households. A more simplistic explanation is provided regarding the concept; that this form of economy encompasses all economic activities pursued without the sanction of authorities (AICDD, 2005, cited in Rogerson, 1996).

2.3 The Informal Sector in Asia

This section focuses on informal trading, also referred to as informal vending, particularly in India and China. In this section informal trading and informal vending will be used interchangeably. Street trading in the Global South is regarded as an occupation which is both visible and popular (Donovan, 2008). There is evident growth of the informal sector in developing countries (Brown and Lyons, 2010). This occupation is particularly significant in Africa and Asia (Lindell, 2010). In Asia the informal sector accounts for between 40-60% of urban employment (Brown, 2006).

This implies that the informal sector plays a critical role in growing economies in developing countries.

A street vendor is defined as “a person who offers goods for sale to the public without having a permanent built-up structure from which to sell” (Bhowmik, 2005, p. 2256). Street vendors can either sell their goods and services at a stationary location or may be mobile and carry their products from one place to the next (Bhowmik, 2005). Street vending is a form of trade under the informal sector (Reid, Fram and Guotai, 2010).

Henley, Arabsheibani and Carneiro (2009) measured this informality using Brazil as a case study. In particular, three measures were used to determine this informality in Brazil and these include: employment contract status, social protection or security and the type of employment together with employment characteristics (Henley, Arabsheibani and Carneiro, 2009). Application of at least one of these measures from the data collected indicated that 63% of those employed would be classified under the informal sector (Henley, Arabsheibani and Carneiro, 2009).

Locations chosen by street vendors are those which have a high concentration of people and pedestrian activities (Bell and Loukaitou-Siderts, 2014). In Beijing these locations include areas where there is tourist activity such as Tjananmen Square, the Central Business District and other areas near major institutions (Bell and Loukaitou-Siderts, 2014). It therefore becomes important to understand the spatial patterns of informal traders in order to better understand the different complexities these spaces are layered with.

Research in almost all Asian countries indicates that this form of trade is considered illegal (Bhowmik, 2005). A cross-country comparison highlights that vendors in Sri Lanka are treated far better than vendors operating in Bangladesh and India (Bhowmik, 2005). In Sri Lanka, street vendors can execute economic activities on the streets once they pay a daily tax to the local municipal council (Bhowmik, 2005). This still does not protect them from harassment and eviction if authorities believe that they are disrupting the public order (Bhowmik, 2005). What is not realized though are the implications that come with the State or government governing public spaces in this manner.

In Bangkok, Thailand, challenges facing street vendors include the fact that there is little space allocated for their operations which has led to some vendors operating in unauthorised areas (Bhowmik, 2005). Public space in Bangkok plays host to a variety of street vendors (Yasmeen and Nirathon, 2014). Bangkok has 664 allocated areas for street vendors and these areas accommodate an estimated 20 000 street vendors (Yasmeen and Nirathon, 2014). There are also an estimated 19 000 vendors who undertake economic activities without permits (Yasmeen and Nirathon, 2014). This may be attributed to the uncertainties faced by the formal sector as a result of the global economy (Yasmeen and Nirathon, 2014).

An issue of concern, however, is not the growth of the informal sector but rather contested access to public space (Yasmeen and Nirathon, 2014). Many factors should be taken into consideration because access to public spaces not only affects informal trading, but other stakeholders too including; businesses in the formal sector, networks of suppliers and access to customers who will use the services of informal traders.

Singapore appears to be the only country where street vendors are provided with licences. The responsibility for the site is in the hands of the Hawkers Department (Bhowmik, 2005). Also important are laws that bind the hawkers and these include adherence to the Environmental Public Health Act of 1968 (Bhowmik, 2005).

Malaysia has a National Policy on Hawkers (Bhowmik, 2005). This is an attempt to resolve social and economic challenges faced by street vendors (Bhowmik, 2005). Those vendors that have licences are provided with various forms of support. They have easier access to institutional credit and are provided with training programmes with additional support from Non-Governmental Organizations (NGOs) (Bhowmik, 2005).

Street vending in Cambodia plays a particularly important role because of the political turmoil and economic challenges faced by the country (Bhowmik, 2005). The Urban Sector Group (USG) indicates that 95% of the country's employment is in the informal sector and that this sector contributes to at least 80% to the country's Gross Domestic Product (GDP) (Bhowmik, 2005). This sector, however, is faced with challenges because it is not recognised in Cambodia (Bhowmik, 2005).

The informal sector is particularly important in Indian cities where this sector accommodates the urban poor (Bhowmik, 2003). This section of the population usually has migrated from the rural to the urban areas pursuing a better income (Bhowmik, 2003). They possess low skills and education levels which restricts them in accessing the employment sector (Bhowmik, 2003). Street vending is particularly popular because it does not require a significant financial start-up and this form of trade uses relatively low - level skills (Bhowmik, 2003).

In India, this sector has increased due to the introduction of policies dealing with structural adjustment and liberalisation (Bhowmik, 2005). 90% of the labour force in India is employed by the informal sector (Rada, 2010). This figure has risen to 93% with a contribution of 58% to the country's Gross Domestic Product (GDP) (Rada, 2010). Annually in India, the informal sector contributes an estimated 350 billion US dollars to the country's GDP (Baria, cited in Reid *et al.*, 2010). This sector is estimated to employ 10 million people in India (Brown, 2006; Bhowmik, 2005).

Since 1911, street vending has featured prominently in Chinese cities (Bell and Loukaitou-Siderts, 2014). 1949, however, signalled the abolishment of informal sector activities (Bell and Loukaitou-Siderts, 2014). Significant changes were highlighted again between 1978 and 1979 during the Post-Mao period when economic reforms resulted in liberalization and political decentralization which led to the informal economy growing significantly (Bell and Loukaitou-Siderts, 2014). The Post-Mao period which came with economic reform and a softening in administrative control, made it possible for people to migrate from the rural to the urban areas (Swider, 2014).

In China, the informal sector makes up 57% of the labour force and contributes to 23.7% of the GDP (Rada, 2010). Studies have shown that vendors focus on selling merchandise instead of their own manufactured goods (Reid *et al.*, 2010). This implies some interaction with the formal sector as up to 70% of stock can be bought from wholesalers (Reid *et al.*, 2010). This interaction between the formal and informal sector of the economy should be acknowledged in an effort to identify the benefits of having both sectors contributing to the same economy.

Four main factors influence the growth of the informal sector in China; migration from rural to urban areas, a growing demand for the services provided, the disintegration of many State and collective enterprises and the global economic downturn that also

affected the Chinese formal sector (Bell and Loukaitou-Siderts, 2014). The relaxation of migration controls in the 1980s, together with the expansion of economic activities in urban areas, also led to an increase in the underclass of economic migrants (Bell and Loukaitou-Siderts, 2014).

Bell and Loukaitou-Siderts (2014) explain that, with the growing labour force in the informal sector, the government has responded by upgrading licensing procedures, developing vending districts and creating new types of supervision. Despite these efforts the informal economy in China is poorly understood (Bell and Loukaitou-Siderts, 2014). This can also be argued in the South African context in that this sector is poorly understood because even though this sector can accommodate the urban poor, it can be perceived as a challenge to urban development (Bhowmik, 2003; Bhowmik, 2005).

Also important to explore is the gendered geography of informal trading activities (Grant, 2013). As a paper by Grant (2013) reveals, there is an underlying importance to the spatial patterns of female informal traders. Based on a case study in Soweto, evidence revealed that the spatial patterns of female informal traders result in a concentrated or clustered spatial distribution (Grant, 2013). Another study by Hanson and Blake (2009) reveals not only the participation of women in the informal sector but also the connection between the importance of location and social networks created from using chosen locations.

According to Hanson (2009), women are more challenged in negotiating their place in the workplace because of their gender. This can be attributed to the social identity of being male and female and the roles the different genders are given with implications of superiority and inferiority relationships created between women and men. Particularly striking when one focuses on the participation of women in the informal sector is the importance of social networks created at the locations women use for their businesses (Hanson and Blake, 2009; Hanson, 2009).

With a slower rate of industrialisation and an increase in migration from rural to urban areas, the informal sector in Africa has become a solution for those who are not able to enter the formal labour market. The informal sector has become increasingly important in many African cities (Valodia and Devey, 2012), particularly the activity of

street trading (Skinner, 2008). The informal sector in Africa is estimated to account for 60% of urban employment (Brown, 2006).

There is, therefore, a significant need to examine urban planning and policy in Africa by considering context and emerging internal and situational complexities (Mabogunje, 1990). Rogerson and Rogerson (1999) further state that there is a research gap which needs to focus on the production of space in the Global South metropolis (more specifically the reproduction of space in African cities to accommodate the informal sector). This can be said of secondary cities like Bloemfontein which have not extensively recorded this phenomenon.

Rogerson and Rogerson (1999) explain that the impact of policy interventions on the spatial structures of a city should not be underestimated. They explain further that the introduction of policies in developing countries plays a crucial role in changing the location of economic activities from the urban centres to the periphery (Rogerson and Rogerson, 1999). Initiation of such policies also relies on the set of knowledge used and it is proposed that there be a co-existence of knowledge between theories used in the West and those in developing countries. Such theories in the Global South should be in a position to explain what is understood as the informal sector.

2.4 The Informal Sector in South Africa

Section 22 of the South African constitution recognises the different forms of trade one can choose. According to Section 22, “every citizen has the right to choose their trade, occupation or profession freely” (Republic of South Africa, 1996, p.1251). This, however, does not imply that professions, occupations or trade are not regulated by law (Republic of South Africa, 1996). According to Skinner (2008), in terms of regulatory laws the most radical change was identified in 1991 under the Business Act of 71 (Business Act, 1991). Once this legislation was in place, economic activities in the informal sector in South African towns and cities, increased significantly. But the argument put forward by Skinner (2008) is that the most significant impact in terms of legislature was experienced in 1991 under this Business Act (Skinner, 2008).

For Durban, this was led by the establishment of the Department of Informal Trade and Small Businesses Opportunities in 1991 (Skinner, 2008; Business Act, 1991). This

was a response to the new business developments of street traders (Skinner, 2008). In 1993 the Business Act was amended (Skinner, 2008). This amendment ensured that street trading by-laws were formulated and this outlined which areas were restricted for trade (Skinner, 2008).

A comparative study on informal traders in Durban and Johannesburg outlined that, unlike Johannesburg, Durban was more relaxed with the restrictions on inner-city street trading. The Johannesburg City Council on the other hand declared the inner-city a no trading zone (Skinner, 2008). This comparative observation illustrates the stark contrasts and inconsistencies on how policies on informal trading are applied (Dewar, 2005).

Apart from the differing treatment of street traders in South African cities there is also the challenge of data collection on this sector. Even after collecting data, one is advised to use this data cautiously as this form of trade is difficult to measure (ILO, cited in Skinner, 2008). Statistics South Africa only started collecting data on the informal sector in 1995 (Devey, Skinner and Valodia, 2006). Though progress has been made, there are still research challenges that restrict the data that can be collected on this phenomenon (Devey, Skinner and Valodia, 2006).

Another challenge is the separation of the formal and informal economy as separate entities). In South Africa, the separation was based on the division of a first economy and a second economy (Valodia and Devey, 2012). The first economy being similar to what is referred to as the formal sector and the second economy similar to the informal sector (Valodia and Devey, 2012). The second economy is compared to the informal sector because of the following reasons; both employ a small number of people with insecure employment and both provide little opportunities for its employees (Valodia and Devey, 2012).

A suggestion provided was that there be integration because the informal economy would play an even bigger role in eradicating unemployment and poverty than the formal economy would (Valodia and Devey, 2012). The informal economy in South Africa plays a critical role in that those who are not accommodated by the formal sector are absorbed in the informal economy. According to Statistics South Africa, in 2011, 1.6 million people indicated that they were employed in the informal economy as

compared to the formal economy which employed 9.9 million people (Donaldson, Goutali, Sam'an, Moe, Pauloski and Utomo, 2014).

Valodia and Devey (2012) argue that the informal and formal sector should not be separated and that integration of both economies would make more sense as economic activities from both economies are attempting to justify economic policies but also ensure that the poor benefit. A separation would present challenges when studying the phenomena of the informal sector (Devey, Skinner and Valodia, 2006). This separation may have left an unexplored relationship between the formal and informal sectors of the economy (Hart, 1973).

Valodia and Devey (2012) assert, with supporting literature, that there are linkages between the formal and informal economy. It would, therefore, be more useful to study these entities as an integrated unit, particularly for policy formulation (Devey, Skinner and Valodia, 2006; Dewar, 2005). Dewar (2005) also argues that these entities are linked because they do not operate in separate economic circuits. More importantly when policies are formulated, they should take into consideration that economic activities in the informal sector just assume a lower ranking in the economy but nonetheless are still part of the economy (Dewar, 2005). Also disputed are concepts used to describe the informal economy. Devey, Skinner and Valodia (2006) explain that instead of using 'informal economy' an alternative should be 'the informal sector' which indicates that this is a sector falling under the same economy as the formal sector.

It is argued, that though government at times puts structures in place to support informal trading, this is seldom implemented particularly for street traders (Skinner, 2008). An integrated approach would be helpful when attempting to support street traders. This implies integrating assistance from the government and those institutions that support informal traders. Such organizations that provide support include; Self-Employed Women's Union (SEWU) which was launched in 1994, and the Informal Trade Management Board launched in 1995 which are both based in Durban (Skinner, 2008).

Lund (1998) and Skinner (2008) highlight other organizations which support informal traders; Women in Informal Employment: Globalising and Organizing (WIEGO). This

organisation looks at supporting women's economic and social opportunities through emphasising the significance of women's informal employment in national global economies. The second organisation is the International Alliance of Street Vendors (Lund, 1998). This organization was launched in 1995 at the inaugural meeting in Italy. Representatives from seven countries signed the Bellagic Declaration from seven countries (Lund, 1998). This was an effort to formulate policies which would provide traders with legal status, assist traders with access legally in order for them to utilise space appropriately to sell their goods or provide services, and enforce regulations and promote self-governance (Lund, 1998).

The role the South African government plays to create an environment that can support the development of small businesses is through the White Paper on small businesses (Bantubose, 2008). This White Paper focused on the National Strategy for the Development and Promotion of Small Business in South Africa. Through the White Paper, one is able to identify four categories in the informal economy (Lund, 1998). These include; survivalist, micro-enterprises, small enterprises and medium enterprises (Lund, 1998). However, not much information is provided on how survivalist enterprises can be supported (Lund, 1998).

Rogerson (1996) further explains that informal enterprises are divided into two categories. The first is survivalist enterprises which include economic activities that people who do not secure employment undertake. The majority in this group are women, who receive below the standard income, have little capital investment and have no skills training (Rogerson, 1996). The second category is micro-enterprises or growth enterprises which are small businesses involving the owner and at least one to four employees. There is still a lack of formality including; business licenses, formal premises, operating permits and accounting procedures (Rogerson, 1996). Important about this category is that such business have the potential for growth (Rogerson, 1996).

There are three types of informal trade identified; the first being the survivalist trading where the trader is sustaining an income for him/herself and the family, the second type is informal trading where the trader is able to support the family and make a profit and the third type is formal trading and this form of business has got a fixed location

with a structure and its operations are based on formal business principles (Masonganye, 2010; City of Cape Town, 2003).

In South Africa, Statistics South Africa used these criteria to identify and define estimated numbers of informal employment (Valodia and Devey, 2012; Devey, Skinner and Valodia, 2006). According to Statistics South Africa, the informal sector is “a subset of unincorporated enterprises comprising those that produce at least some output for the market; and are less than a specialized size in terms of the number of persons engaged or of employees employed on a continuous basis; and or not registered under specific forms of national legislation, such as factories, or commercial acts, social security laws, professional groups’ regulatory acts, or similar acts, laws or regulations established by national legislative bodies” (Statistics South Africa, 2011, p . 80).

1996 Statistics South Africa data indicates that 1.7 million people were employed in the informal sector (Lund, 1998). 2011 Statistics South Africa data indicates that 1 613 078 people were employed in the informal sector. From 2001-2007, the Statistics South Africa data illustrated that the informal sector accounted for 16-20% of the labour force in South Africa (Skinner, 2008). Some data even suggests that this sector could contribute as much as 8 -10% towards the Gross Domestic Product (GDP) (Skinner, 2008, cited in Budlenner *et al*, 2001).

There has been a significant shift from a perspective which saw observed informal and formal economies as separate entities to one that observes a dual economy (Valodia and Devey, 2012). In South Africa, prior to the shift, the formal economy would be referred to as the ‘first economy’ while the informal economy would be referred to as the ‘second economy’ (Valodia and Devey, 2012). The second economy, which can be compared to the informal economy as understood in the 1970s, comprised of the following (Valodia and Devey, 2012); a small number of employees with insecure employment and firms which provide little opportunities for its employees (Valodia and Devey, 2012, cited in Fine, 1998, p.121).

Of concern was not the concepts used but rather the assumption that these two economies were separate entities which implied that policy formulation would be based on this assumption (Valodia and Devey, 2012). A good example is how the

Growth Employment and Redistribution Policy (GEAR) failed to address micro-economic challenges because of its focus on macro-economic issues (Valodia and Devey, 2012).

2.5 Cluster Theory

Kuah's paper (2002) defines clusters as "a geographical agglomeration of competing and related industries; (and) where there is evidence of improved performance such as a growth and profitability arising from the agglomeration of firms in a region." (Kuah, 2002, p.208). Another paper which seeks to provide a definition of the concept of a cluster is that of Cortright (2006). According to Cortright (2006), a cluster is defined as "a group of firms, and related economic actors and institutions, that are located near one another and that draw productive advantage from their mutual proximity and connections." (Cortright, 2006, p.1).

For Woolman and Hinocapie (2015) contextualization of the meaning by explaining that clusters "consists of firms in a region producing similar or related products, using similar processes or engaging in similar functions." is important (Woolman and Hinocapie, 2015, p.135). Yehoue (2005) provides another definition of clusters as "concentrations of firms in one or a few industries, benefiting from synergies created by a dense network of competitors, buyers and suppliers. They comprise buyers, specialized suppliers, sophisticated human resources, finance and well-developed support institutions." (Yehoue, 2005, p.4). According to Michael Porter (2003), a cluster is defined "as a geographically proximate group of interconnected companies, suppliers, service providers and associated institutions in a particular field, linked by externalities of various types." (Porter, 2003, p. 562).

Important to note is that although there are a number of definitions provided, there are elements from each definition which are important to acknowledge. According to Goetz (n.d), the following elements are important when discussing the cluster concept; specialization which can be in terms of how activities are interlinked, how labour is divided and cooperative relationships informed. Another element is proximity and synergies between these two elements

Cortright (2006, p .4), Malmberg and Maskell (2001, p. 11-12) however, explain that from the broad range of definitions, there are three main elements which should be taken into consideration:

- A cluster must consist of groups which are associated and complement each other
- The groups within the clusters must be physically in proximity to each other and
- This co-location must translate into benefits which include; innovation, productivity and growth or some form of competitiveness

According to Kuah (2002), what can be pulled from the definitions provided on a cluster is that they are “geographical agglomeration of competing and related industries; and where there is evidence of improved performance such as a growth and profitability arising from the agglomeration of firms in a region.” (Kuah,2002, p. 221).

2.5.1 The Development of the Cluster Theory

The work of Michael Porter on cluster theory may have been strongly influenced by different schools of thought seeking to explain the importance of economic activities and the geography thereof. Literature suggests that prior to a cluster being clearly defined, other theoretical models suggested the importance of location with regards to economic activities (Koschatzky, 2012). Contributions by Johann Henrich Von Thunen, Alfred Weber *Industrial Location Theory*, and August Losch’s *Theory of Market Networks* point to theories indicating early on that spatial concentration is a critical factor to be taken into consideration when studying the characteristics of economic activities (Koschatzky, 2012). This points out that the concept of clustering or sectoral concentration is not a new concept (Koschatzky, 2012).

It is important to note the work of Alfred Marshall whose concepts contributed a great deal to the neoclassical economic tradition. The work of Alfred Marshall was focused on specialist industrial districts in the United Kingdom (Cumbers and Mackinnon, 2004; Kuah, 2002). His analysis was based more on agglomeration economies and how these assist industries to reduce costs (Cumbers and Mackinnon, 2004). Important to note from Marshall’s work was the Marshallian Trinity which included labour market pooling, supplier specialization and knowledge spillovers (Cortright, 2006). Such benefits are only applicable as a result of the concentration of firms (Cortright, 2006).

Also significant in this regard are what Marshall terms externalities (Kuah, 2002), in particular, agglomeration externalities which are made possible when many businesses are located in close proximity to each other (Kuah, 2002, cited in Evans, 1985). Traditionally the key factor for consideration for localized industries was the physical conditions (Marshall, 1966). Marshall (1966) outlined some of the advantages and disadvantages that came with localized industries.

Some of the advantages included (Marshall, 1966, p. 225):

- Shared skills set
- Evident improvement in performance based on better machines through inventions
- Growth of subsidiary trades
- Pool of skilled labour
- Personal networks

Marshall (1966) also outlines some of the disadvantages which include that a market may put emphasis on a particular form of skill, but this may not be the case in all industries and also that even through localization, there should be different industries so that the depression consequences' effects are mitigated. This localization for a consumer implies that it is better to shop in conditions that allow for comparison, particularly when it comes to goods which are relatively expensive (Marshall, 1966). Marshall (1966) was, however, able to predict that improved means of communication which disintegrates the distance, will affect localized industries.

Theoretically it may seem as if there are more similarities than differences between the cluster theory and theories of agglomeration (Cumbers and Mackinnon, 2004). From both Marshall and Porter's work, agglomeration externalities are taken into consideration. It is for this reason that Woolman and Hinocapie (2015) explain that to make clusters more applicable one has to choose a type of cluster which would be applied according to particular conditions. More applicable in this regard would be agglomeration economies and this is explained as "external benefits to firms as a result of co-location" (Woolman and Hinocapie, 2015, p.137).

2.5.2 Cluster Theory

The cluster theory was made prevalent by Michael Porter whose work was strongly influenced by neoclassical, social and institutional trading together with business strategy (Cortright, 2006). Important to note are the following four elements in the cluster theory as put forward by Porter (Cortright, 2006, p.13):

- The first element is 'factor conditions' which includes the production process which is made easier because the following can be accessed in the same location
- The second is 'demand conditions'. This involves the power of the customers who have the potential to grow the cluster
- The third element is 'related and supporting industries' which focus on positive relationships between the firms and suppliers which can encourage innovativeness
- The last element is the firm 'strategy, structure and rivalry', where competition within the same industry will encourage firms to innovate to differentiate themselves from other firms.

Traditionally the focus on clusters was based on the description of industries which include manufacturing, using case studies to explain this phenomenon (Kuah, 2002). Though literature on the cluster concept has grown, it was evident that other inputs including development in technology, resources and capital, compromised the importance of location (Kuah, 2002; Porter, 2000). The role of location was contested in light of these factors which can be accessed on a global market without the importance of a physical location (Porter, 2000).

According to Porter (2000), it is crucial that the role location plays be taken into more consideration than the companies or industries they fall into when discussing the competitive advantage of a firm. Furthermore, as a firm, one of the critical factors is the competitive environment which includes the economy of globality and proximity (Kuah, 2002, cited in Garelli, 1997). More important in this regard is proximity and although advances in technology have made globality dominant, the local dynamics still play a critical role when it comes to the competitive environment of the businesses.

The presence of clusters provides critical information on microeconomic competition. It outlines the role location plays in competitive advantage of the business or firm. The cluster theory puts forward the suggestion that firms which find themselves being part of a geographically defined cluster, reap the benefits of being part of the cluster including growth in economic output (Woolman and Hinocapie, 2015). This is supported by Delgado, Porter and Stern (2010) and Kuah (2002) who argue that industries which find themselves located in a strong cluster or access to such a cluster are likely to have higher growth rates, particularly for smaller firms or those starting up their businesses.

One of the characteristics of a cluster is that it has the ability to attract more customers (Kuah, 2002). This is as a result of firms being in close proximity therefore allowing potential customers to search at a lower cost for products and comparing prices based on the quality (Kuah, 2002). In some cases the potential customers dictate where such a location should be (Kuah, 2002). The benefits of being part of a cluster are not only limited to the consumer base, but extends to the business or firm itself. Businesses that form part of a cluster do so to take advantage of a location which is in close proximity to other businesses and a concentration of potential customers (Kuah, 2002).

Cluster lifecycles are also important to analyse as part of the literature on cluster theory. Cluster lifecycles follow a similar pattern or stages which include birth, growth, stability and the next stage either being the decline or renewal stage (Sonderegger and Taube, 2010). This lifecycle is said to be similar to the product lifecycle and industry lifecycle theories (Cortright, 2006). Such a lifecycle is initiated by one firm being located in a specific region, with the firm growing with knock-on effects (Sonderegger and Taube, 2010). The spin-offs of the local firm attracts more enterprises, capital and specialized labour with this growing cluster creating a demand which local institutions would need to respond to (Sonderegger and Taube, 2010). This leads to the development of a differentiated industry cluster and because of the changes in technology and market, there are rapid changes which may lead to the restructuring of the cluster (Sonderegger and Taube, 2010). This restructuring signifies the last stage where either the cluster reinvents itself or stagnates (Sonderegger and Taube, 2010).

The positive feedback model further explains that though growth in a cluster has positive consequences for businesses in the cluster, once a cluster reaches a saturation point there may be other implications (Kuah, 2002). Such implications may include; congestion and the unhealthy competition and may lead to slowdown of growth in businesses and entry to the cluster (Kuah, 2002). However, some of the main findings provided by the positive feedback model explained that businesses that find themselves in a cluster are expected to grow faster on average that is if they are clustered with other formal and informal businesses in a sub-sector industry (Kuah, 2002).

2.5.3 Cluster Theory Critique

Although the cluster theory provides an analytical perspective to locations of businesses, it has been met with considerable criticism. A number of arguments are outlined which highlight the shortfalls of the cluster theory:

For Goetz (n.d) there is not an evident cluster theory but rather different theories constituting the logic of clusters. Woolman and Hinocapie (2015) and Cumbers and Mackinnon (2004) explain that although there are many definitions provided, the concept remains a vague and ambiguous concept. Furthermore, criticism is that the cluster theory is a duplication of agglomeration economies (Woolman and Hinocapie, 2015). This is the case as cluster theory adds on to what the agglomeration economies has already explained (Woolman and Hinocapie, 2015).

Even more important, the benefits that firms which are part of the cluster should enjoy seem to be industry specific with particular conditions and geographical settings (Woolman and Hinocapie, 2015). What is also concerning is the vague understanding of what is implied by geographical proximity as this may also cause ambiguity (Woolman and Hinocapie, 2015). This strong criticism relates to the spatial elasticity of the concept (Cumbers and Mackinnon, 2004, cited in Martin and Sunley, 2003).

Porter's focus is to identify clusters across different types of economic activities and not just those which are likely to show economic growth (Woolman and Hinocapie, 2015). This may provide an opportunity to test the theory from different angles but Woolman and Hinocapie (2015) argue that this points out the little research or empirical data available to test the ideas of the Cluster Theory. For the authors, Cluster Theory offers an alternative perspective when it comes to a conceptual framework,

although there is room for improvement, which is why it is very important that Cluster Theory be explored when focusing on the informal sector, as there has not been extensive research closing this gap. The Cluster Theory cannot be discarded as it plays a critical role in tracking changes in the geography of economic activities and more importantly this theory creates a platform on which a dialogue takes place between geographers, economists and policy makers (Cumbers and Mackinnon, 2004).

In spite of these critiques, Cluster Theory remains a useful and important tool for understanding business and space. Woolman and Hinocapie (2015) explain that Cluster Theory offers an alternative perspective when it comes to a conceptual framework of space and although there is room for improvement this theory provides an opportunity to narrow the research gap on how the informal sector may actually be evidence of clustering. Therefore, despite all the criticism, Cluster Theory remains a useful and important tool for understanding business and space.

2.5.4 Application of the Theory

It is argued that in order to use Cluster Theory, it must be acknowledged that it is not a one size fits all 'approach' but one of the many perspectives used for analysis. Porter (2000), however, argues that because traditional forms of classification are used to categorise industrial or service categories in a cluster, this may lead to undiscovered clusters that may not fall under these traditional classifications. Such a case may be the informal sector which has not been explored more widely as a phenomenon of clustering.

In order to use the informal sector as a phenomenon of the cluster theory, there is a need to deviate from the European literature as it does not provide context to this form of clustering. Van Dijk and Sverisson (2003) and Mans (2015) further argue that there is a distinction between the types of clusters found in developed and developing countries. This is the case as clusters in developed and developing countries experience different levels of sophistication within which the enterprises operate (Mans, 2015).

This means focusing on literature published in the South to explain how the informal sector and related patterns are actually part of clustering. Two types of clusters are explored from the Cluster Theory which may make this theory more applicable to the

research study at hand. The first type of cluster is referred to as the location cluster and the second type as the local market cluster (Van Dijk and Sverisson, 2003; Mans, 2015).

A location cluster is characterised by informality, close proximity of business, and cramped conditions. Such businesses are generally located along major transit routes. Product imitation and competition are both high (Mans, 2015, p. 10). This form of cluster is also characterized by the proximity of businesses where in some cases the premises are shared (Van Dijk and Sverisson, 2003). According to Van Dijk and Sverisson (2003), one of the advantages of being part of such a cluster is easy access to the exchange of information which is made possible by the cramped conditions and closeness. A good example of this type of cluster is trading businesses in the informal sector (Mans, 2015; Van Dijk and Sverisson, 2003).

Imitation is particularly high and this is observed as the main technological dynamic because of the ability of the cluster to create product imitation (Van Dijk and Sverisson, 2003, cited in King and Aboudha, 1991). One of the benefits of being part of this form of cluster is that entrepreneurs are likely to benefit from the spill-overs of knowledge and collective information (Van Dijk and Sverisson, 2003). Authorities also play a big role in initiating a clustering process as zoning regulations can be used to move enterprises closer together (Van Dijk and Sverisson, 2003). The argument therefore is that small enterprises have got more to benefit from in a cluster than if they were located in isolation (Van Dijk and Sverisson, 2003, cited in Visser, 1996).

The second type of cluster which is applicable is the local market clusters characterised by the proximity of activities which are similar in nature and cater for a customer base with similar needs (Van Dijk and Sverisson, 2003; Mans, 2015). This form of cluster can be found typically in informal sector areas in large towns and cities and is a concentration of local market clusters (Van Dijk and Sverisson, 2003). One of the benefits of being part of this cluster is the ease of access to customers, but the customers also benefit as they are able to use one location to find numerous products and make comparisons (Van Dijk and Sverisson, 2003). According to Mans (2015), another major benefit in this form of cluster is the flow of information. Such a location in a cluster also attracts suppliers and because of the intensive competition, the enterprises may need to use a variety of strategies to differentiate themselves from

each other (Van Dijk and Sverisson, 2003). Though this form of cluster may have its disadvantages it is still more beneficial to be part of a cluster than to be isolated from one (Van Dijk and Sverisson, 2003).

The cluster theory provides an opportunity to analyse the importance of location when it comes to economic activities. Even more important though, is the literature developed to be more applicable in the Global South, focusing on the informal sector. Particularly important is the unexplored phenomenon of the importance of location for a business that finds itself part of the informal sector. Such a business, according to the Cluster Theory, is more likely to benefit from being located in a cluster i.e. the small businesses located in close proximity.

It is evident that to be part of the cluster the geographical proximity is important and, though this is not specific, the close proximity allows for interaction with other enterprises. Customers and local authorities play an important role in determining where the cluster may be located. This is important as it highlights the spatial patterns which can be analysed to identify the growth of other clusters. It is beneficial to be part of the cluster as being part of a group of enterprises may imply that the entrepreneur may enjoy benefits from the knock-on effects of the cluster.

2.6 Historical Outline of Bloemfontein

Bloemfontein was founded by Major Warden in 1846 (Kotze and Donaldson, 1998; Krige, 1991). Bloemfontein underwent large scale urbanisation between 1890 and 1904 (Kotze and Donaldson, 1998). Factors contributing to this population increase include; the Anglo Boer War (which forced labourers to take refuge in the city), and the completed railway line of Cape Town – Johannesburg through Bloemfontein (Kotze and Donaldson, 1998; Krige, 1991).

The spatial transformation the Bloemfontein city is argued to have been divided into after 1846, includes the following categories (Jürgens, Marais, Barker and Lombaard, 2003; Krige, 1991); the colonial city during the period 1846 until 1910, the segregated city which was illustrated during the period 1911 to 1950, the apartheid city from 1951 to 1985 and lastly the neo-apartheid city from 1986 to 1990.

The Free State was unique in how it applied the segregation and apartheid laws because of the following reasons. It was the first to carry in 1893 a general law which allowed control of ownership and occupation of property in urban areas (Davenport, 1991). Also significant was that land ownership was only provided to the white group (Christopher, 1997). Indians were legally banned between 1890 and 1986 (Christopher, 2001) and this province was the only province which did not change its boundaries after apartheid (Kotze and Donaldson, 1998).

Bloemfontein, as is the case with other South African cities, is developed around a Central Business District (Kotze and Donaldson, 1998). The apartheid city which can be applied in Bloemfontein had the following characteristics (Marais, 2008, cited in Krige, 1988); the city has a sectoral structure in a circular form with each population group allocated a sector which links up with the CBD, the white residential areas are in higher-lying and better residential locations and those in other population groups are located away from the white areas, with the residential area for Africans divided according to ethnic groups (Krige, 1991).

Kotze and Donaldson (1998) outline further the spatial pattern of Bloemfontein according to different racial groups. White people were located north and west of the Bloemfontein Central Business District (Kotze and Donaldson, 1998). In essence during apartheid the CBD of Bloemfontein was exclusively an area for white people (Hoogendoorn, Visser, Molefi, Marais, Van Rooyen and Venter, 2008). In Bloemfontein the different sectors or zones included white people residing in and around the CBD, black people residing in Mangaung and coloured people in Heidedal (Marais, 2008, cited in Krige, 1988). Initially Waaihoek was a mixed race location for Africans and coloured people, but a request in 1902 by the Cape Boys resulted in a new area called Cape Stands as a separate residential area for Coloured people (Krige, 1991).

Black and Coloured people were located south and south-east of the city's industrial areas (Kotze and Donaldson, 1998). Apartheid planning is illustrated in the historical-political approach which used the railway line as a social boundary separating different racial groups (Krige, 1991). This was a form of buffer zone which divided Mangaung on the south and south-east and the white CBD (Marais, 2008).

Apartheid planning in Bloemfontein was particularly focused on the Black African population (Krige, 1991). This emphasis on spatial control of the Black African population led to the establishment of Botshabelo in 1979 (Krige, 1991). Two reasons are provided for the establishment of Botshabelo; the first reason being that the population of Mangaung had grown significantly and Botshabelo was to absorb a section of this population and the second reason was that there was a need to develop a resettlement place for Sotho-Speaking people in the Thaba Nchu District after the independence of Bophuthatswana (Krige, 1991). Therefore movement of black people to Thaba Nchu and Botshabelo had a great impact on the transformation of spatial patterns in the region (Krige, 1991).

This spatial structure used buffer zones to ensure that there was a clear separation between areas from the south and south-east of the city and the white Central Business District (Kotze and Donaldson, 1998). This was made possible through the Group Areas Act from 1968 to 1990 which allowed white people to reside in the inner-city areas while the black population were relocated from Bloemfontein to 'apartheid dumping grounds' which include Botshabelo and Thaba Nchu (Kotze and Donaldson, 1998; Krige, 1991).

2.7 Post-Apartheid Bloemfontein

It is clear that, prior to 1991, there was no form of interaction between racial groups as a result of the conservative and Afrikaans dominated heartland, with the exception of domestic workers who lived in the suburbs because of work purposes (Jürgens *et al*, 2003; Simon, 1989). It was only after the 1990s that some form of desegregation took place (Jürgens *et al*, 2003). The transformation of the racial composition of the CBD only took place in 1991 leading to a desegregation level which was almost at 50% in the year 2001 (Hoogendoorn and Marais, 2008; Jürgens *et al*, 2003). This number is said to have reached approximately 77% (Hoogendoorn & Marais, 2008). Of particular interest is that Bloemfontein was the only province in South Africa which did not change its boundaries after apartheid (Kotze and Donaldson, 1998). This may have delayed implementation of policies but it did not slow down the process of desegregation.

The development of the informal sector within the Bloemfontein CBD served the purpose of creating 'Africanisation' of the inner cities as with inner-city areas in other South African cities (Jürgens *et al*, 2003). This has replaced the more formal economic sector such as the retail business which moved due to the decentralisation process (Jürgens *et al*, 2003). Decentralisation from the CBD led to movement of the formal sector towards the west of the CBD, which resulted in the white population withdrawing from the CBD (Hoogendoorn *et al*, 2008; Marais, 2008). The result of decentralisation within the Bloemfontein CBD is vacant spaces, sub-standard utilization of this space and informalisation (Jürgens *et al*, 2003). Because of these factors and the process of urban blight, the CBD was characterized by these factors allowing the emergence of a new centre towards the west of the city (Jürgens *et al*, 2003).

According to Marais, Hoogendoorn, Lenka, van Rooyen, Venter & Visser (2005), aspects that play a role in inner-city decline include; retail shopping centres that have led to decentralised developments, an increase in urban sprawl, limitations and inappropriate planning regulations in terms of parking, the outwards movement of the middle-income residents, concerns with regards to grime and crime, the inability of building owners to maintain their properties, a transformation towards small business home offices, an increased dependence on motor vehicles, and development in technology.

Companies like Kloppers moved to the Waterfront shopping centre because for these businesses which have moved and those planning to move, filth and safety concerns impacted on their business (Volksblad, 2002). The Waterfront shopping centre is not the only location of choice for some of the businesses that moved outside the CBD, the opening of the Mimosa shopping complex also impacted the CBD (Die Volksblad, 1998). For business owners, the Mangaung municipality should be doing more to keep the CBD safe and clean (Volksblad, 2002). The vacant office space in the CBD is made worse by the movement of professional services such as doctors, attorneys, architects, and engineers to outside the CBD Boundaries. The motivation provided for most of the organizations moving outside of the CBD Boundaries is that of safety (Die Volksblad, 1998).

2.8 Bloemfontein and the Informal Sector

Also important to take into consideration is the contribution of the informal sector in Bloemfontein. Research in Bloemfontein, particularly in the Bloemfontein CBD, focused on the spatial transformation of the CBD with little empirical evidence on the contribution of the sector to the economy of Mangaung. The lack of focus was not only from the academic side but also from the side of local authorities who were slow to realize the importance of the informal sector, not only as part of the economy but also for its ability to absorb those who cannot secure employment in the formal sector. Informed by the literature which was reviewed, the author was able to realize the research gaps evident, which is that research has failed to put much focus on the geography of informal trading activities and the importance of location for businesses in the informal sector.

The Integrated Development Plan (IDP) of the Mangaung Local Municipality emphasises the importance of upgrading the CBD (Hoogendoorn *et al*, 2008). This included ambitious plans to increase the demand for office and retail spaces within the Mangaung CBD and ensure more permanent residents (Hoogendoorn *et al*, 2008; Mangaung, 2006). However, these plans ignored the fact that the Mangaung economy had not shown any form of significant growth over the past ten years (Hoogendoorn *et al*, 2008). And even though this goal to up-grade the inner-city area may seem practical, it also ignores an important factor which affects the inner-city area and that is the lack of emphasis on the importance of information and technology (Hoogendoorn *et al*, 2008).

The potential for the growth of the informal sector in the CBD is higher (89.9%) than compared to the formal sector (39.7%) when attributed to the preferential location (Marais *et al*, 2005). Even though it is argued that the Bloemfontein CBD would require more diversification in the form of services provided, one cannot help but acknowledge the importance of the informal sector in this CBD (Marais *et al*, 2005). For the Mangaung municipality, small businesses have the ability to help not only alleviate poverty but also create jobs (Mangaung, 2014). This makes the informal sector quite significant even though it is a sector which has not been studied in great detail. The Mangaung municipality identifies informal traders as those businesses which are not

registered with the Registrar of Business and the South African Revenue Service (SARS) (AICDD, 2005).

Crucial in the strategic planning of the municipality is economic development through the Local Economic Development (LED). Included in the IDP is LED 5, which has outlined that the informal economy is supported through two projects initiated from an informal economy policy which is not specified in the IDP. Through such initiatives, 150 people in the informal sector have been assisted by the Mangaung municipality (Mangaung, 2007). In the same IDP, the CBD 8 target for 2007-2008 focuses on ensuring that informal traders are thriving and that they provide services needed for those clients that use the CBD (Mangaung, 2007).

According to the IDP, at least 50% of those registered as hawkers sell their goods and services at market venues (Mangaung, 2007). Economic activities executed by hawkers are recognised as a part of the Mangaung CBD. Not only do plans include hawking facilities but also a street trader management system and the erection of suitable structures to accommodate street traders (Mangaung, 2007). Such facilities would be similar to that of the Intermodal Transport Facilities and Amenities as illustrated in Figure 2.1 (Mangaung, 2014). According to the reviewed 2015-2016 IDP document the Intermodal Transport Facility the targeted timeline for operation is 2015-2016 and 2016-2017 (Mangaung, 2015).

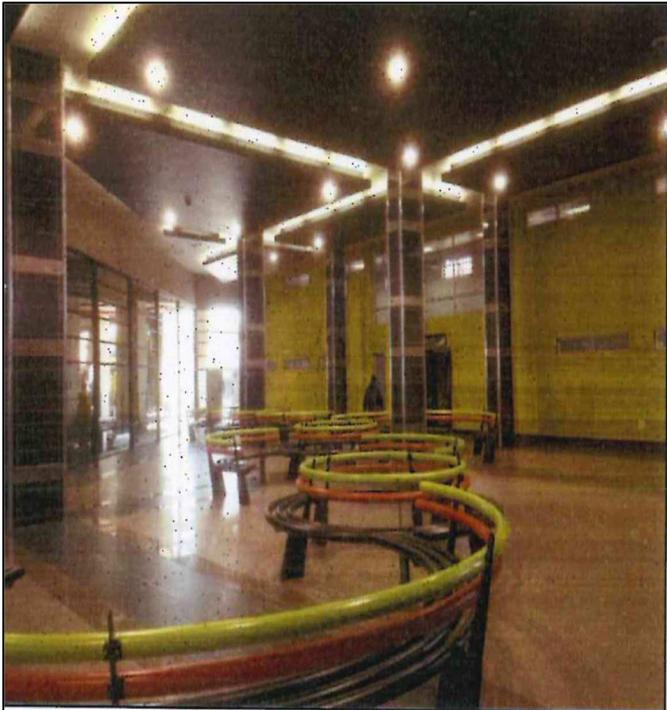


Figure 2.1: Intermodal Transport Facility (Mangaung, 2014)

These are not the only spaces or locations where informal traders would be permitted to perform their economic activities. But even such developments are to be regulated carefully especially locations where street traders are allowed and where they are restricted from trading (Mangaung, 2007). This may play a big role in the spatial patterns found in the Bloemfontein CBD.

The reviewed IDP 2015-2016 document, however, downplays the importance of the street trading under the informal sector (Mangaung, 2015). Mention is made of the contribution of the informal sector to the GDP but with specific focus on informal retail businesses and not necessarily street traders or hawkers (Mangaung, 2015). According to a study cited in this IDP document, in 2006 the contribution of the informal retail industries created 320 000 job opportunities (Mangaung, 2015).

Bloemfontein like other cities including Cape Town, uses a management tool for informal trading which includes a permit system which is provided to informal traders by the municipality (Donaldson *et al*, 2014). Informal traders have to apply for registration and once successful the informal trader is allocated an identity card (also referred to as a permit to sell goods and services at the provided or allocated locations) (Mangaung, 2014). Although the 2014 research report indicates that 59% of the

informal traders were in possession of identity cards (also known as permits), these permits come with their challenges (Mangaung, 2014).

For instance, negotiation of space is still something the municipality is challenged with, particularly in terms of informal traders who operate on the sidewalks. Challenges include litter, developing demarcated trading areas and the provision of infrastructure to ensure that informal traders have storage space for their goods (Mangaung, 2014). What makes this even more complex are planned rejuvenation projects in the Bloemfontein CBD as was the case with the Greening project at Hoffman Square. The implementation of such projects run the risk of limiting access of the Bloemfontein CBD to informal traders (Mangaung, 2015). What would be interesting to see is how the local government achieves a balance between ensuring successful rejuvenation projects and implementing supportive by-laws to ensure the informal sector is included in the Bloemfontein CBD.

Another key concern is ensuring that locations provided to informal traders are commercially viable. Locations created for street trading must be done while taking into consideration the needs of the street traders (such as locations which have more pedestrian traffic). If such communication between street traders and the government does not take place street traders may find themselves operating in locations which are commercially unviable. This may lead to street traders finding alternative locations and operating in such locations illegally (Donaldson *et al*, 2014). It could be argued that the character of the Bloemfontein CBD had changed in the sense that it had developed a new function and had managed to adapt to new realities and consumers (Hoogendoorn *et al*, 2008).

This change in character of the Bloemfontein CBD is important to investigate in order to understand which parts of the CBD can be accessed by female street traders in the Bloemfontein CBD in order for them to perform economic activities in this part of the city. Locations female traders choose may be an indication of the negotiation of space as dictated by policies of the local authorities and areas in close proximity to pedestrian and vehicular traffic. This study attempts to add empirical data on this sector focusing on the CBD as a partly contested space, no longer by apartheid laws but by formal businesses and the local authorities' goal to keep order and control in the post-apartheid CBD of Bloemfontein.

2.9 Studies on Informal Trading

There is extensive research on the informal sector in South Africa. Academic articles use different perspectives to understanding the informal sector from a South African context. One perspective being the focus of linkages between the informal and formal sector. One such article is that of Rob Davies and James Thurlow published in 2010 titled *'Formal and Informal Economy Linkages and Unemployment in South Africa'* focused on illustrating a general equilibrium model based on the type of informal trading activities and the linkages between the informal and formal sector.

Another article supporting this connection between the formal and informal sector is that of Richard Devey, Caroline Skinner and Imraan Valodia published in 2006 titled *'Second Best? Trends and Linkages in the Informal Economy in South Africa'*. This article critiqued the conceptualisation of the informal sector as a second economy that stands on its own, by illustrating that there are linkages between the formal and informal economy. A more recent paper by Imraan Valodia and Richard Devey published in 2012 titled *'The Informal Economy in South Africa: Debates, Issues and Policies'* also supported the linkage between the formal and informal sector by critiquing policy which isolates poverty as part of the 'second economy'. This article outlines the high level of interaction between informal and formal work.

There is another approach to understanding the informal sector which is through debates on policies on the informal sector in South Africa. An academic article focusing on this is Christian Rogerson's paper published in 2015 titled *'South Africa's informal economy: Reframing debates in national policy'*, this article analysed how National Government Policy has transitioned since 1994 on how it sees the informal economy. The conclusion of the article, however, is that national policies are not as inclusive of the informal economy as they should be. Another paper focused on policy formulation and implementation is that of Christian Rogerson published in 2015 titled *'Progressive rhetoric, ambiguous policy pathways: Street trading in inner-city Johannesburg, South Africa'*. This article explains the disconnection between the formulation of national policy on informal sector and the restrictive implementation process using Johannesburg inner-city Street trading as a case study.

A paper which is similar to the current study is by Amanda van Eeden published in 2011. The paper titled *'The Geography of Informal Arts and Crafts Traders in South Africa's four main city centres'*. This article illustrated the spatial distribution of informal trading activities particularly arts and crafts in Cape Town, eThekweni, Johannesburg and Tshwane. Even though this article focused on the spatial distribution of informal trading, the article did not use Cluster Theory to explain the importance of location.

Studies of the Bloemfontein CBD are also important to take into consideration. Most academic articles on the Bloemfontein CBD focused on the spatial transformation. One such paper by Gijsbert Hoogendoorn, Gustav Visser, Molefi Lenka, Lochner Marais, Deidre Van Rooyen, and Anita Venter published in 2008 titled *'Revitalizing the Bloemfontein CBD: Prospects, Obstacles and Lost Opportunities'* focused on this spatial transformation by providing strategies on how the Bloemfontein CBD can be revitalised. Another paper by Gijsbert Hoogendoorn and Lochner Marais also published in 2008 titled *'Perceptions of crime and the built environment: the case of the Bloemfontein Central Business District (CBD)'* focused on spatial distribution and statistical analysis of crime and perceptions and fears of crime in the Bloemfontein CBD.

Other studies on the informal sector taking into consideration Bloemfontein, include the research by the African Institute for Community-Driven Development published in 2005 titled *'The Informal Economy in Mangaung, Free State, South Africa'* which looked at the demography of those in the informal sector, providing characteristics of the sector in Mangaung and recommendations of how the sector can be supported. A more recent research report published in 2014 titled *'Informal Trader Stalls in Mangaung Metropolitan Municipality'* provided an outline of informal trading activities in Mangaung and this report was provided by the Mangaung Metropolitan Municipality.

There is considerable work done in South Africa on the informal sector and though there are different perspectives which research focuses on, there is still a research gap which can be explored in understanding the informal sector. This gap is in understanding the informal sector by looking at the spatial distribution of informal trading activities in South African cities and more importantly, understanding the factors that would make location important for informal traders. Using Cluster Theory, the current study is able to understand this sector by looking at the geography and

importance of location to a female informal trader who is operating a business in the Bloemfontein CBD.

2.10 Conclusion

This chapter focused on reviewing literature on the informal sector using a global perspective and South African perspective. The literature was not only used to help the author identify policies and implementation of informal trading activities in the 'global south', but also in the South African context. Though there are policies which have been formulated to guide the implementation of informal trading activities in South Africa, one still recognizes the different approaches used in different South African cities. For some scholars, there is more emphasis on the regulation of the sector than support, as can be identified in a city like Johannesburg. Besides the critique, there is much emphasis on understanding the informal sector and how this sector contributes to the economy of South Africa.

CHAPTER THREE: METHODOLOGY CHAPTER

3.1 Introduction

This chapter outlines and discusses the methodology applied in this research project. The methodology was selected to provide a spatial and empirical analysis of female informal traders located in the Bloemfontein Central Business District.

3.2 Methodological Premise

3.2.1 Inductive Research

Inductive research is defined as “a type of reasoning that begins with study of a range of individual cases and extrapolates patterns from them to form a conceptual category” (Charmaz, 2006, p. 188). Neuman (2000, p. 49) further explains that “an inductive approach requires that one begin with detailed observations prior to acknowledging the abstract generalizations and ideas”. “Using this approach, therefore, implies building the theory from the ground up” (Neuman 2000, p. 49). Using such an approach was necessary prior to data collection, the theoretical framework was not clear. The data collection process and the analysis of data directed this study to using Cluster Theory to explain the spatial distribution of the female informal traders in the Bloemfontein CBD.

Deductive research uses a different approach because a researcher should first consult with the theory and related concepts before being able to determine which kind of data to use for the research (Neuman, 2003). It is this difference between the inductive and deductive approach that dictates to the researcher how to use the data which is collected or to be collected. Inductive research is particularly important because during the data collection process the researcher is not only able to refine concepts but is also able to generate assumptions and generalizations (Neuman, 2003).

An inductive approach is appreciated by qualitative researchers who immerse themselves in the empirical data before consulting a theory or testing a model (Babbie and Mouton, 2001). It is made apparent that through such a process the researcher makes sense of the data and is able to move from coding the data to contextualizing the data collected to abstract constructions (Babbie and Mouton, 2001). The theory upon which this is based is known as grounded theory which is the theoretical

generalizations developed through an inductive approach (Neuman, 2000). This approach therefore allows the data collected to dictate which direction the research takes. The theoretical position and assumptions become more apparent during the collection of data and the initial process of analysing the data.

3.2.2 Cluster Theory

Cluster Theory was used in analysing the data collected. Cluster Theory was made famous by Michael Porter who defines a cluster “as a geographically proximate group of interconnected companies, suppliers, service providers and associated institutions in a particular field, linked by externalities of various types.” (Porter, 2003, p. 562).

Cluster Theory puts forward the suggestion that firms which find themselves being part of a geographically defined cluster reap the benefits of being part of the cluster (including growth in economic output) (Woolman and Hinocapie, 2015). This is supported by Delgado, Porter and Stern (2010) and Kuah (2002) who argue that industries which find themselves located in a strong cluster or access to such a cluster are likely to have higher growth rates, particularly for smaller firms or those starting up their businesses.

Although this theory is interpreted in different manners, what remains important in studying such a theory, is understanding the great significance of a location for a business. Businesses that are located in a cluster are mostly likely to benefit from higher productivity, enjoy a bigger customer base and a higher growth rate (Woolman and Hinocapie, 2015).

The empirical data which was collected through an inductive approach, suggests through analysis that the spatial patterns of female informal traders in the Bloemfontein Central Business District takes the form of clusters at particular locations in the CBD. From the Cluster Theory, the researcher used an adaptation of this theory adapted to conditions in the ‘Global South’ to illustrate how the informal sector may provide evidence of clustering in the South African context (Van Dijk and Sverisson, 2003; Mans, 2015). The two types of clustering identified which are applicable to the informal sector include the Location Cluster and the Local Market Cluster (Van Dijk and Sverisson, 2003; Mans, 2015).

3.3 Case Studies

The research used a case study approach to explain the spatial patterns of female informal traders in the Bloemfontein CBD. Case studies are defined as a “systematic and in-depth investigation of a particular instance in its context in order to generate knowledge” (Rule and John, 2011, p. 4). Case studies are able to provide insight which is in-depth pertaining to specific situations or even people (Rule and John, 2011). Case studies are differentiated experiments which stand on their own as an analytic unit (Eisenhardt and Graebner, 2007).

The form of case study which is used at hand is referred to as studies of organizations and institutions (Babbie and Mouton, 2001). This approach was chosen because the study at hand is exploring the spatial patterns of female informal traders using the Bloemfontein CBD as the location in which they can conduct their businesses. Case studies provide context and in this regard the study aims to identify the use of space in the Bloemfontein CBD as the context in which to explain how female informal traders operate their businesses at the specified locations.

This study specifically chose the Bloemfontein CBD as a study area because there is a research gap in terms of informal traders that has not been focused on extensively by prior research. Empirical data on informal traders operating in the Bloemfontein CBD has not been researched extensively. This is considering different dynamics such as the relationship with local authorities, relationships, if any, with businesses in the formal sector, location in the CBD and relationships with other female or even male informal traders and hawkers.

Case studies therefore fit with grounded theory because the collection of data will explain the phenomena studied in context and explain within this contextualisation the operation of businesses in the Bloemfontein CBD by the female informal traders. Grounded theory therefore allows the researcher to collect data that explains, in context, the operations of female informal traders that operate in the Bloemfontein CBD. To validate the data collected using the case study approach, one would need to use multiple data sources and this is possible because the study uses methodological triangulation (Babbie and Mouton, 2001).

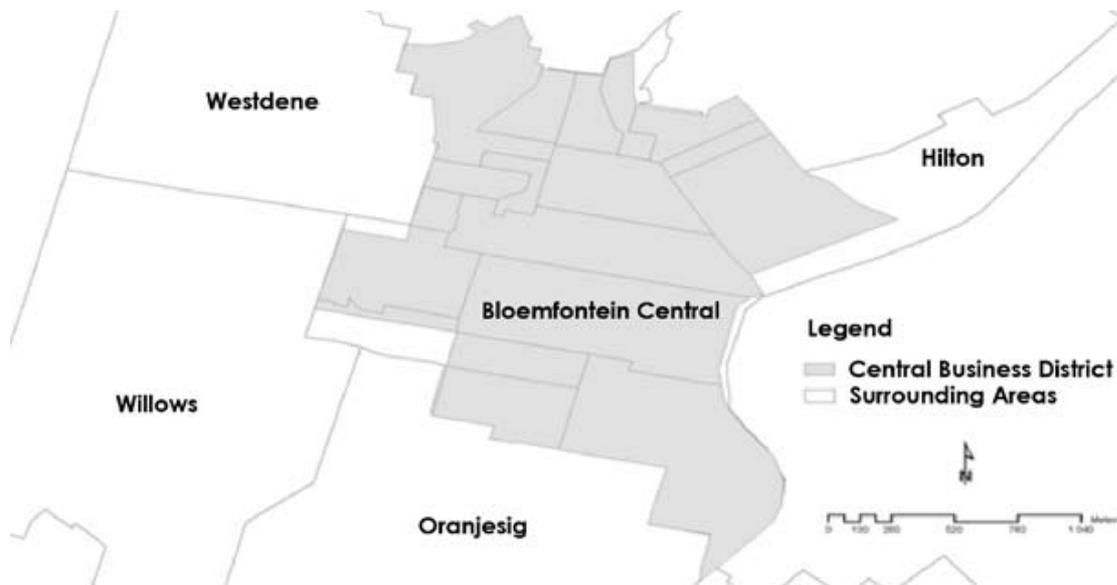


Figure 3.1: Study Area, Bloemfontein Central Business District (Hoogendoorn and Marais, 2008).

3.4 Sampling

The research used a purposive sampling technique in the data collection process. The research project uses non-probability sampling from which a purposive sampling technique is selected (Neuman, 2003). Such a technique is used because the researcher is able to choose participants that are able to provide in-depth information on the topic selected (Neuman, 2003). This technique is useful if the researcher is able to determine the participants who can be part of the study and if this sample aligns with the research aims (Babbie and Mouton, 2001). The sampling and data collection process in the Bloemfontein CBD as illustrated in Figure 3.1 and Figure 3.2

The rationale for the inclusion of only female informal traders lies in the demographic representation of female informal traders in Bloemfontein with an estimated 69% participation in the informal sector (Mangaung, 2014). In terms of the gender experience in the workplace and how spatial patterns are arranged, women are more vulnerable to location changes as such changes also impact on established social networks (Hanson and Blake, 2009).

The sample groups included in the research project included:

- Twenty semi-structured interviews with female informal traders operating their businesses in the Bloemfontein CBD

- One semi-structured interview with the Local Economic Development (LED) officer at the Mangaung Metropolitan Municipality conducted at the Municipal offices.
- Four semi-structured interviews with representatives of formal businesses located in close proximity to the informal traders
- Three semi-structured interviews with the representatives of the Mangaung Hawkers Association which is a union for street traders in the Motheo district



Figure 3.2: Aerial Map of Study Area, Bloemfontein Central Business District (Google Maps, 2015).

All twenty-nine semi-structured interviews were conducted in spaces where informants felt comfortable and familiar with (which was in most cases their place of occupation) so that the interview schedule did not coerce the participants to deviate from their daily schedule. The implication therefore was that;

- Semi-structured interview with the LED officer took place at the Mangaung Municipality offices
- The semi-structured interviews with the representatives of the formal business took place at the business premises
- The semi-structured interviews with the female informal traders took place at the locations the female informal traders use to operate their businesses in the Bloemfontein CBD
- The semi-structured interviews with representatives of the Mangaung Hawkers Association took place at the location the representatives use to operate their businesses as they are also informal traders operating in the Bloemfontein CBD.

3.5 Primary Research

The primary research, also known as the empirical data, is the data the researcher collects first-hand experience and is not already documented as data from other forms of data collection. Before the researcher could start collecting the empirical data, a pilot study was conducted to test the questionnaires. Also important to take into consideration were the different types of techniques which were used to collect the empirical evidence and each will be outlined below.

The initial data collection process took place between May and July 2015 using semi-structured interviews and a personal survey which also recorded the location of female informal traders in the CBD. Also included during the fieldwork as empirical data was structured observations and photography of the different stalls or structures the female informal traders use to operate their businesses. This was included as part of the evidence so that the research still used multiple sources of data to make the case study approach stronger.

3.5.1 Pilot Study

A pilot study was undertaken in May 2015 to test the interview questions the researcher had compiled. The pilot used two informal traders who operated their businesses in close proximity to the University of the Free State Bloemfontein campus. As a result of the data analysed from the transcribed material, some of the interview

questions had to be added or removed as a result of the kind of data that was obtained using those particular types of questions.

3.5.2 Personal Survey of Female Informal Traders

The researcher first had to establish the study area within the Bloemfontein CBD which is illustrated in Figure 2. From the study area the researcher had to survey, on the ground, the different locations the female informal traders used to operate their businesses and subsequently capture the Global Positioning System (GPS) coordinates of those locations. The personal surveying of female informal traders in the Bloemfontein CBD was done in two parts.

The first part included collecting the GPS coordinates of the female informal traders who were part of the sample group for the research. This included a preliminary map outlining the spatial patterns of the female informal traders who were selected as part of the sample group. The second part of the process involved a second survey of all the female informal traders who were operating their businesses within the boundaries of the study area. This resulted in a map which illustrated the spatial patterns of female informal traders who use the Bloemfontein CBD to operate their businesses even if they were not sampled for the semi-structured interviews.

Plotting or capturing the GPS coordinates deliberately excluded male informal traders and street hawkers who move from one location to another. The research only focused on understanding and mapping female informal traders and determining how these patterns were affected by external factors. The reason why the research could not focus on female hawkers is because hawkers move from one place to another and therefore their movements cannot be mapped as their businesses are not stationary.

Through a Geographic Information System (GIS) program the results of the GPS coordinates were plotted onto a map which indicated and illustrated the different locations the female informal traders in the Bloemfontein CBD use to operate their businesses. Through this process the researcher was able to determine that the spatial patterns of the female informal traders form a cluster. Cluster theory was therefore used in the analysis of results. This theory explains that businesses are likely to be in close proximity to each other in order to enjoy the benefits of having a bigger

customer base, suppliers and other external factors influencing the operation of the business.

3.5.3 Semi-structured Interviews

Twenty semi-structured interviews were conducted with the female informal traders at their place of business. The interviews with the female informal traders were recorded if permission was granted and if the participant did not feel comfortable being recorded, the responses to the questions were written on a notepad. One of the questions which had to be amended was the question on location preference which was asked as follows; *is there anywhere else you would rather be located? Why?* The responses from the first half of the sample pointed out that the female informal traders could not answer this question appropriately as it may have been a badly phrased question. The researcher therefore had to change the structure of the question to; *Are you satisfied with your current location?* This amendment to the question provided the participants with a better opportunity to respond.

Even though initially the research project had outlined that from the LED office there would be three semi-structured interviews with the representatives from the office, the researcher was only able to interview one of the representatives from the office. The interview was conducted at the LED office at the time and date provided by the office. The researcher requested permission to record the interviews and this request was granted.

Semi-structured interviews with the three representatives from the Mangaung Hawkers Association (MAHA) were conducted. The three representatives interviewed from the association included; the chairperson of the association, the spokesperson of the association and the treasurer of the association. Since the representatives of the association are also informal traders, the interviews were conducted at the locations they use in the Bloemfontein CBD to operate their businesses. The researcher requested permission to record the interview and if permission was not granted the interviewer wrote down the responses of the participants on a notepad.

The last group of participants who were interviewed are representatives from the local businesses which are regarded as part of the formal sector. The researcher used a random sampling technique to choose which formal businesses would be part of the

research. This technique also had to take into account the proximity of the business premise to the informal traders outside. The representatives of the four businesses which were part of the sample group were requested permission to record the interviews and permission was granted.

These interviews were conducted between May and July 2015. Semi-structured interviews were conducted in order to keep in line with the research aim and questions. Restricting in this regard, was the amount of time which the researcher needed to take into consideration. Though in-depth interviews with the female informal traders were taken into consideration, the structure of interviews had to be changed because of the time restrictions. The structure of the interview and interview questions had to take into consideration the restricted time particularly for the informal traders who still need to sell their goods.

3.5.4 Structured Observations

Through observation the researcher is able to become “an instrument that absorbs all sources of information” (Neuman, 2003, p. 381). The researcher therefore uses the advantage of being allowed into the fieldwork space to investigate in detail the physical setting (Neuman, 2003). Observations of the physical location took preference over other types of data which can be observed (Babbie and Mouton, 2001). The structured observations during the fieldwork period took place during the transect walks around the Bloemfontein CBD and in between the semi-structured interviews with the female informal traders.

These structured observations allowed the researcher to identify the physical setting or structure the female informal traders used for their businesses and also to identify the physical location of the informal trader’s business. Through this form of observation the researcher was able to identify that some, if not most, of the locations used by the female informal traders were located in close proximity to pedestrian traffic such as a taxi rank. It must be stressed that the researcher purposely did not make use of participant observation as a tool to collect data and that structured observations were rather used to make sense of the hard data which was collected.

The hard data in this case was the quantitative mapping of the female informal traders’ locations integrated with the soft data which is the structured observations. Empirical

evidence also collected during such a process included note-taking during the observations and photographs of the structures (taken with permission from the female informal traders).

3.6 Secondary Data

The secondary data source was to be the database on informal traders which would provide information on the demographics of informal traders at the Mangaung Metropolitan Municipality. However, during the data collection period, the researcher was not able to obtain data from the municipality regarding the demography of informal traders operating in the Bloemfontein. This was not possible given two reasons, the first being that the database system is undergoing a system upgrade which implied that the data could not be made available. The second reason is that although the LED office provided a research report, this report did not only survey informal traders in the Bloemfontein CBD but those in the larger Mangaung area including Bloemfontein, Botshabelo and Thaba Nchu.

A research report provided by the municipality published in 2014 outlined informal trading in Mangaung. The report is entitled *Informal Trader Stalls in Mangaung Metropolitan Municipality* which was published in 2014. According to this report, the Mangaung area is divided into three geographical areas which include Bloemfontein, Botshabelo and Thaba Nchu (Mangaung, 2014).

3.7 Data Analysis

The quantitative data collected was divided into two sections. The first section was the locations recorded during the personal survey which were plotted manually on a map. These plotted locations were then digitized through the use of a GIS program on a map to outline the spatial patterns of female informal traders operating in the Bloemfontein CBD. This data eliminated street hawkers who are regarded as mobile and so it is not possible to plot their exact locations because they move from one place to another selling their goods and services. This data also eliminated male informal traders who may also be operating the same vicinity, because the research focused only on female informal traders.

The second section is the statistical analysis of the quantitative data through graphs, diagrams and tables. This section focused on the demographic profile of informal traders from the general data gathered from the databases to specific data collected in the primary research from the interviews conducted. The purpose of using diagrams, tables and graphs is to illustrate visually the statistics that identify what, how, who, when informal trading takes place in the CBD.

The qualitative data included the transcripts of the interviews conducted and the notes from the observations taken during the fieldwork. This data was used to provide context and explain in more detail what the quantitative data may outline. These transcripts and notes focused on the empirical data that explained in more detail and contextualised the phenomena being studied. The qualitative data was analysed through a coding process, outlining the themes which became central to answering the research questions (Neuman, 2003).

3.8 Ethical Considerations

Voluntary participation refers to the “participants’ right to freely choose to subject themselves to the scrutiny inherent in research” (Dane, 1990, p. 39). It should further be stressed that participation in the research process should be out of the free will of the participants (Dane, 1990). Participants were approached and informed about the research project using an information sheet. It was clearly explained that it is not compulsory to participate and that at any point during the research process, they are free to decline and ask to be excluded. This was done to ensure that the participants were aware that they are not coerced into taking part in the research. Although this meant many of potential participants declined to take part, those that did agree were comfortable making that decision.

Even though compensation was considered, any form of compensation should not be used in such a way that it strongly motivates the participant to take part in the research process (Dane, 1990). A token of appreciation was given to the participants to thank them for giving their time and allowing the researcher into their space. This compensation was in the form of buying some of the goods the female informal traders sold so as to compensate for time spent answering the interview questions instead of selling to potential customers.

Informed consent is defined as “providing research participants with all of the information necessary to allow them to make a decision concerning their participation” (Dane, 1990, p. 40). A copy of the information sheet was taken along in order to explain to the participants what the research entailed. Even though this was not signed by the participants, the participants were informed about the research study.

Participants were allowed to remain anonymous if that was what they wished and confidentiality was highly considered (Dane, 1990). All groups of participants, including the informal traders, representatives from the Mangaung Hawkers Association and representatives, were afforded the opportunity to remain anonymous and be provided with pseudonyms to protect their identity. This may specifically be for those female informal traders who are not registered according to the by-laws put in place for informal traders under the Motheo region.

3.9 Limitations of the Research

The strength inherent in this study is that it takes into consideration more than one data collection technique. The research collected primary research through conducting interviews, using personal survey to map locations of female informal traders and doing observations. The secondary data collected included the research report from the Mangaung Municipality at the LED offices. Both sets of data were integrated with the aim of providing a case study on female informal traders operating their businesses in the Bloemfontein CBD.

Restrictions in this regard were the limited time for interviews with the informal traders. Though in-depth interviews were taken into consideration, the researcher had to take into consideration the amount of time the informal traders can use to answer the interview questions. Because the informal traders use the place and space to attract customers, the researcher made allowance for traders to sell their goods and services. The structure of the interviews should made allowances for that in order to make sure that the participants are still able to sell their goods and services.

An additional limitation to the study was the focus on female informal trader patterns and not including the male informal traders in the study. The implication, therefore, was that the Cluster Theory application cannot be generalized to include the male

informal traders and so the female informal traders are the only group which can be used to explain the cluster.

3.10 Summary

This chapter outlines the research methodology applied. This approach implies that the researcher collect data prior to choosing the theoretical framework from which they are working. The data collected from conducting the interviews and observations would be used to create a case study on female informal traders that operate in the Bloemfontein CBD.

Case studies provide context and sets of data used explained the spatial patterns of how female informal traders use space in the CBD to make an income. The sampling technique needed to be carefully selected so that the data collected from participants showed some level of representation but also that participants were able to provide insight implying they should be relatively well informed about the phenomena studied.

The primary data consisted of data collected from the interviews conducted and a personal survey which assisted the researcher in plotting the location of female informal traders as well as notes from observations taken during the fieldwork. The secondary data consisted of the data which was collected from the Mangaung Metropolitan Municipality LED offices. Both sets of data were used to answer the main research aim and the objectives thereof.

The data collected was analysed using map, graphs and diagrams using the quantitative data collected while the qualitative data included the interview transcripts and notes taken during observations to provide detailed information about the informal traders. While analysis of the data was important, ethical considerations were taken into account during the fieldwork, particularly when participants were recruited to partake in the research and expected to provide feedback during interviews. Participants participated voluntarily, were well informed of the topic focus and their role in the research, were compensated fairly for their contribution to the research and were given the freedom to remain anonymous if they believed publication of their names might jeopardise them or their business.

The strengths of the research lie in the multiple research data sets which speak to the reliability and validity of the data collected. Identified as a weakness in this regard is

the amount of time participants had, particularly focusing on the interviews with the female informal traders and how the interviews should be structured in order to collect the data but also to consider the amount of time the informal traders have at their disposal to answer the questions. Time therefore became a limitation when it came to the structure of the interviews with the informal traders.

CHAPTER FOUR: DATA RESULTS

4.1 Introduction

The data results chapter presents the data which has been collected. This chapter will include an outline of the female informal traders in the Bloemfontein Central Business District (CBD). This will be followed by an illustration of the spatial patterns of female informal traders in the Bloemfontein CBD. The chapter will also outline factors influencing the spatial patterns of female informal traders in the Bloemfontein CBD, followed by the implications of the female informal trader spatial patterns in the Bloemfontein CBD. The chapter is concluded with a summary of the main points.

4.2 Outline of Female Informal Trading in the Bloemfontein Central Business District

The female informal traders who were interviewed point to a diversity when it comes to age group. Though over 50% of the female informal traders are above the age of 40, this does not eliminate that female informal traders from younger age groups still play an important role in the informal sector. Therefore, young adults as illustrated in Figure 4.1, also play a role in informal trading activities in the Bloemfontein Central Business District.

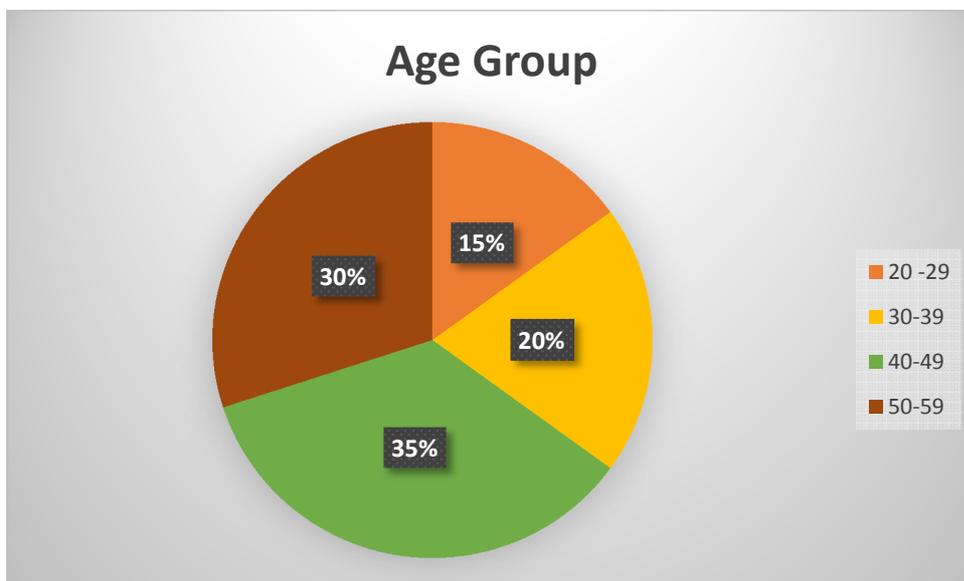


Figure 4.1: Age Group of Female Informal Traders

The majority of female informal traders did begin with their secondary education but most were not able to complete their secondary school education with a matriculation certificate which may imply that the job market was more challenging to enter. From

the 20 female informal traders interviewed, only 2 of the informal traders had decided to go back to school to complete Grade 12, and one of them even receiving a higher learning certificate and pursuing another qualification in education (see Figure 4.2).

The issue of education is significant particularly when it comes to training provided by the municipality for informal traders. According to the official from the Local Economic Development office at the municipality, such training takes into consideration one’s level of education. The trainings may be more focused on building business skills so that informal traders are able to operate their businesses (with the intention of sustaining and growing their businesses). The intentions of trainings are to assist businesses in the informal sector to transition to the formal sector so that other informal trading businesses can be accommodated.

Such trainings and workshops, however, may be met with mixed reactions. One of the female informal traders who is operating her business near the new taxi rank explained that the efforts of the municipality in helping informal traders grow their businesses are met with a negative response as most informal traders are satisfied with the size of their businesses and do not see the point of growing their businesses by attending and applying the skills they may learn at these workshops and trainings.

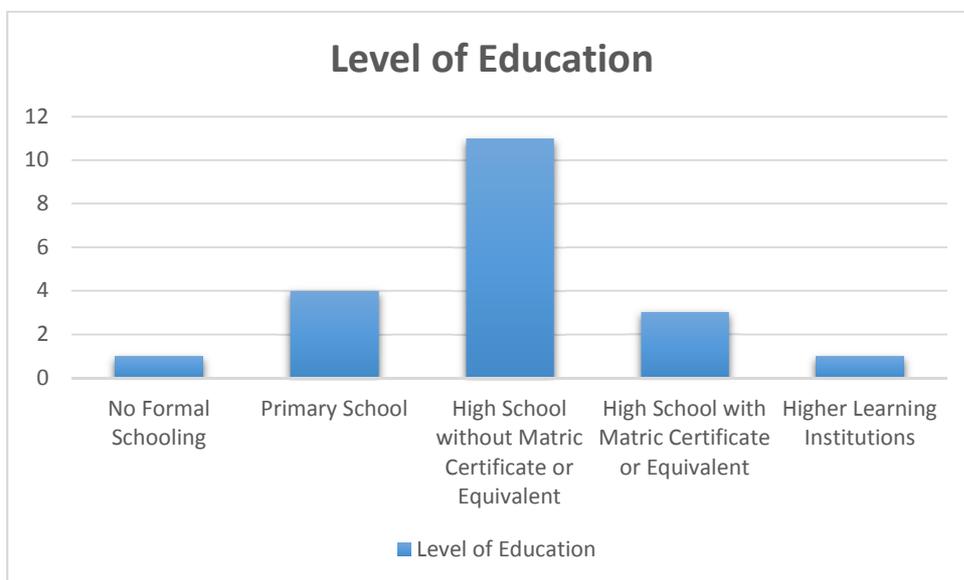


Figure 4.2: Level of Education of the Female Informal Traders

The period of time female informal traders have used their location is illustrated in Figure 4.3. Quite significant is that the amount of time the female informal trader has

used the location is not indicative of the number of years the female informal traders has been trading. It can be assumed that those female informal traders who have used the current location from a year to 5 years may have been influenced by the development and redevelopments that have taken place in the Bloemfontein CBD. One such important development is the new taxi rank which was supposed to be operational but now is currently vacant. Such a development created a new pattern of pedestrian traffic particularly for those who use public transport (more specifically taxis) and this may provide clues to the spatial patterns in informal trading.

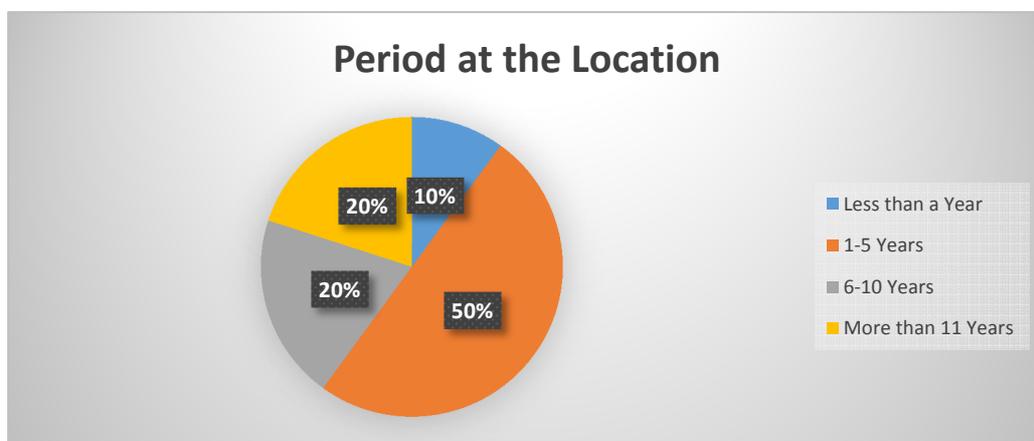


Figure 4.3: Period at Location of the Female Informal Traders

The data collected also included the working days of the female informal traders who were interviewed. The data as presented in Figure 4.4 indicates that most female informal traders work from Monday until Saturday with the others using a different pattern. It was also explained during an interview with one of the female informal traders, that the working days may depend on the time of the month. End of the month would mean that the working days extend to Saturday and even Sunday if the female informal trader is expecting a higher pedestrian volume.



Figure 4.4: Working Days at Location of Female Informal Traders

4.3 Spatial Patterns of Female Informal Traders in the Bloemfontein Central Business District

The locations of female informal traders were identified using a Global Positioning System (GPS) to obtain the map coordinates. The coordinates were used to plot and map the location of female informal traders through a Geographic Information System (GIS). This resulted in the mapping of locations which shows in Figure 4.5 that there is a clustered spatial pattern with regards to the female informal traders who are operating businesses in the Bloemfontein CBD. Each yellow dot represents the GPS coordinates of one female informal trader located in the Bloemfontein Central Business District (CBD). According to the spatial distribution of the female informal traders in the Bloemfontein CBD there are locations which show a form of clustering in connection to public transport facilities.

In particular, the temporary taxi ranks which were spread out in the Bloemfontein CBD as a result of the closure of the Intermodal Transport Facility which is located at Harvey road extending to Peet Avenue (Mangaung, 2015). Although as one studies the map, female informal traders can be located from Maitland street which is now known as Charlotte Maxeke street and Oos Burger street, a clustered spatial distribution is not clear. Streets in the Bloemfontein CBD which are showing a form of clustering in the spatial distribution include Fichardt street, Charles street, St. Andrews street, Hanger street, Peet Avenue, St. George street and Bastion street. The listed streets are also in close proximity to the temporary taxi ranks.



Figure 4.5: Clustering of Female Informal Traders in the Bloemfontein CBD (Author, 2016)

4.4 Factors Influencing the Spatial Patterns of Female Informal Traders in the Bloemfontein Central Business District

The following are highlighted as important to consider as factors which play a big role in influencing the spatial patterns of female informal traders in the Bloemfontein CBD:

- The role of the Mangaung Metropolitan Municipality through the conceptualization and implementation of by-laws
- The role of the Mangaung Hawkers Association for the negotiation of space in the Bloemfontein CBD
- The role of developments or redevelopments on the spatial patterns of female informal traders in the Bloemfontein CBD

One of the most important factors which should be taken into consideration when focusing on spatial patterns of informal traders in the Bloemfontein CBD are the policies or laws put in place to regulate informal trading. Such laws or policies would, for instance, prescribe which locations would be suitable for informal trading activities in the Bloemfontein CBD. One of the ways in which this is done is through the conceptualization and implementation of by-laws.

Street trading by-laws were promulgated in 2006 and these are understood to be a management tool with regards to informal trading. These by-laws are applicable in Bloemfontein, Botshabelo and Thaba Nchu. The conceptualization of the by-laws are outlined in a booklet titled *Street Trading By-Laws* published in 2006 which outlines all the by-laws that assist in regulating informal trading in Mangaung. This booklet is a guideline for the regulations in the form of by-laws that outline how the informal trader should operate her/his business.

In the booklet a street trader is defined as “*any person carrying on business, whether as principal, employee or agent, by selling, supplying or offering any goods or the supplying or offering to supply any service for reward in a form of a public road or public place in the municipality*” (Street Trading By-Laws, 2006, pg. 4). The street trader is therefore expected to apply the by-laws in order to operate their business in the locations outlined by the municipality.

The official who was interviewed at the Local Economic Development (LED) office interprets the policies and by-laws in place as a way to help the council manage informal trading, but at the same time the council is faced with the challenge of keeping a balance by ensuring that the by-laws manage informal trading, but also that they are not restrictive to a point where the growth of the economic activities in the informal sector are inhibited.

On the one hand the council should ensure that informal trading particularly in the CBD is managed to ensure that space is well-utilized, but also that those provided with a space can use these by-laws to help grow their businesses and not inhibit growth. According to the LED official, *“I am not in any way discarding the issue of the by-laws as not being important. They are important as a management tool but the issue is they must be enabling to make sure that we grow and develop....business people.”* (June, 2015)

The conceptualization of by-laws is the responsibility of the municipality as is the regulation of the informal sector. One of the manners in which this is done is through the provision of identity cards to informal traders. According to the booklet, *“no person may conduct the business of a street trader in the business area without being in possession of a valid street trading identity card issued by the council”* (Street Trading By-Laws, 2006, pg. 6).

A potential informal trader has to apply and receive approval from the municipality to receive the identity card in order to operate their business in the Bloemfontein CBD (see Figure 4.6). In order to obtain the identity card one would need to be registered and in the booklet registration is stipulated as such; that anyone who wants to do street trading in the business area must apply to the council on a prescribed form for the allocation of a street trading site to him or her (Street Trading By-Laws, 2006, pg. 6).

The manner in which informal traders apply for registration is underlined by the following method as explained by the official from the LED. This information was provided by the official who was interviewed from the Local Economic Development office.

The following is the process a potential informal trader would have to undergo to register with the municipality:

- The informal trader may first need to inform the municipality of the area he/she has identified as a potential selling site
- Then the municipality does a background check on whether the area the trader has identified is a designated or demarcated trading area
- Once the area has been checked the application process starts or is halted
- If the interested party has identified an area which has not been demarcated for trading purposes, the municipality will redirect the applicant to areas which have been demarcated for trading
- There is also a qualification criteria included in the registration process, one of those being that the applicant must not be employed or otherwise have a form of income. This serves as a priority for those who cannot secure employment and use trading as a way to earn an income.

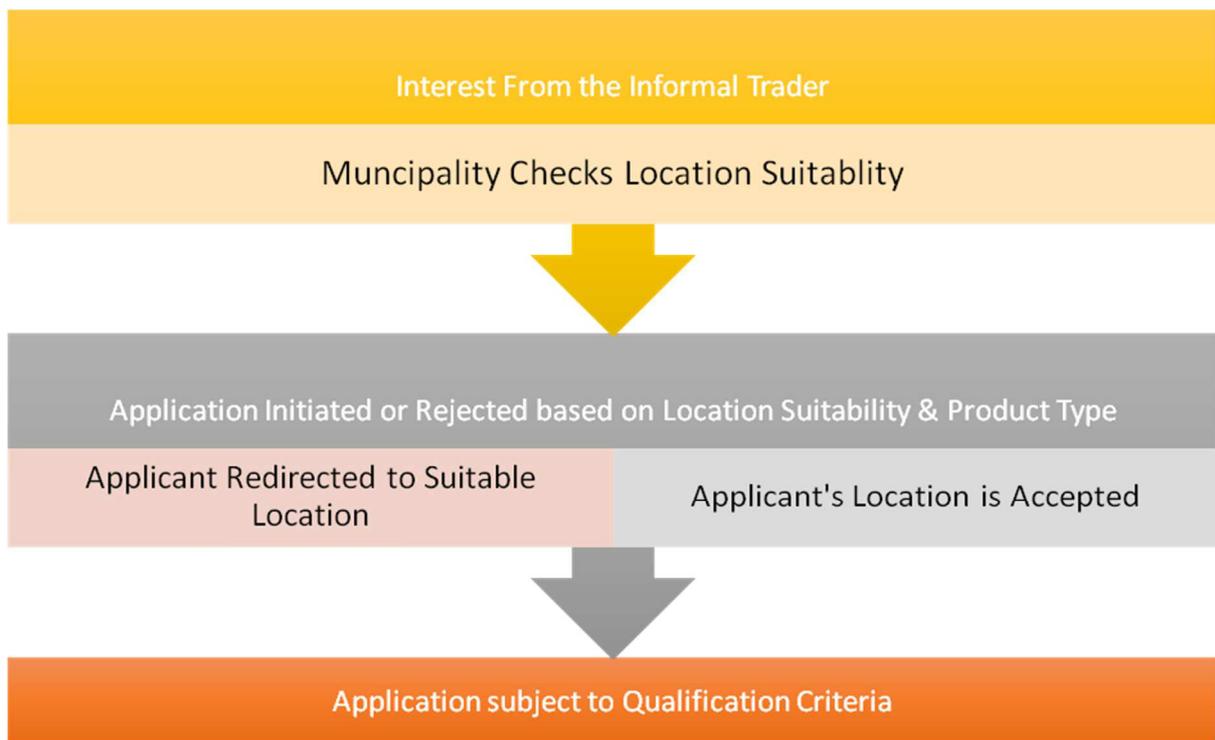


Figure 4.6: Registration Process (Based on Interview with Official, 2015)

This is not, however, the only process to follow when an informal trader is pursuing a location to sell products or provide a service. According to the official, another process which is followed, initiated by the municipality, is the communication of available

demarcated trading areas through the Hawkers Association. These Demarcated Trading Areas include specified products to be sold which are guided by the by-laws (what can and cannot be sold in certain areas of the CBD).

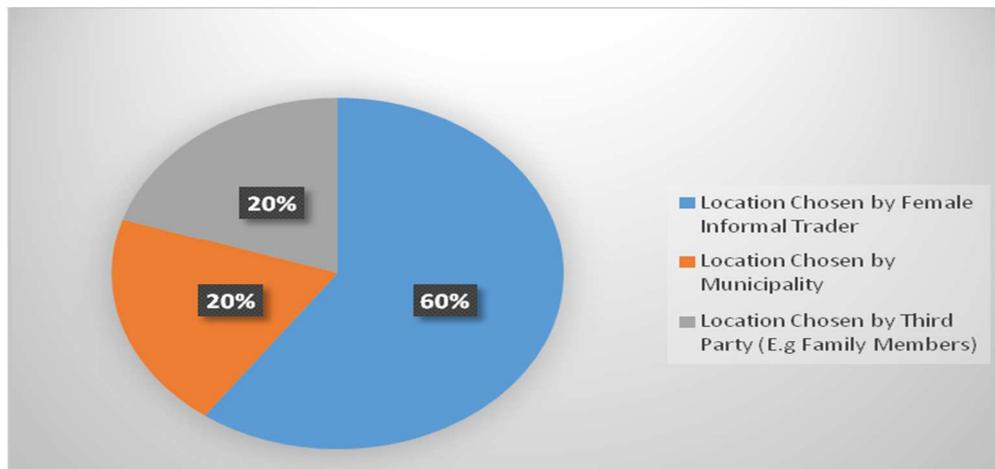


Figure 4.7: Decision of Location

The female informal traders who were interviewed supported Figure 4.7 which outlines that the informal trader chooses the location they would like to use to operate their business. If this location is within a demarcated trading site, the informal trader will be provided with permission to use that location. From the twenty female informal traders interviewed, twelve of the traders chose their own location and only one of the twelve explained that this choice was made following the guidance of the municipality. Also interesting to note is that, although the Mangaung Hawkers Association negotiates for space on behalf of the informal traders, none of the female informal traders attributed their choice of location to the guidance of the Association.

The issue around valid street trading identity cards, however, is also a factor which should be further discussed. The first part of the discussion focused on the application and provision of identity cards which not all informal traders may adhere to. This means not all informal traders operating in the Bloemfontein CBD may have official identity cards to operate their businesses. This may cause conflict as informal traders who do have identity cards have to negotiate the space they are provided with by the municipality, with those that are not registered and subsequently do not have the identity cards.

Another issue of concern is that of payment for identity cards on a monthly basis. According to one of the female informal traders who also happens to be a committee

member of the Mangaung Hawkers Association, this is a significant concern. The female trader who is operating her business near Fairways/Bastion Street next to a taxi rank expressed a concern that she has to share her profit with the municipality while other informal traders operate their businesses successfully without sharing their monthly profit with the municipality.

The discussion around the identity cards highlights two aspects; the first being informal traders operating businesses without any form of registration which implies they are not in possession of an identity card. The second issue to consider is those who do have identity cards but fail to pay their monthly permit or identity card fee. This may create conflict particularly if all informal traders use the same space to make an income but not all share the same responsibilities (like ensuring timely payment of identity cards).

Another important factor to consider when discussing by-laws are some of the measures used to ensure that the by-laws are implemented. According to the LED official who was interviewed, all applicable by-laws as stipulated in the booklet require support from traffic and law enforcement officers who make sure that the by-laws are being implemented. According to an official, law enforcement officers are “the *custodians of our by-laws to make sure that those by-laws are implemented*” (June, 2015). This is under the guidance of the Social Development Directorate which expects law enforcement officers to manage and monitor informal trading. Furthermore the LED official explains that the law enforcement officers are “*like your metro police in the municipality so they are mandated to deal with issues of informal trading*” (June, 2015).

Even though these by-laws are implemented, there is no clear agreement over the effectiveness of these by-laws. This issue according to the official is “*quite a contested issue in the municipality*” (June, 2015). The question or issue put forward again is whether the by-laws which are in place and the implementation thereof are restricting people from operating their businesses or enabling the growth of businesses in the informal sector. The LED official from the municipality explains that part of the planning should ensure that measures put in place do not restrict informal traders in operating their businesses but rather that the measures ensure that there is order.

The issue around the implementation of by-laws as a contested one is not only viewed in this nature by the municipality but by some of the female informal traders who were interviewed. The female informal traders perceived this monitoring and management of informal trading by the law enforcement officers as harassment. One of the female informal traders who operates her business near the African National Congress (ANC) office in the CBD explained that she is satisfied with her current location and the only issue which she would highlight as negative is the harassment from the municipality. Using her pseudonym, Mme Mmadijo explained that *“It is the municipality who are irritating”*. Another female informal trader who is operating her business near the new vacant taxi rank used a different angle or perspective to explain this issue of monitoring from the municipality. According to her, *“The municipality is trying but challenged by the growing numbers of traders in the CBD”* (July, 2015). For the municipality some of the measures used to ensure people comply, include arresting informal traders or impounding the goods of those informal traders who do not comply with the by-laws. According to the female informal trader, this seems to be a shorted sighted plan and is not effective because even after the arrests or impounding of goods by the law enforcement officers who are responsible in ensuring that the by-laws are implemented, the informal traders go back to the locations they were using and sell again. In the case of another female informal trader who is located near near the new vacant taxi rank *“they come and take her things, the same day she will come and set up shop again”* (July, 2015).

Another significant issue when discussing by-laws is how the by-laws are used as regulation tools for registration and space allocation. This plays a crucial role in creating spatial patterns in the Bloemfontein CBD by ensuring that those who are registered utilise spaces or locations the municipality provides. A Street Trading Site is explained as *“a site in a public place, determined and approved by the council from where street trading may be conducted”* (Street Trading By-Laws, 2006, pg. 4). Also referred to as Demarcated Trading Sites, these are sites where informal trading is permitted and in some cases infrastructure in the form of a shelter provided to those allocated sites. Sites that would have such infrastructures in place for informal trading can be referred to as Market Sites in Demarcated Trading Sites.

Data from the transect walks and structured observations suggests that the majority of the informal traders operate outside of Market Sites even though they may be

operating their businesses in Demarcated Trading Sites. Those operating outside of Market Sites may need to collect and use their own equipment to erect informal stalls or structures at their locations.

From the twenty female informal traders who participated in the research only two of the traders were allocated space in Market Sites. The remaining eighteen were operating from locations which were not considered Market Sites although they were Demarcated Trading Sites. Even though the informal traders are afforded the opportunity to trade using these sites, they need to negotiate with the space provided specifically if the trading site allocated is not a Market Site. Traders may need to improvise and gather infrastructure such as material for shelters, on their own (see Figure 4.8).

According to the Street Trading Booklet, however, as part of the control measures, one would need to apply for permission at the municipality to erect such a structure at a location. There are control measures put in place regarding the erection of structures as outlined in the booklet as follows *“the erection of any structure at his place of selling except a device or structure for which written approval has been obtained from the council on the prescribed form”* (Street Trading By-Laws, 2006, pg. 22). Figure 4.8 is an illustration of such a structure that would require that the informal trader obtain permission from the municipality to erect.



Figure 4.8: Informal Trading Structure of Female Informal Trader in the Bloemfontein CBD (Author, 2015)

This, however, does not imply that those female informal traders who use market sites do not face challenges. For one female informal trader operating her business at a market site at the Majakathata long distance taxi rank, the infrastructure provided at her location is satisfactory although safety and litter is a significant concern for her. The location she has been provided with is also satisfactory because she is able to make money especially at the end of the month. But this time of the month has other unintended consequences like violence erupting in close proximity to her location. According to the female informal trader, "*They are stabbing each other with knives, sometimes it's not nice*" (July, 2015). The issue of safety, however, will be discussed in greater detail under the challenges the female informal traders face at their current locations.

These trading sites do not operate in isolation as one needs to consider the relationship (and implications thereof) with the formal businesses operating in close proximity as well as the relationship with other informal traders and how the types of products or services provided may cause conflict or competition with other informal traders. One also needs to consider developments or redevelopments that occur in the CBD which may result in the relocation of informal traders.

For Mme Ntswaki, who is operating her business at a market site between Bloem Plaza and Middestad Centre, having a positive relationship with the formal businesses has been a challenge. She explained that the formal businesses are a threat to the smaller businesses because they are able to sell their goods at a lower price but small businesses are not able to do this because their businesses will run at a loss. The different dynamics of the relationship between the informal traders and the formal businesses will be discussed under implications of the current locations of female informal traders.

Another factor which plays a significant role in the spatial patterning of female informal traders' location is the role of the Mangaung Hawkers Association. The role of the Association is important particularly because the Association may play a role in negotiating spaces in the Bloemfontein CBD for informal traders. The association is

quite important because according to the chairperson Mr Rammile, there was no consultation with informal traders prior to the formation of the Association.

Mr. Mpho, who is the spokesperson of the Mangaung Hawkers Association, explains that the Association *“is the voice of the hawkers”* (June, 2015). This Association is a unit which represents informal traders in Mangaung. The roles of the Association as outlined by the spokesperson, chairperson and the treasurer can be understood as follows:

- The Association represents hawkers in Mangaung and this includes Bloemfontein, Botshabelo and Thaba Nchu
- The Association’s role includes negotiating with the municipality on behalf of the informal traders. This negotiation includes a consultative process with the Mangaung Municipality on suitable locations for informal traders to use for their businesses
- Another crucial role is ensuring that the informal traders are not harassed (particularly by the municipality)
- The Association needs to ensure that there is engagement or communication with all stakeholders involved.

The establishment of the Association eight years ago, has seen consultation of locations selected for the informal traders taking place. According to Mr. Mpho, a male informal trader, who is also the spokesperson of the Mangaung Hawkers Association, the Association is not only consulted but to some extent the Association advises the Mangaung Metropolitan Municipality on which locations should be allocated to the informal traders.

Mentioned as an example, is the separation of informal traders who plait hair and those that prepare food. The Association therefore had to negotiate a location for the female informal traders who plait hair. Such a location is at the back of Jetmart, a retail store. The number of informal traders plaiting hair at this particular location has increased which the researcher observed during one of the transect walks. Crucial is separating areas of trading according to types of products sold and types of services provided and in this case preparation of food had to be separated from informal traders who plait hair. This separation may also be guided by the by-laws as stipulated in the by-

laws booklet. The conceptualization and implementation of these by-laws according to Mr. Mpho, who is the spokesperson of the Association, should be a consultative process between the Association and the municipality.

This is where the negotiation role of the Association is crucial as these by-laws may create conflict. What is clear is that the implementation rather than the conceptualization of these by-laws presents challenges. According to the official interviewed from the Local Economic Development (LED) office, law enforcement officers are used to manage and monitor informal trading. Although some perceive this monitoring and management as harassment, one of the roles of the Association is to ensure that the informal traders are not harassed.

The relationship between the Association and the municipality can be described as a strained relationship. Words used to describe this relationship by the Chairperson of the Association are that it is a *“bitter relationship”* (June, 2015). The chairperson explains that the municipality does not listen to the Association and that promises are made and not met by the municipality.

The spokesperson of the Association, however, explains that not all is lost as the formation of the Association has ensured that the Association becomes part of the decision-making process. According to the spokesperson, Mr Mpho, *“Although things right now are not a hundred percent but at least some of the things, they don’t decide for us, and our mission statement for the Mangaung Hawkers Association is “nothing for us, without us”* (June, 2015). The treasurer of the Association, Ms Tsholo, shares a similar sentiment by outlining that because the Association and the municipality have timely meetings the relationship has proven to be strong.

Furthermore, the Hawkers Association, the municipality and the South African Police Services are stakeholders who form part of the decision-making process. Quite significant to ensuring a strong relationship between the Association and the municipality is the engagement which takes place through meetings from time to time with the relevant stakeholders. According to an official from the LED office, messages communicated during such meetings or any form of communication is done with the association and the association is expected to *“cascade down”* information to the informal traders (July, 2015).

Though the Association does not highlight any challenges with regards to its relationship with the informal traders, it does acknowledge that not all informal traders form part of the association. However, those informal traders who form part of the association are able to use the communication channels as provided by the association to communicate challenges at the location provided. During an interview with one of the informal traders who is also a committee member of the association, it was brought to attention that in the Bloemfontein CBD the association representatives are allocated a section which they need to manage and monitor.

The role of developments or redevelopments on the spatial patterns of female informal traders is one factor which cannot be set aside when discussing informal trading. Such developments and redevelopments in the Bloemfontein CBD are crucial in influencing the spatial patterns of informal traders. This was the case with the redevelopment of Hoffman Square and the development of the new taxi rank in the Bloemfontein CBD. Such development projects may lead to relocation of informal traders to alternative trading sites whether it may be temporary or permanent. This leads to the next point of discussion which is the role of developments or redevelopments in influencing or leading to a change in the spatial patterning of female informal traders in the Bloemfontein CBD.

The preference of the location which informal traders' use can be linked to the number of people that use the route or area. Most informal traders attribute location preference to the amount of pedestrian traffic. From the observation notes, it can be seen that taxi ranks or areas in close proximity to taxi ranks are quite important when it comes to this pedestrian traffic. Presently the majority of informal traders have responded to the development of the taxi rank which is not yet operational since it was completed.

For the female informal traders, their location preference or where they are currently located, has more to do with the number of people the informal traders expect to pass by them or use the route which would be in close proximity to their stall or table. For most informal traders this overrides the infrastructure which they need at the location because the number of people in close proximity to their businesses might have either a negative or positive effect on the business. Mme Ntswaki emphasized this point during an interview when she acknowledged that the relocation from Hoffman Square to the market sites was better in terms of infrastructure, but one of the disadvantages

of using the market sites as compared to Hoffman Square was that there are not as many people passing by.

The informal traders in the Bloemfontein CBD have responded by being in close proximity to taxi ranks whether they are permanent or temporary. Although there is a new taxi rank, it is not operational and this has led to temporary taxi ranks being spread out in the Bloemfontein CBD. The changes in taxi rank locations are important because they outline the changes in pedestrian traffic for those that rely on this form of public transport. The majority of the informal traders have responded to these changing spatial patterns to ensure that their businesses are visible to those who use this form of public transport.

This is the case in the study as twelve of the twenty interviewed female informal traders were located in close proximity to a taxi rank; whether regarded as permanent or just a temporary one. These spatial patterns face an inevitable dynamic which is that the reopening of the new taxi rank may lead to the disintegration of all these temporary taxi ranks which are currently spread out in the Bloemfontein CBD. According to the official from the LED office, informal traders will be accommodated in the new taxi rank which would also have trading facilities however those facilities would not be able to accommodate all informal traders operating their businesses in the Bloemfontein CBD.

One of the female informal traders expressed great dissatisfaction with her location not only because of the lack of infrastructure to help her run her business, but also because of the low numbers of people that use the route her business is located on. According to Matshidiso, a female informal trader, a better location would be the Majakathata long distance taxi rank particularly because the informal trader perceives that there are more people using that route. This would imply that more people would see her business and ultimately buy from her. Even though the informal trader is located in close proximity to another taxi rank, perceptions are that there are not enough people using that route for her to be able to make an income.

The irony with this is that another female informal trader, Thandiwe, who is located at the Majakathata long distance taxi rank, expressed great dissatisfaction with using this location. The trader highlighted that not only is there a lack of infrastructure but that her business would be likely to grow if she could be located at Central Park because according to her, a lot more people use that route and a trader is allowed to sell in bulk

unlike her current location where she can only sell smaller amounts. She did indicate, however, that this was because people buying from her at the current location preferred to buy in smaller amounts unlike those who would buy at Central Park.

Therefore the reopening of the new taxi rank may actually lead to a change in the spatial patterns of the informal traders operating in the Bloemfontein CBD and the municipality must be equipped to deal with the changes the informal traders will be responding to. For one female informal trader operating near the new taxi rank, the new taxi rank has brought more negative consequences than positive. According to the female informal trader, operating outside the new vacant taxi rank the development of the new taxi rank, which is still not working, has affected businesses in a big way because now temporary taxi ranks are dispersed everywhere in the CBD.

A development, or rather a redevelopment, project which became important in the spatial patterning of female informal traders in the Bloemfontein CBD was the redevelopment or greening project of Hoffman Square. The greening development led to informal traders being removed from Hoffman Square and no longer being permitted to trade in that proximity. According to a female informal trader operating outside Central Park, Hoffman Square would have been the location she preferred to trade but this is no longer allowed. When asked she explained that no informal traders are allowed to sell at Hoffman Square. According to her, "*There is no one there*" and "*We can no longer sell there*" (July, 2015).

One of the crucial points in the research was the question around the idea of relocation according to own preference. Though some of the female informal traders did highlight that they would prefer relocating and even mentioned which locations they preferred, other informal traders were not able to answer this question with just the idea of relocation. The researcher had to adjust the question from the idea of relocation to the idea of relocation or satisfaction with the location the informal trader currently has. By changing the main idea, the responses indicated that more female informal traders were satisfied with the current locations they were using. Some attributed this to the shop owners who support them, others to the customers and other reasons which will still be unpacked as the discussion progresses

The Association, according to the spokesperson Ntate Mpho, played a critical role in negotiating for alternative informal trading sites when Mangaung Municipality

embarked on the renewal project at Hoffman Square. The implementation of this project resulted in the relocation of informal traders to alternative demarcated trading sites. He further explained that *“just as those who were removed from Hoffman Square, those ones that would sell food and braai meat, we eventually made the municipality aware that the place they had demarcated for them was not viable for business”* (June, 2015). These provided alternative trading sites by the Mangaung Municipality were not viable for business according to one of the Association representatives and therefore with the intervention of the Association those relocated informal traders were allocated trading sites near the Floreat Mall.

This highlights an important role the Association has when there are developments taking place in the Bloemfontein CBD affecting informal traders. According to the treasurer of the Association, Mme Tsholo, no informal trader should be moved or relocated without the knowledge or consent of the Association. Mme Tsholo explains that although the Association is consulted on locations selected in the Bloemfontein CBD where informal traders can operate, her concern is movement or relocation of informal traders without the knowledge of the Association. Hence the Association has been mandated with solving this problem by having meetings with the LED office at the municipality.

This highlights a significant concern with regards to the challenges female informal traders may be faced with when one has to be relocated from one location to another because of a development project which is taking place in the Bloemfontein CBD. This was exactly the case with one of the female informal traders who participated in the research, as the informal trader mentioned that she would prefer to go back to Hoffman Square instead of using the alternative location provided by the municipality. When asked about location preference Mme Ntswaki, who is a female informal trader at a market site between Bloem Plaza and Middestad Centre, explained in her own words that *“I want to go back to Hoffman Square”* (July, 2015). This is attributed to the lack of pedestrian traffic where she is currently located and the lack of familiarity when compared to her previous location at Hoffman Square.

4.5 Implications of the Female Informal Trader Spatial Patterns in the Bloemfontein Central Business District

Important to consider as one of the implications of where the female informal traders are placed, is the type of relationship the informal traders have with the owners of the formal businesses. One of the dynamics in this relationship is the negotiation of space between the female informal traders who operate in market sites or informal structures and the shop owners who operate using office spaces.

Though the informal traders require support from the municipality through the conceptualization and implementation of by-laws that would help informal businesses to grow, another stakeholder which is often overlooked is the relationship between informal traders and the formal businesses in the Bloemfontein CBD. The relationship between the formal businesses and the informal traders is faced with a number of dynamics. One of those dynamics being the negotiation of space between the two and if an agreement is reached and relationship is formed, the informal trader is likely to prefer the current location she is using.

This relationship is also reinforced positively from the informal traders because of the assistance the informal traders receive from the formal businesses. For one trader the positive relationship is reinforced by the assistance in the form of a storeroom. According to Mme Mmathabiso, *"I get along with the shop owner. The owner also keeps my stock like a storeroom"* (July, 2015). The shop owner is therefore contributing to the satisfaction the informal trader may have with the location she is working from. This shop owner is not the only one providing assistance. One of the shop owners interviewed, Mr Khan, who operates a cellular and furniture shop, acknowledged that the shop assists informal traders by storing stock in his shop.

One of the informal traders explained that the good working relationship with the owner of the shop she is working in front of makes her location a good one because she is also able to store her stock in the owner's shop. The role of the formal businesses in the CBD when it comes to the operation of the informal traders businesses is a crucial one. One of the ways in which formal businesses assist informal traders is through access to infrastructure or facilities which otherwise the informal traders would not have access to. Some of the female informal traders interviewed rely on formal businesses to provide restrooms. As one of the female informal traders who operating

near Bastion/ Fairways street taxi rank explains, her location is unsatisfactory because “*I have to ask shop owners to use their toilets*” (July, 2015). Her concern is that as an informal trader she should have access to such facilities and not have to ask from shop owners.

The informal traders may need to reciprocate for this by ensuring that the location they use is clean and that the informal traders are not in the way of clients or customers who may need to use the main entrance of the retail stores. According to one of the representatives from the Bradlows store in the CBD, “*Our relationship is good....it is not like we hate them or they make the sidewalk dirty or something because they clean it every day they are there*” (June, 2015). Another representative from Price n Pride reiterated the importance of ensuring that the informal traders keep their location clean by explaining that “*I have asked them just if they can keep it clean like they must not throw boxes*” (July, 2015).

Not only do the informal traders comply with the regulations as stipulated by the by-laws but also at times the informal traders may need to comply with what the shop owners request them to do. For one of the female informal traders interviewed, the issue is around putting up a cover to protect the clothes and other products which could be damaged by the weather conditions. The female informal trader, Mme Doris, who is operating her business outside a retail store named A&B Trading Shop explains that although she pays her identity card on a monthly basis, she is not allowed by the shop owner to put a tent to protect the products she is selling.

Because the shop owner does not allow the female informal trader to put up a temporary structure, the trader minimizes the number of hours she can work because if it rains the clothes will get wet and if the sun gets too hot it also damages the material of the clothes. The concern Mme Doris has is why she is required to pay her identity card, which she also refers to as a permit, if she is not allowed to put up a temporary structure at the location she has been provided with. Mme Doris further explained that the shop owners do allow umbrellas to be used but not gazebos as this would aesthetically affect the main entrance of the shop. This dynamic in the relationship outlines one of the implications locations of female informal traders may have on formal businesses and vice versa.

This sentiment is strongly shared by Mr. Thabo who is an employee at the Pep Store which is located in St. Andrews Street. Mr. Thabo believes that the location of the female informal traders impacts on the Pep Store negatively, particularly during a period where there is frequent load-shedding which requires them to close business while the informal traders outside are still able to provide a service. Another issue that was raised was that some of the products Pep Stores sells and those of the female traders, are similar in nature but the difference is that the informal traders sell those products at a lower price.

Areas of conflict may arise if perhaps the products and services sold are similar in nature and in close proximity to each other. Mr. Charles, however, does not believe that the operations of the female informal traders impact the business he works for in any way. The basis of the argument is that the store he is managing specialises in the furniture trade, and the female informal traders operating near the store specialise in something different. Mr. Khan also does not believe that the female informal traders impact the store in any way because he believes that they are doing business at a smaller scale "*they are doing light business*" (June, 2015). This may imply that the business operations of female informal traders may be small in scale and thus not big enough to compete with the store.

Despite the different dynamics female informal traders are faced with in negotiating space in the Bloemfontein CBD with formal businesses, one thing that is evident is that there is a relationship between the two parties. To some extent this relationship may be more significant, particularly when the female informal traders perceive it to be a positive one with the formal businesses.

The representatives from formal businesses interviewed including Mr. Khan, Mr. Thabo, and Mr. Charles, acknowledged that there is a relationship with the female informal traders. One of the manners in which this relationship is reinforced is through the purchasing of goods from the female informal traders with Mr. Thabo and Mr. Charles explaining that they buy loose cigarettes from the traders outside their stores.

Mr. Charles explained that the relationship the store has with the female informal traders is good particularly because the traders make sure the sidewalks are clean and do not interfere with the business operations of the store in any way. Mr. Thabo explains that Pep Stores has a relationship with the informal traders because the

traders have got permits which also implies that they have support from the municipality. According to Mr. Thabo, *“They have permits, they have everything, so we just have to go with the good relationship between us”* (June, 2015).

Although the study focus was not on the perceptions of formal businesses about female informal traders, the data from the four semi-structured interviews with the representatives of the formal businesses indicate that there is a more positive response from the formal sector about the female informal traders. Though the sample size does not allow the study to generalize the data received from the interviews, what is quite clear from the data collected is that the formal businesses included in the study did not have a problem with the informal traders occupying space in close proximity to the shops they are operating. There are, however, conditions to ensuring a good relationship with the traders. For one, the traders must not operate their business right in front of the store entrance and the traders must also ensure that their space is consistently clean.

Also quite important to consider as implications of using locations in the Bloemfontein CBD, are the challenges female informal traders face at the current locations. Some of the challenges highlighted by the female informal traders are outlined and discussed below:

- Safety Concerns at the Location
- Lack of Shelter
- Litter

One of the challenges the female informal traders have to face at their current location is issues of safety or perceptions that the locations the female informal traders are using are not safe. To highlight how important this issue is, one of the female informal traders, Mme Julia, who is operating her business in close proximity to the Central Park Police Station explained that she is satisfied with her location because she is in close proximity to a police station. For Mme Julia the perception is that because she is closer to the police station, she is safer than most. This is quite important because from the twenty female informal traders who participated in the research, six of them highlighted safety as one of the key concerns at the current locations they are using.

For one of the traders who is operating her business in close proximity to Cash and Carry, she is satisfied because at the current location she is supported by the shop owner who is in close proximity, but her concern is the pub which is also in close proximity because that raises safety concerns. This is also the case for one female informal trader interviewed who explained that although she does not have a problem with her current location, her concern is safety, particularly during a certain period of the month. The location at the Majakathata long distance taxi rank is noticeably busier at the end of the month, and although the informal trader can make money from this pedestrian traffic, there is also a heightened fear because violence can erupt.

For another female informal trader who is operating her business at a market site between Bloem Plaza and Middestad Centre, heightened fear at her current location is attributed to cash - in - transit companies that deliver money to the shopping complexes. The female informal traders' fears are that because these companies have a higher security risk, she may be caught in the crossfire if something were to happen near the location. Her concern is also that the current infrastructure provided at the market site may not be enough to protect her if something were to happen.

Weather conditions also play an important role in the business operations of informal traders. Most informal traders who do not use market sites but are still using demarcated trading sites have to improvise when it comes to shelter. Most of the informal traders allude to challenges of rain which, without appropriate shelter, affects business operations. During fieldwork, the researcher experienced the plight of the winter season where one of the traders had to use a makeshift shelter to ensure that the pots and food prepared for the customers did not get spoiled. On another visit with a female informal trader, who does not have any form of shelter, the windy conditions made it difficult for her to prepare fat cakes because the wind was constantly blowing off the newspaper she was using to cover her pots.

Shelter is important particularly for the informal traders who prepare food at their locations. One of the female informal traders interviewed explained that once food is prepared, it becomes quite a challenge to ensure that the food does not get spoiled if there are a lot of dusty, strong winds. These challenges are not only faced by female traders operating outside Market Sites. One of the informal traders interviewed, who is located at the market sites between Bloem Plaza and Middestad Centre, outlined

some of the challenges faced at her location. Mme Ntswaki outlined that her location, though at a Market Site, does not have the infrastructure in place to withstand some of the weather conditions (one being the rain) as the shelter does not protect her products from rainfall. Even on the floor the water from the rainfall is able to infiltrate which means the informal trader still gets affected by the rain.

Though the informal traders acknowledge that they use their locations to run their businesses, they do outline some of the challenges they are faced with, in terms of location. It was also noted that those informal traders who operate outside of Market Sites have to use their own material to make a stall or structure where they place their products. Examples of such structures include tables or beverage crates as illustrated in Figure 4.9.



Figure 4.9 Informal Trading Stall of Female Informal Trader in the Bloemfontein CBD (Author, 2015)

The impact of using various locations in the Bloemfontein CBD must also be taken into consideration (such as the litter created by the different forms of trades). According to the by-laws booklet, *“litter, scrap material or waste material must be placed in a refuse receptacle which should be approved by the council”* (Street Trading By-Laws, 2006,

pg. 22). It should also be acknowledged that, according to the treasurer of the Mangaung Hawkers Association, littering may be working against one of the roles the Association has with the other stakeholders. According to Mme Mpho, who is a treasurer at the Association, besides engaging the South African Police Services and the Mangaung municipality, another significant role the Association has is ensuring that the town is clean.

Littering is not only perceived as a problem by the association and municipality. Some of the female informal traders who participated in the research highlighted littering as one of the biggest problems at their locations. From the twenty female informal traders who participated in the research, six of the female informal traders highlighted littering and uncleanliness of the location as one of the challenges they face at their current locations. The littering may come in different forms, including waste material and used packaging from products traders buy (see Figure 4.10 and 4.11). What is quite significant is that the female informal traders who highlighted this problem, attributed it to other traders who use the same space.



Figure 4.10: Litter near one of the Female Informal Traders location in the Bloemfontein CBD (Author, 2015)

A female informal trader operating her business outside Central Park pointed out that before she could even begin preparing food to sell, she has to ensure that she cleans her location because of the dirt created by traders who work with hair and other traders who sell fruits and vegetables. According to the employee of the female trader

operating outside Central Park, “*We always have to deal with their rubbish*” which leads to the female informal trader and her employee having to clean up after the other traders. Cleaning their location is quite important because they prepare food and therefore, according to the employee, “*We have to clean that up before we can start*” (July, 2015).

Another female informal trader who shares the same sentiments is located at a Market Site at the Majakathata long distance taxi rank. According to this female informal trader, one of the challenges to using her current location is the dirt. In her own words she explains that, “*What annoys me is that it is dirty, you see at the back there?*” (July, 2015).



Figure 4.11: Litter near one of the Female Informal Traders location in the Bloemfontein CBD (Author, 2015)

One of the informal traders operating near the railway line at the long distance taxi rank is uncomfortable with the smell and sight of people urinating in close proximity to her location. She also complained about the litter which results when people operating the formal businesses throw away waste. This makes her location a rather unpleasant sight to her and her customers.

4.6 Summary

The data results chapter presented the data which was collected during the fieldwork process. The chapter outlined, demographically, the female informal traders who were interviewed during fieldwork. The locations of the female informal traders were

mapped to illustrate the spatial patterns of female informal traders in the Bloemfontein CBD. Using the data collected from the interviews a coding process was used to outline the preliminary themes which were identified including; the spatial patterns of female informal traders in the Bloemfontein CBD, factors influencing the spatial patterns of female informal traders in the Bloemfontein CBD, and the implications of the female informal trader spatial patterns in the Bloemfontein CBD. The chapter is concluded with a summary of the main points.

CHAPTER FIVE: DATA ANALYSIS

5.1 Introduction

This data analysis chapter is focused on data interpretation which is informed by the literature reviewed and Cluster Theory. This chapter outlines a thematic analysis based on the chosen research objectives and the empirical evidence collected to achieve the objectives set for this research study. This chapter will include; a thematic analysis of the data, an outline of the main findings and a summary of the chapter.

5.2 Spatial Patterns of Female Informal Traders in the Bloemfontein Central Business District

Scholars and researchers are faced with the challenge of closing the research gap on the production of space in African cities (Rogerson and Rogerson, 1999). This gap is created by the dichotomy between extensive research on industrial change in cities in developed countries and the little empirical evidence that exists on cities in developing countries. Particularly crucial in closing this gap is a focus on the reproduction of spaces in African cities through the inclusion of the informal sector.

Though there has been extensive research on the spatial transformations of South African cities, particularly the inner city or Central Business Districts (CBDs) (Visser and Kotze, 2008; Christopher, 2001; Donaldson, 2001 and Rogerson and Rogerson, 1999), there is still a research gap to be filled on the informal sector and how this sector of the economy is accommodated in urban spaces.

One of the ways in which this research gap can be closed, is by investigating and understanding the geography of informal trading in South African cities (Van Eeden, 2011). The research study at hand focused on identifying the spatial patterns of female informal traders in the Bloemfontein CBD. The data collected suggests or points to a form of clustering with regards to the spatial distribution of female informal traders in the Bloemfontein Central Business District (CBD). Cluster theory is therefore used in the analysis of the data collected.

5.3 Clustered Spatial Patterns of Female Informal Traders in the Bloemfontein Central Business District

Cluster Theory informs the current research analysis because it provides an opportunity to unpack the importance of location when it comes to economic activities. Particularly important is the unexplored phenomenon of the importance of location for a business that finds itself part of the informal sector. Such a business, according to the cluster theory, is more likely to benefit from being located in a cluster i.e. the small businesses located in close proximity.

As mentioned previously, Cortright (2006) explains that a cluster is “a group of firms, and related economic actors and institutions that are located near one another and that draw productive advantage from their mutual proximity and connections” (Cortright, 2006, p.1). Another definition provided by Michael Porter explains that a cluster is a “geographically proximate group of interconnected companies, suppliers, services providers and associated institutions in a particular field, linked by externalities of various types” (Porter, 2003, p. 562).

Cortright (2006, p.4) and Malmberg and Maskell (2001, p. 11-12) explain that from the broad range of definitions, there are three main elements which should be taken into consideration (and that speaks to the data gathered in this research study). Firstly, a cluster must consist of groups which are associated and complement each other. The cluster, in terms of the current research, identified the following groups which complement each other in the cluster. The different groups include; the female informal traders, public transport facilities, pedestrian traffic which uses public transport, potential customers that use taxis and buses and the formal businesses that are in close proximity to informal trading activities in the Bloemfontein CBD.

Secondly the groups within the clusters must be physically in proximity to each other. The mapped locations of the female informal traders as illustrated in Figure 4.5 indicate a physical proximity in terms of the geography of female informal trading in the Bloemfontein CBD. This physical proximity is to the South-East of the Bloemfontein CBD, where most public transport facilities are located, which gives an indication of the pedestrian and vehicular traffic in this part of the Bloemfontein CBD.

Thirdly this co-location must also translate into benefits which include; innovation, productivity and growth, or some form of competitiveness. The data suggests that the benefits of the proximity in a cluster may be an indication of access to customers and that such a location is beneficial because the female informal trader is likely to gain access to customers.

Also important to note are the four elements in the cluster theory as put forward by Porter (Cortright, 2006, pg. 14 -15):

- The first element is 'factor conditions' which includes the production process which is made easier because what a business needs can be accessed in the same location.
- The second is 'demand conditions'. This involves the power of the customers who have the potential to grow the cluster. The customers, or access to potential customers, depends on how public transport is planned in the Bloemfontein CBD.
- The third element is 'related and supporting industries' which focus on positive relationships between the firms and suppliers which can encourage innovation. An unexplored or underestimated industry in this regard is the taxi industry and formal industries located close to the traders, and how planning in this industry may directly or indirectly affect informal trading activities in the Bloemfontein CBD.
- The last element is the firms' 'strategy, structure and rivalry', where competition within the same industry will encourage firms to innovate in order to differentiate themselves from other firms.

What is crucial to take from Cluster Theory is the importance of location in making sure that an organisation has a competitive advantage over other organisations (Porter, 2000). The implication that can be insinuated is that proximity may actually be more significant than globality (Kuah, 2002, cited in Garelli, 1997). This means that factors at a local level play a more critical role when it comes to the competitive environment than would be on a global scale.

Even though, on a national level in post-apartheid South Africa, the informal sector is recognised as an entity that contributes to the South African economy under the

Business Act 71 of 1991 and the White Paper on the National Strategy for the Development and Promotion of Small Businesses in South Africa of 1995, other spheres of government are equally as important. This means that at a provincial level and at a local sphere of government, how the informal sector is regulated may differ from one South African city to the next. Examples of such differences can be identified through the different approaches local authorities in different South African cities choose to use i.e. Durban versus Johannesburg.

The Mangaung Metropolitan Municipality's approach with regards to informal trading seems to be more on regulating this form of trade than supporting it. Even though an official from the Local Economic Development (LED) explained that workshops are presented for the informal traders on how they can sustain and grow their businesses, what is more important is ensuring that the number of people engaging in this form of trade actually adhere to the regulations as indicated by the Street Trading by-laws.

Such regulations play a crucial role in how informal traders are distributed in the Bloemfontein CBD because, through by-laws, locations are either classified as demarcated trading sites or not. Where a location is not classified under a demarcated trading site, an informal trader is not permitted to use that for selling goods or providing a service. This means that such classifications impact on the development or growth of a cluster because through the by-laws the informal traders are provided with specific locations to sell their goods or services. This can either feed into the development and growth of the cluster or work against it.

Important to also take into consideration is how the different demarcated trading sites are organized to ensure informal trading activities form part of the urban spaces. This discussion is underpinned by the guidance of classifications provided by Van Dijk and Sverisson (2003) and Mans (2015) who explain that Cluster Theory in developing countries may have to be investigated in a different context. This difference being that clustering in the 'South', may have to include the informal sector as such a sector has not been extensively studied as a phenomenon of clustering.

5.4 Location Cluster and Local Market Cluster in the Bloemfontein CBD

According to Van Dijk and Sverisson (2003) and Mans (2015), there are different types of clusters which can be identified under the informal sector. Even though there are four types, the discussion is only going to focus on the two types which have been

identified from the empirical evidence collected. The two types of clusters identified from the research include the Location Cluster and the Local Market Cluster. These two types of clusters illustrate how demarcated trading sites may be organized differently to take into account different forms of informal trading activities.

The empirical evidence collected through a Global Positioning System (GPS) and the plotting of the different locations female informal traders use in the Bloemfontein CBD on a map, indicated that a cluster does exist. Based on this evidence, the researcher was also able to identify the different types of clusters which can be identified in the Bloemfontein CBD. From the twenty female informal traders who were interviewed, eighteen of the female traders form part of the location cluster while only two of the female traders form part of the local market clusters. Each type of cluster will be discussed including the empirical evidence supporting why the female informal traders are categorised as part of these types of clusters.

5.4.1 Location Cluster

Conditions which characterize the first type of cluster (which is the Location Cluster) (Van Dijk and Sverisson, 2003; Mans, 2015) include; the type of cluster is part of the informal sector, businesses are located in close proximity to each other, this proximity leads not only to access to information but also implies cramped conditions (which may likely lead to product imitation), and businesses in such a cluster are located along major routes. Also quite significant is the crucial role local authorities play in ensuring that a clustering process is initiated through the zoning regulations (Van Dijk and Sverisson, 2003). Through such regulations, local authorities would have the ability to move businesses in close proximity to each other.

The Location Cluster is identified as one of the types of clusters which are evident in this research (from the data collected on the spatial patterns of female informal traders in the Bloemfontein CBD). This is firstly supported by the map in Figure 4.5 which illustrates the spatial distribution of female informal traders in the Bloemfontein CBD. This spatial distribution of female informal traders points to a clustered spatial distribution of the traders in the Bloemfontein CBD. This map not only illustrates the clustered spatial distribution but also the level of the proximity of the locations of the female informal traders.

A discussion on a Location Cluster cannot omit how conditions which lead to the development of this form of cluster may also lead to product imitation. This means it is highly likely that in such a cluster goods and services provided may be exactly the same. This may be as a result of proximity and level of access to information. Evidence from eighteen female informal traders who were identified as part of this form of cluster seems to support that there is product imitation.

Eleven of the female informal traders classified under the location cluster prepared food at the locations which they used to operate their businesses. Evidence of product imitation is the type of food which is prepared by the eleven female informal traders. This preparation and presentation includes soft porridge which is served with different types of meat. Depending on how much space the female informal trader has at the operating location, the female trader offers the customers meals at the location or may have to package the food for takeaway.

Not all female informal traders in this form of cluster, however, choose to prepare food at their locations. Five of the female informal traders in this cluster used their location to sell non-edible products including; household goods, clothes and accessories. For one female informal trader being a tailor in a cluster where all the other female informal traders prepare food, gives her business less competition. This means that even if it would be relatively easy for products to be imitated in this form of cluster, the female informal trader would have to think of creative ways to ensure she provides goods and services that other female informal traders would not be able to provide.

Evidence of product imitation in this cluster should not only focus on how this is possible through access to information, but also how customers may play a role in determining which products should be sold and services provided depending on the demand. Therefore the power customers have should not be underplayed when it comes to products which are sold and services provided.

The role local authorities play in developing or growing such a cluster is also important. Through policies and/or regulations in place, local authorities have the ability to grow this type of a cluster or stunt it. In the Bloemfontein CBD context such regulations would have to include the Street Trading by-laws as promulgated in 2006. Important in this regard would be how the by-laws facilitate the planning of demarcated trading

sites in the Bloemfontein CBD. Local authorities would, however, need to be knowledgeable about the development of the cluster in the Bloemfontein CBD.

This means that the Mangaung Metropolitan Municipality would have to identify what some of the factors are which lead to the development of this form of a cluster in the Bloemfontein CBD. Identification of those factors would mean that the by-laws would have to be conceptualized taking into account what is likely to help the cluster grow and develop. One factor which can be used is the identification of public transport facilities in the Bloemfontein CBD and these may give an indication of the spatial patterns of not only the female informal traders but also the spatial patterns of those using public facilities. Conceptualization of by-laws and the identification of Demarcated Trading Sites would have to take into account the before mentioned factors before implementation.

5.4.2 Local Market Cluster

The second type of cluster identified from the spatial patterns of female informal traders in the Bloemfontein CBD is the Local Market Cluster. This form of cluster which can also be found under the informal sector, is characterized by the proximity of activities which are similar in nature but also cater for a customer base with similar needs (Van Dijk and Sverisson, 2003; Mans, 2015). This form of cluster has characteristics similar to the Location Cluster because this proximity allows for access to customers and information (Van Dijk and Sverisson, 2003; Mans, 2015). This form of cluster allows for a concentration of local markets where customers are able to make comparisons of goods and services (Van Dijk and Sverisson, 2003).

Although female informal traders operating in location clusters and those operating in local market clusters may be in demarcated trading sites, there are infrastructural differences. For a female informal trader operating in a Location Cluster, the trader would have use of the demarcated trading site without the necessary infrastructure included at the location. For a female informal trader operating in a Local Market Cluster, the location provided would have the necessary infrastructure in place, such as a shelter. In the Bloemfontein CBD the development of market sites within a demarcated trading site are fewer in number when compared to demarcated trading sites that would operate outside of the market sites.

In terms of proximity, the market sites in the Bloemfontein CBD are not clustered in the same manner as the spatial distribution of the female informal traders. The locations of the different market sites are distributed more evenly in the Bloemfontein CBD. What is interesting about the different market sites in the Bloemfontein CBD, is that the traders in a market site must sell goods and services similar in nature. For example, one of the two female informal traders under this form who was interviewed was using the market site between Bloem Plaza and Middestad Centre to operate her business and what was quite evident was that the market site was only for selling clothes.

For some market sites in the Bloemfontein CBD, there is still some diversity within the same market site. For another female informal trader at a market site at the Majakathata long distance taxi rank who was selling fruits and snacks, there was more variety although it still included selling edibles. Although their advantages and disadvantages fall under either a Location Cluster or Local Market Cluster, what is important is that any location provided should at least be part of a cluster in order for the female informal trader to gain access to customers or potential customers.

5.5 Factors Influencing the Spatial Patterns of Female Informal Traders in the Bloemfontein Central Business District

The following are identified as some of the factors that may be contributing to a clustered spatial distribution of female informal traders in the Bloemfontein CBD:

- By-Laws as Stipulated by Mangaung Metropolitan Municipality
- The Female Informal Traders themselves
- Access to Customers or Potential Customers

5.5.1 By-Laws as Stipulated by Mangaung Metropolitan Municipality

Management of urban spaces through by-laws or other regulations should not be ignored when it comes to the debate around how the informal sector is accommodated in urban spaces. These by-laws or regulations not only provide guidance, but also enforce rules as to where economic activities may take place and even stipulate the

types of economic activities to be undertaken in various areas. Brown (2006) argues that the implications of such regulations are restrictions which exclude the poor from negotiating space. Even more important for Brown (2006) is that such regulations must take into account that informal traders need to be located in areas where there is high pedestrian and vehicular traffic in order to make a success of their business.

Structures put in place for governance influence to a great extent the operations of informal traders (Browns and Lyons, 2010). In the Free State, and in particular the Motheo region, what provides guidance on the regulation of informal trading are the Street Trading by-laws promulgated in 2006. The by-laws are understood as management tools for informal trading which prescribe which locations can be used for which informal trading activities. This process is underpinned by an application process the informal traders are expected to follow and if the application is successful the informal trader is placed at the location to operate their business.

A successful applicant is provided with a permit and a location in the Bloemfontein CBD. The informal trader, however, needs to use the Street Trading by-laws booklet as a guide as to how to use the location. This booklet serves as a guide to the regulations put in place to ensure that the location provided is used appropriately. Whether all informal traders adhere to the by-laws outlined is not included in this discussion. What is rather concerning though, is how the by-laws regulate the informal trading activities, but do not regulate processes that enforce by-laws in areas where previously by-laws would not have been enforced.

An example of this process is the management and reproduction of urban spaces in the Bloemfontein CBD. This reproduction may be in the form of a development or redevelopment project which may lead to a change in the function of that particular space. Changing the function of the space may speak to a critical issue which is: does the change in function imply an enforcement of a specific by-law which may impact on the informal trading activities in that particular space?

There should, therefore, be an answer to this question before such a development or redevelopment project takes place in the Bloemfontein CBD. An answer to the above question would mean that local authorities are aware of the role played with regards to the spatial distribution of informal trading activities in the Bloemfontein CBD. Developments, which indicate that informal trading activities may not have been taken

into consideration, are the development of the new taxi rank and the redevelopment/greening project at Hoffman Square.

One of the developments which had a significant impact on the spatial planning of public transport facilities and the informal sector was the development of the taxi rank and bus terminal. After the destruction of the old taxi rank and the construction of the new taxi rank and bus terminal, the process required temporary locations for the different taxi routes. This effectively translated into different pedestrian and public transport traffic which had a direct and indirect effect on informal traders in the Bloemfontein CBD.

These changes may actually provide clues as to how the cluster may have changed over the past five years and how it may still change after the new taxi rank is opened. This leads back to Figure 4.3 which illustrated the duration the female informal traders have used the location and although this is not indicative of the number of years the female informal traders has been trading, it gives an idea of how changes in the Bloemfontein CBD may affect female informal traders' locations. It can be assumed, that the female informal traders who have used the current locations for between a year and five years may have likely been affected by the development of the new taxi rank as this development changed the spatial patterns of the customers or potential customers for the informal sector.

Another development which was significant in changing some of the spatial patterns of informal trading activities in the Bloemfontein CBD was the greening project at Hoffman Square. Prior to the redevelopment and greening project of Hoffman Square, informal traders were allowed to use it to sell their goods. After this redevelopment the local authorities decided that Hoffman Square would no longer be an informal trading space and this resulted subsequently in the removal and relocation of the informal traders to other trading locations in the Bloemfontein CBD.

This movement and relocation was experienced by one of the female informal traders interviewed who was requested to move from Hoffman Square to a market site between Bloem Plaza and Middelstad Centre. One of the representatives of the Mangaung Hawkers Association explained that the process of relocating informal traders from Hoffman Square to other locations had to take into account that the alternative locations provided must be feasible. The implication thereof was that those

responsible for the movement of the informal traders must provide alternative trading sites where the informal traders can still be able to sell their goods and services.

The representative of the association, however, explained that alternative trading sites provided by the municipality were not satisfactory, leading to the Association facilitating their relocation to other trading sites where the informal traders would be able to sell their goods and services. Even though such efforts were in place, the female informal trader who was interviewed explained that the alternative trading site provided was unsatisfactory; attributing one of her reasons to the lack of pedestrian traffic in comparison to the previous location at Hoffman Square.

As is the case in China, because the informal sector is poorly understood, local authorities are failing to understand that neoliberal policies are actually working against informal trading activities (Bell and Loukaitou-Siderts, 2014). This means that while in the process of beautifying and revitalizing the urban spaces, the process of restricting informal trading in urban spaces is also enforced.

5.5.2 The Female Informal Traders

It should be taken into account that locations chosen by street traders are likely to be those with a high concentration of people and pedestrian activities (Bell and Loukaitou-Siderts, 2014). Evidence on the choice of locations by informal traders may be just as important as regulatory policies because such evidence provides clues as to the spatial distribution of pedestrian activities as outlined by Bell and Loukaitou-Siderts (2014). As illustrated in Figure 4.7, 60% of the female informal traders chose their own locations in the Bloemfontein CBD to operate their businesses.

What can be argued, using the empirical evidence collected, is that preference of locations for informal trading activities in the Bloemfontein CBD point to a spatial distribution of female informal traders in close proximity to the public transport facilities. Furthermore, there is a strong indication that the cluster identified in the spatial distribution of the female informal traders in the Bloemfontein CBD, is connected to the taxi rank locations. This provides critical clues to the pedestrian traffic evident in the Bloemfontein CBD.

The spatial distribution of the female informal traders not only shows that access to customers or potential customers is important, but also that the female informal traders

themselves play a critical role in the development and sustainability of a cluster. This is supported by the fact that 60% of the female informal traders who were interviewed explained that they chose their own trading sites in the Bloemfontein CBD to operate their businesses. This choice was made under a number of influences; some of the female informal traders made this choice under the approval of the municipality, while some of the female informal traders made this choice without the facilitation or approval of the municipality.

According to Woolman and Hinocapie (2015), organizations that find themselves part of a cluster are likely to benefit and one of the benefits may include growth in economic output. Furthermore, it is argued that industries which are part of a strong cluster are likely to have a higher growth rate, especially smaller firms or those starting up. It must be stressed that the current research study may not provide empirical evidence supporting a connection between the locations the female informal traders use and whether by using that location the female informal traders are trading at a profit or at a loss.

What the evidence supports is that female informal traders operating businesses in the Bloemfontein CBD are likely to prefer using a location that is in close proximity to customers which in this case may be close to a public transport facility. This proximity to public transport facilities is where evidence of clustering can be identified. The development of a cluster may not only depend on the by-laws but also on the attractiveness of the location to a female informal trader in the Bloemfontein CBD.

A location close to the public transport facility may not, however, necessarily translate into higher growth rates for the female informal traders. What it may imply is that the female informal traders have better access to customers and potential customers by using locations which are closer to public transport facilities. This access may also make it easier for those starting up businesses to gain access to the customers or potential customers.

5.5.3 Access to Customers or Potential Customers

One of the characteristics of a cluster is that it has the ability to attract more customers (Kuah, 2002), but this ability to attract more customers may be underpinned by the power customers have to dictate which location could be used to operate informal trading activities in the Bloemfontein CBD. This means most of the informal traders in

the Bloemfontein CBD would keep in mind the pedestrian routes or traffic when choosing a location.

It is important to acknowledge that the locations female informal traders are provided with, or choose to use for operating their businesses, provides clues not only to level of access to public spaces but also access to people who will be using the goods and services of the female informal traders. Van Eeden (2011) explains that more important would be access to the people that use the services or goods of informal traders than access to the actual public space. This access to customers and potential customers may be more important than the infrastructural development of that particular location to a female informal trader in the Bloemfontein CBD.

Access to customers may also provide some guidance on what is sold at which locations in the Bloemfontein CBD depending on the needs of the customers. As explained under the Location Cluster, it would seem that edibles would be more prevalent than non-edibles. But under a Local Market Cluster, the products and services provided would be more structured and even though there is more structure to such a cluster, the needs of the customers would still need to be taken into consideration.

The location, in close proximity to a taxi rank, implies access to high pedestrian traffic which provides the female informal trader with a better opportunity to provide goods and services to the customers that use that route. This means customers using the goods and services of those in the Location and Local Market Cluster would not have to use a different route to find the goods and services but that the goods and services would be conveniently located on the route customers already use.

Knowledge of the cluster in the Bloemfontein CBD highlights important issues to take into consideration. For one, the importance of a location for an organization or business was only discussed in the context of medium-large sized enterprises. This can be supported by the extensive research focusing on the spatial transformations of South African inner-cities or CBDs. Research on the Bloemfontein CBD also focused on this spatial transformation which indicated that most organizations had moved to the West of the CBD (Hoogendoorn, Visser, Molefi, Marais, Van Rooyen and Venter, 2008; Marais, 2008).

Movement of organizations to other locations outside of the Bloemfontein CBD created a gap for the reproduction of space in the Bloemfontein CBD. This reproduction of space led to the inclusion of the informal sector in the Bloemfontein CBD. What was not recognized was that location for informal trading activities was just as important as it was for medium-large sized businesses. The importance of location for informal trading activities speaks to access to customers using the CBD as this point of access because of the perceived high volumes of pedestrian traffic.

5.6 Implications of a location for Female Informal Traders in the Bloemfontein Central Business District

It is important to acknowledge that the spatial patterns of the female informal traders are not isolated from other, more formal, businesses. An important factor to take into consideration is the relationship between the formal and informal sectors of the economy. Valodia and Devey (2012) explain that literature supports a connection or linkage between the formal and informal economy. In this regard the relationship between the female informal traders and businesses classified as part of the formal economy, asserts that there is a relationship between the formal and informal economy.

Understanding how the informal economy works and the functions it provides on its own may provide answers as to this form of economic contribution. Valodia and Devey (2012), assert that, even in studying the informal economy, one should realise that the formal and informal contribute to what is known as a dual economy. From understanding the complexities of the relationship or connection between the formal and informal economy, policy-makers would be better equipped in finding solutions through using what is referred to as a dual economy (Valodia and Devey, 2012).

From the twenty female informal traders who were interviewed there is a strong indication that there is a relationship with businesses which is part of the formal sector. Even though reasons are not provided on the type of relationship this is, what is evident is that there is a relationship. For four of the female informal traders interviewed, this relationship is reinforced by support in the following ways;

- Businesses in the formal sector allowing the female informal traders to use their shops overnight to store their goods or stock

- Businesses in the formal sector becoming suppliers of goods or stock the female informal traders need, rather than the female informal traders travelling to buy stock
- Businesses in the formal sector becoming mentors for the female informal traders by offering advice on how the business can be operated or expanded.

In terms of research on informal trading in South Africa one such unexplored gap is the relationship between the informal traders and their network of suppliers. The current research study only explored the relationship by looking at how the female informal traders located in close proximity to formal businesses, interacted and negotiated space. This form of relationship may not speak to how the sectors are contributing to the economy but how the sectors are interacting.

One of the dynamics of this relationship is the negotiation of space between the female informal traders and formal businesses. On the one hand the municipality is responsible for providing access to public spaces in the form of locations to the female informal traders, on the other hand the female informal traders are provided with the responsibility to form good relationships with other businesses in close proximity to them. This access to public spaces, however, may lead to competition and conflict when a female informal trader is provided or chooses a location to operate their business (Skinner, 2008).

Another side of this relationship which cannot be underplayed is business transactions between the female informal traders and the formal businesses. Evidence from current research supports this based on interviews with three representatives from the formal sector. Three representatives of the shops included in the research acknowledged that they purchased goods from the informal traders who are located outside their shops, while only one of the female informal traders admitted to purchasing stock from one of the shops located in close proximity to the location of her business.

The relationship between the formal and informal economy and the different ways in which this relationship may play itself out should also be taken into consideration. As mentioned above, one of the dynamics of such a relationship between the female informal traders and the formal businesses may be the negotiation of space. Van Eeden (2014) further argues that there is a continuous negotiation of space between

different stakeholders when it comes to public spaces and if such a negotiation does not take place, there is likely to be conflict amongst the different stakeholders.

In some cases the relationship between the formal and informal economy and the negotiation of space may lie more on the side of the shop owner or formal business. This may be the case if the shop owner provides conditions as to how the location the female informal trader is provided with should be used. One of the female informal traders was faced with this challenge as the shop owner could not allow an informal tent structure to be placed in front of the shop where the female informal trader was located. This led to a strained relationship as the female informal trader felt that the function the tent provided was crucial to the operation of her own business.

Even though, for a female informal trader, finding a location in a cluster would be beneficial, it is important to take into account how the location is affected by other businesses including businesses in the formal sector. This location and business would not operate in isolation from other businesses and therefore the female informal trader would need to negotiate how to use the space even though the goal in mind is just gaining access to customers. The formal sector, however, is also not immune to this negotiation because under Cluster Theory, it is likely that formal businesses would actually benefit from being part of the cluster even though this would be as a result of the spill-over benefits.

The debate around negotiation of spaces should also include the negotiation between the informal traders and how this may play itself out in a cluster. Finding a location in a cluster for a female informal trader is likely to include some form of competition between the female informal traders. Finding a location does not only imply gaining access to customers but also entails negotiating the space with the formal businesses and other informal traders in close proximity. So even though it would be beneficial to be part of the cluster, the female informal trader would need to take into account other dynamics influencing how the location is used.

For one of the female informal traders interviewed it was crucial that she get consent from the other informal trader to use the location to operate the business. This also entailed forming a relationship with the other informal trader so that they both successfully use the location as a place of business. For another female informal trader who was interviewed, she was faced with competition from another female

informal trader who placed herself in close proximity and also sold the same goods as she did. This was done without the new female informal trader negotiating for space or forming a relationship with the other female informal traders.

What should also be taken into account is that, even if the municipality has allocated a location to the female informal trader, the female informal trader still needs to use this location keeping in mind the other female informal traders who are in close proximity. For one of the female informal traders interviewed, there was a lot of hostility because another informal trader was removed and the informal trader interviewed was given permission by the municipality to use the vacant space even though the other female informal traders did not welcome the idea of another female informal trader in close proximity.

According to the positive feedback model on the growth of a cluster, there are implications involved (Kuah, 2002). Kuah (2002) explains that once a cluster has been saturated, some of the consequences may include congestion and unhealthy competition. According to the empirical evidence collected, there does seem to be some level of congestion and unhealthy competition even though it cannot be determined whether the cluster is saturated.

The spatial distribution of the female informal traders in the Bloemfontein CBD suggests that the cluster has resulted in certain locations in the Bloemfontein CBD being over-utilized and as a result there are high levels of congestion while other locations in the CBD are under-utilized. This may be as a result of the importance of access to public transport facilities by the female informal traders but also the role the Street Trading by-laws play in guiding which locations can be used for informal trading activities and which locations are not to be used for informal trading activities.

The female informal traders may prefer using locations in close proximity to public transport facilities, particularly taxi rank locations in an attempt to access customer or potential customers. While Street Trading by-laws restrict usage of locations by classifying locations as demarcated trading areas and where such a location is not classified as a demarcated trading area, no informal trading activities can take place. Both by-laws and preference of locations by the female informal traders result in high pedestrian traffic volumes in certain locations in the Bloemfontein CBD and other

locations left vacant. This level of congestion is so high that informal trading activities in the Bloemfontein CBD take up space on most of the side-walks.

Another key concern from the over-utilization of locations in a cluster is the level of waste generated and how this waste is managed. It can be suggested that locations in a cluster are likely to experience higher waste levels than those locations which are outside the cluster. One form of waste which the female informal traders expressed discomfort with was littering in the CBD. Litter at the locations the female informal traders used posed a challenge particularly because it is not clearly stated who is responsible for all the waste that is generated in the Bloemfontein CBD. Even more problematic is who would be responsible for managing and cleaning up the waste generated in the cluster.

5.7 Summary and Main Findings

The research study at hand focused on identifying the spatial patterns of female informal traders in the Bloemfontein CBD and looking at some of the reasons that would explain why the female informal traders are placed where they are on the landscape. The empirical evidence pointed to a cluster which could be used to explain the spatial patterns of the female informal traders in the Bloemfontein CBD. This chapter mainly focused on integrating the literature and using Cluster Theory to analyse the data that was collected in order to explain the spatial patterns of the female informal traders in the Bloemfontein CBD.

The spatial distribution of the female informal traders in the Bloemfontein CBD points to a clustered distribution. This means that most of the informal trading activities operated by females are concentrated in certain locations in the Bloemfontein CBD. This is supported by the mapped locations of the female informal traders in the Bloemfontein CBD which indicate a form of clustering. Discovery of a clustered distribution of female informal trading activities was not the only point of discussion. Also important was identifying factors which lead to the development of a cluster in the Bloemfontein CBD as well as the implications of being located in such a cluster.

One of the factors which should be taken into consideration is the conceptualization and implementation of by-laws as promulgated in 2006 by the Mangaung Metropolitan Municipality. The by-laws are management tools which provide guidance on which

locations are classified as Demarcated Trading Sites, where informal traders are permitted to sell their goods and services and which locations are not classified as demarcated trading sites and therefore not permitting informal traders to sell their goods and services. Such regulatory guidelines play a crucial role in influencing the spatial patterns of informal trading activities in the Bloemfontein CBD.

Because the by-laws play a significant role in determining spatial distributions of informal trading activities in the Bloemfontein CBD, conceptualization and implementation thereof must take into consideration factors which would make an agglomeration or concentration of informal trading activities attractive. Knowledge of the cluster and how a cluster works under the informal sector would ensure that development projects in the Bloemfontein CBD do not work against the development of the cluster but rather support it. This is why it would be important for by-laws to take into consideration the importance of clustering with regards to informal trading activities in the Bloemfontein CBD.

Part of how urban spaces are organized by local authorities is through the classification of the locations as either Demarcated Trading Sites or not Demarcated Trading Sites. From the data collected, it can be suggested that two types of clusters are identified from the Demarcated Trading Sites in the Bloemfontein CBD. The Location Cluster and the Local Market Cluster are the identified types of cluster. With the Location Cluster informal trading activities are in close proximity to each other, with a high level of congestion and an indication of product imitation.

The data collected suggests that the female informal traders who were identified as part of this form of cluster do experience a level of congestion because of the proximity of the locations to each other. Also important was evidence of product imitation where eleven of the eighteen female informal traders prepared similar products to their customers. This is attributed to access to information because of proximity in the cluster but also the power customers have in determining what can be sold.

Another type of cluster identified was the Local Market Cluster. Only two of the female informal traders in the Bloemfontein CBD were identified under this form of cluster. This form of cluster constitutes a concentration of market sites where similar goods and services are provided depending on the needs of the customers. This form of cluster is more evenly distributed than the Location Cluster and is more structured.

The two female informal traders under this cluster were guided by what was sold at the Market Sites even though in some Market Sites there was some diversity.

The development of the cluster in the Bloemfontein CBD could be attributed to a number of factors; the by-laws which may influence and regulate the spatial patterns of informal trading activities in the Bloemfontein CBD, the female informal traders who may choose locations in the Bloemfontein CBD which are in close proximity to public transport facilities, and this proximity to public transport connected to the access the female informal traders need to the customers and potential customers in order to sell their goods and services.

Critical to take into account is that being located in a cluster may not necessarily imply higher-growth rates or economic output. Being located in a cluster may be beneficial when it comes to access to customers and potential customers which in this case may be the close proximity of female informal traders to public transport facilities in the Bloemfontein CBD. What female informal trader should take into account is that being located in a cluster may have its implications including; negotiating for space with formal businesses, and negotiating for space with other female informal traders (resulting in unhealthy competition) and the experience of a high level of congestion which may also result in a high generation of waste, conflict, and unhealthy competition.

The importance of location to a female informal trader in the Bloemfontein Central Business District should not only be focused on the proximity to a public transport facility but also take into the account external factors which may impact how the location is used. One of these implications is the continuous negotiation of space with other businesses in close proximity such as the formal sector or other informal traders. Although a location in a cluster may be attractive and beneficial, the female informal traders may have to deal with other dynamics such as what should to be sold if the female informal trader chooses to use a location in the cluster.

This means the female informal trader may have to deal with more competition when part of the cluster. Evidence from the location cluster supports that there is some level of product imitation which may mean that the products and services sold and provided in this form of cluster are the same. If the female informal trader is part of the cluster,

the female trader may need to find creative ways to ensure that she attracts customers because the customer is able to compare from other informal traders in the cluster.

Also crucial to take into account when it comes to the locations female informal traders use in the Bloemfontein CBD, are development or redevelopment projects that take place in the CBD. The impact of development projects on locations in the cluster can be more detrimental than positive to the growth or even survival of the cluster. The developments may even impact on the function of the location implying that the female informal trader may no longer be permitted to use the location to operate her business.

Without knowledge of the cluster and ways to regulate it, the reopening of the vacant taxi rank may just mean the dissolution of the cluster with the hope that another develops responding to the changed spatial patterns of pedestrian traffic. This change may lead to the removal or relocation of female informal traders to other locations in the Bloemfontein CBD. This movement and relocation may mean that the female informal trader does not have the same level of access to customers as was the case previously. The removal of the female traders from Hoffman Square to a market site between Bloem Plaza and Middestad meant lower pedestrian traffic which was highlighted as a negative impact on the business.

Knowledge on the geography of informal trading activities in the Bloemfontein CBD provides an insight into how spaces in South African cities have been reproduced to accommodate the informal sector. This inclusion should not only be focused on regulating the sector but understanding the different dynamics involved in order to grow this sector. The data collected suggests that informal trading as a phenomenon studied under the Cluster Theory could provide many answers to the organized chaos one finds when observing informal trading activities in South African cities. It is this knowledge of the clustered informal trading activities that local authorities could better conceptualize and implement by-laws around, by taking into account the different factors which would support the growth of clusters in the Bloemfontein CBD.

This study identified one way the informal sector has been accommodated in urban spaces (this being particularly important in the context of spatial transformations in South African cities, specifically inner-city CBDs). Not only is the informal sector part of the urban landscape but under Cluster Theory there is logic to the spatial patterns of the female informal traders in the Bloemfontein CBD. Female informal traders in the

Bloemfontein CBD use locations which provide them with access to customers and potential customers.

Provision of a location to a female informal trader in the Bloemfontein CBD may be only one of the ways local authorities can support as opposed to regulating this form of trade. A female informal trader needs a location but this location should at least provide some access to customers or potential customers. This preference of location may be influenced by the spatial patterns of not only pedestrian traffic, but also the spatial patterns of other female informal traders who choose certain locations to operate their businesses. This, in essence, addresses the potential of the cluster and why local authorities would need knowledge on the form of clusters developing before classifying areas as demarcated trading areas.

Access to customers is important to acknowledge for those managing urban spaces, but even more important is the likelihood of clustering in the informal sector because of the importance of access to customers. Knowledge of the cluster means better management and negotiation of space between the informal sector and other bodies which have access to public spaces. The existence or growth of the cluster, therefore, should also take into account the negotiation of space with the formal sector and how the cluster can be distributed more evenly in the Bloemfontein CBD. Through knowledge of the cluster, other cluster locations in the Bloemfontein CBD can be promoted under Cluster Theory so that not only certain locations are congested and others left under-utilized or vacant.

This study is made even more important by the expected reopening of the vacant taxi rank and the potential impact this will have on the clustered spatial patterns of the female informal traders. The study has identified the spatial distribution of the female informal traders and the connection to public transport facilities which has resulted in a clustered distribution. It is, therefore, critical that further empirical evidence be collected to determine the survival or growth of the cluster once the vacant taxi rank is reopened.

CHAPTER SIX: CONCLUSION

6.1 Introduction

This chapter provides an overview of the study undertaken by outlining the research problem and objectives, followed by the chosen research methodologies. This is followed by an outline and discussion of each research objective. This chapter also highlights the contributions of the study to the academic discipline and beyond. The contributions are followed by recommendations and a discussion on areas for further investigation and research.

6.2 Research Overview

6.2.1 Research Problem and Objectives

The research project aimed to identify and analyze the spatial patterns of female informal traders operating businesses in the Bloemfontein Central Business District (CBD). In order to make sense of the spatial patterns of the female informal traders, two research objectives were chosen. The first objective was to identify the spatial locations used by female informal traders operating their businesses in the Bloemfontein CBD. The second objective was the exploration of the importance of location to female informal traders in the Bloemfontein Central Business District. The third objective was the exploration of the impact of location with regard to female informal traders in the Bloemfontein Central Business District.

6.2.2 Methodology

The research project made use of primary and secondary data which included both qualitative and quantitative data. The empirical qualitative data included semi-structured interviews and structured observations. Using a purposive sampling technique, twenty nine semi-structured interviews were conducted. The sample groups included; twenty semi-structured interviews with the female informal traders operating businesses in the Bloemfontein CBD, three semi-structured interviews with the representatives of the Mangaung Hawkers Association, three semi-structured interviews with representatives of formal businesses in close proximity to informal traders and one semi-structured interview with an official from the Local Economic Development (LED) office at the Mangaung Metropolitan Municipality.

The empirical quantitative data collection process included the use of a Global Positioning System (GPS) to gather the coordinates of female informal traders' locations in the Bloemfontein CBD. This was done in order to plot the different locations on a map and identify the spatial locations and patterns of female informal traders in the Bloemfontein CBD.

The primary or empirical evidence was supported by secondary data from the Mangaung Metropolitan Municipality. The secondary data comprised of a research report provided by the Mangaung Metropolitan Municipality. This research report, which was published in 2014, provides an overview of informal trading activities in Mangaung. The analysis of the data was done through the use of Cluster Theory which assisted the study in exploring the importance of location for a business.

6.3 Female Street Trading Locations in the Bloemfontein Central Business District

The spatial patterns of the female informal traders in the Bloemfontein Central Business District illustrate that a clustered formation is evident. Through the use of Cluster Theory, the study explored the importance of locations that are in close proximity to each other in the informal sector. This exploration was underpinned by the importance of the spatial concentration of economic activities. Whether using Marshall's work or that of Porter, arguments point to the importance of businesses being located in close proximity to each other (i.e. in a cluster).

The role of location is critical in that it provides the business with a competitive advantage. Therefore a location in a developing cluster is beneficial not only to those in the cluster, but also to those starting up businesses because such a location in a cluster already provides them with access to customers. It is therefore important to understand the geography of informal trading activities as this understanding provides clues, not only in access to spaces, but also access to people that use the space.

The evident clustered spatial locations of female informal traders may be an indication of the negotiation of space as guided by the Street Trading by-laws and also a pursuit for locations in close proximity to pedestrian and vehicular traffic. It should therefore be emphasized that access to customers by female informal traders is not the only factor influencing the clustered spatial patterns of female informal trading activities in the Bloemfontein CBD. The Street Trading by-laws also play an important role in

guiding the clustered spatial patterns through the demarcation of trading sites. This demarcation determines which locations are trading sites and which are not.

The empirical evidence collected supports that the preference of location for a female informal trader in the Bloemfontein CBD can be connected to the number of people that use the route in close proximity to the location of their business. This preference can be attributed to the pedestrian traffic. The research also shows that taxi ranks or areas in close proximity to taxi ranks are important when it comes to access to pedestrian traffic. The empirical evidence supports this connection with taxi ranks (which are either regarded as permanent or temporary).

This means the locations female informal traders choose in the Bloemfontein CBD, must have a high concentration of people and pedestrian activities. The research therefore shows there is a preference of location for female informal trader in the Bloemfontein CBD which forms clusters in close proximity to public transport facilities (in particular taxi ranks).

6.4 The Importance of Location to Female Street Traders in the Bloemfontein Central Business District

The chosen theoretical model for data analysis, Cluster Theory, allowed the study to unpack the unexplored importance of location to businesses which form part of the informal sector. This is important because the location of a business can provide it with a competitive advantage. Even prior to Cluster Theory being clearly defined, other theoretical models had suggested the importance of location with regards to economic activities. Literature also supports this by emphasizing that a business in the informal sector is dependent on the level of access it has to public space in order to execute the economic activities. Informal trading activities, however, face the challenge of accessing public spaces (particularly contested spaces).

The current study would regard locations in the Bloemfontein CBD as contested spaces because of the role local authorities play in determining and managing access to public spaces and the access permission female informal traders require to execute their economic activities. The role local authorities play, which in this case is the Mangaung Metropolitan Municipality, is crucial in determining this access to public space. By access, the implication is that the Mangaung Metropolitan Municipality gives permission to the female informal trader to be located in the Bloemfontein CBD to

execute economic activities. This is dependent on the demarcation of trading sites as stipulated by the Street Trading by-laws which means that not all locations in the Bloemfontein CBD can be used by the female informal traders.

For the female informal traders in the Bloemfontein CBD, preferred locations are those which provide them with access to customers or potential customers, which in this case are public transport facilities, particularly the taxi ranks. For the local authorities (the Mangaung Metropolitan Municipality) the Street Trading by-laws determine and guide which locations can be used and such demarcated trading sites may not necessarily provide access to customers. This preference of location and the role authorities play should, therefore, not be disregarded when it comes to the evident clustered spatial patterns of the female informal traders in the Bloemfontein CBD.

The role of the municipality does not only end with guidance on space allocation based on the by-laws, but also on how the urban space and in particular the Bloemfontein CBD space is managed. For example development or redevelopment projects such as renewal programmes affect the accessibility of the public space for the female informal traders in the Bloemfontein CBD. During and after the greening project at Hoffman Square, informal traders were relocated to alternative locations. The alternative locations may not be as commercially viable as Hoffman Square. This was the case with one of the female informal traders who was interviewed, explaining that the alternative location has lower pedestrian traffic.

Lack of communication between the informal traders and the local authorities may lead to a situation where female informal traders are placed in locations which are not commercially viable. This may lead to informal traders finding alternative locations and ultimately operating in such locations illegally. Female informal traders in the Bloemfontein CBD are likely to prefer using a location which provides access to customers. This access to customers can be linked to public transport facilities which in this case are the taxi ranks. This means that most female informal traders in the Bloemfontein CBD would keep in mind the pedestrian routes or traffic when choosing a location. This access to customers or potential customers may be more important than infrastructural development when a female informal trader chooses a location.

6.5 The Impact of Location for Female Street Trading in the Bloemfontein Central Business District

The evident clustered spatial patterns of female informal traders in the Bloemfontein CBD, has a number of consequences. For one, management of the Bloemfontein CBD space becomes a daunting task because certain locations in the CBD are over-utilized and other locations are left vacant. The clustered distribution of the traders can be attributed to the role local authorities play in determining demarcated trading sites and the female informal traders' location preference for access to customers. Secondly, the female informal traders are still faced with challenges at their locations even though the locations may provide them with access to customers.

The local authorities may be challenged by the clustered spatial distribution of the female informal traders because of the high levels of congestion. This has resulted in certain locations in the Bloemfontein CBD being over-utilized, resulting in a high level of congestion. This may be as a result of the importance of access to public transport facilities by the female informal traders and how the by-laws allocate spaces as demarcated trading sites. This congestion may be linked with the amount of waste generated.

Such an implication, however, does not only affect local authorities. The female informal traders are also affected. For the female informal traders who were interviewed, these challenges include; safety concerns at their current locations, littering and waste management and the relationship with the owner or representative of the formal businesses in close proximity to current locations. The Mangaung research report published in 2014 outlining informal trading in Mangaung, has also cited a number of implications including littering and managing usage of sidewalks as trading sites.

For a female informal trader, even though access to customers is important, using the locations which have this access may be challenging. Also important to take into consideration is the relationship with formal businesses in close proximity to the traders. This relationship affects both the female informal trader and the business owner in how they choose to negotiate the space provided. If a relationship is reinforced positively, the female informal trader may feel supported but conflict is likely

to arise if both the trader and the formal business are selling products or services which are similar in nature.

The female informal trader may have access to customers, but this access does not guarantee higher economic output or growth. The female informal trader not only negotiates space with formal businesses but also with other informal traders in close proximity to her. Also important is that such a location may not have the necessary infrastructure, like shelter, which may require the female informal trader to make her own shelter or provide one herself. All these challenges, however, still do not deter the female informal trader from preferring a location which provides access to customers.

The positive feedback model from the cluster theory does a good job in explaining that the development of a cluster comes with different challenges. The current research suggests that there is an evident cluster developing, but empirical evidence cannot support if the cluster has been saturated or not. According to the positive feedback model, some of the ways saturation of the cluster can be identified is through the level of congestion and unhealthy competition in that space. Awareness of the developing cluster by the local authorities can help mitigate some of the negative consequences that come with a growing cluster.

6.6 Contributions of the Study

6.6.1 Academic Contribution to the Discipline

The study was able to explore the geography of female informal trading activities in the Bloemfontein CBD. This study filled a research gap by focusing on the geography of businesses in the informal sector and exploring the importance of location for a female informal trader who operates a business in the Bloemfontein CBD. Through the Cluster Theory, it was determined that location is just as important for a business in the informal sector as it is for business in the formal sector. The importance of this study, therefore, lies in its focus on understanding the geography of informal trading activities and the factors which play a crucial role in creating the evident clustered spatial distribution of female informal traders in the Bloemfontein CBD.

6.6.2 Praxis of the Study

The research findings can be used to inform policy, particularly when it comes to knowledge of the developing cluster. This knowledge can be used to inform better

planning when it comes to the Street Trading by-laws. This means that the demarcation of trading sites would keep in mind the different dynamics at play. This includes the need for a female informal trader to have access to customers, the negotiation of informal trading activities with economic activities in the formal sector, and how the urban public space is utilised effectively. Knowledge and awareness of the cluster would mean that the by-laws could reflect some of the dynamics at play, making it easier to manage the challenges that come with a growing cluster. The developing cluster can be better managed and supported if local authorities are aware and knowledgeable about its dynamics. The research findings can inform this process and be translated into policy changes, particularly when it comes to the Street Trading by-laws and how locations are demarcated as trading sites.

6.7 Recommendations from the Study

6.7.1 The Female Informal Traders

Female informal traders need to use locations under the guidance of the Mangaung Municipality. This means the female informal trader must go through the necessary application process as stipulated by the LED office. This is done to ensure that the female informal trader receives a permit to operate the business but also that a location is allocated to the trader. If the female informal trader does not follow this process, the trader may not be protected by the by-laws when faced with the challenges at the location.

Registration from the municipality and receiving a permit may give the female informal trader legal grounds to use a location provided in the Bloemfontein CBD. This means challenges faced when using the location can be addressed by the municipality because if a female informal trader is not permitted to use a location, the municipality cannot intervene or support the trader. Although some female informal traders interviewed had a negative perception of the municipality, it is better to work under the guidance of the municipality than to choose and use a location without the necessary paperwork.

6.7.2 The Mangaung Metropolitan Municipality

How the informal sector is perceived proves to be problematic because it is a sector that is regulated more than supported in the Bloemfontein CBD. Knowledge of the cluster can inform local authorities how to further develop and sustain the cluster, as medium-large sized businesses are supported and subsidized for using the CBD to operate their businesses. If policies are informed by the cluster and how it operates, space in the Bloemfontein CBD can be used more effectively.

Knowledge or awareness of the developing cluster may actually translate to better planning when it comes to the reopening of the new vacant taxi rank. Planning, however, still depends on the type of approach the Mangaung Municipality uses when it comes to the informal sector and whether it regulates and supports the sector. A better option may be a balance between regulation and support. Regulation of the informal sector in a developing cluster would require that Street Trading by-laws be conceptualized and enforced. The regulation may be underpinned by local authorities' efforts to manage the Bloemfontein CBD space effectively, in an attempt to ensure that all stakeholders involved are able to access public spaces.

Supporting the informal sector in a developing cluster would require that local authorities not only provide locations to informal traders, but that such locations include infrastructure and guidance on how to work together with the formal sector. Support should include a ground-up approach before by-laws are conceptualized, so that informal traders are actually provided with locations that provide access to customers. This support can help develop the growth of the cluster but this needs to be done under the guidance of the by-laws that are, first of all, informed by the cluster.

It does seem that the approach local authorities need is a balance between supporting and regulating the informal sector in their clusters. Without regulation, the Bloemfontein CBD space would be utilized without consideration of other land uses or zones. But without support, the regulations may be interpreted as restrictive. In order to develop or grow the cluster it would be important that the by-laws guide which locations can be used and that support be provided at the locations for the female informal traders who would be part of the cluster identified.

Planning at the Local Economic Development (LED) office at the Mangaung Metropolitan Municipality should, therefore, reflect a ground-up approach. Policies on

informal trading should be informed by how female informal traders view the importance of a location in the Bloemfontein CBD. If a top-down approach is used, the local authorities run the risk of informal traders using locations in the Bloemfontein CBD without obtaining permission from the municipality.

Even though the LED office is faced with a significant number of informal traders both operating legally and illegally in the Bloemfontein CBD, this sector need not only to be regulated but also supported. Emphasis should not only be on regulating this form of trade but providing some form of support through consultation with female informal traders. The lack of consultation from the side of the municipality has led to unforeseen changing spatial patterns of informal trading activities in the Bloemfontein CBD.

This also means that development or redevelopment projects should take into account how changes may impact female informal traders and or even change their spatial patterns in the CBD. The reopening of the new taxi rank must also include a thorough consultation process involving not only the taxi industry and the Mangaung Hawkers Association but the female informal traders, as they are also directly affected by spatial changes in the Bloemfontein CBD.

6.8 Areas for Further Investigation/Research

Even though this study was able to identify the locations female informal traders use in the Bloemfontein CBD, the study was not able to explore whether this location in a cluster is likely to imply a higher economic output or growth of the business. This means the research cannot assume or conclude that a location in a cluster implies a higher economic output or growth because the locations identified cannot be compared to locations outside a cluster, as all the locations fall within the cluster. Therefore an area for study could include a comparison between locations in a cluster and locations outside a cluster to identify if a location in a cluster provides both access to customers and a higher economic output and growth.

Future research should also be more inclusive by considering the locations of male informal traders to identify whether male informal traders are also located in the developing cluster or not. This research can be used to generalize spatial patterns of informal trading activities instead of focusing only on the spatial patterns of female informal traders that use locations in the Bloemfontein CBD.

The data collected from the current research study can be used to compare the locations of female informal traders in a cluster with the locations of the female informal traders outside of the cluster, once the new vacant taxi rank is reopened. This will indicate whether the developing cluster has declined and if/or another one is developing. This public transport facility will mean that the temporary taxi rank locations will no longer be used. The usage of this facility will impact on the spatial distribution of pedestrian traffic which may impact on the spatial distribution of informal trading activities in the Bloemfontein CBD.

6.9 Conclusion

The research study presented in this dissertation focused on identifying and discussing the spatial patterns of female informal trading in the Bloemfontein CBD. Research objectives included identifying the locations female informal traders use in the Bloemfontein CBD and the importance and impact of these locations to female informal traders. The research used multiple research techniques which included semi-structured interviews, plotting female informal traders' locations using a Global Positioning System (GPS), structured observations and secondary data from the research report of the Municipality.

The spatial patterns of female informal traders in the Bloemfontein CBD pointed to a clustered distribution. Important in this regard, was understanding the factors which were guiding or influencing the evident clustered spatial patterns of the female informal traders in the Bloemfontein CBD. The discussion focused on the role the local authority plays, which in this case is the Mangaung Metropolitan Municipality, in guiding these spatial patterns. Also important was the preference of location for female informal traders which was linked to locations with high pedestrian traffic (which in the case of the research are public transport facilities in particular taxi ranks).

Using the Cluster Theory, the study was able to focus on the unexplored importance of location to businesses in the informal sector. The literature, theory and empirical evidence collected showed that location is just as important for a business in the informal sector as it is for a business in the formal sector. Female informal traders need access to public space which, in the case of the research, is the Bloemfontein CBD. This need for access to a location must also take into consideration the priority for access to potential customers. Access to public spaces which also provide access

to customers, is a crucial factor to take into consideration when attempting to understand preference of location for female informal traders in the Bloemfontein CBD.

Understanding the geography and/or distribution of informal trading activities means there is a gap which can be explored in terms of factors that lead to the clustered distribution of female informal traders and the implications thereof. The clustered distribution, which is closely connected to public transport facilities, provides clues to the spatial patterns of pedestrian traffic. This is important because the informal sector depends on this pedestrian traffic to sustain and grow its business. It should be understood though, that there are consequences to obtaining a location that is part of the cluster for a female informal trader.

This location is constantly negotiated with the locations of other businesses including other informal traders and the formal sector. The level of congestion because of the close proximity to other businesses may mean sharing smaller spaces in order to get access to customers. It is also important to note that even access to customers may not guarantee a higher economic output or growth. Even though there are challenges, this does not take away from the importance of a location with access to customers for a female informal trader. The female informal trader may not have the necessary infrastructure such as shelter, but if the location can provide access to customers, this access may be sufficient to sustain the operation of the business.

This means that female informal traders use certain locations in the Bloemfontein CBD to operate their businesses while other locations are left vacant or under-utilized. This can be quite problematic for local authorities as this means that the urban landscape in the Bloemfontein CBD is not managed as it should be. The locations which are over-utilized lead to high levels of congestion and waste in the developing cluster. These may just be some of the challenges that come with a developing cluster and knowledge of such a developing cluster would better equip the local authorities to respond effectively.

In conclusion, the spatial patterns of informal trading activities in South African cities are just as important as the patterns of businesses which could be classified as part of the formal sector. There should be more research focused on the geography of the informal sector in order to better understand factors which lead to clustered distributions. This knowledge of the likelihood of clustering in the informal sector

equips local authorities to better deal with public urban space and the clustered spatial patterns of the female informal traders in the Bloemfontein CBD.

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Appendix A (Interview Dates)

Mr. Mpho (Hawkers Association Representative): 22 June 2015

Mr. Rammile (Hawkers Association Representative): 23 June 2015

Mr. Thabo (Manager at Pep retail store): 23 June 2015

Mr. Khan (Owner of furniture and cellular repair retail store): 29 June 2015

Mr. Charles (Manager of Bradlows Furniture store): 30 June 2015

Ms. Tsholo (Hawkers Association Representative): 8 July 2015

Mr. Molete (Official at the Local Economic Development office): 3 July 2015

Mrs. Tsiane (Manager of Price and Pride Furniture store): 6 July 2015

Ms. Mmalefa (Female Informal Trader): 7 July

Ms. Thandiwe (Female Informal Trader): 8 July 2015

Ms. Kholiwe (Female Informal Trader): 9 July 2015

Ms. Tshireletso (Female Informal Trader): 10 July 2015

Mmasefateng (Female Informal Trader): 11 July 2015

Mmadijo (Female Informal Trader): 13 July 2015

Ms. Mmogo (Female Informal Trader): 14 July 2015

Ms. Mmathabo (Female Informal Trader: 18 July 2015

Mama in close proximity to the new taxi rank (Female Informal Trader): 15 July 2015

Ms. Matshidiso (Female Informal Trader): 15 July 2015

Ms. Modiehi (Female Informal Trader): 17 July 2015

Ms. Sibahla (Female Informal Trader): 20 July 2015

Mrs. Mmadibuseng (Female Informal Trader): 23 July 2015

Mrs. Mmathabiso (Female Informal Trader): 24 July 2015

Mmasenoko (Female Informal Trader): 28 July 2015

Ms. Doris: 27 July 2015

Ms. Julia: 28 July 2015

Appendix B (Interview Questions)

Informal Traders

Introduction

My name is Ingrid Keamogetswe Juries. I am a student from the University of the Free State doing research on female informal traders running their businesses in the Bloemfontein CBD. I am not working for the Mangaung Metropolitan Municipality or the Mangaung Hawkers Association. I would just like to take a few minutes of your time by asking questions which are related to my study on female informal traders in the CBD.

Libitso laka ke Ingrid Keamogetwe Juries. Ke student se tswa University of the Free State a etsang research ka basadi ba tsamayisang kgewbe tsa bona CBD ya bloemfontene. Hake sebetse masepaleng wa mangaung kapa mangaung hawkers association. Neke lakatsa hong nka metsotsonyana ha hao ke ho botse potso malebana le study saka sa basadi ba rekisang strateng ka hara CBD.

I will ask you to provide your name for recording purposes but at your request in the research report you may choose to remain anonymous. You may end this interview at whichever point you feel it necessary and may choose not to answer a question if you do not feel like doing so. With your permission would like to record the interview with the recorder so that if I miss anything you tell me now, I can go back and listen to retrieve the information.

Ke tlo kopa ong fe lebitso la hao for recording purposes empa ha ele hore hao batle le lebitso la hao le hlahela report yaka oka request jwale. Oka kgona ho end interview ka nako engwe le engwe ha utlwa o tshwanetse, hape oka kgetha ho sa arabe potso ha ebe osa ikutlwi ho e araba. Ka permission ya hao ke lakatsa ho record interview ka recorder hore hake missitse taba tse itseng hona jwale, nka kgona ho kgutlela ke mamele hore ke thole information

Any questions before we start?

Hona le di potso pele re qala?

Background Information

- Name and Surname
- Libitso le sefane
- Age
- Highest standard or grade passed at school?

Location Preference

- Do you like your current location here?
- O rata sebaka se oleng ho sona hona jwale?
- Did you choose this location?
- Ke wena a ikghethetseng sebaka sena?
- If yes, why did you choose it? If no, how was it allocated/ given to you?
- Haebe ke wena ya ikghethetseng hobane o kghethile sebaka sena? Haebe hase wena, sebaka sena ose fumane jwang
- How long have you been located here?
- Ke nako ekae ole sebakeng sena?
- Are you here all week or only on specific days? Are you here on the weekends?
- O sebetsa sebakeng sena beke kaofela kappa o sebetsa matsatsi a itseng? O sebakeng sena le ka di weekend?
- Is there anywhere else you would rather be located? Why?
- Hona le sebaka se seng se ka oka batla o sebeletsa teng? Hobane?

Please make an observational study of what they are selling

Operating the Business in the CBD

- What are the good and the bad things about your location here?
- What is your relationship like with formal businesses?

- What is your relationship like with other informal traders?

A location description will be provided from the observation note

LED Office Representatives

Introduction

My name is Ingrid Keamogetswe Juries. I am a student from the University of the Free State doing research on female informal traders running their businesses in the Bloemfontein CBD. I would just like to take a few minutes of your time by asking questions which are related to my study on female informal traders in the CBD.

Libitso laka ke Ingrid Keamogetwe Juries. Ke student se tswa University of the Free State a etsang research ka basadi ba tsamayisang kgewbe tsa bona CBD ya bloemfontene. Neke lakatsa hong nka metsotsonyana ha hao ke ho botse potso malebana le study saka sa basadi ba rekisang strateng ka hara CBD.

I will ask you to provide your name for recording purposes but at your request in the research report you may choose to remain anonymous. You may end this interview at whichever point you feel it necessary and may choose not to answer a question if you do not feel like doing so. With your permission would like to record the interview with the recorder so that if I miss anything you tell me now, I can go back and listen to retrieve the information.

Ke tlo kopa ong fe lebitso la hao for recording purposes empa ha ele hore hao batle le lebitso la hao le hlahele report yaka oka request jwale. Oka kgona ho end interview ka nako engwe le engwe ha utlwa o tshwanetse, hape oka kgetha ho sa arabe potso ha ebe osa ikutlwi ho e araba. Ka permission ya hao ke lakatsa ho record interview ka recorder hore hake missitse taba tse itseng hona jwale, nka kgona ho kgutlela ke mamele hore ke thole information

Any questions before we start?

Hona le di potso pele re qala?

Background Information

- Name and Surname
- Lebitso le sefane
- Position at the Office?

By-Laws for Hawkers/Informal Traders

- What are the by-laws about hawkers/informal traders?
- Ke tsefe di by-laws tsa di batho ba rekisang strateng?
- How are they implemented?
- Have they been effective?
- Di a sebetsa?
- Do these by-laws bind registered informal traders operating in the CBD to specific locations in the CBD? NNB
- Di by-law tsena di tlamela by rekisi ba strateng ka hara CBD ho dibaka tse itseng?
- If yes, why is this done?
- Haebe da ba tlama, hobane se se etsuwa?

Relationship with Hawkers/Informal Traders

- Describe the relationship the Municipality has with street traders in the BFN CBD?
- Explain the role the Municipality plays in the business operations of street traders in the BFN CBD?
- Hlalosa the role e masepala a bapalang ka di tsamaising tsa kgwebo tsa batho ba rekisa strateng hara CBD ya BFN?

Registration and Space Allocation (important)

- Describe the criterion used to provide informal traders with locations in the CBD?
- Describe the method used to provide informal traders with locations in the CBD?
- Are informal traders consulted on locations specified to them?
- Ebe hoba le di poisano ka dibaka tse barekisi ba di fuwang?
- If so, please describe the process to me?
- Ha ebe ho jwale, ke kopa ong hlalose tse process?

Mangaung Hawkers Association

Introduction

My name is Ingrid Keamogetswe Juries. I am a student from the University of the Free State doing research on female informal traders running their businesses in the Bloemfontein CBD. I would just like to take a few minutes of your time by asking questions which are related to my study on female informal traders in the CBD.

Libitso laka ke Ingrid Keamogetwe Juries. Ke student se tswa University of the Free State a etsang research ka basadi ba tsamayisang kgewbe tsa bona CBD ya bloemfontene. Neke lakatsa hong nka metsotsonyana ha hao ke ho botse potso malebana le study saka sa basadi ba rekisang strateng ka hara CBD.

I will ask you to provide your name for recording purposes but at your request in the research report you may choose to remain anonymous. You may end this interview at whichever point you feel it necessary and may choose not to answer a question if you do not feel like doing so. With your permission would like to record the interview with the recorder so that if I miss anything you tell me now, I can go back and listen to retrieve the information.

Ke tlo kopa ong fe lebitso la hao for recording purposes empa ha ele hore hao batle le lebitso la hao le hlahele report yaka oka request jwale. Oka kgona ho end interview

ka nako engwe le engwe ha utlwa o tshwanetse, hape oka kgetha ho sa arabe potso ha ebe osa ikutlwi ho e araba. Ka permission ya hao ke lakatsa ho record interview ka recorder hore hake missitse taba tse itseng hona jwale, nka kgona ho kgutlela ke mamele hore ke thole information

Any questions before we start?

Hona le di potso pele re qala?

Background Information

- Name and Surname?
- Lebitso le sefane?
- What is your role in the association?

Role of the Association

- Describe the work the association does?
- Kopa o jwetse mosebetsi association o etsang?
- What role does the association play in the business operations of informal traders in the BFN CBD?
- Is the association consulted on the locations selected within the Bloemfontein CBD where informal traders can operate?
- Ebe association ena le di poisano ka dibaka tse kgethwang ka hara CBD ya Bloemfontein mo ba rekisi ba tsamaisang di kgwebo teng?
- Describe the relationship of the association with the city council?
- Describe the relationship of the association with informal traders?

Local Businesses

Introduction

My name is Ingrid Keamogetswe Juries. I am a student from the University of the Free State doing research on female informal traders running their businesses in the Bloemfontein CBD. I am not working for the Mangaung Metropolitan Municipality or the Mangaung Hawkers Association. I would just like to take a few minutes of your time by asking questions which are related to my study on female informal traders in the CBD.

I will ask you to provide your name for recording purposes but at your request in the research report you may choose to remain anonymous. You may end this interview at whichever point you feel it necessary and may choose not to answer a question if you do not feel like doing so. With your permission would like to record the interview with the recorder so that if I miss anything you tell me now, I can go back and listen to retrieve the information.

Any questions before we start?

Background Information

- Name and Surname
- Lebitso le sefane?
- Please provide the name of your business?
- Ke kopa lebitso la kgwebo ya hao?

Perceptions about Informal Traders

- In your opinion, what is the role played by informal traders operating in the CBD?
- Do you think informal traders impact your business in any way?

Relationship with Informal Traders

- Describe your relationship with the informal traders operating close to your business?
- Are you consulted on the locations allocated to informal traders in the CBD?
- Is there anything else you would like to add?
- Hona le ntho engwe e oka ratang ho

Appendix C (Global Positioning System coordinates of the Female Informal Traders in the Bloemfontein Central Business District)

S: 29*06.887

E: 026*13.493

S: 29*06.884

E: 026*13.458

S: 29*06.829

E: 026*13.141

S: 29*06.881

E: 026*13.121

S: 29*07.007

E: 026*13.517

S: 29*06.988

E: 026*13.437

S: 29*06.953

E: 026*13.317

S: 29*06.941

E: 026*13.250

S: 29*06.924

E: 026*13.113

S: 29*06.967

E: 026*13.025

S: 29*06.978

E: 026*13.111

S: 29*07.001

E: 026*13.164

S: 29*07.041

E: 026*13.233

S: 29*07.060

E: 026*13.318

S: 29*07.075

E: 026*13.358

S: 29*07.091

E: 026*13.387

S: 29*07.088

E: 026*13.391

S: 29*07.094

E: 026*13.431

S: 29*07.103

E: 026*13.466

S: 29*07.105

E: 026*13.471

S: 29*07.107

E: 026*13.475

S: 29*07.112

E: 026*13.543

S: 29*07.129

E: 026*13.545

S: 29*07.134

E: 026*13.545

S: 29*07.139

E: 026*13.544

S: 29*07.112

E: 026*13.537

S: 29*07.110

E: 026*13.523

S: 29*07.111

E: 026*13.518

S: 29*07.110

E: 026*13.510

S: 29*07.063

E: 026*13.213

S: 29*07.050

E: 026*13.211

S: 29*07.044

E: 026*13.164

S: 29*07.010

E: 026*13.102

S: 29*07.090

E: 026*13.210

S: 29*07.107

E: 026*13.331

S: 29*07.120

E: 026*13.382

S: 29*07.127

E: 026*13.384

S: 29*07.125

E: 026*13.396

S: 29*07.122

E: 026*13.400

S: 29*07.122

E: 026*13.402

S: 29*07.124

E: 026*13.413

S: 29*07.127

E: 026*13.427

S: 29*07.137

E: 026*13.433

S: 29*07.137

E: 026*13.471

S: 29*07.143

E: 026*13.496

S: 29*07.145

E: 026*13.507

S: 29*07.148

E: 026*13.518

S: 29*07. 149

E: 026*13.525

S: 29*07.149

E: 026*13.529

S: 29*07.149

E: 026*13.523

S: 29*07.163

E: 026*13.555

S: 29*07.162

E: 026*13.550

S: 29*07.160

E: 026*13.546

S: 29*07.166

E: 026*13.540

S: 29*07.169

E: 026*13.539

S: 29*07.282

E: 026*13.508

S: 29*07.288

E: 026*13.505

S: 29*07.293

E: 026*13.504

S: 29*07.317

E: 026*13.501

S: 29*07.318

E: 026*13.509

S: 29*07.225

E: 026*12.958

S: 29*07.246

E: 026*13.256

S: 29*07.264

E: 026*13.261

S: 29*07.282

E: 026*13.322

S: 29*07.296

E: 026*13.413

S: 29*07.279

E: 026*13.499

S: 29*07.273

E: 026*13.482

S: 29*07.274

E: 026*13.479

S: 29*07.275

E: 026*13.477

S: 29*07.273

E: 026*13.470

S: 29*07.267

E: 026*13.445

S: 29*07.275

E: 026*13.442

S: 29*07.268

E: 026*13.436

S: 29*07.263

E: 026*13.434

S: 29*07.257

E: 026*13.427

S: 29*07.248

E: 026*13.409

S: 29*07.243

E: 026*13.335

S: 29*07.246

E: 026*13.324

S: 29*07.143

E: 026*12.986

S: 29*07.142

E: 026*12.981

S: 29*07.183

E: 026*13.275

S: 29*07.203

E: 026*13.282

S: 29*07.218

E: 026*13.350

S: 29*07.226

E: 026*13.403

S: 29*07.229

E: 026*13.410

S: 29*07.232

E: 026*13.427

S: 29*07.233

E: 026*13.430

S: 29*07.235

E: 026*13.434

S: 29*07.249

E: 026*13.447

S: 29*07.246

E: 026*13.448

S: 29*07.241

E: 026*13.450

S: 29*07.238

E: 026*13.461

S: 29*07.243

E: 026*13.472

S: 29*07.175

E: 026*13.463

S: 29*07.185

E: 026*13.477

S: 29*07.156

E: 026*13.506

S: 29*07.180

E: 026*13.459

S: 29*07.161

E: 026*13.434

S: 29*07.157

E: 026*13.435

S: 29*07.145

E: 026*13.430

S: 29*07.148

E: 026*13.429

S: 29*07.149

E: 026*13.429

S: 29*07.153

E: 026*13.426

S: 29*07.159

E: 026*13.424

S: 29*07.175

E: 026*13.419

S: 29*07.178

E: 026*13.414

S: 29*07.181

E: 026*13.407

S: 29*07.132

E: 026*13.384

S: 29*07.134

E: 026*13.379

S: 29*07.157

E: 026*13.373

S: 29*07.183

E: 026*13.364

S: 29*07.189

E: 026*13.362

S: 29*07.188

E: 026*13.354

S: 29*07.186

E: 026*13.348

S: 29*07.180

E: 026*13.288

S: 29*07.046

E: 026*13.306

S: 29*07.027

E: 026*13.313

S: 29*07.011

E: 026*13.322

S: 29*06.995

E: 026*13.322

S: 29*06.979

E: 026*13.324

S: 29*07.011

E: 026*13.315

S: 29*07.039

E: 026*13.313

S: 29*07.048

E: 026*13.310

S: 29*07.051

E: 026*13.307

S: 29*07.271

E: 026*13.552

S: 29*07.289

E: 026*13.562

S: 29*07.355

E: 026*13.592

S: 29*07.388

E: 026*13.620

S: 29*07.407

E: 026*13.623

S: 29*07.410

E: 026*13.611

S: 29*07.393

E: 026*13.566

S: 29*07.391

E: 026*13.565

S: 29*07.389

E: 026*13.565

S: 29*07.380

E: 026*13.563

S: 29*07.373

E: 026*13.563

S: 29*07.368

E: 026*13.564

S: 29*07.363

E: 026*13.564

S: 29*07.347

E: 026*13.574

S: 29*07.348

E: 026*13.574

S: 29*07.358

E: 026*13.580

S: 29*07.361

E: 026*13.580

S: 29*07.378

E: 026*13.585

S: 29*07.403

E: 026*13.457

S: 29*07.397

E: 026*13.489

S: 29*07.365

E: 026*13.489

S: 29*07.350

E: 026*13.431

S: 29*07.235

E: 026*13.459

S: 29*07.121

E: 026*13.431

S: 29*07.099

E: 026*13.444

S: 29*07.129

E: 026*13.494

S: 29*07.124

E: 026*13.496

S: 29*07.117

E: 026*13.498

S: 29*07.347

E: 026*13.590