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Spatial Patterns of Petty Trading in Tanzania Location Determinants and Linkages

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ABSTRACT

Context and background:

This study argues that government schemes to serve petty traders in Tanzania remain unsustainable mostly due to poor consideration of the impact the socio-economic linkage has on location determinants.

Goal and Objectives: This research aimed to understand how the articulation of petty trading operations with larger traders, directly or indirectly, influences location decisions.

Methodology: The core of this research was based on a case study approach that involved surveys of petty traders and interviews with large-scale traders at the Mwenge trading center, along with documents review.

Results: Petty traders select locations that maximize functioning as an economic enterprise and moderate survival risks. That is, the location of the trade is selected based on social ties, but the petty traders' success depends on economic links established with larger traders, from whom they get their merchandise, and over which they have very little control. The implications of these findings are: the level of articulation that governs location decisions, drags down the sustainability of government schemes, and gives rise to serious damage to the urban fabric; and two, the analysis of backward linkages combined with other location determinants provides the background against which the petty trading spaces identification, planning and designing could be analyzed.

Keywords

Location decision, Local Government Authority, Spatial, Linkage, Urban Management, Physical Planning, Petty trading

1 BACKGROUND INFORMATION

Petty trading, as an activity, is perhaps one of the biggest challenges faced by urban land managers and planners in most developing countries (e.g., Pezzano, 2016). Petty trading is used here in the same way it has been traditionally defined: a class of petty traders, cutting across both itinerant (i.e., street traders and hawkers) and those with a fixed place inside and outside the market, offering a wide range of different products, ranging from agricultural produce to imported consumer goods (e.g., Bhowmik, 2010; Lyons, 2008). These are also called the *Machingas* in Tanzania. The term *Machinga* is derived from the two English words: 'marching' and 'guys'. Petty trading, in most developing countries, has been growing exponentially faster than other employment opportunities. Research has shown that, in Africa, it accounts for 76 percent of employment because of a high rate of urbanization and slow economic growth (e.g., ILO, 2018, p.11; Wiryomartono, 2020). It is now acknowledged in urban management policies – whether at the national level or from international communities – that petty trading is an inherent feature of developing countries, creating opportunities for income generation among many low-income groups and the economy at large (Mukuhani, 2014; Karavidic, 2013; Nguni, 2012; David, Eugene & Guotai, 2010).

Notwithstanding the most important aspect economic of petty trading, its influx has exacerbated problems on all fronts, including serious damage to the urban fabric. In Tanzania, for example, and reflecting the trend in other developing countries (see, also, Simone, 2011; Kiaka, et al., 2021), the *Machinga* have spatially spread and virtually occupy any available public space irrespective of the functional land use, thereby obstructing pedestrian and vehicular traffic. Initial attempts to evict the street traders by the local government authorities (LGAs) met with strong resistance, signifying the struggle for livelihood spaces and the need for policy intervention.

Deeply entangled with the need to support small-scale economic activity is a considerable task of identifying trading spaces that succeed in economic aspects over the long term. In Tanzania, for example, efforts to relocate the *Machingas* to government-selected space/location – whether it be a municipally owned and operated building or an outdoor trading site, - so far tended to prove a failure, or are experiencing problems with sustainability (e.g. IPP Media-ITV, 2015; Bega, 2019). By large, the LGAs' petty trading schemes fail to produce the "spin-off" benefits on one hand (IPP Media-ITV, 2015), and are being restrained by the adoption of ad-hoc policies on the other (e.g. Mwipopo, et al. (2022). If policies are ad-hoc, there will only be a waste of resources and further serious damage to the urban fabric as *Machingas* are forced to operate illegally. Subsequently, Bega (2019) and Eskerod et al (2016) point to the need of involving key stakeholders when promoting these schemes, while Mwipopo, et al. (2022) argue for managing the power relations, and Gehl (2010, p162) calls for examining how social and economic factors influence space interactions.

Indeed, one of the most obvious, but perhaps least understood, patterns of the failure of the government's efforts to address *Machinga's* space question—apparently suggests a lack of comprehension of how a socio-economic mechanism, directly or indirectly, acts as an integrative factor, thereby influencing location decisions or increasingly rendering *Machinga's* schemes sites for contestation. This however is not to deny the common problems of these schemes, such as inadequate supporting infrastructure (e.g., Bega, 2019; Temba, 2015). It is rather to stress the need

to frame the functioning of petty trading in a larger economic context (e.g., Bromley, 1978; Tokman, 1978; UNIDO, 2013).

Two positions on the petty-trading spatial debate can be identified in Tanzania. The first position, (e.g., Mbiso (2015), explored institutional and social aspects of petty trading spatialization processes in formally organized markets in order to propose a new design paradigm and approach. In a review study, Mbiso (2017) examined the space form, configuration, and use by petty traders, and concluded that the spatial character of the market space reflects the dynamic needs of petty traders entrenched in the socio-economic mechanisms. Though these two studies differ in scope, the focus on only the design requirements tended to overshadow the site selection aspect.

In the second position, Bega (2019) stressed the importance of stakeholders' involvement in the public market projects development in Tanzania, while Mwipopo, et al, noted a collaborative institutional framework and balancing power relations become crucial when dealing with inner-city petty trading outlets (Mwipopo, et al. (2022). Admittedly, stakeholder engagement is very important and basic to understanding power relations, but it can only partially explain the high degree of stagnation in petty trading schemes observed in all cities around the country, including the Machinga Complex. It is therefore essential to understand how and the extent to which the nature of the relations between the Machinga and commercial capital makes more complex location decisions, hence the need for exploring socio-economic ties of the sector in this research.

In contrast to Tanzania, the implications of articulation of the petty trading sector with the urban economy on location decision question have attracted more research interest in other jurisdictions. Studies by Lefebvre (1991) and references contained therein, for example, find that the trading site question is socially framed, while Gbaffou, (2016) has argued that much of the operation of a petty trading business depends on the relationship established with the customer. On the other hand, the Public Space Site (PSS) of 2003, observed that the consideration of socio-economic ties is a powerful force for successful interventions in projects for public spaces, as do Racaud, et al. (2018). These findings, however, reflect factors compounding the location chosen in countries with both dynamic legal and institutional frameworks. The inflexibility of the institutional framework for inner-city petty trading governance in Tanzania, (e.g. Mwipopo, et al., 2022, IPP Media-ITV, 2015; Tanzania SMEs Policy of 2003), adds a different dimension to the site selection question, and therefore calls for more case based evidence.

Against this background, this research took a fresh look at the issue of Machingas' trading spaces. It argues that government schemes to serve petty traders in Tanzania remain unsustainable, perhaps because of a poor consideration of the impact the socio-economic linkage has on location decisions, and directly requiring an analysis of the interrelation of petty trading with the urban economy, to understand the location determinants of petty trading outlets. Deploying the articulation concepts of the mode of production explained below, two issues are of prime interest. The first relates to locational determinants of petty trading. The second set relates to questions such as what is nature of integration governing the functioning and survival of petty trading in the case study area, how are these links established, and ultimately how petty- traders' location decisions are impacted by these linkages.

Despite the greater analytical power of the articulation concepts, this model has yet to be applied in Tanzania, and thus, urban management and physical planning policies continued to be governed by traditional wisdom. For urban planners and managers, therefore, understanding the nature and conditions governing the existence of petty trading in a larger economic context provides the background against which the identification and planning of petty trading spaces could be analyzed. Thus the study first focuses on the articulation concept of the mode of production (Section 2). This is followed by a description of the methodology used to conduct the survey. Then, the examination of the integration of Machingas activities with the urban economy (Section 5), and the reflections of findings in the literature (Section 6) are presented. The last section concludes and offer policy implications based on research findings.

2 THE ARTICULATION CONCEPT OF THE MODE OF PRODUCTION

In this study, the articulation concepts of different systems or classes of production provide a conceptual framework to analyze how the socio-economic interrelations between petty trading activities and the rest of economy set some of the location decision constraints. Hall (1985:113-4) in Hart (2007) refers the term “articulation” to imply: *“a connection or link which is not necessarily given in all cases, as a law or fact of life, but which requires particular conditions of existence to appear at all, which has to be positively sustained by specific processes, which is not ‘eternal’ but has constantly to be renewed, which can under some circumstances disappear or be overthrown, leading to the old linkages being dissolved and new connections – re-articulations – being forged”* Differently stated, two systems are perceived to be interrelated if any change in one system is governed by other system, and the manifestation of one class cannot be understood independent of how other class is manifested. Marxist theorists (e.g. Ruccio & Simon 1986:213; Amin 1973; Hall, 1985:113-4) suggest that as the degree of articulation gradually takes root, it does not mean that the two classes of production become identical or that one is dissolved into the other, but the two classes can function together as distinctions within a unity under the dominance of the other.

The interrelationships between petty trading, and street traders in particular, and the quantum of urban activities has been intensely debated. Two positions can be identified from the level of subordination. The first school of thought, (e.g. Bunster, 1983), states that petty traders are highly integrated with the rest of the urban economy with a certain amount of autonomy. Occupying the second school of thought, (e.g. Tokman, 1978: 1071; LeBrun and Gerry, 1975; Bienefeld, 1975), in contrast, argues that in established economic relations, petty-trading operations are neither independent nor fully integrated, but are subordinated by large scale traders. From the point of view of types of integration, studies (e.g. Tokman, 1978: 1071) have shown that, conditions of existence may depend on links established through wholesaling or retailing units (a.k.a the Backward linkage) on one hand and/or through consumers (a.k.a the forward linkage) on the other. Though each of these economic relations takes various forms, these studies found social ties, credit relations, items of trade, location of the trade and the kind of customers act as integrative factors, binding larger and smaller traders together, and leading to a hierarchical ranking of traders as well. Moreover, though the relative predominance of the various links have changed over time (e.g. Bromley, 1978; Tokman, 1978, Bunster, 1984), common to all is the underlying theme that economic relations are established, and thus, influence earning capacity and set some location decision constraints.

From the foregoing discussions, this paper underpins the nature of relations, specific processes binding larger and smaller traders together, and degree of subordination as variables for articulation as a concept to be examined. This reflects the need to frame the location decision of petty trading in a larger economic context. That is, analyze the socio-economic integrative factors binding larger and smaller traders together, the nature of relationships, and how socio-economic mechanisms inextricably influence location of the trade.

3 METHOD AND MATERIALS

The core of this research was based on a mixed approach with multiple strategies. It employed detailed case study research, which included surveys of petty traders and interviews with large-scale traders, along with collecting market data and background information from secondary sources. Then, the articulation conceptual framework of classes of production was deployed to understand fundamental conditions for the existence and functioning of petty trading, including location decisions

3.1 Case Study Description

Mwenge petty trading node (discussed in Section 4) located along the newly constructed Bagamoyo road, Dar es Salaam Region was purposefully selected for the survey. The selection was based on geographic and population diversity as well as the ability to gather data. Over the last couple of years, the area has experienced a surge in petty trading, particularly in areas around large retail units, crossroads, and bus stations. The location's importance lies in its accessibility, intense economic activities, and concentration of large stores that draw customers from outside the immediate area, whose businesses petty traders then benefit from. Moreover, like many other centers, the petty-traders at Mwenge have refused to be dislodged despite the external constraints, such as constant threats of eviction, notices, harassment and pressures.

3.2 Data Collection and Measurement

The structured survey was a primary data collection instrument. Structured questionnaires contained mixture of open and close-ended (with multiple choice) questions, to be filled in by respondents, were deployed to facilitate systematic measurement and analysis of variables, along with deducing themes. The questionnaire had five sections. The first section examines the profile of petty traders, while the second section explores the mechanisms, and methods used by the petty traders to enter petty-trading, thereby influencing location decisions at lower level. This was followed by questions relating to socio-economic integrative factors binding larger and petty traders together, the nature of relationships, and how this mechanism inextricably influences the location of the trade. A pilot survey was done in early April 2023 to determine the quality and completeness of the questions, and the full survey was rolled-out from April to June 2023.

As already mentioned, key respondents are petty-traders. In this study, petty traders refer to those traders involved in retailing activities with a permanent location of trade clustered around large retailing units, along New-Bagamoyo and Sam Nujoma roads, and around bus stations, having two or fewer employees. This study did not include the mobile (or itinerant) petty traders such as hawkers and pedlars or those with stalls and public facilities located inside the municipal markets, for which they pay a regular rent and have a well-established clientele.

Since a petty-trading unit has been defined as one with two or fewer than two workers, the snowballing approach was applied to identify the right respondents. Following this procedure, a total sample size of 150 was obtained. As seen in Table 4.1, most of them had been in petty-trading for several years. Since the sample is fairly representative of population studied, findings are expected to show how the sector spreads and forces behind location decisions.

To enhance data collection, a visual survey was applied to scan the case study in order to understand location characteristics, nature of petty traders, and corresponding activities. In addition, review of various policies and previous research on the subject matter was done. Finally, discussions held with larger traders in May 2023 provided an opportunity for triangulation and raised many of the issues identified by the Machingas. Five larger wholesaling and retailing unit owners were purposefully selected and interviewed. These discussions were conducted on vendors' business premises, and it took the interviewer half an hour to establish rapport and complete the interview.

3.3 Data Analysis and Validity

The quantitative data was analyzed using Descriptive statistics, while qualitative data was analyzed using thematic analysis. We extracted the words from the respondent comments. This is to recognize factors influencing their site selection through extruding frequent words and developing word links.

4 RESULTS

The analysis in this section first focuses on the spatial expansion of petty trading activities and the diversity of petty traders in the case study area. This is followed by an analysis of the mechanisms, and methods used by the petty traders to enter petty-trading, thereby influencing location decisions at a lower level. Then the socio-economic integrative factors binding larger and petty traders together and how this mechanism inextricably influences the location of the trade are presented.

4.1 The Spatial Spread of Petty Trading in the Mwenge Area

Mwenge petty trading node is one of the most culturally and ethnically diverse public spaces in the city and covering a wide area. The Mwenge trading node's importance lies in its accessibility, dense population, and concentration on intense economic activities. But in this entire trading node, the scan survey showed that petty trading activities have sprung up in three main areas, around the wholesaling centre and the long established, municipally owned and operated Mwenge market, around the major bus terminal, and along the western fringe along the New Bagamoyo road.

A visual survey appeared to suggest the likelihood of various trading sites having different trading potential. The area around Mwenge commercial centers and the long established, municipally owned and operated market is the hive of commercial activities in this node. It attracts a motley crew of vendors and customers from the neighborhood and beyond. Taking advantage of the presence of large vendors and thousands of customers, are multitude of petty traders almost entirely pushing the same product as the larger shops in the vicinity. Indeed, Machinga's trading operations are not restricted by horizontal exchange. Thus, the product mix ranges from new and used clothing, glass, household goods in plastic and ceramic, stationary and electronics, and demand remains high. Larger and smaller traders alike describe this atmosphere, *"draws a majority of its customers back to the market"*.

Moving away from the Mwenge commercial center, major clusters of petty trading sprang up along the New Bagamoyo and Sam Nujoma roads and in some surrounding arterial roads, and variations on goods and products were encountered. The number of petty traders thins out as one moves away from the traffic light. Nevertheless, these areas attract customers based on product or price alone, and each section off the traffic lights specializes in a particular product mix. The corridor along the western fringe of the new Bagamoyo road as one moves towards to Tegeta draws a large number of petty traders and customers. The product mix tended to concentrate on fruits and vegetables, plastic household essentials, and a variety of used and new clothing. In contrast, moving east towards Coca-Cola Kwanza Bottling Company Limited and the eastern fringe of the new Bagamoyo Road, the petty-traders have an extraordinary collection of second hand clothing and car accessories. The spatial variation in the product-mix speaks of the petty-traders’ adaptability to their condition of existence, which perhaps is positively sustained by specific processes.

4.2 Respondents Profile

Behind the respondent profile, the findings (Table 1) of the analysis revealed that petty trading appears to be a male dominated activity, with the average age being 20 to 30, and majority of whom having either primary or secondary education level of schooling. The data also shows that there is a group of educated people, however small (2%) it may be now, entering petty trading operations. The predominance of petty traders with five or fewer years of experience supports the notion that petty-trading is of growing importance.

Category	Description	% to	AGE (% to Total Respondents)				
		Total	20-25	26-30	31-35	36-40	41+
Demographic Structure	Sample	100%	32%	34%	14%	12%	8%
Gender	Male	72%	24%	24%	7%	10%	7%
	Female	28%	8%	10%	7%	2%	1%
Education Level	Completed Primary School	46%	12%	16%	10%	4%	4%
	Completed Secondary School	40%	14%	14%	7%	3%	2%
	Completed Undergraduate	12%	2%	4%	2%	4%	
	Completed Postgraduate’s	2%				2%	
Entry into petty-trading	Less or equal to 5 years	78%	30%	32%	10%	4%	2%
	6 to 10 years	22%	2%	2%	6%	6%	6%
Marital Status	Single	40%	6%	10%	8%	10%	6%
	Married	60%	26%	24%	8%		2%

Table 1: Demographic information.

4.3 Location Determinants

At the outset, this research aimed to establish specific criteria used by petty traders for selecting sites. The responses to the question “Why was this location chosen?” when broken down by market sub nodes have surprising results. For the first category, - those petty-traders located in areas around Mwenge commercial centers, - the first and perhaps self-evident choice driving their location decision is “Knew someone here” at 62% – in front of “customers” which came in at 18%, were the highest-ranking of the four choices. The “Items of trade from the wholesaler” which came in at 14%, was ranked third of the five choices, while “Near place to live” and “Near area of acquiring goods” lagged further behind at 4% and 2% respectively. In contrast, “Customer” was the top response at 82%, followed by “Knew someone here” at 12% for those traders along the highways away from the Mwenge traffic lights and arterial roads. The findings clearly suggest that when petty-traders are not constrained by customer types, as is the case for the first category, social ties are crucial to location decisions, while for second category of petty traders, customers are key in explaining how they position themselves.

A further discussion with petty traders appears to show that deciding which location would be best for the business could be quite challenging. Friends or families provide an advice as to which location is the best initially, but which can under some circumstances be overturned, leading to a different location being selected. Common to all is the underlying theme that the arrangements made with friends, family, and relatives indicate one of the integrative factors in the petty trading influencing location decisions at a lower level. This is a hypothesis supported by previous research as well (e.g., Mbiso, 2015; 2017).

4.4 Linkages

The data appears to show that the items of trade of the wholesaler, the Machingas, were introduced as one of the factors influencing the location decision. The item of trade must have an attractor beyond its role as merchandise (goods to be sold). Leading directly from the core hypothesis, the task here is to establish the underlying processes binding larger and smaller traders together, and how such relationships inextricably create a vehicle for the upward mobility of petty trading activities, including location decisions. To do this, it was essential to distinguish those petty-traders located in areas around Mwenge commercial centers, from those at bus stops, along the highways and arterial roads.

4.4.1 Linkage with Larger Traders (Backward Integration)

Nature of Articulation with larger Traders

From the point of view of specific processes binding larger and smaller traders together, the survey identified three distinct positions (**Table 2**). The response to the question, “How do you obtain/buy your goods?” when broken down by market point to that direction. For the first category, - those petty-traders located in areas around Mwenge commercial centers, - the survey showed that “obtain goods on credit” and “Commission” were the highest-ranking of the three choices, and a small category amounting to 10% of the petty traders not using any of the mechanisms described lagged further behind. Where did you seek credit from? The survey asked respondents this as an open-

ended question. The results, after organizing several responses into several main categories, were quite surprising. While relatives and family are key, large scale traders, by far the largest portion, outpace even fellow Machingas. For all respondents, the first and perhaps self-evident choice – “*it is generally the large scale wholesalers or retailers who provide credits*” at 76% – was followed by choices: “larger petty-traders ” at 14%, and “relative ” which came in at 10%. In principle, however, credits are often extended in the form of merchandise rather than cash. As one respondent noted also in an open ended question, “*credits guarantees access to goods or products being sold*”.

The system of commission selling, constituting 14% of the Machingas, was the third top response identified as a fundamental condition for the survival and function of petty trading. This group of traders represents a totally different set of socio-economic relationships, in which petty traders sell products of a limited number of wholesalers or other retailers and receive a commission on sale.

Overall, the data appear to show that economic relationship between two systems of production is achieved if specific conditions (i.e., “something extra.”) of existence appear. The trading site must have an attraction beyond its role as a place to sell or buy goods. These two processes, - credit relations and commission selling mechanisms, - herein, the economic mechanism, function as integrative factors binding larger and petty traders together at a higher level than social ties. And the fact that no cash is involved upfront is possibly part of their attraction to the majority of petty traders, a hypothesis supported by other studies as well (e.g. Dasgupta, 1992; Public Space Site, 2003)

Indeed, the economic mechanism, offered the basic fundamental conditions of petty trading's existence. Petty traders' responses to the question, “Did you first decide on the items of trade or the location of the trade?” tended also to point in a similar direction: “items of trade” ranked as the highest response at 52%, and well above second-place “location” at 40%. Along the same line, 8% of the traders had no choice of location or of goods as they took over from family. These findings underscore the importance of identifying trading spaces that connect everything together and that offer the potential for economic opportunity and upward mobility for petty trading operations.

In contrast, petty traders at transit stops and those located along the roads (already discussed above) presented quite a contrast, where a large number of them generally obtain their merchandise in cash. They neither used credit nor depended on anyone for help. This is a group of petty traders, Bromley (1978:1167) called them truly self-employed petty traders.

The Degree of Articulation with Larger Traders

Moreover, the two sets of relationship processes, - credit relations and commission selling, - make petty traders subservient to the large traders. The fact that the economic mechanism provides the means of livelihood to petty traders a low cost distribution system, and possibly a means to avoid taxes for larger traders leads to a hierarchical ranking of traders in which the larger traders exploit smaller ones. The unequal tie between the two classes of production, though they function together, often gives the larger traders further privilege and a strategic role - one of subordination and exploitation of petty traders. A number of scholars (e.g., Bromley (1978), Tokman (1978), and Bunster (1984)) noted identical relationships between petty traders and wholesalers in both developed and developing countries.

Type of Linkage	% of petty-traders
Credit Relations with larger traders	76%
Commission Selling	14%
Cash-Purchase	10%

Table 2. Processes Binding Larger and Petty-traders Together

Influence of Social Networks

The analysis so far implies the bulk of petty-traders are articulated with the urban economy through credit relations and supply of merchandise. The next aspect was to learn and reflect more specifically, on how social relations act as integrative factor. Findings showed that the socio mechanisms that helped the Machingas enter petty-trading acquired great significance in establishing vertical linkages. It improves accessibility to credit network, the system of commission selling, and the supplier of merchandise to be sold. Petty traders' responses to the question, "Who introduced you to larger trader?" tended to provide insight in that direction. The respondents responses showed: "friends" at 44% and "family" at 14% from same community/village were the highest-ranking of the four choices. In contrast, only 16% of all traders used their own initiative to enter petty trading and received no help from either friends or family, while 8% of the traders were introduced/helped to the large traders by friend/relatives not from same community/village. Findings show that there exists a strengthened process of social ties binding larger and smaller traders together at a lower level.

4.4.2 Nature of Articulation with Customers (Forward Integration)

Petty trading activities along the highways away from the Mwenge traffic lights and arterial roads away from the commercial node are in highly visible locations but small in size. As already mentioned, the product mix ranges from new and used clothing; to fruits and vegetables, books, music, and electronics, and even some prepared-food. The market draws a distinctly local customer base and passersby; and a few customers come from outside the surrounding neighborhood. Additionally, a lack of adequate parking hinders their ability to draw customers from a wider area. In fact, few of middle to high-income customers come to the market looking to spend cash at all, indicating only forward horizontal linkages.

In areas around large-scale traders and Mwenge Market, in contrast, an increasing number of customers flocked to the site every day, drawn by its business environment, the presence of large-scale traders offering various products from clothing to electronics; and great deals from the Machingas. People come mainly to shop. Petty traders and large-scale traders alike extended business hours and profits by selling in the area. As already mentioned, the large-scale traders foster this atmosphere by affording Machingas with credits and merchandise. This high demand for their offering is one of the signs of success in establishing forward vertical linkages. In addition to the economic benefits, the large-scale traders and Machingas alike describe selling at the market as being

like being part of a “big family” that tends to look out for each other. As testament to the success of establishing forward vertical linkages, majority (62%) of respondents simply say;

“ While the market has minor issues with security, its accessibility, a nearby transit stop and bus lines, abundant parking spaces, and long-standing reputation as a diverse and may be even safe place to shop, ensure a steady stream of rich customers and high demand from communities around Mwenge areas and beyond”.

5 DISCUSSION

The analysis of the site selection by the Machinga has been placed within the articulation conceptual framework of systems of production. The framework made it possible to assess and identify the conditions necessary to address problems of unsustainability in government schemes to serve petty traders. The analysis establishes that, although the petty traders depend on social ties to choose the location of the trade, their success and location’s sustainability depend on their ability, as traders, to interact with customers (forward linkage), and depend as well on the interaction and coexistence with larger traders from whom they get their merchandise (backward linkages). The latter is the condition necessary to achieve and maintain “trading space” as an overall economic enterprise, a hypothesis supported by experiences from other countries as well (e.g., Public Space Site, 2003; Jepsen and Eskerod, 2009; Eskerod et al., 2016). These studies have shown that urban planning and governance policies addressing the spatial needs of petty traders and framing the functioning of petty trading in a larger economic context have a greater potential for success and sustainability.

Although, both economic and social linkages influence location decisions, the findings show, the predominant factor is the scope for interaction and coexistence with larger traders, while the social network only acts as a strategy adopted to minimize survival risks at a lower level, and the forward linkage is essential once a “trading space” functions as a successful economic enterprise. The dominance of the backward linkages is a hypothesis supported by other data as well (e.g., Dasgupta, 1992). Nonetheless, it is the “forward linkage”, -the integration between petty traders and customers, - rather than the “backward linkage,” that has continued to govern urban management and physical planning policies and has also been at the core of previous studies. See, for example, Temba (2015), IPP Media-ITV (2015) and Bega, (2019) just to name a few. There is therefore a tendency to equate the unsustainability of petty trading schemes with a lack of forward linkage, as suggested by the analysis of both linkages. Indeed, while it is important to better understand the forward linkage, perhaps more important, the backward linkages provide a base from which to select locations directed to petty-trading outlets – ones that maximize gains and minimize survival risks.

The observation in the “petty commodity production theorists” and other empirical studies, (e.g. Tokman, 1978: 1071; Bunster, 1983; 1984; Dasgupta, 1992), about the subservience of petty trading, as an activity, by the larger traders is also true in Tanzania. That, in the established economic links, petty traders are neither independent nor have control over the larger traders from whom they get their merchandise. Clearly, this position limits both independent growth and sets constraints on location decisions. Thus, despite the amount of capital invested, any scheme lacking concern for the nature and effects of backward linkages only makes more complex its links of subordination, and is more likely to fail or experience problems with sustainability. The central insights in prevailing

studies are also relevant in this case, that, identification and design of petty trading locations must incorporate the interaction of production relations (e.g. Dasgupta, 1992; Public Space Site, 2003).

6 CONCLUSION

Displacing an undesirable use of a public space by petty traders involves much more than ad-hoc policies. As this research has argued, the economic goals of petty traders and large scale traders are intertwined, and hence there is a need to incorporate the interaction of production relations if such schemes are to be sustainable. Using a mixed research approach and the structural articulation concept of the mode of production, one of the objectives of this study was to identify the conditions necessary to the functioning and survival of petty trading sites.

It seems clear that petty traders select locations that maximize backward linkages and diminish survival risks. In other words, petty traders are initially attracted by the potential market base, but the relationship that they develop with larger traders provides the conditions necessary for the functioning and survival of petty trading units. This is because, as survey has shown, petty-trading is an inherent but subordinated part of the urban economy with limited scope for independent growth. It's functioning is determined by larger traders, from whom they purchase the merchandise, and over whom they have very little control. The implication of this finding is that understanding the nature and level of this interaction of production relations provides the background against which petty trading location identification, planning, and designing could be analyzed.

In addition, the empirical and theoretical analyses showed that social integration was related to location decisions in a different way. It is a binding factor at a lower level, facilitating entry into the sector, and access to economic links. In this regard, therefore, its impact on location decisions depends, to a much greater extent, on the successful functioning of the petty trading scheme. Finally, the evidence revealed that the petty-trading sector is an essential component of the urban economy. Thus, it still may not be too late for the LGAs to drop ad-hoc urban governance and management policies and play a significant role in petty trading spatial needs.

7 ACKNOWLEDGMENT

I humbly recognize the support of Miss Immaculate Dahaye, who gratefully agreed to assist in data collection.

8 FUNDING

NO FUNDING -.

9 AUTHOR CONTRIBUTIONS:

Sole author (i.e. investigator, writer, reviewer, field task) in the paper

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12 KEY TERMS AND DEFINITIONS

Land: any part of specified area on the ground defined by its boundaries and affected to a qualified activity

Linkage: A connection or link between different systems or classes of production

Location: an actual place or natural setting in which a trading activity takes place.

Petty trading: A class of petty traders, cutting across both itinerant (i.e., street traders and hawkers) and those with a fixed place inside and outside the market, offering a wide range of different products, ranging from agricultural produce to imported consumer goods