Street Enterprises, Urban Livelihoods and Poverty in Owerri, Nigeria

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Abstract

The study examined the activities and survival strategies of urban poor street traders in Owerri, Nigeria. It discusses the context in which increasing numbers of people have had to turn to self-employment with the decline in formal sector employment and cuts in government jobs. The findings show the inability of street enterprises to resolve the pressing issues of poverty, such as hunger, disease and poor housing conditions despite their capacity to provide employment for many poor people in Owerri. The paper explains that while there is a lot of public rhetoric in Nigeria about poverty reduction, the existing institutional and management structures constrain the management of poverty. The paper also recommends that there is the need to fight corruption, formulate and carry out thorough implementation of economic development plans while making efforts to increase the participation of the poor in the development process.

Introduction

A high population growth, coupled with a worrisome rural-urban migration rate, has combined to give Nigeria the fastest growing cities in Africa. Nigerian's urbanization rate, about 5.3 % a year is one of the fastest in the world (National Planning Commission 2004). Also an urban bias in the provision of infrastructure, led to the rapid growth in the urban areas. Work opportunities and wage differentials provided the incentive for rural exodus of unskilled labour that swelled the ranks of the urban poor.

Poverty reduction is the most difficult challenge facing Nigeria and its people and the greatest obstacle to the pursuit of sustainable socio-economic growth. Although Nigeria is well endowed with natural resources, the institutional structures are poor, thus creating new types of poverty that are more evident in the urban areas. For example, there are young unemployed, secondary
school and university graduates, large numbers of under-employed, unskilled informal workers and people suffering from political and human rights deprivation.

Over the years, different strategies, and economic policies have been adopted to improve the economic situation in the country. Import substitution industrialization which was adopted in the 1970s intensified some problems it was designed to alleviate. Berry (1977) explains that agricultural stagnation, balance of payment deficits, unemployment and inequality increased as a result of import substitution strategy. Also the Structural Adjustment Programme (SAP) adopted in the 1980s resulted in the reduction of employment in the public sector. Manpower rationalization became compelling as a measure to reduce administrative cost and increase efficiency. Thus formal job opportunities in the cities did not keep pace with the influx of job seekers. The surplus labour had no choice but to find work outside official firms and government. Street trading and other informal sector activities therefore act as self-help welfare scheme for those hardest hit by the countries continuing economic crisis.

The Concept of Poverty

There is yet no universally accepted definition of poverty because of its multi-dimensional and complex nature. It is multi-dimensional because it not only has economic but also social, environmental and political dimensions (Satterthwaite 1999). It is complex because these dimensions are interrelated and sometimes it is difficult to detect which dimensions subsume or is part of other dimensions, especially when this division is not noted by the poor because “households and individuals plan cross-sectorially (Moser 1997).

Nevertheless, poverty has been defined as the inability to attain a minimum standard of living (World Bank Report 1990). The report identified two indices based on the minimum level of consumption in order to show the practical aspect of the concept. The first index was a country specific poverty line, while the second was global; allowing cross-country comparison (Walton 1990) the United Nations introduced the use of such other indices as life expectancy, infant mortality rate, primary school enrolment ratio and number of persons per physician.

Poverty has also been conceptualized in both the ‘relative’ and ‘absolute’ sense. This is generally based on whether the relative or the absolute standards are adopted in the determination of the minimum income required to meet basic life’s necessities. Accordingly, poverty depicts a situation in which a given material means of sustenance within a given society is hardly enough for subsistence in that society (Townsend 1962). The important thing to deduce from these different definitions is that poverty must be conceived, defined and measured in absolute quantitative ways that are relevant and valid for analysis and policy making in a given time and space.
Poverty in Nigeria

Nigeria has remained a poor country over the years despite being rich in human and natural resources. For example, the United Nations Development Programme (UNDP) recently released the 2006 Human Development Index (HDI) in Cape Town, South Africa. The HDI measures the achievements of a country in three basic dimensions of human development including:

a. A long and healthy life as measured by life expectancy
b. Knowledge as measured by the adult literacy rate
c. A decent standard of living which includes the impact of economic policies on quality of life as measured by Gross Domestic Product (GDP) per capita at Purchasing Power Parity (PPP in USD).

Nigeria was ranked 159th out of the 177 countries assessed. By this ranking Nigeria was placed among the thirty countries with the lowest quality of life in the world. In 2005 Nigeria was ranked in the 158th position, meaning that the deplorable state of affairs in the country remains unchanged.

In Nigeria the primary cause of poverty in urban areas can be summed up in the failure of the state-led development strategies since independence including the more recent economic reforms. This has been compounded by the burdens of corruption and mismanagement of public funds and political authoritarianism which beclouds governance in Nigeria. Also the limited growth of investment and technological innovation has constrained the labour absorption capacity of the non-agricultural sector especially manufacturing. This lack of capacity has exacerbated poverty, especially in the urban areas.

Imo State Nigeria has one of the highest levels of poverty in sub-Saharan Africa (http://www.imostate.com/imo-govt.htm/). Over eighty per cent (80%) of high school graduates are currently unemployed. Most of the jobless people in Imo State lack the financial resources, the capacity, confidence and encouragement to go into private business. The paper in particular analyses the phenomenon of street enterprises in Owerri and also looks at how the poor perceive poverty. Some central questions in the research include:

- how street entrepreneur operate in Owerri
- and why despite the capacity of street enterprises to provide employment to many poor people in the city, the practitioners are unable to tackle poverty.
The paper concludes that sustainable poverty reduction will require not only the proper identification of the poor which includes their characteristics and survival strategies, but also a multi-pronged approach given the multidimensional nature of poverty.

The Study Area

Owerri, a city located in the rainforest in South-Eastern Nigeria, is the capital of Imo State. Currently it has a population of 165,470 and is approximately 40 square miles in area (http://en.wikipedia.org/wiki/owerri). Owerri which is in the heartland of Igbo cultural area has three local government areas, Owerri Municipal, Owerri North and Owerri West. The study was concentrated on Owerri Municipal because of escalation of street trading in this area. This study is based on research done from June 2002 to May 2005 in urban informal sector activities in Owerri Municipal local government area.

Sampling Procedure

The paper represents a case study of vending and informal economic activities in the six busiest streets in Owerri Municipality in terms of traffic. The streets selected include Douglas Road, School Road, Christ Church Street, Tetlow Road, Wetheral Road, and Okigwe Road. These street enterprises involve the production and trade on goods and services outside the legal trade and economic regulations (i.e. no license, no insurance, and no health and safety standards) and bureaucratic rules. Goods are sold from fixed stalls, pavement, in front of peoples houses in small shops and in most cases from people’s heads as they walk along the streets. This in fact depicts the definition of the informal sector by the International Labour Office as characterized by ease of entry, reliance on indigenous resources, family ownership enterprises, small scale of operation, labour intensive and adapted technology, skill acquired outside the formal school system and unregulated and competitive markets (ILO 1972.6). Sometimes the sector is referred to as casual work (Bromley & Gerry 1979). The term casual work is used to show that the activities of the sector lack security.

Following these definitions, data were collected from 120 randomly selected street entrepreneurs in the six different streets in Owerri based on high concentration of people, vending activities and traffic. The selected street/roads are very close to Owerri main market (Eke-onunwa) and also terminals for local buses and lorries coming from the countryside and other part sof Nigeria with food and other goods. All vendors were selected based on their regular presence on the streets (they have at least worked for minimum of two years). Respondents were over 18 years and resident in Owerri.
Data Collection

Data were collected through the use of questionnaires and interviews with open and close ended questions. Fifteen respondents were randomly selected from each of the streets to make a total of one hundred and twenty respondents. Questions were asked about their socio-economic characteristics, reasons for starting the trade, amount and sources of investment, daily incomes and profit margins, and also whether these activities assist them to fight poverty.

Data Analysis and Discussion

Categories of Street Entrepreneurs and Types of Goods

Owerri street traders can be classified into two main groups – walking vendors and fixed vendors. The first category includes:

- ambulatory bankers who move about collecting and saving money for traders which is given back to them at an agreed time, usually at the end of the month with a fee to the bankers
- vegetable and fruit sellers (green, oranges, mangoes, pears, pineapples, bananas, pawpaw etc
- bread, cakes and pastry sellers,
- sellers of cooked food
- sellers of different kinds of manufactured goods – soap, sweets, biscuits, pens, pencils, sunglasses, watches, car covers, foot mats, children and adult clothing, cell phone recharge cards etc.

The second category includes:

- those who work at fixed locations – battery chargers, tyre repairers (vulcanizes), motor mechanics, cobblers, kiosks and small shop keepers.

Organization of the Activities

Nigeria’s informal sector has existed for as long as its cities and towns. However, since independence its growth has been spectacular. That there is a huge demand for services of the informal economy in Nigeria and Africa as a whole is undeniable and the likelihood is that the demand will continue to increase in accordance with the general population increases; and because of the contraction – temporary or otherwise of the formal sector.
People locate their enterprises according to the availability of raw materials, supply of goods and other relevant factors as market demand. Many interviewees acknowledged they operate on the streets because they want to make as much profit as possible and also to take advantage of the heavy traffic on the streets as well as to avoid the formal economy and its attendant expenses and taxes.

As no legislation guides these activities, each street trader or vendor organizes his/her own work and operates on the streets according to his/her needs and the possibility of reaching customers. Some of the traders, particularly women display their wares along the kerbside or the pavement. Others use stalls that are erected on daily basis like the cell phone operators. Those who are well established and possess a significant quality of merchandize rent small shops or kiosk. Many also carry their wares from street corner to street corner shouting loudly to advertise their wares. Most traders choose to mount their stalls at the intersection of major roads where there is a mix of commercial, residential and business properties and where they would take advantage of high volume of customers both during the day and at night.

The research showed that the highest sales took place between 7am and 9am in the morning (rush hour) and breakfast time for many and also between 4pm to 6pm in the evening; after work and when people do their last minute shopping for the day.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SEX:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>48</td>
<td>40</td>
</tr>
<tr>
<td>Female</td>
<td>72</td>
<td>60</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>120</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td><strong>AGE:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21-30</td>
<td>26</td>
<td>21.6</td>
</tr>
<tr>
<td>31-40</td>
<td>45</td>
<td>37.5</td>
</tr>
<tr>
<td>41-50</td>
<td>35</td>
<td>29</td>
</tr>
<tr>
<td>50+</td>
<td>14</td>
<td>11.6</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>120</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td><strong>MARITAL STATUS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>21</td>
<td>11.6</td>
</tr>
<tr>
<td>Married</td>
<td>80</td>
<td>35</td>
</tr>
<tr>
<td>Widowed</td>
<td>17</td>
<td>51.7</td>
</tr>
<tr>
<td>Divorced</td>
<td>2</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>120</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
Tale 1 shows that women dominate street trading in Owerri. The reason is that women have fewer skills with commercial value when it comes to employment in the formal sector. This in fact limits the choices of most women when they have to choose an economic activity by which to support themselves. This is a structural constraint arising out of a cultural constraint, namely, the Igbo view of what is feminine and what economic roles women should or should not play. Further, women are limited by the presence of young children who need care. Women's skills also have remained those of traditional subsistence economy or the domestic sector. Of all informal activities open to women, trading is the most wide-spread. Igbo women naturally take delight in trading. Those with little or no education and do not have the art of sewing, designing or weaving etc, turn to trading as a way of earning a living to support their families.

A high percentage of street traders were aged between 21 and 40 years (59%). This age bracket is most affected by unemployment. This age group which in theory is the most productive is not in the formal sector officially contributing to the nation’s Gross Domestic Product (GDP). 72% of those interviewed have never worked in the formal sector. Most of the people in this category were women – single mothers, widows and heads of households. Since most of the women traders lack qualifications for formal employment or any form of wage labour, they find themselves obliged to work on their own, and in most cases on the streets. Some of the men had been unemployed for over ten years and were unable to find jobs in the formal sector. Long term unemployment have huge consequences; the longer people remain unemployed the more they forget their skills and become unemployable. Unemployment hits harder at the top of the age range. It hits harder at the less qualified and less skilled (Beharrell 1992).

<table>
<thead>
<tr>
<th>TYPES OF ACTIVITY</th>
<th>MALE</th>
<th></th>
<th>FEMALE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Manufactured Products/sellers</td>
<td>18</td>
<td>15</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Cooked Food Sellers</td>
<td>-</td>
<td>-</td>
<td>27</td>
<td>22.5</td>
</tr>
<tr>
<td>Small Shop Keepers</td>
<td>8</td>
<td>7</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Vegetable Sellers</td>
<td>-</td>
<td>-</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Pastry Sellers</td>
<td>2</td>
<td>2</td>
<td>19</td>
<td>7.5</td>
</tr>
<tr>
<td>Motor Mechanics</td>
<td>3</td>
<td>2.5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tyre Repairers (Vulcanizers)</td>
<td>4</td>
<td>3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Street Artisans</td>
<td>3</td>
<td>2.5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cobbler</td>
<td>4</td>
<td>3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Street Money Lenders</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Barbers and Hairdressers</td>
<td>4</td>
<td>3</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>48</td>
<td>40</td>
<td>72</td>
<td>60</td>
</tr>
</tbody>
</table>
The research revealed important differences in the categories of goods sold in the streets by men and women. Table 2 shows that men are more interested in selling manufactured goods (15%). On the other hand, women sell all sorts of goods but are more into cooked food (23%). Women explained that they worked as street food sellers because cooking is mainly a woman’s work in Nigeria and many African countries; and also because they can sell their goods and look after their children at the same time. In most cases their husbands’ unemployment had forced them to be more active in providing income for the household; a situation which has increased women’s autonomy within the household (Tripp 1997.107). Some women also sought projects that were considered to be within the sphere of female work, such as making and selling pastries and hairdressing.

**Investment and Daily Income of Street Entrepreneurs**

The harsh economic situation in Nigeria has pushed people to organize their own livelihoods within the formal economy which is facilitated by absence of entry restrictions. People can start any type of business without any particular skill, training or significant amount of capital. About 70% of those interviewed were officially unemployed before starting their street enterprises which were their only source of livelihood at the time of the research. Six percent said they had another source of income earning activities. Some people in this category were civil servants of lower – cadre and messengers.

Majority of respondents, especially those who worked in the open places started their businesses with equivalent of US$10-50 capital. Those who were well established and could rent shops started their businesses with about US$300-1000. The men, because of their status’s as household heads made efforts to secure loans and financial assistance to start their businesses.

Many of the women interviewed (35%) asserted that they were currently major contributors to the financial and material life of their households. Some of the women were single mothers and widows and were heads of households. Majority of them, about 95% explained that they needed a support system including a short and medium term credit system to allow them improve the quality of their trade and increase as well as sustain their daily profit. The women spoke of different forms of savings association they are involved in; such as the Local banking system popularly known as ‘Esusu’ or what Greetz (1962) refers to as the rotating credit association. The women explained that there are two distinct sides to this. The first and more popularly practiced version is the system by which members of an Esusu co-operative contribute stipulated sums of money on monthly basis to be taken by a member at a time until the cycle is completed. In the second version, agreed sums are paid by members and given out as loans with interest facilities to a third party. At maturity the interest is shared and the base sum is re-invested. The women
explained that this has helped them to sustain their activities since it is difficult to get soft loans from banks.

**Table 3: Daily income of Street Entrepreneurs**

<table>
<thead>
<tr>
<th>Daily income</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than US $20</td>
<td>16</td>
<td>45</td>
<td>61</td>
<td>51</td>
</tr>
<tr>
<td>US $21-30</td>
<td>14</td>
<td>12</td>
<td>26</td>
<td>22</td>
</tr>
<tr>
<td>US $31-40</td>
<td>8</td>
<td>9</td>
<td>17</td>
<td>14</td>
</tr>
<tr>
<td>US $41-50</td>
<td>6</td>
<td>5</td>
<td>11</td>
<td>9</td>
</tr>
<tr>
<td>More than US $50</td>
<td>4</td>
<td>1</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>48</td>
<td>72</td>
<td>120</td>
<td>100</td>
</tr>
</tbody>
</table>

Gathering information on finances was difficult initially for two main reasons. First and foremost, in a country ridden by corruption, armed robbery and Advanced Fee Fraud (419) sellers did not have enough trust in someone asking such questions. Secondly, most of the traders especially women did not keep written records or accounts of their businesses; all data are memorized and often unreliable. However, frequent visits resulted in greater familiarity and openness; and as such, information became more readily available, more consistent and more reliable.

The largest number sixty-one (61) respondents (51%) claim a daily income of less than US $20. These were mostly women and street artisans who complain that the harsh economic situation affects their daily income. 22% had a daily income of US $21-30; 14% had a daily income of US $31-40 while 9% had between US $41-50. Only 4% had over US $50 per day. Most of the people making between US $21-40 a day were found along Douglas, Christ Church and Tetlow Roads. These areas are in the City centre and busy at all times.

**How the Poor Perceive Poverty**

This section addresses the dimensions of poverty as reported by the poor themselves. In Nigeria, poverty has manifested in various forms, including low purchasing power, high rate of unemployment, high incidence of crime, poor infrastructure and inability to afford food, shelter, clothing, transportation and children’s’ education (Oyeleye 2002). Poverty may mean different things to different people within and across regions, depending on the terms used in the definition. The common perception in Nigeria and Igbo society in particular is that poverty is manifested in the inability to feed oneself and the household thus resulting in begging or borrowing in order to provide food.
Table 4: Poverty Perceptions by Street Traders

<table>
<thead>
<tr>
<th>Dimensions of Poverty</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset</td>
<td>20</td>
<td>18</td>
<td>38</td>
<td>32</td>
</tr>
<tr>
<td>Livelihood</td>
<td>12</td>
<td>24</td>
<td>36</td>
<td>30</td>
</tr>
<tr>
<td>Support</td>
<td>2</td>
<td>16</td>
<td>18</td>
<td>15</td>
</tr>
<tr>
<td>Illness</td>
<td>7</td>
<td>9</td>
<td>16</td>
<td>13</td>
</tr>
<tr>
<td>Debt</td>
<td>7</td>
<td>5</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td><strong>42</strong></td>
<td><strong>78</strong></td>
<td><strong>120</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

1. The issue of household assets, saving and possessions were perceived by 32% of respondents as important. This is a common definition of poverty. For example, not having access to a television was a definition of poverty used by the poor themselves.

2. 30% of respondents considered livelihood as very significant since the type of work, income and asset that accrues to one makes a lot of difference in one’s life.

3. Another category which relates to lack of support and/or dependency is generally seen as a feature of social exclusion. In a society where there is no welfare scheme for the poor, those who cannot get financial support from relations suffer from poverty. Particularly women’s lack of access to affordable credit, information, technical advice and services prevents them from expanding their enterprises.

4. The next area of concern was the question of illness and ill-health. The study confirms the disadvantage of illness to an income earner as the most significant problem faced by low income households. The impact of illness through asset depletion and subsequent debt to fund private healthcare is one of the most disturbing forces pushing households into poverty (Pryer 1989).

5. Another problem identified was indebtedness. The key variable here is not so much the presence and/or absence of debt but the source of debt. In Nigeria, many poor people depend on informal financial institutions for credit since they lack access to formal credit for improving their socio-economic well-being. From the survey it appears that credit from friends and kins with low or no interest was the easiest to manage, although the recipient could be put under “psychological pressure”.

6. The other options were from credit and savings associations, while the worst came from money lenders with high levels of interests and fines for late payments.
The Importance of Street Trading

Over the years street trading has become rampant and a source of employment to many urban dwellers. Street vendors represent a significant share of the urban informal sector. They make considerable contribution to urban life through providing goods and services and by generating employment. Street vendors offer convenient goods and services in quantities and at prices which the poor can afford. A number of entrepreneurs have entered the trade as an option, especially since the beginning of Structural Adjustment Programmes (SAP) that resulted in the retrenchment of civil servants in Africa. In many parts of Asia, Africa and Latin America, women represent majority of these vendors. This is due to the limited economic opportunities for women in both rural and urban areas, gender bias in education, and augmenting husbands’ income. Besides these facts, street trading has a special appeal for women due to its flexibility. Women can always combine street trading with other household duties, including taking care of the children.

However, in most countries street trading is unaccounted and unrecognized in national economic statistics. Researchers have a limited understanding of the size and contribution of street vending to the economy as a whole or of the problems which street vendors face. Even the local Authorities who collect substantial revenue from the sector do not maintain records of the numbers and the contribution of the sector to urban economy. The negligence of street vending activities has resulted in the lack of accurate estimates of the number of street traders. Charmes (1999) provides some figures that can be used for assessing the importance of vending activities. In 1999 for example, street based workers in Kenya were estimated to number 416,294. This accounted for 5.2 per cent of the non-agricultural labour force of which women were 3.9 per cent (Charmes 1999). The above situation shows that street vending has a significant contribution in the urban and national economy of African countries.

Problems of Street Traders

Public policies, urban plans and local government bodies are often biased against street vendors.

- They lack security
- They have no legal status or recognition
- Harassment by local authorities and eviction from selling places are frequent
- Confiscation of goods and wares is frequent
- Workplaces are unsanitary and hazardous, lacking basic services.
i  Security

Security is a major issue of concern for street traders particularly women. A secure environment is a pre-requisite for any type of business. The interviewees viewed security as a major concern for their businesses as well as the general public. They worry about their security, and the security of their goods and customers. The traders pointed out that crime results in loss of customers, cripples businesses, reduces incomes and generally interferes with trading. The study found that fifteen per cent (15%) of respondents have been assaulted while fifty-two per cent (52%) have been robbed. Due to over-crowding in the streets, pickpockets and petty thieves sometimes parade the streets and rob the traders.

ii  Eviction:

Eviction is a major threat to vendors. Sometimes the local government authorities and the police try to evict the traders on the streets. During eviction there is always damage to their temporary stalls and goods and also extortion of money by the evictors.

iii  Infrastructure and Service Provision:

The study revealed that most street traders operate in places that lack infrastructure and services such as water, electricity, refuse collection, sanitary and storage facilities. In some areas refuse collection is done but water, sanitation and storage facilities are lacking. Transportation is another problem for virtually all traders. Often they cannot afford to pay the cost of motor vehicles and they have to rely on wheel barrows and motor-cyclists popularly known as inaga. The transport situation is compounded by the lack of storage facilities. This implies that each day most vendors have to carry their commodities to and from sites of operation. This is because the spaces are not planned for trade and therefore do not have infrastructure and services.

iv  Accidents:

Since they operate on the streets and create congestion, cars and motor cyclists run into them, sometimes causing injuries, death and destruction of their wares.

v  Physical Environment:

The encroachment to the road, space and creation of congestion are problems. A problem created by street traders is pollution in terms of noise and garbage. Vendors who sell cooked
food were found making the places dirty and wet due to washing of dishes. However, very few kept their environment clean.

**Conclusion**

The study examined the role of street enterprises as livelihoods to urban poor traders. It explains that street enterprises currently employ a significant number of urban dwellers and provides them with the financial means to cope with the day-to-day problems of urban life. However, all respondents recognized that the harsh economic conditions in Nigeria affect all business activities. They explain that high inflation; constant price fluctuations have made it very difficult to increase their profit margins. The research included a daily diary of the total income and profit earned each day by respondents. Some of the traders’ households were also visited to gather information from all income earners in these households about their expenditure in order to compare this with their income. Comparing monthly income and expenditure showed that people were far from escaping chronic poverty. These economic activities in the streets did not allow them to improve their living conditions. Many were still living in deep poverty and in appalling conditions, characterized by poor housing, poor food, high numbers of malnourished children and poor sanitary conditions.

Most of the respondents explain that they have reacted to the country’s poverty situation by adjusting their consumption patterns. Spending is on the barest necessities, sacrificing expenditure on health, transportation, education and leisure. These findings run counter to much of accepted wisdom on this topic. For example, Dewar and Watson (1990) pointed out that:

“…..considerable rhetorical emphasis is being placed in many countries, on the potential role of the informal sector in alleviating poverty and employment, and there is a call for the ‘stimulation’ of this kind of activity.”

Also Manuh (1998) asserts that with the contraction of formal sector jobs, the informal sector has become a ‘safe heaven’ for both men and women because of its low capital requirements and ease of entry. Furthermore, Simon and Anders (1999) views informal activities as important component of human development. They maintain that it is “…..the process of enhancing individual and collective quality of life in a manner that satisfies basic needs, (as a minimum), is environmentally, socially and economically sustainable, and is empowering in the sense that people concerned have a substantial degree of control over the process through access to the means of accumulating social power”.

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Contrary to these assertions my field research found that, despite their capacity to offer employment and income to many households in the city, street enterprises are not a panacea capable of improving people’s living standards and they cannot lift people out of chronic poverty particularly in Nigeria where the economic environment is unpredictable. They simply offer short term, volatile and insecure employment opportunities often with little profits or achievements. For most street traders, life is characterized by uncertainty over whether daily basic needs will be met or not.

In Nigeria, government politicizes poverty reduction and yet misses the poor in attempts to implement poverty alleviation programmes. The latest programmes on poverty alleviation in Nigeria are the National Economic Empowerment and Development Strategy (NEEDS), the State Economic empowerment and Development strategy (SEEDS) and National Program for Eradication of Poverty (NAPEP) emanated as a response to the development challenges in Nigeria which include sustainable poverty reduction, employment generation, wealth creation and value orientation (National Planning commission 2004)

Poverty reduction in Nigeria can only come about by restructuring the institutional and management set up, so that it can be more responsive to the needs of the poor. Improving the situation of the poor requires recognition that the poor should be the key actors in any poverty reduction programme and recognition of their competences, capabilities and rights to influence priorities and management processes. Nevertheless there is need for Nigeria in particular and other African countries through the Local Government Authorities to address policies, regulations and organization of street vending. To ensure formulation of relevant policies and laws governing street trade, government must be committed to change. The International Labour Organization (ILO) has recognized the inevitability of informal-sector activities (Carr and Chen 2002), and encourages governments to create an enabling environment for the sector and trade unions, to foster its grassroots organizations. Organizations of street vendors are also a pre-requisite for any success.

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