The functioning of continental ingredient supply chain economies in Johannesburg

A case study of three African restaurants in Yeoville

Honours research report
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The meal that inspired the research

We are seated at Ethiopia House, an Ethiopian restaurant in Yeoville. Our food has arrived. It is *injera* (an Ethiopian pancake) that is falling off the edge of a large tray accompanied by a bowl of shredded beef cooked with onions and spices. Three hungry mouths make the food disappear quickly. Our coffees arrive. The cups leave. We pay and then bounce out of the restaurant on a caffeine high.

Back at my desk a series of questions flood my head. I want to know where the ingredients of our meal have come from. I want to know how the linkages between Johannesburg and Ethiopia have created economic opportunities across the African continent. I want to know how Johannesburg is being integrated into a regional economy and how the regional economy is being integrated into Johannesburg. I want to learn more about the social relationships that lubricate the economic opportunities that the Ethiopian community have carved out in Johannesburg’s economy.

I want to know about what business practices the restaurant has developed. I want to know how this restaurant has created employment opportunities. I want to know about the property practices the Ethiopian restaurant has developed. I want to know to what degree the restaurant’s business practices may be informal. I want to know why these practices might be informal. I want to learn about the consequences these business practices may have for Johannesburg’s economy and urban development.

I want to know all of these questions because I have trained as an urban planner. I live in an African city that has some economic activities which are characterized by informal processes. I want to learn more about how and why these informal processes are coordinated. I want to know how these informal processes are shaped by government and planning frameworks. I want to know how these informal processes may be shaping Johannesburg.

Our meal at the Ethiopian restaurant, and the people who have prepared it, provides a window into the informal processes at play in a small section of Johannesburg’s economy. Investigating how the meal is prepared and by whom and about the nature of the restaurant’s business model allows me to understand how social relationships within the Ethiopian community may or not be contributing to deepening of informality in Johannesburg’s economy.
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Introduction chapter

Research background
This research project brings together two areas of life I am inquisitive about: good food and the social relationships that make economies work the way they do. I have spent numerous hours watching Jamie Oliver and Rick Stein on food adventures in sunny European places people happy people and tasting their food. I am no celebrity chef, but I do like the idea of learning about people and the food they eat. I am also a passionate communicator and like to share things I find out with other people.

My second interest is borne out being a communicator and very inquisitive. I am interested in the work that people do, how they got involved in that work and how that work may be dependent on particular social relationships. Studying urban planning has the advantage of forcing students to think about, engage with and explore the city in which they live. A key issue that is rooted in the social processes that underpin economic development is the role that informality may be playing in the functioning of Johannesburg’s economy.

When the opportunity to get involved with the Hotel Yeoville project came along I had before the opportunity to conduct research in a neighbourhood which was completely foreign to me and has such an intriguing density and diversity of economic activities and people. After a fantastic meal at Ethiopia House with my supervisor, the topic was hatched. I would investigate the nature of the business practices that African restaurants had developed. These business practices would provide a window into how the residents of Yeoville were dealing with informality. At that stage these practices were confined to the nature of the supply chains that were responsible for moving the ingredients from its source to the plate. This was my opportunity to learn about different African cuisine and write stories about the people who had developed livelihoods supplying various African ingredients. As will be shown this original focus on supply chains has subsequently narrowed to investigating a broader range of business practices undertaken by two African restaurants.
The research problem
Informality has become a key characteristic of the nature urban development in cities of the global South (Roy, 205). From personal experience informality as a characteristic of Johannesburg’s urban development seems to be more identifiable in Yeoville than in the suburb in which I live, Blairgowrie. Why does the degree of informality in how residents get things done seem to be higher, and more tangible, in Yeoville than in Blairgowrie (Simone, 2001)? What can be learnt more broadly about informality in Johannesburg by investigating informality in Yeoville? As Yeoville as a superficially more tangible level of informality than many other neighbourhoods in Johannesburg, it is a good area in which an final year urban planning student can try and come to terms with the nature of informality in Johannesburg.

How can I understand what is contributing to a higher degree of informality in Yeoville? Does this higher degree of informality help to open up opportunities to residents who otherwise are excluded from the mainstream economy and the state provision of services? In which circumstances are opportunities for building viable, non illicit, livelihoods enhanced by informality? In which circumstances is informality manipulated by powerful groupings to develop and protect claims on resources and opportunities in a neighbourhood?

The aim of the research
The aim of this research is to two fold. Firstly to develop a methodology that is rooted in theories of urban development which deal explicitly with informality as a key characteristic of cities in Africa. This search for methodology will also involve using a technique that is able to capture with greater nuance the effects that informality has on the residents of Johannesburg.

The second aim of the research is use both the theoretical understanding of informality and the methodology, that captures the realities of living in Johannesburg, to investigate how people who own, work in and frequent two African restaurants in Yeoville have developed strategies to deal with informality. I have chosen to investigate two restaurants, Susan’s Place an Ivorian restaurant and Ethiopia House an Ethiopian House, as they provide a ‘laboratory’ to test the theories of informality
The research question
What can be learnt about the nature of the processes of informalisation at work in Johannesburg from investigating the business practices of two African restaurants in Yeoville?

Sub questions
a) What is the nature of informality work in Yeoville?
b) What business practices have the restaurants developed to adapt to processes of informalisation?
c) In what ways are these business practices contributing to a deepening of the processes of informalisation in Yeoville?

Research hypothesis
The two Africans restaurants have developed business practices that adapt to informalities within Yeoville. These business practices contribute to a deepening of the processes of informality at work in Yeoville.

Sub hypothesis
Yeoville’s ‘framework of informality’ is characterised by: a property transaction system which allows for a high degree of informality in how properties are sub let to a variety of tenants; migrant communities that have laid claim to specific spaces in Yeoville that have helped secure incomes in particular ‘industries’; and a high density and diversity of people and economic activities that enables residents are range of income strategies which have varying degrees of informality.
Chapter outline

Chapter 2, the literature review chapter, will make a case for why planners need to engage with informality. I will make this case by discussing Roy’s concept of urban informality and Simone’s related concepts of capacity building processes and people as infrastructure (Roy, 2005; Simone, 2001; Simone, 2004).

Chapter 3, the methodology chapter, will outline how I have used stories to investigate informality. I will present my research strategy which involves cooking, observations and a snowball research technique. I will also emphasise how the research has evolved from its original narrower investigation into the supply chains of the ingredients to a more broad investigation into a number of business practices each of the two restaurants have developed.

Chapter 4, the findings and analysis chapter, is written as a narrative of stories about the people who own, work in and eat at the two restaurants investigated. These stories have been written with the intention that they be read like short stories which provide a window into the life of the restaurants and my experiences of trying to understand informality.

Chapter 5, the conclusion chapter, will bring together what the stories have taught me about informality in Yeoville. I will emphasise three key insights: sub letting is a key practice that appears to be an important organising logic in the urban development of Johannesburg; the restaurants both perform a function as a space in which residents can build social networks needed to deal with informalities; and trust a key social phenomenon that is supporting economic development in Johannesburg.
Literature review chapter: Making the case for engaging with informality

Informality is a key characteristic of contemporary Johannesburg. A walk through Yeoville starting on the high street, Rockey/Ralleigh, gives clues as to the nature of informality as a driver of urban change underway in parts of the city. A man stationed on the pavement in front of Checkers offers to weigh me on his scale for small fee. I acknowledge that my bulging midriff suggests I am in need of a jog, but I decline. Immediately afterwards I am in negotiations with an elderly street vendor to buy the last of her fish stock. The street vendor and street based economic activities is the most obvious indicator of informality in African cities, but informality is not limited to the street (Skinner, 2009).

I turn right at the corner of Grafton and Raleigh and walk northwards. I find my destination, a peachy-pink house that gives little away that it houses a restaurant. You need to know that is actually a restaurant to know that you can eat a meal here. I am here to eat lunch which consists of a deeply flavoured beef and spinach stew with rice. After the meal I walk through the kitchen into the back courtyard to give my compliments to the chef. She is in conversation with one of her tenants who is renting one of the backyard rooms on the property.

The density and diversity of people and economic activities in Yeoville intrigues me and raises a series of planning issues. How can the seemingly conflicting land uses, the urban development processes that underpin the emerging urban form, the dramatic rises in population growth in the area, the various economic activities, and the emerging ways of getting things done be understood? (Roy, 2005; Simone, 2001)

This chapter will make the case that engaging with informality is a key task of the urban planner based in African cities. The motivation for this need to engage with informality is rooted in two strands of writing on informality: Anaya Roy’s thesis that informality should be understood as a mode of urbanization that characterizes cities of the global South (Roy, 2001); and AbdouMaliq Simone’s argument that the processes of informalization at play in African cities are contributing to the narrowing the democratic options people living in African cities have to access resources (Simone, 2001).
A framework for understanding informality

This framework involves the synthesis of two strands of writing on informality: Roy's thesis that informality should be understood as a mode of urbanisation which is embodied in the idea of urban informality (Roy, 2005); Simone's writing on informality which highlights the social processes that underpin how informality is a key characteristic of African cities (Simone, 2001; Simone, 2004; Simone, undated).

Roy explores the organising logic of land development processes which have varying degrees of informality which she has termed urban informality. Simone explores the nature of the social processes which have contributed to deepening of informality within African cities which I have termed processes of informalisation. Another way to read this framework is to see the concept of urban informality as being able to identify the different land development processes at work in Johannesburg.

Processes of informalisation provides a framework for identifying, exploring and evaluating the social processes which underpin how residents earn an income, get the children educated and have electricity supplied to their homes, or how people get things done. (See Boxes 2.2 and 2.3 for a discussion on getting things done informally)

Box 2.1 The two economies thesis: a conceptually flawed approach

The history of the current two economy thesis
The current economic development policy context regarding informality in South Africa has been shaped by the two economy thesis put forward by former President Thabo Mbeki. This point.

This two economy thesis sees the formal economy being separated from the informal economy. The formal economy contains the high value activities such as mining, mining and retailing. The informal sector is then classified as

I argue that this results in the informal economy being viewed as a dumping ground for those who have become unemployed by the formal economy. The informal sector then doesn’t become understood

Workers who have to start work in the informal economy become stuck there and become closed off.

The problem I am trying to emphasize with this policy framework is that it promotes the notion that there are limited to no linkages between what happens in the formal and informal sectors of the economy. In economic growth figures this may be the case. However I argue that if the value chain of a particular economic activity is interrogated the linkages between the informal and formal sectors are exposed.

The two economies thesis is inadequate for fully understanding all the aspects that affect urban development as it only explores the functional classification of what economic activities may be in the formal and informal sectors. This functional approach misses a critical aspect of economic activities: the people who build multiple livelihoods in both the formal and informal sectors of an economy (Owusu, 2005).

I argue that understanding informality requires acknowledging that economic activities contain a value chain of actors. Various processes and actions within this value chain may be informal. A good example is the informal recycler.

The informal recycler

The multiple modes of livelihood approach
Owusu has argued that a functional understanding of an economy, classing of economic activities into what is formal and what is informal, neglect the key element of those economic activities: the people who are involved in those economic activities (Owusu, 2007).
I will first discuss Anaya Roy’s *urban informality*. Then I will discuss AbdouMaliq Simone’s interlinked concepts of *capacity building processes* and *people as infrastructure*.

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**Box 2.2: Discussion on getting things done informally**

*Earning an income as student*

Earning an income in African cities may increasingly rely on economic activities which may be located within the informal sector (Owusu, 2007). For example whilst my full time occupation involves being a university student conducting research on informality I also have a ‘job’ that involves taking a high school student swimming. I am not a licensed swimming coach, I am paid in cash and I have not been paying any tax on this income. This is not an exceptional case. Is this activity informal, illegal or part time?

*Public servants and informal incomes*

Informal incomes are not only the domain of cash strapped students. Owusu has shown how public servants in other African countries engage in economic activities that reside in the informal sector. These activities may be home based and see an already common household activity such as growing and selling vegetables becoming commercialized.

The business may be expanded into a large scale distribution of fresh produce. One household member may be put to work buying up fresh produce grown in the neighbourhood. Then the public servant may organize the distribution of these goods to retailers in located throughout the city. Owusu argues that this results in a decrease in public servant productivity as the time that should go into doing government work is spent running the increasingly profitable vegetable distribution business. But why has the public servant decided to start this additional business? Owusu argues it comes down to a lack of adequate wage growth in the public sector. (Owusu, 2007)

There are two important elements here. Public sector reform aimed at improving efficiency of service delivery may actually have the reverse effect. Suppressed wages have encouraged public servants to pursue other income sources. This reduces public servant productivity as the time is directed away from the business of delivering services.

In deed this decline in public servant productivity may also help to fuel a business in getting services delivered more efficiently. Within the state this may see a well positioned official taking advantage of this space to fast track particular procedures. This is the rent seeking argument that many identify has underpinning cases of corruption within the state.
Informality as a mode of urbanization

Roy rejects the idea that informality can be understood as a sector that is somehow separate from the formal. Rather informality should be understood as a mode of urbanisation. “I have used the term urban informality to indicate an organising logic, a system of norms that governs the process of urban transformation itself...Against the standard dichotomy of two sectors, formal and informal, we suggest that informality is not a separate sector but rather a series of transactions that connect different economies and spaces to one another” (Roy, 2005, 148).

There are two important ideas that support Roy’s argument that informality should be understood as a mode of urbanisation: there are vast differences in the legitimacy of the organising logics underpinning different informal land development processes; and informality can, and has been, produced by the state. The first idea speaks to the differences of power and exclusion that exist within informality. The second idea involves informality being created by the state as a ‘state of exception’. (Roy, 2005)

Differences within informality

The idea that informality is an organising logic of urban development allows the urban analyst to uncover the differences within informality. Urban land development is a key site of informality in cities of the South. This leads to the analysis of informal land development processes into the realm of
political analysis. The result is to acknowledge different informal land development processes involve an active process of differentiated power resulting in exclusionary outcomes. In other words the systems of norms that govern different types of informal land processes are an expression of the power of groups who may enjoy more legitimacy than other groups (Roy, 2005).

The hypothetical case of the development a golf estate and the struggle of the neighbouring informal settlement to establish secure land tenure is worth exploring to understand the political dimension of the differences exist within informality. The golf estate and neighbouring informal settlement are located on the rural/urban interface on the outskirts of Johannesburg. In recent years a mix of light industrial, logistic warehouses, shopping centres, gated estates and informal settlements all compete for land in the area.

The developer of the golf estate is a well seasoned player in Gauteng’s property market. Having acquired the land from a farmer, she puts into motion the initial phases of the golf estate. This involves preparing plans, arranging finance for construction, commissioning a retired professional golfer to design a signature golf course and contracting a builder to start construction. Of course a town planner is also hired to get planning permission sorted out. In this case planning approval is taking a long time. The developer must act. She has taken out an expensive loan from a bank to fund the commissioning of the estate and needs to start selling houses to ensure she has the cash flow to service her debt with the bank and pay contractors. She decides to build without planning permission in the belief that it will get approved at later date. Highly risky? Yes. Illegal? Yes. Informal? Yes. A common practice amongst South Africa’s developers? Yes (Viruly, 2009).

The neighbouring informal settlement has been established in the area for over ten years. The settlement is adjacent to major road which has several light industrial activities along it which provides many residents with a form income. The land was initially settled by the community when a farmer decided to allow people to settle their in return for a small fee. The farmer even laid out plots and roads. But there was never any legally binding document to say this had occurred. The farmer then sold the farm onto a developer who saw the potential to develop an industrial estate. The community leaders of the informal settlement were then served with an eviction order saying they were occupying the land illegally. Confused the community leaders attempted to speak with the new land owner. No
luck. There were several rounds of forced removals which due to a community protest caught the eye of the media. An NGO focussing on socio economic and land rights then contacted the community leaders and a legal strategy was hatched. The NGO served the developer with a court order to stop the illegal evictions as the community had a right to occupy the land and as such needed adequate compensation. The legal status of the informal settlement is ambiguous. Was the subdivision of land by the farmer illegal? Not necessarily. Was the subdivision informal? Yes, it involved a payment and a signed agreement of residents’ right to occupy the land.

This is not simply a story of the different resources the different groups have. It is a story of the type of right the different groups have to continue to use the land in the way they desire. The developer has legal property rights to the land. But the subdivision and subsequent development of the land is not legal. The developer has not acquired the needed permission. She has developed the estate informally.

The informal settlement residents thought they had legal right to land as the farmer had created some documents which residents signed and also paid money to the farmer in order to secure their plot on the farmer’s land. But the farmer destroyed these documents and as such there are no legally binding documents that help to defend the residents’ property rights. But surely there is some right the residents have to that land?

It is highly likely that the developer will go onto secure the permission to have the golf estate developed. Her town planning and legal may have extended negotiations with the local council. These may not end favourably. The team may then pursue permission from the provincial development tribunal who exercising their powers may buy into the idea that the development will create jobs and expand the tax base of the area. The key reasons for eventually getting planning are the level of capital she has, the backing of a professional a team and the ownership of property rights to the land. The last reason in particular helps to increase the legitimacy of this from of informal land development.

The residents of the informal settlement on the other hand are likely to continue living in a precarious legal situation for an extended period of time. The reasons for this are a limited level of capital, a lack of legally defendable property rights and the need to develop intricate strategy in partnership with NGO’s who may or may have access to resources beyond. In other words the residents of the informal
settlement have to seek creative methods to secure their right to the land whereas the developer need only follow an easily navigable legal and financial system with the assistance of her professional team.

Roy argues that a key problem with not adequately understanding informality is a tendency to favour property rights over the right to city. The ownership of property rights ensures that the owner of those rights have very secure tenure. Residents who have ambiguous legal access to land have very weak security of tenure. Roy argues that this favouring of property rights over the right to city leads to planning frameworks which work to exclude and marginalise informality. This is a good entry point for the second idea which Roy uses to make her argument that informality needs to be understood as a mode of urbanisation: the state has the power to decide what is formal and what is informal which creates a ‘state of exception’ for both informal land development processes and informal activities.

Informality as a state of exception

The differences within informality shows how there are differing levels of legitimacy enjoyed by different forms of informality, in the case above different informal land development processes. Said another way, informality is not only a sector of what is formal or informal. Informality also constitutes a process of varying degrees and forms of power and exclusion. But how is this legitimacy, underscored by the differing degrees and forms of power and exclusion, produced?

Roy argues that the state has a key role to play in these processes of power and exclusion when different forms of informality experience differing degrees of legitimacy. The state has the authority, and power, to decide what to make formal and what to make informal. This usually involves associating formal with desired activities and informal with undesired activities. The result is to support formal, tax paying activities housed in buildings that may help to enhance the image of the city a being well managed place. (Roy, 2005)

Whilst support is extended to formal activities, policing and regulation are extended to informal activities. The state, in the form of local government, may develop a raft of by-laws to police activities which happen in the street that are typically seen to be contributing to increasing crime rates and degrading the image and functioning of the city. In other words, informal activities become
criminalised. It is usually the most visible manifestations of informality that are targeted, street vendors, taxi’s, informal recyclers and trolley pushers to name a few (Skinner, 2009).

But informality cannot be understood as a sector. Simply labelling and subsequently policing what is desired and undesired misses this section’s introductory point that Roy makes: informality involves a series of transactions that connect different economies and spaces together (Roy, 2005). In other words informality is not a sector but an organising logic. Simply labelling something as undesirable works to exclude what are important and valuable methods people have developed to have a more secure life in the city. By designating an economic activity or land development process as informal and therefore undesirable threatens the security of residents’ life in the city. The state of exception may actually work to weaken the right to the city residents have.

**Constraints of Roy’s urban informality thesis**

Roy roots her analysis of informality as a mode of urbanisation in examples from land development processes occurring at the urban/rural interface of rapidly expanding cities of the South. She gives examples of land development on the outskirts of Cairo and from the periphery of Mexico City where gated communities are being established informally alongside. This is very relevant when one seeks to understand how the periphery of Johannesburg is developing, particularly the West Rand.

This research is focussed on an inner city neighbourhood. Here the land development processes may vary greatly. The nature of tenure systems, access to economic opportunities, the density and diversity of people and economic activities is usually greatly different, and the urban management by the state is also different. Yeoville is an inner city neighbourhood that has relatively good access to economic opportunities, urban services and transport facilities. It has had array planning interventions delivered by the City of Johannesburg.

**Conceptual consequences of Roy’s urban informality thesis**

I am interested in the nature of existing informality in Yeoville: how have residents adapted to this informality and in turn what are the effects of their strategies to deal with informality for the neighbourhood? Roy shows that differences within informality and informality as a state of exception
is underscored by differing levels of power and resultant exclusion. Roy is making a case for planners to attempt to measure and value the nature of informality in political terms. How is a particular form of informality being used by particular groups to ensure they have a right to the city? How are differing forms of informality linked to the exclusion, from the right to the city, of certain groups of residents? How can certain forms of informality be used by planners in conjunction with residents to ensure their right to the city is realised?

Roy is also making a broader point which is aimed at the evolution of planning theory. Urban informality, as a mode of urbanisation, explains an organising logic of economic activities, land development processes and emerging spatial forms in cities of the South. Urban analysts must measure the outcomes of, and reasons for the proliferation of this organising logic against the design of governance systems and planning frameworks. Not understanding informality as a mode of urbanisation creates the policy risk of designing governance systems and planning frameworks which do not adequately acknowledge urban residents’ ‘right to the city’ (Roy, 2005).

**People’s actions are key to informality**

AbdouMaliq Simone argues that increasing informality is driven by the actions of residents who are developing ways to cope with increasing informality in African cities. These increasing informalities refer to the more informal ways of how people get things done in the city (Simone, 2001). That is to say the ways people earn an income, how children are educated and how electricity is being supplied to households are becoming increasing informal. (*Refer to box 2.1 for a discussion on the increasing informalities in a South African context*)

Simone shows how informality is driven by people’s actions. Social processes are at the heart of how informality is adapted to and how informality is deepened in African cities. I will discuss two of Simone’s concepts which I believe to be particularly useful when trying to understand how people’s actions both adapt to and deepen informality. The first concept is *capacity building processes*. Capacity building processes refers to how residents go about laying claim to particular resources in the city (Simone, 2001). The second concept is *people as infrastructure*. People are the key resource on which urban development, economic linkages and social networks have been developed. It is people and the relationships and linkages created to make a particular section of urban life work that is responsible for the nature of urban development in cities of the South (Simone, undated).
Capacity building processes
Simone argues that increased informalities in African cities have generated heightened levels of uncertainty, increased competition for resources and encouraged greater levels of volatility of household livelihoods. As a result residents must develop ways to deal with this increasing level of informality that is coming to characterize African cities. Developing ways to deal with increased informalities in everyday life is what Simone refers to as capacity building processes. (Simone, 2001)

The following questions open up issues of how capacity building processes are developed to deal with informalities and are also generating greater levels of informality: “If African cities are increasingly informalized, how do urban residents from different walks of life acquire the capacities to deal with these informalities? How do residents, with limited means, use informality to expand their access to resources, opportunity and autonomous action? How do they rehearse a capacity to balance increasing needs for social cohesion and access to opportunity? What kinds of sites...are put together for these tasks?” (Simone, 2001, 104).

Simone’s questioning of informality has several key points: informality affects all urban residents in African cities, not just the poor; residents must undertake deliberate actions in order to develop the ‘capacities’ to deal with informalities; there are specific ways and ‘spaces’ in which these capacities are being developed; and these capacity building processes may work to narrow a broad based access to resources and opportunities in the city.

How the process of capacity building works
The development of capacities to deal with informalities is witnessing residents needing and attempting to build relationships with a series of community members, government officials, NGO’s, religious organizations, stokvels and other households. Simone refers to these relationships as “ephemeral associations” (Simone, 2001). These relationships are not always stable and long term. The membership to the ephemeral association is short term and serves a very specific purpose.

Access and membership to these associations is determined by religious affiliations, ethnicity, and cultural practices. This membership requires multiple identities, a fluid and a flexible frame of mind that is able ‘to make do’ with the challenges that informalities of the African city throw at residents (Simone, 2001). A hypothetical example of a Congolese vegetable seller helps to make this point more understandable.
The Congolese vegetable seller has just secured access to a patch of pavement in front of a taxi rank. The vegetable seller applied to the City of Johannesburg’s (CoJ) Metro Trading Company (MTC) for a trading licence on that particular patch of pavement. This license entitles the vegetable seller to sell her vegetables to taxi commuters. The licence also means that she must pay a fixed monthly rent to the MTC, who send official to collect this payment on the first Saturday of every month.

The Congolese vegetable seller was able to secure this license by simply visiting the MTC’s offices on Bree Street. This required having the correct ‘papers’ which was an asylum seekers permit in her passport. But she had to wait several months in order to have her cousin’s contact at the Congolese embassy prepare the documents necessary to apply for asylum seeker status. She then had to wait a few more months for the South African department of Home Affairs to approve the asylum seeker permit. The MTC trading license was only accessible to the Congolese vegetable seller as a result of her cousin introducing her to the Congolese embassy worker at church.

Practical consequences of capacity building processes for residents

Simone’s core argument in highlighting how capacity building processes are adaptations to informality is to explore the effects that the socially embedded associations have on a broad based access to resources in the city. Simone digs into the tension that exists between the need to do what is best for individual residents to secure access to resources and opportunities whilst still needing to present a united front and willingness to help others in order to help yourself. (Simone, 2001)

This tension plays itself out in how social cohesion in a particular quarter of a city may be enhanced or deteriorating as a consequence of the differing claims on resources and opportunities various groupings have developed. A key point within Simone’s argument is that residents needing to build capacities to deal with informalities may narrow the democratic and broad based access residents have to resources and opportunities. Groupings have varying degrees of legitimacy in their claims on specific resources and these groupings also have differing degrees of power in establishing, competing for and protecting their claims on resources and opportunities. Let’s revisit the Congolese vegetable seller.

The Congolese vegetable seller has an MTC license. After the usual first Saturday of the month, a new official comes along and insists on a higher rent payment on the third Saturday of the month. The Congolese vegetable seller protests and explains that she has already paid the month’s rent. The new
official insists that this is the new rate and even produces what appears to be an MTC document instructing traders to pay this new additional amount. Now the vegetable seller is paying two separate monthly rent instalments to who she assumes is the MTC.

What has actually happened is that South African street traders in front of the taxi rank have become frustrated with they perceive as only ‘foreign’ traders having access to trading on the pavement. A group has seconded the Zulu dominated taxi association who runs the taxi fleet to help it get rid of all ‘foreigners’ trading in front of the taxi rank. The group gets to work creating fake MTC documents, and organising taxi drivers to be MTC officials.

After a few months other non South African traders notice they have been specifically targeted and are the only traders being forced to pay this parallel rent. But by the time it is realised who is behind the ‘hi-jacking’ of the pavement by this group, the Zulu taxi associated backed group has starting using violence to discourage non South African traders from trading on the pavement. Being forced to pay this parallel, and illegal, rent for the patch of pavement forces the Congolese vegetable seller into finding a different patch of pavement. But new this trading spot is in an area with low foot traffic and thus compromises the income she has secured by selling vegetables.

How does the Congolese vegetable seller survive? Should she approach the MTC who are supposed to have control of the licensing system in the area? It seems futile as she knows that the South African traders all have MTC licenses but are not paying this parallel and illegal rent. Are the MTC actually also part of the process that has ousted non South Africa traders?

If incomes from selling vegetables are becoming increasingly unsustainable, how do traders shift their strategies? Which sectors of the economy can they now operate in that is not as susceptible to ‘hi-jacking’ by other groupings? Simone argues that these processes of navigating the outcomes of capacity building to access resources is at the core of how African cities are becoming increasingly informalized. Opportunities are continually being fought over. Capacities, through specific groupings, help some residents to access resources whilst it closes down opportunities to other residents.

It is acquiring membership to dominant groupings that is the key to the capacity building exercises of residents. Membership to dominant groupings requires multiple identities. This need for multiple
identities, both overt and hidden, and the ethnic, cultural or religious affiliations is narrowing a democratic access to resources and opportunities in the African city. This narrowing of access, Simone argues works to deepen informality.

South African traders in collaboration with Zulu taxi drivers have laid claim to the patch of pavement in front of the taxi rank. Non South Africans have to seek different income streams in which the claims of other groupings are not as well entrenched. This is a good time to move onto Simone’s argument that cities of the South are underpinned by the idea that people are infrastructure (Simone, undated).

**People as infrastructure**

Physical infrastructure has typically been the focus of urban planners wanting to pull the levers of economic growth and give direction to urban development. Physically based planning assumes that physical intervention, the investment of infrastructure in a node for example, will facilitate the necessary conditions for the expansion of economic opportunities in an area. The assumption underpinning this intervention is that the physical infrastructure itself leads to the opening up of the economic and broadening of investment amongst an array of urban actors.

Planning energy is directed to clearing the way for the upgrading of a road and perhaps the installation of market stalls to provide shelter for the street based traders in that particular area. Then a series of licensing and enforcement codes may be established to ‘control’ the types of wanted and unwanted economic activities in that area.

But what is the broader social, economic and political context in which this particular intervention is set? Merely studying the land use pattern and associated economic activities housed in the urban form of an area does not provide an adequate understanding of the possibilities and constraints for broad based economic opportunity development.
Which social groupings exist in a particular area and what do their processes of accessing opportunities entail? How would the establishment of a state controlled licensing system influence an already complex system of access to trading in that node? Are street vendors actually just trading on a particular patch of pavement for free or do the traders pay a ‘landlord’ to trade in that space?

The point I am raising here is not that the physical intervention of upgrading the road, developing market stalls and establishing a trading licensing system is incorrect. What I am suggesting is that the success of that particular intervention requires a more nuanced understanding of the ways in which socially embedded economic arrangements, claims on economic opportunities by an array of often hidden actors, and the various associational arrangements that control access to resources and economic opportunities may all function in that area.

Simone argues that by thinking about people as infrastructure planners are better able to uncover the social and political dimensions of the city: “…we…see a primary principle of cities in the Global South: people are infrastructure, the body is the fundamental infrastructure in cities. Thus, a crucial question becomes how people (as infrastructure) are set in motion, how they use their mobility and circulation to produce new conditions and keep possibilities open.” (Simone, undated, 7)

The idea of people as infrastructure allows planners to explore how the many of the hidden actors, socially embedded economic arrangements, and claims by different groupings in a particular area on economic opportunities can only begin to be understood by engaging with informality. Whilst not all social, economic and political processes of a particular area are informal, the dynamics of an area are driven by people’s actions.

**Critiques of Simone’s approach to informality**

The analysis of how socially rooted organisations develop competing claims on resources and opportunities by no means wholly explain why informalities are occurring in African cities. A serious constraint that Simone’s analysis of ethnic, cultural practice and religious orientation pose for planning research and practice is that it could narrow analyses into crude identification of different ethnic, cultural, national or religious groupings. This line of thinking may lend itself to creating planning
scenarios which pit these different groups against each other in a fight over resources. In a context of planning practice and research which is attempting to move away from apartheid planning this division of people into distinct ethnic, national, cultural and religious groupings may be problematic.

I argue that Simone’s argument is not meant to be used for dividing the claims on resources and opportunities into neat ethnic, cultural, national and religious groupings. Rather the purpose may be to find ways in which to see how various groups are developing claims to resources and opportunities. These claims, it can be argued, are being driven by residents who need to develop multiple identities in order to access the resources particular groups have been able to lay claim to. Simone’s argument is that residents have to exploit social groupings and specific identities in order to cope with increasing informalities in African cities.

**Conceptual consequences of Simone’s processes of informalization thesis**

The concept of people as infrastructure is a key framework for understanding the socially rooted processes that contribute to informality in African cities. Simone urges planners to study the associational life of residents. To which groupings do people belong? What purpose do these groupings serve? How have people developed a variety of identities to ensure membership to a network of groupings? How do these different groupings work to lay claim on the resources and opportunities in the city?

This is an explicitly political study of the social relationships people are developing in order to access economic opportunities and resources at various scales: a neighbourhood, a city, a country. These relationships are not always overt, but have a powerful effect on how the claims on various resources and opportunities in an area are developed, fought over and protected. There is a layering of practices, identities and memberships that help entrench claims to resources and opportunities.

This study of associational life leads planning practice to resist the temptation to assume that ward based politics and councillors will facilitate desired urban development outcomes. A variety of claims, with varying degrees of power are able to, through informal practices, affect urban development
outcomes. Simone argues that spaces in which common interests can be made overt should be developed by teams working to deliver urban development interventions.

**Chapter conclusion**

In this chapter I have argued that the current two economies thesis is inadequate for understanding informality in a way that allows for the creation of meaningful economic development interventions. I have proposed an alternative approach to understanding informality. This approach rests on Ananya Roy’s thesis of urban informality and Simone’s related ideas of the social processes that underpin informality.

Roy’s urban informality thesis provides a framework to value the extent to which Yeoville’s residents have secured their right to the city. Roy’s idea of differences within informality allows me to identify varying forms and degrees of informality in Yeoville. The concept of informality as a state generated ‘state of exception’ allows me to investigate the ways in which state action has created various informal outcomes and how residents are adapting to this state of exception.

Simone’s ideas on the social processes that underpin informality allows for a deeper analysis of what Roy has termed the organising logic of informality, or the system of norms that govern informal urban development (Roy, 2005). The concept of people as infrastructure requires planners to investigate the nature of social relationships, networks and linkages that underpin capacity building processes.

Capacity building processes refer to the ways in which residents go about building the social relationships needed to gain membership to groups who have managed to secure claims to resources and opportunities in the African city. There is a risk that using informal ways to lay claims on resources and opportunities in the African city works to marginalize residents who do not enjoy access to ethnic, national, cultural or religious groupings.

Whilst some forms of capacity building may result in the marginalisation of some groups, the capacities to deal with informality also provide the platform on which plans can be developed. This is what Simone means that people are infrastructure. Thus planners need to investigate the various capacities people have developed in order to cope with informality. Exactly how and what gets investigated are the issues that the methodology chapter will outline.
Methods chapter: *Telling the stories of two African restaurants in Yeoville*

In the literature review chapter I argued that informality is a key characteristic of African cities and must be understood in a more nuanced way. I then presented a conceptual framework for understanding informality. To repeat, understanding informality requires putting people at the centre of any investigation into the dynamics of a city. People’s actions to build capacities to deal with everyday informalities require developing a host of networks to be able to lay claim to resources and opportunities in the city. The outcome of these social processes may work to open and close opportunities to some residents. Informality involves the active expression of differentiated power and resultant exclusion. (Simone, 2001; Simone, 2004; Simone, undated).

These social processes hint at the numerous forms of informality which may exist. Some forms of informality have more legitimacy than others. This difference of legitimacy of some forms of informality is, at times, created by the state using its powers to decide what is formal and what is informal. The numerous forms of informality also indicate to planners that informality is not a sector
but is actually a particular organising logic, or systems of norms that governs urban development processes. (Roy, 2005)

This conceptual framework rests on investigating people, processes, linkages, networks and the degrees of informality which are identifiable. These ‘research objects’ are all deeply rooted in qualitative research. I have taken up Sandercock’s call to use story telling as a tool for developing planning knowledge (Sandercock, 2003). In telling stories, I have created a narrative of my investigation into the business practices of Susan’s Place and Ethiopia House. Developing this narrative has not been as straight forward as I had originally assumed.

I will first justify why telling stories is an important planning tool. I will then lay out the research strategy that I employed to try to understand the business practices developed by Susan’s Place and Ethiopia House. A discussion on how the research project has evolved from exploring a full range of actors in a supply chain to narrowly focussing on the business practices of the restaurants will then follow. I will conclude the chapter by reflecting on my personal experiences of spending time cooking, talking to and learning from people at Susan’s Place and Ethiopia House.

**Telling stories is a useful tool for planners**

This research report presents a snapshot of the nature of economic and social change that is underway in Yeoville. I investigated some of the business practices of two African restaurants. I have also heard stories about migration to Johannesburg and subsequent economic mobility from the people who work in, own and frequent the two restaurants. Using stories to infuse planning practice and planning theory construction exercises, such as an Honours research report, allows to planner to learn from the key role players in the story (Sandercock, 2003). Story telling allows planners to incorporate a wider pool of viewpoints into the understanding and subsequent planning ideas for a particular neighbourhood.

Sandercock argues that when planners learn about the city they are actually building narratives about the city. “In order to imagine the ultimately unrepresentable space...we translate them into narratives...The way we narrate the city become constitutive of urban reality, affecting the choices we make, and the ways we might then act” (Sandercock, 2003, 12). Telling stories can help to develop a more nuanced understanding of the city than traditional planning research techniques such as land use mapping offer. I argue that planners will never understand the city through reading plans or by only
driving past and making ‘windscreen’ assumptions. I argue understanding the city requires talking to people and finding ways to learn about the city in the way that they experience it.

What is the nature of the stories that I am telling? They are rooted in my experience of conducting research in Yeoville. I am using the stories to provide guidelines as to how this small section of Yeoville’s economy is working. This is being used to build a greater understanding of the nature of informality, the role that socially embedded relationships play in the economy and how people from various parts of Africa come to Johannesburg and create a livelihood for themselves.

When as a planner I am explaining the stories of the various role players I have spent time cooking with, eating with and talking with I am also valuing these stories for a particular purpose. These stories are being evaluated from my perspective as an urban planning student. This inevitably leads to a bias in what I measure as positive economic dynamics and what I view as negative.

**Box 3.1: Discussion on how I am hoping to understand informality**

**The research question**
What can be learnt about the nature of informality in Johannesburg from investigating the business practices of two African restaurants in Yeoville?

**Sub questions**
a) What is the nature of the informality in Yeoville?
b) What business practices have the restaurants developed to adapt to these processes of informalisation?
c) In what ways are these business practices contributing to a deepening of the processes of informalisation in Yeoville?

The ordering of my research questions suggests that the nature of informality in a neighbourhood can be understood first. This overview picture of informality in Yeoville sets out a route to investigate the strategies and tactics developed by residents to cope with informality. Uncovering the strategies and tactics to deal with the identified informality leads to the construction of a theory of how informality may or may not be deepened by residents’ strategies and tactics to deal with informalities.

In truth it is people’s actions, the capacity building exercises, which I have actually dealt with. From exploring these capacity building exercises, in the form of restaurant business practices and stories about migration and economic mobility I have made deductions about the nature of informality in Yeoville. I have also, with some conjecture, attempted to summarise what I believe to be the effects of the business practices on Yeoville.
The research strategy

The sample of restaurants

As the chapter’s title indicates the research report is based on the investigation of two African restaurants in Yeoville. The first restaurant is Susan’s Place, an Ivorian restaurant and the second restaurant is Ethiopia House, an Ethiopian restaurant. The rationale for studying these two African restaurants is that they provide a useful ‘laboratory’ to examine the various business practices a restaurant may engage in. These businesses practices include: ingredient supply tactics, property practices, employment arrangements and customer relationships. Central to this investigation of these restaurants is a comparative study of how the two different restaurants go about building the capacities to deal with informality.

The lines of inquiry

I am particularly interested in the nature of the business practices that restaurants have developed as well as the economic mobility of people who own, work in and frequent the restaurant. Where possible I have tried to analyse the business practices of restaurants and people’s economic mobility within the conceptual framework I laid out in the literature review chapter.

Property practices have been analysed in reference to the ideas of informality signalling a specific organising logic of urban development. Economic mobility and restaurant employment relationships, supply tactics and relationships with customers have been analysed with reference to Simone’s concept of capacity building processes. The less overt and more socially rooted practices I discovered, such as the Susan’s Place’s practice of granting credit to its customers, has been analysed with reference to Simone’s concept of people as infrastructure.

How I acquired my information?

The research used an exploratory approach that relied on a snowballing technique which involved meeting the cooks, learning as much as possible about the ingredients and cooking techniques, and
then being open to the types of information that I was able to acquire. This open ended technique was casual and largely relied on observations.

I think this technique had some serious constraints. The first constraint was the open ended nature of my research often meant that on the days on which I wasn’t able to provide research direction to find specific things out I simply didn’t make any useful findings. This was the case during the phase in which I was trying to go on buying trips with the restaurant cooks. Thus after several fruitless attempts, mostly due to my late arrivals, I changed tack from trying only study the supply chain tactics of the restaurants.

The second constraint of the research was that although I spent a fair number of days in the restaurants I did not really get to understand the whole picture of life at the restaurant. This was often due to me only spending days at the restaurants. I was told numerous times both restaurants came alive at. In other words by only frequenting the restaurants during the day I was not exposed to a wider group of people who frequented the restaurants.

**Discussion on the evolution of the research strategy**

The original intention of the research was to explore the ingredient supply chains of three African restaurants. This exploration was ideally meant to involve a snow ball research approach which would involve developing relationships with the restaurant cooks who I would accompany on buying trips and through the association with the cook I would hopefully be able meet and learn from the trader or shop owner. Then hopefully there would be a snowball effect of meeting the people who supplied that particular trader or shop owner. The research just didn’t work out in the intended manner. This largely came down to my mistiming of my visits to the restaurants. I would often arrive too late to have joined in on buying trips or the buying trip had been changed to a different time.

The end product of this shift in research focus has been a narrowing of the actors involved in the supply of ingredients used to prepare meals. This narrowing of actors in the supply chain has focussed only on the two restaurants I spent time with. The result is a broadening of both the business practices of the restaurants which now explore property practices, employment arrangements and buying tactics. The shift in research focus has also provided space to report back on the stories of restaurant regulars who also provide lessons about adapting to informality.
The other major change was the reduction of the sample size of restaurants from three to two. The reasons for this reduction simply cam down to a lack of time to actually gain useful insights from the third restaurant. The snow ball approach of first learning to cook and then joining cooks on buying trips was a time consuming process. As the time ran out I took the decision that rather than trying to gain entrance once again to a new restaurant by learning about the food through cooking, I would return to the restaurants I has already established myself in. I then broadened the scope of information that I was investigating beyond supply chains. The consequence of reducing the sample of restaurants from three to two is that a more comprehensive comparative research has not been not being realised. To adapt to this smaller sample of restaurants

Reflections on conducting research on informality in Yeoville

How I fared with the cooking

During my interim presentation in July 2010, one of the Wits staff was quick to the emphasis of the research up to that point in time had focussed: “You’re getting fat”. I really enjoyed learning about the food that the restaurants cooked. I particularly enjoyed the Ethiopian spread of food that accompanied the injera served at Ethiopia House.

Although I got to go on a buying trip to acquire sheep heads and I spent a sunny Saturday in the company of the sheep heads being braaied I could not muster up the courage to try the Sunday speciality of sheep head stew. I could not help but feel that this lost a bit of credibility with Susan. I didn’t actually get to do much cooking. I think the cooks were very sceptical of my cooking ability. I tried to win Susan over to my cooking skills by making pancakes and coffee for her. But that was as far as my cooking skills got put to work. But I did spend a lot of time taking down recipes, smelling and tasting a lot of food.

The police raid
After Susan and I return from the shopping trip to buy the sheep’s heads we make ourselves comfortable in the sun in the courtyard behind the kitchen. We get chatting about the business and I ask questions about the employment arrangements she has with the two ladies who work her. Before she is able to answer the questions we are interrupted by loud screams coming from the street side of the property.

Susan and the other ladies get up and look for a place to hide. I am confused and don’t quite know what is going on. As I stand up I am confronted by a large moustached white man. He grabs me, sticks his gun in my face and asks what I am doing in the restaurant and then forces me to come with him to the front of the property.

My first instinct is that we are all now being held up and going to be robbed. I try and ask what is going on, but to no reply. The man with the gun leads me outside where a few of the restaurant regulars have been forced to line up with their hands on the wall ready to be searched. A few other men appear. One is wearing leathers with flags of the American south and skulls sewed onto his jacket.

Again I get queried about why I am at the restaurant. I quickly and nervously respond I am a researcher from Wits University. Whilst this is all happening two other men appear with Susan and the other ladies. It is announced that we will all now going to be searched. No one knows what is going on or why we must be searched. But they’ve got guns so we have no choice but to oblige.

When the search starts I get dragged inside to talk to yet another man with a moustache. He says they are here as they’ve been given this address as an alleged ‘haven for hijackers’. He wants to know how I’ve got myself here. Once again I explain that I am a researcher from Wits. My nerves take over and I blurt out that this is a restaurant. I get lead back to the wall to be searched. Susan is greeted by a flurry of questions which centre on her having a license to run a restaurant and accusations of being a shebeen queen.

Whilst all of this is happening the man in leathers plays good guy and gets very chatty with me. He pages through my fieldwork notebook and I say I have my Wits student card in the car to prove who I say I am. He lets me fetch it. I think this may be my opening to get out of this situation. He watches me
and makes a gesture towards the gun protruding from his pants. I get the card and reluctantly get my hands back on the wall.

Suddenly Claire, my supervisor, and Naomi, a Wits staff member, arrive. The search has produced nothing and it seems the men are getting agitated. Claire and Naomi get told to go on to the road. Claire only obeys for a few minutes and is back inside the property. We are then told that we all know about this restaurant being a place that harbours hijackers and we know something. More confusion.

With the fruitless search complete it appears as if there is nothing left for the men to do. We are let off the wall. Moustache number one is on his cellphone and I overhear something about meeting up with other guys in Cyrildene. The men leave. But not before the leather guy and moustache number two tell me how dangerous this ‘place’ is and I could easily disappear. They claim the corner on which the restaurant is situated has the highest number of hijacking reports in Johannesburg. I get told that if I want to research restaurants I should go to Soweto where ‘everything is above aboard’.

As the men speed off in unmarked family sedans I try to make sense of what has just happened. There seems to be a marginal layer of authority to the way the men conducted their fruitless search but I do not feel convinced that they are any sort of real law enforcement officers. At best I think they might be police reservists who are trigger happy. One of the restaurant regulars who managed to get into the road before the intrusion says he knows one or two of the faces and they are detectives. I have a hard time telling my brain that the men are actually policemen.
Findings and analysis chapter: *Stories from Susan’s Place and Ethiopia House*

The chapter tells stories about the two restaurants that I investigated. I will start by discussing Susan’s Place and then move onto Ethiopia House. The discussions that I will report back on include stories of migration to Johannesburg, economic mobility and the nature of the relationship that people have with the restaurants. Woven into these stories I will highlight how and, where possible, why the restaurant owners have developed particular ingredient buying tactics, employment relationships and property practices. As will be shown, most of these practices are not so exceptional.

I have not created a neat distinction between findings and analysis. Rather I will analyse the findings of each of the stories I discuss at the end of each story. There are three key themes that permeate the stories have included: there are layers of visibility when operating informally; the precarious nature of economic endeavours; trust is a key element in economic activities; and economic mobility of individuals is dependent on how vulnerable to change socially embedded livelihoods are.
Stories from Susan’s Place

Susan’s Place is the first restaurant that I investigated. I was introduced to Susan by my supervisor, Claire. Susan’s Place is housed in a pinky peach coloured house on the corner of the street. The property has a generous front porch which is protected by a man sized wall. Entering the property it is typical to walk pass restaurant patrons who are enjoying the midday winter sun. On entry to the house you are immediately greeted by the fragrances of the day’s meals being cooked in the kitchen which is at the end of the corridor. Before reaching the kitchen you pass by a room with a pool table and TV in it on the left. Walking towards the kitchen you pass three rooms on your right, one of which is a private bathroom, which are tightly locked. One room is where Susan lives with her family and the other is let to a tenant.

Adjoined to the pool room, down the passageway from the closed private rooms is a large room empty apart from the large table which is pushed to one side of the room. The entrance to this dining room is adjacent to the kitchen. This doesn’t seem to get used very much by regulars to eat in, during the day anyway. Rather eating seems to be done in the kitchen itself with other regulars and Susan and the ladies around. Adjacent to the kitchen is a small more private room with a couch and table and chairs.

My impression of Susan’s Place is that it functions more like the Ivorian community’s kitchen than the idea a restaurant I have in my head. The idea in my head of restaurant involves a front area where the
patrons sit around tables being served by waiters and perhaps there is a bar with a TV in the background. In Susan’s Place the eating, during the day at least, happens in the kitchen. Throughout my time spent at Susan’s Place it was common on arrival in the kitchen to be offered a drink. At first I declined these offers, but soon I was soon set straight. I was told Ivorian people always offer guests a drink as a way to welcome you. This I think this practice is a good metaphor for my time at Susan’s Place. The people I spent time with were happy, welcoming and candid in their discussions about life in Yeoville. I felt like a welcome guest.

What follows are the stories from Susan’s Place that I feel best reflect the ways Susan, her employees and customers have adapted to informality in Yeoville and how these strategies to deal with informality in Yeoville may contribute to deepening informality as a dominant organising logic in Yeoville.

**Braaing sheep heads**

It's midmorning on Saturday. I walk into the kitchen only to be surprised by Claire and her son Arthur. We speak briefly and Claire reminds that it is the Hotel Yeoville launch event on Rockey/Ralleigh today. I am offered a taste of a ginger drink. Very fresh, very good. I ask Claire if she has seen Susan. Susan has just popped out to the market to buy supplies. I have missed the opportunity to see who she buys her fresh produce from. Getting the timing of my visits correct to join Susan on buying trips becomes a common problem during my time at Susan’s Place. Claire and Arthur leave and I hope to see them at Hotel Yeoville.

I get talking to Maggie, one of Susan’s cooks/waitresses. She shows me the spread of food that has been prepared: dried fish and beef stew with aubergine, an ochra and palm oil soup, *atteke* (prepared cassava root) which I say looks a bit like pap but I am told not to insult the food, and rice. Maggie leads me outside to see the start of the preparation of the centre piece of Sunday’s meal.

I am greeted by three smiling sheep heads and Benjamin, the man who is braaiing the sheep heads. Benjamin came to Johannesburg 6 ½ years ago from the DRC. He tells me that he works small jobs for a variety of people in Yeoville. Braaiing the sheep heads is one of these jobs. Benjamin tells me that despite working all these little jobs in Yeoville he earn very little. His dream is to save enough money to move to England where his sister lives.
Slowly the smiles are singed off the faces of the sheep. Only burnt teeth are left. Benjamin says they are almost ready. When they are done he gives them to Maggie. The head then gets cleaned with a wire brush and soapy water. After being cleaned the heads are placed in a massive pot to be boiled. The next phase of preparation will be completed on Sunday morning.

The shopping trip to buy sheep heads

I meet Susan at the restaurant at mid morning on a Friday. She tells me she going to buy sheep heads for Sunday’s meal. I offer a lift. She accepts. We head off towards Nelson Mandela Bridge in my car. Our first stop is what Susan tells me is an Algerian butchery on Jeppe street. The butchery is diagonally opposite the glass JRA building with the hulking presence of Bank City in the background.

We are here to buy three sheep’s head for Sunday’s stew. The sheep heads are all piled up in a large white bucket. This is not the type of sight a whitey like me is used to seeing when going on a shopping trip for Sunday’s roast. This butchery seems to have specialised in the supply of the cuts of meat that do not make into suburban grocery stores- sheep and pig heads, sheep intestines (tripe), livers and offal, and cow legs. Susan pays R16 per head for three heads which comes to a total R48.

Our second stop is at a Chinese butchery on Bree Street just west of the Bree street taxi rank. It’s a buzzing place. Susan approaches one of many butchers and asks for pieces of beef. The butcher picks up a large hindquarter of a cow and gets to work. He starts cutting what looks like sections from the rump. Whilst the butcher and Susan conduct their business I take a walk around. There are more familiar cuts of meat, no heads. But the packaging of the meat is not the standard Pick n Pay style I am used to. Large piles of stewing beef, freshly cut and ready to be sold on for the preparation of a weekend treat. When I get back to Susan she is the owner of R96 worth of beef pieces. The total shopping trip has cost Susan R144.

On the ride home I ask Susan about her financial pressures. She is the primary tenant of the property that she lives in and runs her restaurant from. The rent has recently been pushed up to R11 000 per month. To make up this rent Susan has three income streams; accommodation, food and alcohol.
Susan has let out three rooms, two of which are located in the back yard of the property. The potential income from this is R2500. The food and alcohol businesses are run separately. I don’t ask exactly how much she is able to make from the food and alcohol sales, but she makes it quite clear that it is not nearly enough.

A major problem for Susan is meeting this rent. It appears as if her limited customer base, which is largely restricted to the Ivorian community, jeopardizes her cash flow. Susan tells me that she often extends credit to some Ivorian customers for both food and alcohol. However getting customers to pay their debts is difficult. Susan says can not decline to feed customers. In this way the practice of giving credit to members of the Ivorian community is putting pressure on the restaurant’s cash flow. This in turn has an impact on the sourcing tactics that Susan employs. The most obvious effect is limiting the amount of food that she buys and also the ingredients that she purchases. When I first met Susan she told me that she buys crab from China town in Bruma for Sunday meals. However in the time that I have been involved with her business she has not cooked any crab meat for a Sunday meal.

Susan’s tenants and restaurant customers appear to have volatile incomes. This volatile income is what Susan is dependent on in order to meet her ever growing fixed costs of keeping her property running. On top of fluctuating incomes Susan has extended credit to her customers. The economics of this situation seems unsustainable to me.

**Talking precious stones and Chinese imports with the Uncle and the Young Brother**

It’s the week after the World Cup has finished. I arrive at Susan’s Place at around mid day I sit down and join three gentlemen. The eldest man in the group is being referred to as the ‘Uncle’. He tells me this is a title of respect that his ‘younger brothers’ have given him as he was one of the first members of the Ivorian community to come to Johannesburg. The date is important: early April 1994 just before South Africa’s first democratic elections.

I ask if the election and the dawn of a New South Africa had anything to do with him coming to Johannesburg. The opportunity for a different life was his reason, not so much the elections. His different life started with work for a local film company. This lasted for a few years. One of the film projects that the uncle worked on was the Muhammad Ali movie starring Will Smith which was filmed on location in Mozambique. This trip, the Uncle says was the next leg in his economic journey. He realized that Mozambique was also experiencing a political change, this time in the form of World Bank
supported business friendly reforms. After some time the Uncle found himself in the precious stones business.

It is this business that was the reason for his current trip to Johannesburg. He is here looking for new South Africa based stone buyers. The operation sounds impressive: several mines in Mozambique and the impending set up of a processing plant in Maputo. These stones are sold into the jewelry and construction industries. In search of potential customers the Uncle has travelled to India and throughout Africa.

I can’t help but think about how exactly new business partners and customers are found. I ask about any business dealings with the Chinese jewellery and construction industries. The Uncle is quick to retort that he doesn’t like dealing with the Chinese and prefers business deals with Indian businesses. I find it interesting that the old colonial powers, of England, France and Portugal, do not seem to be market the uncle as targeted yet. A series of South-South economic linkages appear to be deepening. One of the ‘younger brothers’ over hears my questions about doing business with China. It turns out he has established an exporting operation in China. He tells me he has had a presence in China for about five years and has been exporting goods to Ivory Coast. He is currently in Johannesburg trying to identify which products could sell well in South Africa. As we talk more about Chinese exports, the young brother tells us about life in China and presents a wallet photo of his Chinese wife. It’s inevitable that conversation between four men who are a few drinks into afternoon will lead to sex. But this is not a straight forward sex conversation there is an international economy story to the tale.

It turns out that marrying a Chinese woman helps with the legalizing the ownership of opening a factory in China. I assume what he means is that the marriage gives the factory owner China residency or citizenship. However this is not a risk free strategy. Should the relationship turn sour, it is often viewed as easier to leave the factory to the wife and in turn leave the country. I chance asking if this has lead to the young brother leaving China. There are some laughs and then the young brother tells us that as a foreigner, be you black or white, the Chinese police will always treat you with suspicion as they do not like the idea of foreigners mixing with the Chinese and will always take the side of the wife in any legal matter.
So there it is. Spend an afternoon in a Yeoville restaurant and you may learn about how today’s African entrepreneurs are seeking to establish global businesses and take advantage of the opportunities today’s globalised economy offers. I am told it is all about simple economics: find a niche in the market, source cheaply, and then sell at a profit. These globalised businesses are not Wall Mart styled operations they are smaller businesses that hint at a process of globalisation from below.

But is that easy? Taking advantage of these opportunities is not being facilitated only by trade agreements between national governments but rather through inventive investigations for potential partners and customers by small scale operators. These small scale operations are precarious and rely on particular sets of social relationships which in turn require a highly tuned set of negotiation, language, financial and inter personal skills.

In these two stories there are two divergent approaches to running a globalised business. The Uncle is seeking to enhance the value of an African produced commodity and find markets which are good to do business in. This approach involves always finding new markets whilst keeping the costs of producing African products as low as possible so as to create a decent profit margin. This approach is the African manufacturer approach. Extract, add value, export, and in turn grow local incomes.

The Young Brother’s approach is that of global merchant, investigating which products have a high demand in one country and then source them cheaply from China. In a way the Young Brother is just like the major retail chains, but at a much smaller scale. This is how China may be changing Africa, opening up its markets to small scale traders who then find the best way to get the products to the identified markets. In other words an army of global merchants are taking care of the export, marketing and sale of Chinese made products.

These two approaches to earning an income are vastly different to my own middle class strategy: get a degree and then seek work within the local economy in the particular sector in which my skill set lies. My approach when measured against this globally savvy approach seems in many ways out dated and highly dependent on the fate of the local economy. But why must the Uncle and the Young Brother seek out income strategies that are more connected to a global economy? Are there opportunities open to them in Johannesburg’s economy? Could they seek out a stable income from getting a job with Johannesburg based corporate?
Thoughts on informality based on my experiences at Susan’s Place

In the methodology chapter I gave an account of my experience of the police raid which occurred in the week after the World Cup ended (refer to page ). The experience really shook me and was quite difficult to write about. But with time between the experience and the writing phase of the research I have been able to draw out some important realities about the ambiguous legal status of Susan’s Place and a constant threat of police intrusions.

Legality and visibility of operation

The alleged reason the detectives came onto the property was because the address had been tipped off as a ‘haven for hijackers’. The validity of this claim is open to interpretation. Particularly in light of the armed gunmen who burst onto the property never announcing themselves as policemen nor did they seem to have any search warrant.

Whilst I was only subjected to this type of police practice once during the study period, the restaurant is always susceptible to such police operations. This means that the restaurant’s existence is always under threat as the police could just drop in at any time. This becomes more complex when we explore the range of potential police who may come along. There are the Metro Police who enforce Johannesburg’s bylaws. The bylaw they would most be interested in is an alcohol license. The SAP may also come along and they may be interested in registered title deeds and ownership status of the building.

Ironically, on the day of the police raid I had a discussion with Susan about police. I asked if either the JMPD or SAP ever comes to the restaurant. She mentioned that JMPD had come along asking for an alcohol license, but she had never been visited by SAP. The timing of Susan’s answer to my question was good. We were passing a JMPD road block and Susan quipped: “Look, they [pointing to the cops] are hungry today”.

Navigating which licenses are needed and which law enforcement officials enforce the attached laws seems to be quite difficult. The visibility of Susan’s restaurant appears to have intentionally been
designed as low key so as not to attract too much attention to the nature of the activities taking place within her property. However Susan’s Place is a meeting place for the Ivorian community.

The restaurant provides a discreet space for business transactions to take place. On Sundays many of the Ivorian community living in other parts of Gauteng come to catch up with their friends. Susan told me that she often cooks for a friend of hers who works in the Ivorian embassy in Pretoria. This mini anecdote indicates that the restaurant is a space in which the capacity building processes Simone refers to takes place in.

The restaurant being a meeting place for the Ivorian community helps raise the visibility of the property as being a meeting point for the Ivorian community. So whilst the activities housed inside the property are not actively advertised. The fact that the Ivorian community congregates at Susan’s Place may have the unintended effect of raising the profile of the restaurant.

**The tension between fledgling businesses and urban management**

The second element of the police raid experience is that it highlights with a high level of clarity the tension which exists in urban management. Should orderliness and the clearing out of criminality be held up as more important than supporting fledgling businesses? This points to a deeper question: Is it possible that the current urban management framework works to make viable businesses illegal?

If a supportive framework for businesses such as Susan’s Place, what would it look like? Should it involve simply allowing any and all activities to take place in properties? Can the state actually regulate, control and halt a host of activities from happening?

**Susan’s precarious economic situation**

Susan’s Place is clearly not a highly profitable operation. The context in which she operates is characterised by customers and tenants with a volatile income, there is a high level of competition from another Ivorian restaurant a few hundred metres away, and there is broad inflationary effect that is driving up her fixed costs. In other words Susan needs to adapt to fluctuating income streams, compete with the other Ivorian restaurant down the road and negotiate with her landlord. Susan is under pressure to reduce her costs and roll punches of volatile incomes.
I asked Susan if she has looked for other sources of income and she said that her friends had made some suggestions. By the end of my time with the restaurant a small clothes stall and barber shop had sprung up. This process of looking for new incomes and sub dividing space on properties appears to be an important factor that is driving both the density and diversity of economic activity in Yeoville.

Stories from the Ethiopian House

Ethiopia House is the second restaurant that I spent time eating in and trying to research the informality of Yeoville in. I ate my first meal in Yeoville at this restaurant which subsequently inspired my research project. Up front I must confess I really enjoyed my time at this restaurant. Again I was introduced to one of the owners of the restaurant, Tezfy, by my supervisor Claire. Again that initial introduction was very important to having credibility with the restaurant. The restaurant has two primary owners, Jikamo and Tezfy, who have employed Janet an Ethiopian single mother to manage the kitchen. There are four South African ladies who work in the kitchen, one of whom also makes coffee and clears tables.

The restaurant is located on Yeo Street down the road from the Yeoville police station. The restaurant, like Susan’s Place, is in a house and is neighboured by another Ethiopian restaurant and a guest house. Clearly the design intentions of the house were to afford residents space to enjoy the warm Highveld evenings as is evidenced by the porch which greets you as you enter the property through a green gate. As you enter the house you are first struck by the aromas coming from the kitchen. You are drawn down the passage to the kitchen in front of you. You may even miss the internet café and juice bar in the first room on the right which is adjacent to an open room with a pool table and large TV. This large open room adjoins the seating area with a quite a few table and chairs and a second TV. This dining room also has a coffee bar on top of which sits commercial Italian espresso machine in this room. The house favourite turned out to be macchiato.
The kitchen is very clean and has a large contraption in the corner that is used for making *injera*, a large Ethiopian pancake that forms the. In the passage, next door to the kitchen is private room that is being rented out. At the back door of the kitchen are two back yard rooms which are also being rented out.

Ethiopia House had an altogether different economic health status to Susan’s Place. This restaurant matched the conventional idea of a restaurant that I have in my head. Nonetheless the restaurant also appears to be an important social space for the Ethiopian community. As will be discussed trust is an important element that is driving the economic mobility and carving out of economic opportunity for the Ethiopian community in Johannesburg.

The stories I heard in this restaurant proved false many of the assumptions I had about Yeoville being a neighbourhood in which people were not making much money and everyday was dominated by informality. Yes informality and constrained incomes are definitely characteristics of Yeoville. But there are also definitely people who have found ways to adapt to informality and use business practices that have varying degrees of informality to ensure relatively stable and prosperous livelihood.

**The first day in the kitchen**

Almost three months after eating the meal that started this research project I am finally in the kitchen of Ethiopia House. It’s a well run ship with Janet at the helm directing the four South African ladies who work with her. Injera is being cooked on a large pan that has four legs and is powered by electricity. These injera are being piled on top of each and covered with a plastic bag. They will be used later during lunch or dinner. Beef is being minced into 50mm cubes and then fried with a variety of spices and chopped onions and carrots. There is also a furious chopping of spinach going on. The preparation of food starts at 8h30 every morning. Lunch is usually much slower than dinner as the restaurant’s customers are working all over Gauteng.

I ask Janet if the menu varies on a daily basis and how supplies are bought. There is a set daily menu which doesn’t change however clients often vary the choices they make. The variety is quite large. This set menu makes buying trips quite simple. There is an almost daily visit to the Yeoville market to collect spinach and sweet potato leaves, which are actually very tasty. The meat, spices and ingredients for the injera are only bought when current stocks run low. The beef is bought from a butchery in the inner city whilst the spices have been sourced from Mayfair.
Tea with Jikamo

Before entering the property I bump into Jikamo, one of the owners, in the road. I ask if he has been on a buying trip and replies yes but all the stock has already been taken inside. I scold myself for once again not getting my timing to go on a buying trip right. I improvise and use the opportunity to try and learn more about Jikamo and his story of coming to Johannesburg and establishing a livelihood.

Jikamo graciously accommodates my request and we go inside. Over a cup of tea and avocado and chilli salsa sandwiches Jikamo starts explaining his story. Jikamo came to South Africa in 2006. He originally intended to only stay until he made enough money to move onto either London, New York or Sydney. Johannesburg was meant to only be place to build capital then fly onto another city which would have better opportunities. It turned out that Johannesburg has more than ample opportunities.

I find Jikamo’s economy mobility truly fascinating. He started out running a door to door business selling clothes in Mamelodi. His first success was saving enough money to buy a car so he no longer needed to travel from Yeoville on daily basis using taxi’s. He could now sell clothes from the boot of his car. The next success was establishing a permanent spaza shop with an employee who ran the shop for Jikamo. Then little under a year ago he went into partnership with Tezfy to start Ethiopia House, the restaurant. The duo’s next venture, which has just been established, is running a small clothing store in the inner city that sells clothes to other Ethiopian traders, South Africans and cross border traders. Jikamo says that he is hoping to have the time one day to get a South African marketing qualification.

In Ethiopia, Jikamo had a marketing qualification and ran a series of businesses before leaving. When I ask what prompted to come to Johannesburg he has an interesting answer. Jikamo tells me that if you are not an active supporter and are seen to support the opposition the government make life very difficult for you. Sipping his tea and with a smile on his face he says to me that I am too young to understand exactly what he means.

Whilst I am interested in finding out about how and why Jikamo has come to Johannesburg and has subsequently developed what is a very successful livelihood, he is interested in why I want to know all of these things and why I am trying to learn to cook the food his restaurant serves. I tell that I am an urban planning student and I am interested in the positive impacts migrants are having in
Johannesburg’s economy and how different the city’s urban development is being shaped by migrant run businesses. He then says something that really gets me excited. He explains to me how there are a number of Ethiopian business men who run shops in the inner city that developed quite elaborate sub letting arrangements.

Jikamo reminds me that he only promised me thirty minutes of his time and we have now been chatting for forty five minutes. He must go. I ask Jikamo if we can get together again to discuss the business models of Ethiopian retailers as it appears to be widespread within the Ethiopian community. I also want to push deeper into the nature of the property practices Jikamo and other Ethiopian businessmen have developed. He agrees. We shake on our future meeting.

**Lessons about sub letting**

It is midday on a Saturday and I am late to meet with Janet. I look around the restaurant to see if she or Tezfy are around. No luck. During my search for Janet I walk into the internet café. I get chatting with the owner, a young Ethiopian man. He has only recently sub let this room from Tezfy and Jikamo. The young man has established an internet café that offers cheap international phone calls in booths which are converted cupboards, photocopying and printing services, internet access, CD writing and photo printing. The phone booth seems to be his best source of income.

I ask if his business is in any way informal. He is quick to respond a resolute no and gestures towards a SARS certificate on the wall opposite his desk. “Everything is above board and I have my tax papers”. I hope I have not offended him. I ask about the rent dynamics of the room. I don not ask directly ask how much he has to pay for the room but I do learn that in order to subsidise the rent for this room he has also found a tenant, a young South African woman who is running a juice bar. The avocados and paw paws on the shelves above the bar give the room a tropical and healthy atmosphere.

**Janet’s story**

Janet runs the kitchen at Ethiopia House and earns a monthly salary for this management role. She works seven days a week. She acquired this job as head cook/kitchen manager in the beginning of 2010 after returning from Durban. She heard about the job from a friend who said that the owners of the restaurant, Tezfy and Jikamo, were looking for a new head cook. Janet tells me that this job is hard because she works very long hours, has limited time off and doesn’t earn much money.
Janet came to South Africa in 1996. Her reasons for leaving Ethiopia had to do with the outbreak of civil war and a difficult family situation. Her boyfriend at the time convinced her that coming to South Africa would provide them with a better future. She was still in her mid teens when she made the decision to move to South Africa. Janet travelled for three weeks with two other friends through Kenya, Mozambique and Swaziland to get to South Africa. Once in South Africa, Yeoville was the first port of call as it already had a small but well established and growing Ethiopian community.

When Janet first arrived in Johannesburg she lived in Yeoville with her boyfriend. They started a small business selling clothes on the streets of Midrand. They would commute daily to Midrand from Yeoville. This business become quite successful and the couple started building a decent life. Then in early 2000 Janet fell pregnant and the couple had a daughter. This coincided with the souring of her relationship with her boyfriend. Janet and her daughter then moved into their own accommodation. This break down in the relationship and the increased financial burden of having a child appears to be a significant driver of her income strategies and urban trajectory.

Janet’s income strategy exploration saw her venture to Durban and even rural Eastern Cape before returning to Johannesburg in late 2009. Whilst a decent income was high on the priority list during this search, Janet was also on the lookout for a good environment to raise her daughter which included good schools, a welcoming community and a decent climate. This country wide movement was always aimed at finding income opportunities that existed within various Ethiopian communities. In both Durban and the Eastern Cape she started restaurant businesses which served the Ethiopian community. Janet laughed that you can find Ethiopians anywhere in South Africa.

Janet explained that often her customers had established a spaza shop which sold both food products and household items such as clothing, blankets and nappies. The basis of this business was exploiting the profit margins which could be realized if cheap products were sourced and then sold onto customers in various townships. For example the trader purchases the blanket for R100 then sells it for R250 cash or R400 on lay bye which could be repaid over a few months. Janet explained that this trading business is a good one because the margins involved are high. This trading business is also time intensive as it involves travelling to and from cities like Johannesburg and Durban in order to source the cheapest products available. Having to look after her daughter and being a single mother means that Janet simply does not have enough time to get involved in this business.
This time intensive but high margin business model has the opposite model of her restaurants. Running a restaurant has lower profit margins as it is spatially rooted in one location and does not require extensive travel. This lower margin and spatially fixed business model is arguably as time intensive. As a single mother, with no family living in South Africa who could assist with caring for her daughter, Janet must find an income strategy that is both spatially fixed and able to cover the living costs of her and her daughter. Being a single mother has effectively excluded her from the more successful trader business model as she must split her time between earning an income and caring for her daughter.

Since getting back to Johannesburg and resettling in Yeoville, Janet has taken up her job as kitchen manager at Ethiopia House. Although Janet’s job at Ethiopia House has provided a more stable income it is still insufficient to meet all of her needs. She is still on look out for a business opportunity that would increase her income and profit margins. The big advantage of living in Yeoville for Janet is that it may help to free up some of her time as her friends help to look after her daughter, which could be used to pursue a higher margin business model.

Conclusions drawn from Janet’s story: lessons about urban development and social processes
The ways in which Janet has had to find new income strategies as her life circumstances have changed provides an insight into how tenuous and difficult life in Johannesburg can be for residents, especially single mothers. Stability and securing of a livelihood appears to be strongly linked to the stability of the social relationships of households. Janet’s income was embedded within the relationship she had with her boyfriend. When that relationship ended the income strategy ended.

Socially embedded income strategies are highly vulnerable to change any change in the social relationship on which that business has built. This may in part explain why some small scale businesses are able to survive and subsequently grow, whilst others falter and never quite get going. The social circumstances of the people who have created that small scale business is a key variable to understand which enterprises may go onto becoming more sustainable. Simone’s concept of people as infrastructure has particular relevance.
Economic success in the city is for some dependent on the types of social relationships they have developed. It is these socially embedded income strategies that are partly responsible for driving the evolution of a city’s economy. This evolution of income strategies as a result of changing social relationships is what Simone refers to as ‘generative interactions’ (Simone, undated). Generative interactions are the socially embedded income strategies that are cobbled together as individuals go about navigating the city.

The business models of Ethiopian retailers

I meet Jikamo in the packed dining room. Its 7pm and the regulars, made up of entirely of Ethiopian men, have descended on Ethiopia House to grab dinner, enjoy a coffee and watch the draw of the Uefa Champions League 2010/2011 season. We have met so that Jikamo can explain to me how the Ethiopian community provides opportunities for new comers to create viable retail businesses. We are also going to discuss the mechanics of the sub letting of Ethiopian inner city stores.

The role of trust in Ethiopian retailing

The process is one which hinges on the trust that is embedded within the social relationships of the Ethiopian community. There are several inner city based clothing and durable goods wholesalers run by established Ethiopian business men and women. A new comer arrives and needs some help establishing himself. With the help of either a friend or relative the new comer establishes a business relationship with an inner city store owner. The store owner typically forwards the merchandise to the new comer on a loan basis. This only happens if the new comer can find someone that the store owner trusts to vouch for them. The trust fostered between the store owner and this middle man is essential for the new comer to launch his business.
The new comer now has the means and stock to become a door to door salesman or spaza shop owner in one of Gauteng’s townships. His business model is one that seeks to make margins on the cheaply sourced merchandise by building a good clientele. The door to door salesman offer either cash or lay bye purchase options.

Trust is the key, non financial, element underpinning the establishment of door to door sales man enterprises. This makes trust a precious commodity. Building trust and finding some one to vouch for you is what Simone is referring to as a capacity building process. Ethiopia House is a social space in which trust can be built between newcomers and friends. It is a social space for store owners to scan the environment to see who knows who and who can be trusted as person who vouches for newcomers.

**Ethiopian property tactics**

The practice of giving credit to new comers and existing door to door salesman that is dependent on trust to and the collateral provided by the social relationships within the Ethiopian community is not only interesting practice inner city Ethiopian store owner have developed. There is also property practice that involves a layering of sub letting arrangements between Ethiopian business men. These
practices of sub letting involve a primary tenant securing a long lease from the property owner and then sub letting space in his own shop to other Ethiopian retailers.

Jikamo tells me that astute Ethiopian business men are approaching companies such as Trafalgar to secure the long term leases. Figures like R125 000 per annum secure a small shop on the ground fall in a high footfall zone of the city. This lease is then signed for a five year period with a standard market rental escalation. With the primary tenancy in place, the store owner goes about stocking his store by purchasing clothes from one of the Chinese warehouses. The value of selling clothes seems to be more as an advert to a potential Ethiopian sub tenant.

The relationship built with the existing door to door salesman gives the store owner a track record of who might be a good sub tenant. Once suitable sub tenants have been identified the store owner portions off the majority his store to the sub tenants. The price of each small space, sometimes as small as 10 square metres can be as expensive as R50 000 for a year added to a substantial deposit. Assuming that there are 5 sub tenants, the total annual income from subletting amounts to R250 000. Profits, without even selling any clothing then comes to R125 000 per annum. This is serious money.

The sub tenant then goes about replicating the credit based business with other Ethiopian new comers and cross border traders coming to Johannesburg. They have a platform to build their own wealth. This speaks to the nature of demand for space in Johannesburg’s inner city. People have seen that through clever control of credit, through social relationships and lay bye practices, livelihoods can shift from being stable to dramatically successful. The notion that you can become the next primary tenant able to extract annual profits with figures in the R100 000 range is driving demand.

I think this is a really clever property investment strategy. The primary tenant is able to use the physical property at low rate for a long period of time and subsequently squeeze out the efficiencies on those properties. The micro stalls which have been developed help provide a steady revenue stream. This revenue has comes with high margins as the primary tenant is typically not responsible for the maintenance of the building.

When this penny drops and I make the connections out aloud to Jikamo, he turns the tables on me. The questioner gets questioned. What do I as a planning student think about this increasing density?
Are these businesses that involve a series of sub letting arrangements posing a challenge to the City of Johannesburg’s stated aim of being a World Class African city? Are the primary tenants of the buildings who are extracting high margins from the properties but not ploughing any of these profits back into building maintenance not posing a risk to the quality of the inner city’s building stock?

This once again raises the theme of the tension that exists between urban management and allowing the evolution of economies through the creative strategies to exploit economic opportunities. I think that these business models to establish retail enterprises and property practices are a positive force in the organising logic of urban development in the inner. There is clearly a demand for space, which has largely been shunned by the commercial property establishment. There are also inventive uses of small spaces emerging. The entrepreneurs are selling their products in an environment which desires low cost products that can be paid for with volatile incomes.

**Conclusion chapter**

The aim of this research project was to try and learn about the nature of informality in Johannesburg by spending time cooking with and talking to the people who own, work in and frequent two African restaurants in Yeoville. The stories that I uncovered and reported on in this research report provide only a snapshot of the nature of informality in Johannesburg.

In this chapter I will bring together the insights about informality that I feel are relevant to planning. These insights include: the practice of sub letting is a key organising logic that is driving urban development in Johannesburg; both restaurants provide a space in which members of two different migrant communities are able to develop the capacities needed to deal the informalities of everyday in Johannesburg; and trust is a key non tangible socially rooted element that appears to be an important factor this is at the heart of the economies the two different migrant communities are involved in.

I will also discuss what I personally learnt about informality, emphasising that I believe informality is not actually so exceptional. In closing the research project I will highlight how the methodology to research informality developed during this research report and the findings on the nature of the
business practices undertaken by Ethiopian retailers provides an exciting platform for further research into how Chinese warehouse investment may be affecting regional retail dynamics.

**Research specific insights about informality**

In the literature review chapter I presented a framework for understanding informality. There were three key concepts that underpin this conceptual framework; urban informality is an organising logic that is underpinning the nature of urban development in cities of the South (Roy, 2005); in the face of high levels of informality in everyday life, people must build the capacities to adapt to these informalities (Simone, 2001); and in cities of the South the social relationships that people have developed to make an economy work are the key infrastructures that are the basis for growth in urban economies (Simone, 2004; Simone, undated). I have grouped my insights about informality according to the logic of this conceptual framework.

**Insights relevant to urban informality as an organising logic underpinning urban development**

If planners are to understand the nature of urban development in cities of the South they need to identify the organising logics that underpin urban development (Roy, 2005). In both the cases of Susan’s Place and Ethiopia House I showed how sub letting is wide spread practice for residents of Yeoville and business men.

Susan had sub let three of the rooms on the property that she was the primary tenant of. By the time I finished my investigation at Susan’s Place there was a small clothing stall attached to Tezfy and Jikamo have also sub let several of the rooms on their property for residential and commercial endeavours. One of their sub tenants has actually even sub let their own sub let space even further. In the case of inner city Ethiopian store owners I showed how sub letting is providing low cost space for small scale retailers. This low cost space accompanied by practices of credit extension and lay bye purchasing arrangements is witnessing small scale Ethiopian retailers being able to enjoy fairly sustainable economic accumulation.

It appears as if sub letting as practice has been developed to cope with a demand for both spaces of shelter and spaces that can be used to build livelihoods. The practice of sub letting is key driving force that is helping to proliferate a mixed use urban form that is not over determined by a town planning
scheme. Rather density and diversity of economic activity is actively being supported by the relatively informal process of sub letting.

I argue the practice of sub letting has many positive outcomes for the growth of urban economies as these micro spaces provide low cost options to business people who have a customer base who have volatile incomes and insecure incomes. Economic success in a city cannot and should not depend only on the ability of the state to encourage ‘formal’ jobs. Sub letting should be encouraged as it provides a stable platform for small scale economic actors to keep their costs low and subsequently grow.

**Insights relevant to capacity building processes**

The process of residents adapting to the high levels of informality in African cities has witnessed a rise in the importance of access to groups who already laid claim to particular resources (Simone, 2001). Planners need to understand how these capacities are being developed, what kind of spaces they are being developed in and the effects of the resultant claims on particular resources may be.

Both Susan’s Place and Ethiopia House are spaces in which residents are developing the capacity to get things done. In the case of Susan’s Place Ivorian business men who are developing globalised businesses are able to use Susan’s Place to make deals and find potential partners for their operations. Susan mentioned to me that she regularly cooks for people who work for the Ivorian community. I was reassured by several regulars that the Ivorian community tries to help each other where they can. The social networks that are expressed at Susan’s Place provide a resource for members of the Ivorian community to seek assistance with migration related issues and economic opportunities.

Ethiopia House also providing a space in which the Ethiopian community can develop capacities needed to live in Johannesburg. In the case of small scale Ethiopian retailers, or the door to door salesmen, it is important to build relationships with a third party who can act as a from of surety in the credit based transactions the new comer to the city has with the established inner city store owner. The restaurant is a space to seek advice, support and encouragement and even gather market information.

Janet’s story shows how vulnerable to insecurity single mothers can be should a socially embedded. Janet certainly has developed a host of capacities to deal with living in Johannesburg, but her status as
Insights relevant to people as infrastructure

The social relationships, the associated networks and economic linkages that underpin the workings of an economy are key factors in how urban economies in Africa are evolving (Simone, 2004; Simone, undated). In both the Ivorian and Ethiopian community trust, developed within the social relationships that exist within the different communities is an important part of how successful economic endeavours are being developed.

Susan has always given credit to her customers. She does so because the Ivorian community is tightly knit. However in recent times Susan has been struggling to collect her debts. Her customers have variable incomes which are dependent on the health of their own economic endeavours. At the same time Susan’s fixed costs of rent and ingredients seem to be ever rising. Yet she has continued to grant credit to her customers. This is a form of trust as she knows she will be repaid at some point and can also call in favours should she need to.

Trust is also playing an important role in how new comers are being absorbed economically into the Ethiopian community. The business model of Ethiopian retailers is experiencing seemingly high levels of success as new comers able to move from being door to door sales men to restaurant owners with both personal skill and resources and as a result of the trust the Ethiopian actors in retail value chains have of each other.

Whilst social relationships are difficult identify they are a key factor in what appears to determine successful economic endeavours. I argue that planners need to understand the nature of social relationships that underpin the economy.
Informality is not so exceptional

In retrospect my approach to investigating informality in Yeoville was underpinned by a false notion that the things that are getting done are somehow different from business practices. This can be read in my logic when asking the questions of Yeoville appears have higher degrees of informality than the neighbourhood in which I live, Blairgowrie.

Despite this bias in my view of informality I have learnt that informality and the strategies that underpin informality are not actually so exceptional. This realisation in the bias in my thinking and has allowed for shift in my approach to understanding the urban environment.

In deed as I understood what Roy and Simone were trying to say about informality being a key characteristic of life in cities of the South I started to see more informality around me in places that I did not expect to find it. In an interview on CNBC Africa on 14 April 2010, Martin Humphries MD of Executives Global Network, revealed the deeply informal nature of corporate South Africa’s investment strategies into the rest of Africa. In response to a question on how do South African firms cope with African states’ economic policies and perceived policy stance uncertainty such as Zimbabwe’s proposed Indigenisation laws, which will see at least 51% of all companies being owned by a Zimbabwean partner, Mr Humphries responded as follows: “...there is the official position and then there is the unofficial position...that’s what we like to look at...there is a lot of research available...our people are business leaders [who] can get all these statistics...but what is actually happening on the ground...how can we help each other...not only in getting through the statistics but getting to know who you need to know to do business in that country” (ABNDigital, 2010).

Informality is alive and well on Johannesburg’s golf courses. Informality is alive inside boxes at sporting events. Informality is alive in many bars and restaurants throughout the city.

The techniques used to understand the informalities of everyday life of two restaurants in Yeoville can be used to understand the social processes underpinning the dynamics of other parts of the city and sectors that may not appear, or are understood as informal, but in actual fact are highly informal. I say highly informal as getting your band signed onto playing at OppieKoppie, arguably South Africa’s premier music festival, might come down to having a beer with the producer from OppieKoppie productions, the company that organises the music extravaganza. Your foot into the door with the high
paying corporate job that will satisfy your parents might come as a result of your mother playing tennis with the HR lady from that corporate.

As I end my time as an urban planning student and enter my next phase in life starting my career in urban planning I hope to not only understand the nature of informality with more nuance. I hope that I will be able to develop strategies that work with the people who will be affected by urban plans. I hope to develop plans which incorporate the various social relationships that have been developed to cope with informality in the city to influence the systems of norms governing urban development in ways that contribute positively to the urban growth of cities in Africa. In short I hope to plan with informality.
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