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HUNGRY CITIES PARTNERSHIP

Inclusive Growth and the Informal Food Sector in Kingston, Jamaica

HUNGRY CITIES REPORT NO. 19

Inclusive Growth and the Informal Food Sector in Kingston, Jamaica

Robert Kinlocke and
Elizabeth Thomas-Hope

Series Editors: Prof Jonathan Crush
and Dr Liam Riley

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No 1 *The Urban Food System of Nanjing, China*
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Preface

A major component of urban food systems in the Global South is the informal food retail, distribution, and preparation sector. In cities including Kingston, the informal food economy comprises a complex network of suppliers, transporters, hawkers, retailers, and street and market food vendors making food more accessible and affordable, especially in low-income areas. The informal food sector is critical to the food security of poor urban households in most rapidly growing towns and cities in the Global South. While the vibrancy of the sector is apparent, research on the structure, organization, dynamics, and impacts of informal food systems under conditions of hyper-urbanization has been limited. By working in an interdisciplinary context with mixed methodologies and across different cities, the Hungry Cities Partnership (HCP) aims to add considerably to our understanding of common elements and differences across the Global South.

The informal food sector also represents an "urban laboratory" for examining whether and how inclusive growth strategies can positively affect entrepreneurship, incomes, and poverty alleviation, address gender inequalities, and mitigate the crisis of food insecurity. Fast-growing cities in Africa, Asia, Latin America, and the Caribbean are characterized by expanding degrees of informality. The definition of informality and the informal economy has been a source of debate since the 1970s. Broadly understood, informality has become the defining feature of the landscape, politics, and economy of the contemporary city in the South. As a result, efforts to secure livelihoods depend heavily on informalized activity. As the Organization for Economic Cooperation and Development (OECD) has noted, "it would be misleading to address food security without taking into account a large part of the economy that provides jobs, incomes and essential services for the urban population. Despite its important role, the informal economy is still poorly defined, poorly measured and consequently poorly taken into account in food security policies" (Hitimana et al 2011: 1).

The literature on informal sector vending generally takes one of two positions. The first is a survivalist position, which suggests that unemployed individuals are pushed into the sector because they are desperate to provide for themselves and their dependants (Berner et al 2012). The corollary is that they will leave the sector as soon as formal employment opportunities are available. A second, opportunistic, position is that informal sector vendors are motivated more by choice than necessity and see opportunities for economic and social advancement in the sector (Knox et al 2019, Margolis 2014, Williams and Gurtoo 2012). An inclusive growth perspective asks how opportunists can maximize their outcomes and how survivalists can be supported to become more opportunistic. As such, this perspective requires a focus on the enterprise rather than the individual and on entrepreneurship, innovation, and job creation. Studies of the informal sector suggest that the opportunities and obstacles to successful informal entrepreneurship vary considerably by enterprise size, type, and location, as well as the vendor's gender, migrant status, ethnicity, caste, and access to microfinance, markets, and support programs.

National, regional, and municipal policies towards informality are highly variable (Young and Crush 2019). Policies towards the informal food economy span the spectrum from complete non-interventionism to draconian attempts to control and even eliminate informality. The pathologizing and criminalization of the informal food sector is especially common at municipal level. Regulation through various legal and policy instruments is also a pervasive response to informality. If the informal food sector is to thrive, and provide opportunities for innovation and entrepreneurship, then an enabling policy environment is essential. The survey results presented and discussed in this report add significantly to the evidence base on which supportive policies can be constructed.

1. Introduction

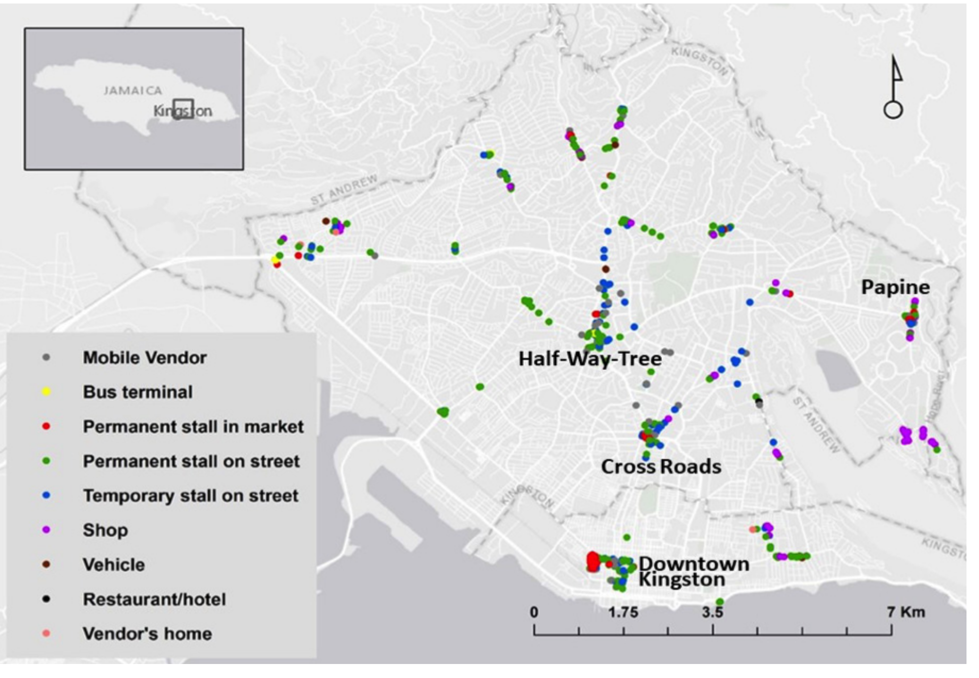
This report should be read in conjunction with previous work on the food system in Kingston by the Hungry Cities Partnership. HCP No. 4, *The Urban Food System of Kingston, Jamaica* provides a comprehensive overview of the nature and operation of Kingston's food system and the current state of knowledge about the informal food sector (Thomas-Hope et al 2017). It demonstrates the importance of the informal sector and city markets as a source of affordable food and employment. HCP No. 15, *The State of Household Food Security in Kingston, Jamaica* (Kinlocke et al 2019) presents the results of a city-wide household food security survey and provides convincing evidence of the widespread reliance of lower-income households on the informal food sector for income and as the major source of food consumed in the household. Against this backdrop, this report examines the informal food sector in Kingston through an analysis of data from a large-scale survey of food vendors.

Much of the public and academic discourse on food vendors in the city of Kingston consists of anecdotal accounts that do not specifically characterize this subset of the micro, small, and medium enterprises (MSME) sector. Despite their important function in the urban economy, small-scale informal enterprises in the food system have been largely overlooked by policy and legislative frameworks, which generally fail to identify them as a focal point for attention (Kinlocke and Thomas-Hope 2019). The characterization of these vendors is a highly relevant starting point for the development of interventions that seek to reduce vulnerabilities emerging from structural vagaries, marginalization in the face of urban renewal programs, and limited access to necessary facilities and services. This report therefore presents an evidence-based analysis of vendors in the city of Kingston in relation to their socio-demographic, economic, and spatio-temporal characteristics.

2. Methodology

The city-wide HCP survey of Kingston was conducted from July to September 2017 by 14 data collectors from the University of the West Indies, Mona. The survey instrument, designed by HCP researchers, was intended to elicit responses from small-scale food retailers operating in various sections of the Kingston Metropolitan Area. An orally administered questionnaire with responses recorded on tablets was used to explore demographic characteristics, economic conditions, motivations for entry, primary challenges and distributive logistics, as well as other enterprise characteristics. Respondents were selected based on age, location, and mode of engagement in the food retail enterprise. The sample was selected from locations across the city and spatially disaggregated into business districts, main roads, and communities. Reconnaissance surveys of the city as well as anecdotal observations suggested that these areas contained the highest concentration of vendors. This is probably due to the comparatively significant volume of commuters who traverse business districts and main roads. Also, many neighbourhoods have small food shops and vendors whose market primarily constitutes residents of the community and nearby areas. Most (80%) of the interviews were conducted with vendors who operated at a permanent market stall or traded on the street (Figure 1) and many were based in the main business districts, namely, Downtown Kingston, Half-Way-Tree, and Cross Roads.

FIGURE 1: Distribution of Food Vendors by Type



The robustness of the data may have been compromised by a low response rate, the period in which the survey was conducted, and the lack of a sampling frame. At each location selected, virtually every vendor in the area was approached to take part. The length of the survey affected interest and willingness to participate, which ultimately affected the total number of surveys that could be completed. Willingness to participate was affected by scepticism from some vendors who expressed concerns that the survey was being conducted on behalf of the government. Given the informal nature of the group studied, official records of members were not available. There is no comprehensive list of vendors in the city. The Kingston and St. Andrew Municipal Corporation provides permits that allow registered vendors to trade at designated locations. Unfortunately, the data do not disaggregate food vendors or include unregistered vendors who operate in the city.

The diversity and dynamism of the group also presented a challenge for enumeration. The survey was conducted over three months in the summer of 2017. Anecdotal observations and media reports suggest that the number of street vendors fluctuates seasonally, peaking during November and December (Edwards 2014). Also, discussions with vendors indicated that they sometimes change activities, goods, and location for reasons including competition, resources, product availability, and tensions with the state. This compromised the development of a comprehensive sampling frame to represent total numbers in the city appropriately. This deficiency was addressed by purposive sampling to capture the diversity of types of food vending and locations. A total of 877 vendors were interviewed in an attempt to compensate for limitations associated with the absence of a sampling frame.

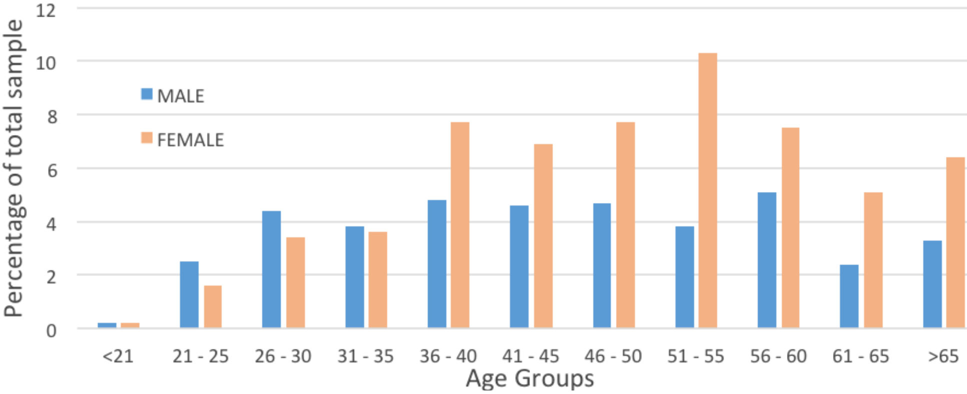
3. Enterprise Owner Profile

3.1 Age and Sex Profiles

Global estimates of gender distribution among informal sector workers indicate that women are more heavily represented than men (Herrera et al 2012). While this varies with the type of informal activity, numbers specific to street-food vending have been more elusive. Studies in other contexts in the Global South suggest that food vending is generally dominated by female workers (Herrera et al 2012). In the Kingston survey too, women were dominant, accounting for 60% of the sampled vendors. Gender is an important policy consideration given the extent to which gender inequalities may compound existing vulnerabilities among marginalized groups. Information on gender-based differences may also partially compensate for the data deficiencies that undermine the measurement of some Sustainable Development Goals (SDGs). In this regard, indicator 8.3.1 requires approximation of the "share of informal employment in non-agricultural employment, by sex" (ILO 2018: 2). While the figures from this survey are only one component of such an engagement, they provide an important building block that may be aggregated with other data sets to achieve a more comprehensive picture of gendered patterns of informal employment in Kingston. These baseline data might also be deployed in the monitoring and evaluation of interventions that may directly or indirectly connect to gender.

Beyond gendered domains, age-based analysis may also provide useful insights into possible policy interventions that recognize the differentiated needs of vendors. Age has been shown to affect adaptation and livelihood transitions and therefore represents an important analytical pivot given the vulnerability of some informal sector groups to urban planning initiatives that may threaten livelihoods (ILO 2018). In Kingston, the sampled small-scale food vendors were, on average, 47 years of age. Around 20% of the sample were below the age of 35 and 10% were over 65. With a mean age of 49, the women were, on average, approximately four years older than the men (Figure 2). These patterns indicate that small-scale food vending activities in Kingston's informal sector may be less attractive to young entrepreneurs. Similar patterns were observed in cities such as Nanjing, China, where small-scale retailers in youth cohorts accounted for only 20% of the vendor sample (Si and Zhong 2019). By contrast, studies of other cities in the Global South suggest that youth occupy a larger share of the informal sector, with the average age for these entrepreneurs hovering in the mid-30s (Adams et al 2013, McCordic and Raimundo 2019, Tawodzera and Crush 2019).

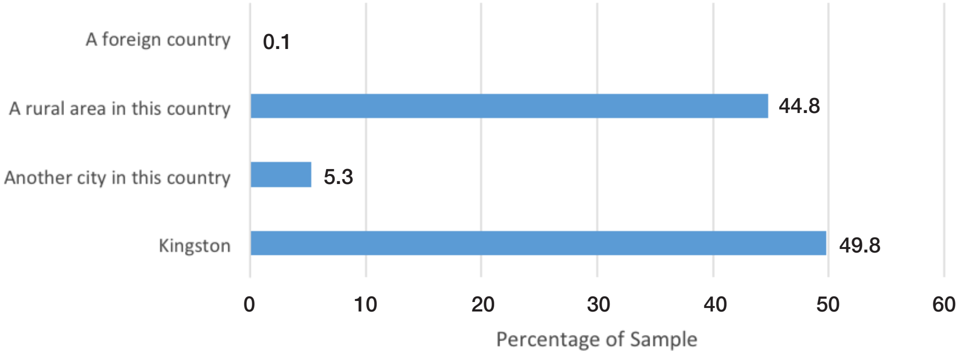
FIGURE 2: Age Distribution by Sex



3.2 Place of Birth

The sample reflected an almost even split between respondents born within and outside Kingston. Among those born outside the city, most were born in rural areas (45% of the total sample) and only 5% were born in other urban centres on the island. Only one respondent was born in another country (Figure 3). These patterns are consistent with the well-documented history of rural to urban migration in Jamaica (Clarke and Howard 2006) and the low numbers of international migrants. Citing data from the Statistical Institute of Jamaica, Thomas-Hope (2018) notes, for example, that immigrant streams generally account for less than 1 percent of the population.

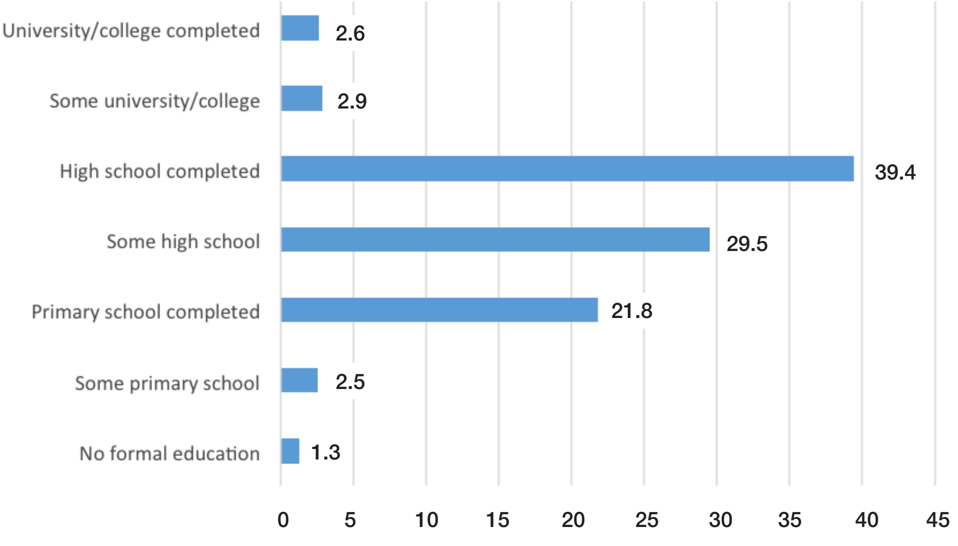
FIGURE 3: Place of Birth of Vendors



3.3 Education

Small-scale food retailing is pursued by vendors with relatively low levels of formal education. Only 5% of the sample had been educated beyond high school, while 38% had completed high school and 30% had some secondary education (Figure 4). Female vendors tended to be slightly more educated than their male counterparts. Approximately 41% of the women had completed high school compared to 38% of the men. Similar patterns were observed for tertiary educational attainment with 7% of the female respondents having at least some university/college education compared to 3% of the males.

FIGURE 4: Educational Attainment



3.4 Occupational History

Just over two-thirds (69%) of the vendors had another main occupation before starting their current food business. Of these, most were engaged in various forms of unskilled (23%) and skilled manual labour (22%), or domestic (12%) and agricultural work (10%) (Table 1). Nine percent had participated in another informal sector business, either as operators or staff. While the distinctions between formality and informality are obscured by using only occupational types, these may be considered as a proxy for estimating the nature of occupational history as many studies, and anecdotal observations, position these modes of engagement as largely informal. It was also clear that few individuals worked in occupations requiring higher levels of training, including trades likely to reflect formal sector engagement. Essentially, the occupational histories are more likely to be characterized by transitions within the informal sector than across boundaries of formality.

TABLE 1: Main Occupation Immediately Prior to Starting Food Vending Business

Occupation	No.	%
Manual worker (unskilled)	139	22.8
Manual worker (skilled)	135	22.2
Domestic worker	71	11.7
Agricultural worker	60	9.9
Hotel/restaurant worker	37	6.1
Operated own informal sector business (same activity)	29	4.8
Office worker	20	3.3
Operated informal sector business (different activity)	14	2.3
Police/military/security	12	2.0
Employed in informal sector	11	1.8
Professional (e.g. lawyer, doctor, academic, engineer)	7	1.1
Businessman/woman formal sector (self-employed)	7	1.1
Health worker	5	0.8
Teacher	4	0.7
Employer/manager	1	0.2
Other	57	9.4
Total	609	100

That nearly one-third of the sample did not have a main occupation before starting their business reflects the high levels of unemployment among some socio-economic groups in the city. National unemployment levels hovered around 12% in the years leading up to this survey (PIOJ 2017). They have come down since then but poverty levels remain high. This may reflect persistent inequality and also that employment may not be adequately contributing to poverty reduction. Alternatives in the informal trades are an inevitable outcome of such patterns as individuals seek viable earning opportunities.

Approximately 20% of vendors indicated that they had other work, besides a main occupation, prior to starting their business. This trend commonly emerges when limited job opportunities encourage individuals to find various informal-sector trades. Thieme (2018) suggests that this expression of economic engagement through diversification represents a routine aspect of the urbanism of marginality. Perhaps surprisingly, only 13% had engaged in other occupations after starting their current business. Several factors potentially explain this, including the time and labour-intensive nature of street-food vending, limited alternatives in a competitive urban environment, and a perception that their current business was providing them with adequate income. In addition, the low levels of education among food vendors may indicate deficiencies in training and skills that effectively exclude them from the formal sector.

3.5 Entrepreneurial Motivation

The factors influencing entry into the informal food trade in Kingston provide significant insight into the ways in which structural and personal factors encourage the growth of small-scale informal livelihoods. The factors influencing entry were assessed under four themes: survivalist/financial benefits, entrepreneurial motivations/intrinsic rewards, social capital/altruism, and employment provision. These categories are based on Peberdy's (2016) categorization of entrepreneurial motivation among migrant informal workers in Johannesburg and the subjective experiences of decision-making. Mean scores were derived for five-point Likert scales used to assess each of 22 questions on the four themes (Table 2).

TABLE 2: Motivations for Entry into Food Retail

	Mean
Survivalist motivations	
I needed more money just to survive	4.56
I wanted to give my family greater financial security	4.55
I was unemployed and unable to find a job	3.68
I had a job but it did not pay enough	2.31
I wanted to make more money to send to my family in my home area	2.31
Personal motivations/intrinsic rewards	
I wanted more control over my own time/I wanted to be my own boss	4.33
I have always wanted to run my own business	4.21
I have the right personality to run my own business	4.06
I like to challenge myself	2.59
I wanted to increase my status in the community	2.55
I enjoy taking risks	2.51

I wanted to do something new and challenging	2.38
I like to learn new skills	2.23
I wanted to compete with others and be the best	1.97
Social capital/altruism	
I wanted to provide a service/product to consumers in other parts of this city	2.69
My family has always been involved in business	2.43
I wanted to provide a service/product to consumers in my neighbourhood	2.42
Support and help in starting my business was available from other people	2.04
I decided to go into business in partnership with others	1.44
Employment provision	
I wanted to provide employment for members of my family	1.88
I wanted to provide employment for people from my home area	1.45
I wanted to provide employment for other people	1.45

Survivalist factors and livelihood concerns were the most commonly cited reasons for entering the food trade, with higher mean scores relative to other indicators. A dominant concern was the need for greater financial security for themselves (4.56) and their families (4.55). Others rated lack of employment (3.68) as significantly influencing their decision. Collectively, these sentiments reflect the relatively high unemployment rates.

At an aggregate level, the pursuit of intrinsic rewards was found to be less influential than survivalist strategies, but was nevertheless important, especially when compared to factors such as social capital and the desire to provide employment for others. Respondents generally had strong entrepreneurial aspirations, expressed in their desire to run their own business or have greater control over their own time. Despite these sentiments, there is a clear skew towards economic factors, which is to be expected in the context of a complex political economy characterized by rising levels of deprivation in the city.

Market and Street Vendors in Kingston

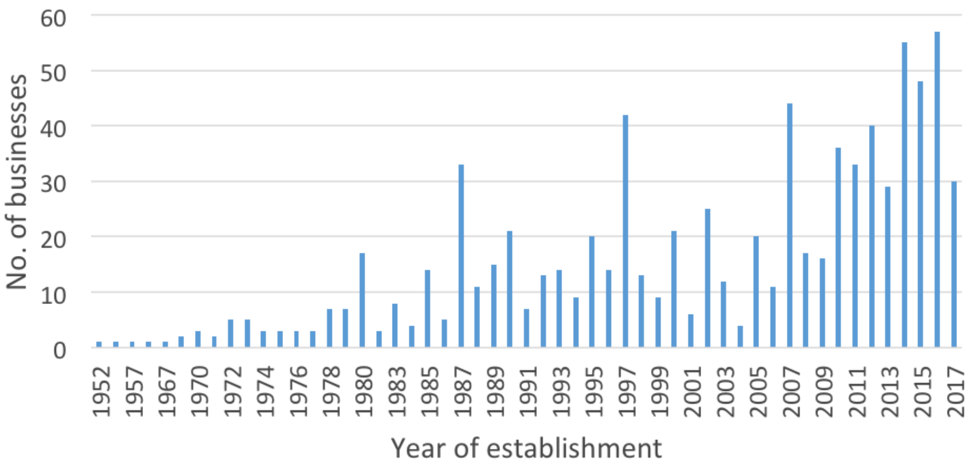

LIME
Credit
Here


MACKEREL
WEST STREET
Blue Marlin
FAST FOOD
Breakfast
& LUNCH
Blue Marlin
FAST FOOD

4. Vendor Enterprise Structure

The majority of the Kingston vendors had started their business in the last two decades. Over half started after 2000 and over one-third (37%) in the seven years prior to the survey (Figure 5). However, a significant minority of the businesses were established in the 1980s and 1990s and therefore had been operating for many years. While the profile may reflect a growing informal sector, it does not provide insights into the survival rate/discontinuation rate of these businesses. In the absence of data on the closures, it is difficult to evaluate definitively the extent to which the pattern of recent emergence is truly reflective of a growing informal sector conditioned by either negative or positive economic circumstances. A recent study on entrepreneurship in Jamaica indicated that Jamaican entrepreneurs have a discontinuation rate of 9%; a rate more favourable than the average for the region and even for the United States (Boodraj 2017). This rate was calculated based on the number of businesses that had closed within the previous 12 months. The comparatively low level of discontinuation gives anchorage to interpretations that link the higher numbers of recent businesses to an auspicious entrepreneurial environment and informal sector growth. This may be rooted in increased competition induced by urbanization along with saturation of the market for low-skilled jobs in the formal sector.

FIGURE 5: Year of Business Establishment



Almost equal numbers of vendors said they paid rental fees to a municipal council and operated rent free without permission (Table 3). Additionally, only 32% indicated that they paid licensing fees for their operation. These conditions intensify the marginal circumstances of vendors and have been the source of significant contestations that have rendered vendors vulnerable to displacement and seizure of goods.

TABLE 3: Tenure Status of Businesses

Tenure	No.	%
Pay rent to council/municipality	319	36.5
Rent-free, without permission (squatting)	317	36.3
I own it/am part owner	107	12.2
Rent-free, with permission	80	9.2
Pay rent to private owner	30	3.4
Share space/premises with others	2	0.2
Other	19	2.2
Total	874	100.0

Most of the respondents started their food business themselves or purchased it from another vendor. On average, the amount of start-up capital was JMD24,119 (USD171). The vendors demonstrated very high levels of self-reliance, with 84% identifying personal savings as a source of start-up capital (Table 4). All other sources paled in comparison and the reliance on formal lending institutions represents the most glaring contrast to patterns of independent funding. Less than 1% of vendors sourced capital from micro-finance institutions (0.9%) or banks (0.8%). Similarly, informal money lenders were an insignificant source of capital.

TABLE 4: Sources of Start-up Capital

	No.	%
Personal savings of money earned by the respondent	629	84.4
Business credit (goods on terms)	37	5.0
Gift from relatives	31	4.2
Loan from non-relatives	17	2.3
Loan from relatives in this country	16	2.1
Money from relatives in another country	12	1.6
Loan from a micro-finance institution	7	0.9
Loan from a bank	6	0.8
Loan from informal financial institution	2	0.3
Usurers (money lenders)	2	0.3
Loan from religious institution	1	0.1
Other	35	4.7
Note: Multiple-response question		

Social networks appeared to play a relatively minor role as only a small proportion of respondents said they received monetary gifts and loans from relatives (4%) and non-relatives (2%) in their social circles. Beyond family and friends, business networks were a source of start-up capital in the form of credit for 5%. Collectively, the benefits from social and business networks indicate different expressions of social capital. Although apparently minimal, the support derived from these networks is indicative of forms of bonding capital that reflect more consolidated networks (Claridge 2018). Much like the social networks, credit-based business relationships are also rooted in trust but are likely to represent linkages across dissimilar entities connected mainly by financial capital relations. This form of social capital may be more appropriately conceptualized as bridging capital (Claridge 2018). The expression of both forms of social capital is indicative of the potential value that may be leveraged through networks. Many of these connections potentially exist with other vendors. This suggests the need for more examination of the nuances of embedded social networks within and beyond the vending spaces.

The disproportionate reliance on their own resources and social networks relative to more institutionally-structured sources of capital is likely to be connected to a range of factors. These include the perceptions of retailers about the likelihood of securing capital, such as the required documentation and interest rates associated with more formalized funding pipelines. Indeed, risk profiles associated with informal sector engagements usually run counter to the lending policies of banks. Although to a lesser extent, micro-financing institutions also largely exclude informal traders (Farazi 2014).

While recent research suggests that formal institutions are becoming more informal-sector-friendly (Ruiz 2012), perceptions of exclusion are likely to linger. The vendors' relationships with lending institutions were explored by asking about their perceptions of and experiences with these institutions. Surprisingly, only 28% thought that banks were particularly reluctant to lend money to informal businesses. Among these, the most common view was that banks believe informal sector entrepreneurs do not have adequate guarantees/collateral or capital. This perception possibly deters those in the informal sector from even approaching formal lending institutions for financial aid (Figure 6).

FIGURE 6: Vendor Perceptions of Bank Policies

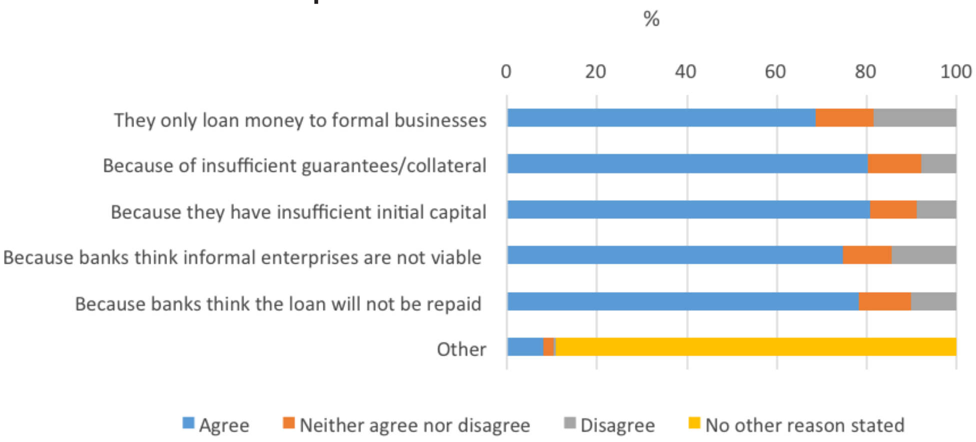


TABLE 5: Reasons for Unsuccessful Loan Application

	%
Insufficient guarantees/collateral	33.3
Insufficient initial capital	20.0
Incomplete documents	13.3
Activity/enterprise was deemed not viable	6.7
Other	26.7
Total	100.0

5. Profits, Expenditure and Items Sold

The food vendors sold a range of items but local fruits and vegetables (36%), beverages (30%), ground provisions (21%), and packaged snacks (18%) were the most commonly sold items (Table 6). Their dominance reflects a combination of market demands and ease of acquisition. Other important components of the economic characterization of small-scale food retailers in the city are the diversity of items sold and the amount of capital used in their acquisition. Median expenditure was highest for local fruits, vegetables, and herbs (JMD72,000), which also accounted for just over half (52%) of the total amount paid for goods in the previous month. Raw fish/seafood (JMD53,000) and raw meat (JMD60,000) were also commodities on which relatively large amounts were spent. Although less was spent on beverages (JMD25,000), the high proportion of vendors acquiring these commodities translates to high overall spending, with beverages accounting for 18% of the total amount of money spent by the sample. Other commodities, such as confectionery, were commonly purchased by vendors but had very low per capita expenditure (JMD3,500). By contrast, cornflakes/cereals, ice cream/yoghurt, and oils/seasonings were among the least common purchases in the previous month and accounted for low proportions of overall expenditure.

The overall stock patterns present an interesting story characterized by variation in the amount spent on purchasing items for resale. Of note is the fact that purchase patterns by vendors appear to be slightly different from general consumption patterns. There is a significant demand for ground provisions, rice, and bread, which are relatively cheap and represent a principal component of dietary intake among the general population. Ragoobirsingh et al (2006) assert that local consumption patterns are characterized by high levels of carbohydrate consumption, with 77% of people consuming items such as bread two to six times per week. While more recent studies have also indicated particularly high levels of consumption of bread and rice relative to other foods (Kinlocke et al 2019), these items ranked much lower than most other commodities stocked by vendors in the sample. This incongruence reflects differences between the type of food accessed at larger entities such as supermarkets and wholesale enterprises versus the type of food purchased from vendors (Kinlocke et al 2019). This indicates a niche filled by vendors who represent a primary access market for many people in the city. For example, anecdotal observations regarding the supply of beverages and confectionary, which are bought by many vendors, suggest that pedestrians are responsible for the high demand for soft drinks, juices, and water, particularly in the summer. Confectionery may be popular due to its portability and the relatively low capital needed for acquisition.

TABLE 6: Commodities Sold by Vendors in Previous Month

Commodity	No.	% of sample	Median expenditure (JMD)	Mean expenditure (JMD)
Fruits, vegetables, herbs (local)	314	35.8	72,000	104,901
Beverages (drinks, juices, water)	259	29.5	25,000	44,282
Ground provisions	181	20.6	48,000	82,229
Packaged snacks and chips	159	18.1	10,000	17,083
Confectionary (chocolates, sweets)	130	14.8	3,850	12,225
Bread, buns, pastries, biscuits	87	9.9	10,000	18,092
Legumes and nuts	46	5.2	27,000	46,785
Fruits, vegetables, herbs (imported)	38	4.3	43,500	71,968
Cooked meat	31	3.5	50,000	62,539
Rice, pasta, flour, noodles	29	3.3	20,000	55,676
Tinned meat	20	2.3	12,000	27,395
Dairy products (milk, cheese)	16	1.8	9,500	11,069
Sugar, salt, powdered seasonings	15	1.7	10,420	19,481
Raw fish and other seafood	12	1.4	53,000	126,250
Raw meat (chicken, pork, beef, goat)	11	1.3	60,000	124,855
Cooked fish	10	1.1	18,200	31,820
Tinned vegetables	10	1.1	11,000	23.98
Oils and sauces	9	1	15,000	14,722
Cereal and cornflakes	7	0.8	3,000	8,603
Dairy products (yoghurt, ice cream)	2	0.2	31,500	31,500

Vendors often sell imported food as alternatives to that produced locally. Reliance on food imports is a common expression of neoliberalism in the Global South and these imports provide a significant source of relatively cheap food. This has contributed to greater levels of food access among poor households. However, neoliberalism is a double-edged sword in Jamaica, providing both a challenge and an opportunity for the food vendors. Negative impacts are that the national food import bill continues to increase, and dependence on imported food potentially reduces the demand for locally produced items, with a detrimental effect on the rural economy.

In addition to food categories, expenditure was also evaluated relative to other elements of the trade (Table 7). While food was overwhelmingly the most commonly cited type of expenditure, rental fees were also cited by 33%. Utilities were cited by only 9%, which is to be expected given the nature of the trade in most instances. Anecdotal observations suggest that the type of commodities sold do not commonly require heating or refrigeration. The vendors tend to focus on ease of mobility, ease of entry, and low operating capital. The data suggest that the structure of operational components is largely basic. Such patterns may show a strategy of vulnerability reduction by decreasing exposure. Here, exposure can be conceived as the components of operating costs associated with the business.

TABLE 7: Types of Expenditure

	No. of vendors	%
Cost of buying food sold at this business	724	96.8
Rental fees (for the land, building, cart, etc. used in this business)	244	32.6
Business taxes, licences and permits	85	11.4
Utilities (water, electricity, heating)	69	9.2
Subcontracts (services of other businesses)	34	4.5
Employment costs and expenses (salaries, wages, benefits)	28	3.7
Telecommunications (internet, mobile phone)	15	2.0
Insurance	1	0.1
Financial services (account fees, tax brokerage, investment management)	4	0.5
Other expenses	69	9.2

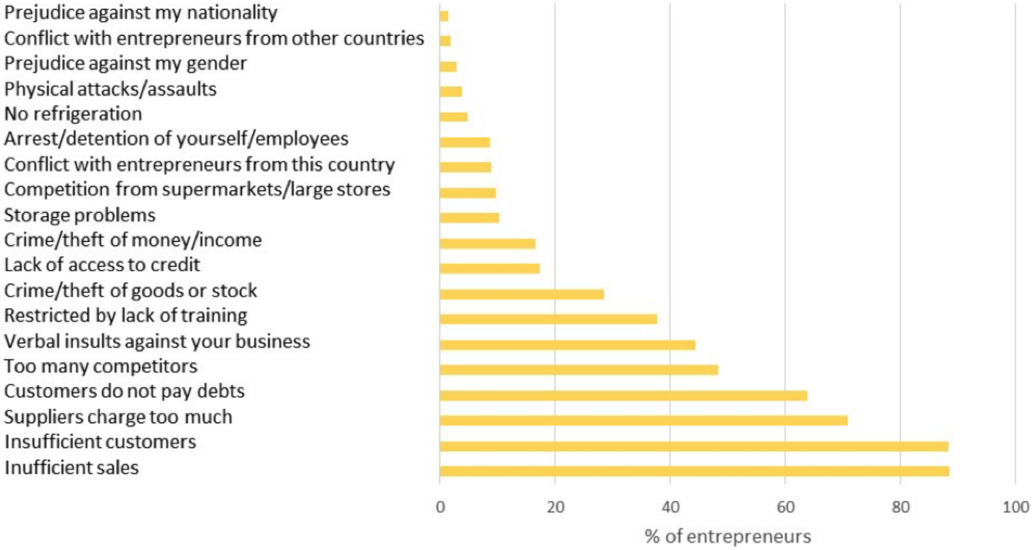
Note: Multiple-response question

Reported profits for the previous month may be used as a proxy for the economic status of retailers and the results indicate significant variation in profits earned. Overall, average reported profit for small-scale food vendors in the city of Kingston was JMD36,007 (USD275). While several (17%) stated that they earned no profit at all, reported profits reached as high as JMD680,000 (USD5,194). The data were highly skewed towards the lower end of the earning spectrum with 50% of the sample indicating profits of less than JMD25,000 (USD191).

6. Vendor Business Challenges

Economic challenges were the food vendors' most pervasive problems. Among these, insufficient sales (89%) and insufficient customers (88%) were the most commonly cited. Dissatisfaction with supplier charges (71%), poor debt payment by customers (64%), and competition (48%) were other problems. Much of this competition appears to be from other vendors and small establishments as only 10% cited supermarkets as a source of competition (Figure 7).

FIGURE 7: Main Challenges Affecting Vendors



Changes in the availability of food to sell may have affected the prices charged by suppliers. Such changes are potentially related to droughts or excessive rains, which affect the availability of selected crops. Climatic stresses possibly explain some of the vendor complaints about food price increases. Prices may also have been affected by the rate of inflation, which consistently exceeded 5% between 2000 and 2014 (FocusEconomics 2017). Several vendors also sold imported food sourced from local importers. The cost of these commodities is affected by currency devaluation, which has characterized much of the island's economic history. These factors all help to explain the increased prices of the goods vendors purchase as inputs or as direct resale commodities.

Although social challenges featured less commonly, they were not absent. Verbal insults against the business (44%) and crime in the form of theft of goods or stock (29%) were paramount among these factors. While the media in Kingston reports widely on crime, the coverage is mostly of violent crimes. The fact that a little over one-quarter of the sample had experienced theft suggests that this is a relatively significant problem that is overlooked in public discourse. Also, it suggests that greater security measures may be required in vending spaces.

7. Vendor Business Strategies

Informal vendors employ several strategies in navigating the challenges they face (Table 8). Chief among these is a focus on financial self-reliance. This was demonstrated by the 72% of the sample who had acquired start-up capital from their personal savings; a direct response to the perception that banks would not endorse loan applications from members of this trade. Others engaged social networks of family and friends to obtain assistance in the business. Beyond the socio-financial strategies, well over half of the vendors deployed strategies such as offering credit to customers (68%) and extending hours of operation (62%). A relatively significant proportion also used practices such as purchasing stock in bulk (45%) and negotiating prices with suppliers (33%). Surprisingly, strategies such as taking customer orders using mobile phones were uncommon. Also, only 14% of the vendors indicated that they sourced information on the cheapest prices from other entrepreneurs.

Informal food retailers generally operated with low capital investment (FAO 2003) and patterns such as limited record keeping are not surprising. Those interviewed in this study adjusted to the socio-economic circumstances of their clients by selling food in small units, thereby making commodities more affordable to the poor. Also, they adopted customer-friendly practices to cultivate loyalty by including extra portions at no charge or by providing credit.

TABLE 8: Strategies Deployed by Retailers to Navigate Challenges

	% of vendors
Offering credit to customers	68.2
Extending hours of operation	61.9
Purchasing stock in bulk	44.8
Negotiating prices with suppliers	32.7
Using mobile phones to take orders from customers	21.6
Opening business only during the periods of the day with most customers	21.0
Keeping records of business accounts	17.7
Sleeping on business premises	15.9
Looking for the cheapest prices for goods by calling suppliers	14.9
Looking for the cheapest prices for goods by asking other entrepreneurs	13.9

8. Vendor Employee Characteristics

Informal food vendors in Kingston tend to be of modest scale and operate as sole traders. Only 10% of those surveyed indicated that they employed staff. The mean number of employees for these vendors was 1.6.

9. Conclusion

This survey indicates that the characteristics of small-scale food entrepreneurs in Kingston align closely with those of many other cities. The population of vendors is slightly dominated by women, is relatively poorly educated, and many have been operating businesses established within the past 10 years. Their occupational diversity is also relatively low and this may compound challenges associated with economic shocks and stressors. While informal vendors negotiate rough economic terrain, they demonstrate considerable resilience, expressed in the strategies used to navigate their challenges. This is fuelled largely by high levels of motivation, economic need, and, to a lesser extent, their ability to leverage the benefits of informal networks for financial and operational assistance. Ideally, policy prescriptions should buttress resilience by reducing the impacts of these challenges and presenting pathways that demonstrate sensitivity to the operating environment.

To promote inclusive growth in Jamaica, attention must be given to the food system within the urban centres, especially the capital city Kingston, and this requires a policy framework that prioritizes food security among the poor. Given the opportunities that the informal food sector offers in encouraging entrepreneurship, raising incomes, alleviating poverty, addressing gender inequalities, and increasing the food-source options of the urban population, the sector is integral to achieving this objective.

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The informal food sector is critical to the food security of poor urban households in most rapidly growing towns and cities in the Global South. In cities including Kingston, Jamaica, the informal food economy comprises a complex network of suppliers, transporters, hawkers, retailers, and street and market food vendors making food more accessible and affordable, especially in low-income areas. The survey results presented and discussed in this report indicate that the characteristics of small-scale food entrepreneurs in Kingston align closely with those of many other cities. The population of vendors is slightly dominated by women, is relatively poorly educated, and many have been operating businesses established within the past 10 years. Their occupational diversity is also relatively low and this may compound challenges associated with economic shocks and stressors. While informal vendors negotiate rough economic terrain, they demonstrate considerable resilience, expressed in the strategies used to navigate their challenges. To promote inclusive growth in Jamaica, a policy framework that prioritizes food security among the poor is essential. Given the opportunities that the informal food sector offers in raising incomes, alleviating poverty, addressing gender inequalities, and increasing the food-source options of the urban population, the sector is integral to achieving this objective.

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