African Markets and the Utu-Ubuntu Business Model. A perspective on economic informality in Nairobi

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Chapter 3

Urban planning and economic informality in Nairobi: A brief history

Urban planning is the art and science of ensuring regulation and order in cities. It involves managing human interactions with and within the physical and built environment. While planning has been relatively successful in many European and North American cities, similar success has been elusive in Africa, Latin America and parts of Asia, where the prevalence of slums and economic informality has a massive impact.

In this chapter, I trace the origin of economic informality in Nairobi and city planners’ efforts to address this during the colonial, postcolonial and neoliberal periods. This review reveals the extent to which planners are affected by dominant economic models. It also shows how, in all three periods, urban planning has tended to isolate and marginalise, rather than accommodate, traders and artisans.

Planning during the colonial era

Colonial administrators never intended Africans to be real players in global cities. Rather than ever owning the means of production and exchange, their lot was to work in mines or on plantations around the urban areas, or temporarily provide labour in warehouses,
homes and shops in the city. Africans were seen as itinerant residents who would eventually return to their ancestral homes in the rural areas (Mbiti 1969). To a limited extent, Africans who adopted aspects of Western culture and religion after undergoing colonial and missionary education were made more welcome in the urban settlements. Traders and artisans, who tended to have limited access to formal education, faced several obstacles in their bid to gain entry into the city.

The Local Government Municipalities Ordinance of 1928 was the Colony and Protectorate of Kenya’s first attempt to initiate urban planning. The ordinance defined a municipality as an ‘area or district placed under the jurisdiction of a municipal council or municipal board’ (Colony and Protectorate of Kenya 1928). For Nairobi, which was not an established settlement prior to British occupation and which grew around a railway depot built in 1899, the ordinance provided a framework for managing the municipality and for incorporating Africans into the emerging urban economy. Issues such as the constitution of the city council, property ownership in relation to housing and industrial sites, the occupation and licensing of premises, street trading, native passes, native labour and the layout of so-called native locations were addressed. In addition, offensive trades, food and drink, peddlers and hawkers, and markets were regulated.

Of course, the ordinance was in no way representative of the interests of the native inhabitants of the city, and local Kenyans were denied the right to representation in municipal planning from the outset. No Africans were appointed to the municipal council. Instead, it comprised of nine elected Europeans, seven Indian members nominated by the governor, two additional members nominated by the governor and one administrative officer who was charged with safeguarding native interests (Colony and Protectorate of Kenya 1928).

The ordinance empowered the council to designate and control places for Africans. It mandated the council to erect suitable buildings and ensure that natives lived in the locations delineated for them. Only domestic workers who lodged on the premises of
their employers or received exemption from the governor could reside outside of these locations (Colony and Protectorate of Kenya 1928: 75). Other regulatory aspects included the supervising and inspecting of the native location, the issuing of passes and ensuring that native Kenyans carried these. The ordinance also controlled natives’ access to the streets and the licensing of native labour.

In addition, the council was mandated to regulate trade licences, the occupation of premises, and to appoint a committee to review applications for trade licences (Colony and Protectorate of Kenya 1928: 117). Accordingly, the ordinance defined where public markets could be situated, and the council was mandated to establish and regulate markets, set dues and prohibit the establishment of any markets that did not have all the necessary permissions from the council (Colony and Protectorate of Kenya 1928: 107).

To sum up, the ordinance controlled the movement of native Africans in the city, restricted them to living and working in particular spaces and regulated their access to the economy via the use of licenses and dues. Effectively, the ordinance denied Africans any claim to urban citizenship and it established control over markets in ways that ran contrary to the spirit of African indigenous markets, which traditionally were open to all. After 1928, all African traders and artisans were classified as ‘hawkers’. Bylaw 325 of the ordinance defines a hawker as ‘any person who whether as principal, agent, or employee carries on the business of offering or exposing goods for sale, barter or exchange, elsewhere than at a fixed place’. Significantly, this bylaw has since been reinstated numerous times, with few changes.

By the 1930s, African traders and artisans were already in conflict with Nairobi’s city council over taxes and space. Taxes introduced by the ordinance were alien to indigenous trade practices. According to archival records, by 1936, Akamba handcraft traders were burdened with such heavy taxes that the district commissioner asked the town clerk to determine whether they could be exempted from paying the monthly 20-shilling tax.³ A Mr SM Fichat was also troubled by the lack of space available for Akamba hawkers and asked the district commissioner to reserve space at the railway station ‘where
the boys can sell their wares to passengers’. Meanwhile, the plight of other African hawkers in the city is captured in a letter written by tea vendors to the town clerk, which reads as follows:

The Town Clerk
Municipal Council of Nairobi

Copy to His Worship the Mayor

We the undersigned tea sellers beg to most humbly and respectfully write you the following request: We have been informed that you determine to abolish our insignificant trading. Therefore we take the liberty of writing and ask you whether you have pity upon us, we miserable sellers; for we have not money enough to hire a little local hotel in town and carry our business there, then it is more difficult to move at our special places and push our selling carts about the Nairobi streets where there are much dust and we are afraid that our customers will not accept to drink our dusty tea; it is grievance to us when the completeness of your consideration will be to end on the matter therefore we take the liberty of asking you to accept and let us go on with our work as well as we are doing.

We trust you will consider the above application and your kind consideration.

We have the honour to be Sir,

Njoroge wa Mwara, Nganga wa Karanja, Nganga wa Kimani, Wacama Kanyororo, Ngugi Waringui, Nganga wa Rurigi, Mukua wa Kimani, Kariuki wa Gachoka, Gathuni wa Mutuambuni, Ngari wa Hika.

Meanwhile, African traders faced ongoing battles related to lack of capital, poor infrastructure, the demolition of their structures and opposition from Asian and European businessmen. For example, a Mr W Evans, general secretary of the East African Traders Association,
argued that hawkers were ‘detrimental to ordinary legitimate trading’. The Indian Christian Union complained that native banana and snuff sellers were ‘a nuisance’ for squatting near the Indian club fence and for turning the space into a native market; they petitioned the town clerk to remove the natives from the area.

In later years, various revisions and amendments were made to the Local Government Municipalities Ordinance of 1928. In 1937, it was amended to incorporate the words ‘native handicrafts’. In 1942, amendments Bylaw 325 of the 1928 ordinance was amended after the council received complaints about traders, and trading fees were revised in an attempt to further control and regulate ‘hawkers’ in the city. Several categories of fees were introduced at this time. Thus, selling flowers attracted an annual fee of 30 shillings in scheduled areas. Selling charcoal or newspapers in any part of the city attracted a fee of 1 shilling per month or 10 shillings per year. Selling vegetables, fruits, and other farm produce cost 1 shilling per month or 10 shillings per year. To receive a general licence to hawk in any part of the municipality or within scheduled areas, a trader had to pay 20 shillings per month or 200 shillings per annum. For ease of identification and to differentiate them from ‘loafers and idlers’, traders also had to purchase and carry badges at a cost of 2 shillings each. This was another way for the council to control the number of hawkers in the city.

Further amendments to Bylaw 325 were adopted in 1942 to redefine areas in the city in which hawking was permitted. These were delineated by the railway crossing at Kingsway; the area to the northwest of Kingsway and the Government Road (now Moi Avenue) junction; the area southeast and northeast of the junction between Government Road and Fort Hall Road (now Muranga Road); the western and northwestern boundaries of Fort Hall Road to Nairobi River and downstream to Racecourse Road; south of White House Road (now Parliament Road); and northwest of the railway line.

Established shopkeepers strongly opposed these amendments. For example, the East African Traders Association objected on the grounds that the amendments would be detrimental to shopkeepers
in the commercial area and argued that as shopkeepers they were entitled to protection because they paid licences and fees. It was also alleged that hawkers obtained licences to cloak nefarious activities such as petty and large theft. On the other hand, the editor of the Sunday Post opposed the fee introduced for newspaper vendors, arguing not only that it was too expensive, but that on Sundays vendors worked half days and thus would not be able to raise the required fee. However, the editor then recommended that the number of badges issued to vendors be reduced to control competition.8

From this point on, free entry into any trade or craft in the city was closed off. A licence and a defined business space were made compulsory. In this way, the urban economy was contested by informal African traders and artisans on the one hand, and white or Indian traders on the other. In time, this became a source of conflict that prevented the development of relationships between these sets of traders and created a divide that still prevails.9

The 1950s were tumultuous for the colony as Kenyans began clamouring for more space and opportunity. In the hope of maintaining their hold over the country, the colonial authorities initiated reforms to create more latitude for African participation.10 Accordingly, they passed the African District Council Ordinance of 1950 to introduce palliative measures that they hoped would manage the rising agitation of the Kenyan people. The African district council was given the powers to license traders and deal with trade disputes. The ordinance covered the establishment, regulation and construction of markets as well as the letting out of market stands and the setting of fees for licences and permits. Licensing was not scrapped as traders had hoped, as it was considered crucial for the maintenance of health, safety, well-being, good governance and as a revenue stream for the municipality.

As per the 1950 ordinance, African district councils were established to represent African interests and to serve as courts for cases in which Africans were tried. The African district council was given the authority to introduce bylaws in respect of matters such as:
• Prohibiting, regulating or controlling trade outside of established markets;
• Inspecting, supervising and licensing of social halls and places of entertainment, as well as lodging and eating houses;
• Controlling, supervising and licensing of millers, barbers, hide and skin traders, butchers, carpenters, blacksmiths, shoemakers, tailors, musicians, bicycle and vehicle mechanics, stationers, weavers and spinners, painters, bakers, charcoal burners, firewood dealers, confectioners, quarries and brick-making yards; nursery stores, the hiring of canoes and ploughs, hotels and restaurants and slaughter houses, among other professions.

Africans were appointed as representatives on these councils and soon helped to encourage more African participation in trade. A small number of Africans were licensed to trade in beer, charcoal, general shops and the transport business. However, hawking and artisanal work were unaffected by this as the ordinance differentiated trade from hawking. In essence, the 1950 ordinance created the basis for a dual economy, and quickly led to the emergence of a small African elite. Africans who could afford to join the formal economy were managed and regulated by the African district council while the formal European economy remained under the control of the national government. Traders and artisans were still regulated via a separate hawking bylaw and remained excluded from the formal economy.

By 1962, a hawkers’ licence issued under a new bylaw defined trade as ‘the sale or exposure of goods for sale in a shop for the purpose of profit’ and defined a shop as ‘any building or part thereof or any place whether or not such a place was a building’. Under the same bylaw, only individuals could be licensed as hawkers. This represented a major blow to the traditional African way of life. It encouraged individuals to be solo entrepreneurs instead of allowing them to include relatives and friends in their ventures as tradition and good business practice dictated. Nevertheless, traders and artisans quickly formed associations to provide the synergies they needed to carry out business in the city. These associations
also served as platforms for lobbying the council. Examples of these associations include the Nairobi Kimathhi Market Society, the Kenya Street Traders’ Society and the Vegetable and Fruit Hawkers’ Association.

Planning in the postcolonial era

Nairobi’s transformation from a colonial to a postcolonial city has not been easy. Four main epochs are evident so far and are discussed in the sections that follow. They cover the following years: 1963 to 1982; 1983 to 1991; 1992 to 2000; and 2001 to 2010, with each phase informed by wider socio-economic values and discourses. These range from African socialism and communitarian values to individualism, and from market fundamentalism to distributive capitalism. As these different value systems and discourses have struggled to gain ascendancy in the city, dissonances and incongruencies have emerged. These too have left their own spatial imprints and added further diversity to the city’s economy and territorial complexity.

Growth and welfare: 1963–1982

The process of transforming Nairobi into a truly African city began with the Africanisation of the administration after independence. Charles Rubia was elected as the city’s first African mayor. Among the biggest challenges Rubia had to deal with were the problems affecting the city’s African residents who had been confined to the famous African quarter, Eastlands.

This period was characterised by the provision of welfare and urban growth in line with the values of African socialism and communitarianism. This was propped up, to some extent, by Europe and the US offering aid to former colonies in an effort to win allies during the Cold War. The city’s main objective was to address the social problems that affected most citizens, including poverty and poor education.12

Quoted in the Daily Nation newspaper on 27 July 1965, Rubia said he was alarmed by the increasing number of beggars on the
streets, most of whom were women. He noted that when he had become mayor in 1962, about 250 beggars lived in Nairobi and that this number had since increased tremendously. He stated that he was also ‘shocked and dispirited’ to see the growing number of cripples on the streets and believed that they could be useful citizens. To address these problems, Rubia asked the government to provide K£5 00013 to transform Forest Inn on Kiambu Road into a rehabilitation centre where beggars could learn craft and farming skills. The city’s aim seems to have been to offer an inclusive welfare policy for all residents.

Financing and forward planning in terms of rates collection, local governance and education were key issues during this period. In a memorandum to a commission headed by WS Hardacre, a British local government expert, Rubia expressed concern about the need to increase rates revenue for the city authorities from K£1.3 million to K£3.4 million by 1970,14 and about the city being involved in running secondary schools.

Rubia’s policies on education were characteristic of his tenure. He saw education as integral to urbanisation and to Kenya’s overall development. Consequently, he encouraged racial integration in schools and funded the growth of educational institutions. Rubia reportedly observed: ‘We firmly believe that only the best in primary education is good enough for Nairobi.’15 To achieve this, he proposed that the budget for primary education be increased from K£780 000 to K£1 million. New schools were opened in Kariobangi, Kileleshwa, Ofsa, Westlands, Makongeni, Garden Estate, Dagoretti and Riruta. In addition, in 1964, schools such as Nairobi South Primary enrolled their first cohort of African pupils.

Slum clearance was another major policy goal during Rubia’s tenure as mayor. Providing decent housing was seen as a symbol of winning the war against poverty, and it was hoped that well-designed accommodation would promote health and inspire self-respect. At the opening of Kariokor Estate in 1966, President Jomo Kenyatta emphasised the importance of providing every family with shelter.16

Around this time, the city council funded the development of
Uhuru Estate, which was designed and built entirely by Africans. According to a *Daily Nation* reporter, its completion in 1967 was seen as the fulfilment of the new government’s dream of independence.\(^{17}\) When the Kenya African National Union (KANU) swept to power in 1963, led by Kenyatta, the party’s great dream had been to promote the welfare of people whose interests had previously been neglected. The completion of Uhuru Estate was a great step towards the fulfilment of this dream. The estate, consisting of 324 housing units, was used to settle residents who had been living in two-roomed houses in Eastleigh. Another housing programme initiated in this period was the site-and-service scheme at Kariobangi. The scheme began with the construction of a K£ 390 demonstration ‘show house’ which, according to the mayor, ‘anyone could build’. The site-and-service scheme was promoted as being in the spirit of African socialism.\(^{18}\) Also in this period, the city council obtained Commonwealth funding to develop Woodley-Kibera and Uhuru estates. The Woodley houses were ready for occupation by 1969. Commenting on the development, then national minister for local government, Paul Ngei, stressed that ‘health is the main contributing factor to wealth and happiness’ and that ‘to be healthy, we must live in good houses’\(^{19}\).

*Issuing hawkers with licences and building a wholesale market*

From the mid-1960s, the city council also began searching for a strategy that would accommodate African traders and artisans. Rubia proposed increasing the number of licensed hawkers by issuing another 320 licences, but the senior police officer in the city, a Mr Dawson, opposed this move. Speaking to a newspaper reporter, Rubia observed that he would be very disappointed if the ‘proposal to issue more hawkers licenses is turned down merely because Mr Dawson still insists that we should still not have the extra 320’.\(^{20}\)

Another strategy explored by the council to encourage more African participation in the city’s economy was to shift traders off the roadsides and into markets where they could own stalls; Kimathi Market was one example of this.\(^{21}\) According to Rubia, the
national government was in ‘complete accord’ with the city council in as far as the necessity of helping Africans establish businesses was concerned. ‘To this end, both are dedicated towards opening avenues in the economic field so that the existing racial imbalance is corrected.’²²

In 1965, construction began on a new wholesale market in Mincing Street. Opened in 1966, as Wakulima Market, the premises boasted tarmac surfacing, and water points with surface drainage, and was surrounded by precast concrete walls. Shelving was built of reinforced concrete and rose to a height of nearly 7.5 metres.²³

The allocation of space for, and construction of, African markets was a first attempt to incorporate an African mode of production into the city. Other attempts included the construction of shopping centres in areas inhabited mostly by working-class Africans, such as Ofafa, Jericho and Lumumba. Once again, however, few traders were given plots on which to build their stalls and conflict arose between them and the owners of commercial land.²⁴

City planning and economic management

While progress was made, planning in the postcolonial city was difficult and problematic. The Africans who took over the management of the city faced fundamental challenges. According to rapporteur’s notes from a workshop on the management of large cities in Africa that took place in 1973, Nairobi’s town clerk reported that the city council had assigned tasks to planners but provided no policy guidelines on housing.²⁵ The rapporteur also noted that

Between 1895 and 1920, the planning of Nairobi was never considered seriously and development was uncontrolled and unguided. Planning efforts were first made in 1926 when some controls on zoning were introduced. This was followed by the drawing of a comprehensive plan in 1948. It laid guidelines for development and earmarked land for residential, industrial and roadwork extension. In 1961, another plan was drawn but was abandoned because independence was just around the corner.
The town clerk thus acknowledged that planning was ad hoc and very little forward planning was being carried out while problems accumulated.

By 1967, the need for comprehensive planning had been acknowledged and was implemented with the aim of addressing four key issues: the housing shortage, the shortage of water, traffic congestion and the rapid spread of shanties. It was proposed that planning considerations aim to maximise job growth and attract modern non-agricultural employers, while also promoting the informal sector in ways that would complement the formal sector. Building standards applicable in residential estates were decided on the basis of resources available to the council and to occupants’ abilities to pay for services. Housing developments were to be located close to employment opportunities to minimise public expenditure on transport costs. Caution was to be exercised in relation to the uptake of agricultural land by the city.

However, in the 1970s, Nairobi’s city planning was increasingly informed by the notion of it being a primate city; that is, it was already disproportionately larger than any other city in the country and housed about a third of the national population.²⁶ Accordingly, city planners endeavoured to restrict the influx of additional residents, especially those who were considered unemployable, and the government developed rural development policies that envisaged reducing urbanisation and encouraging people in rural areas to remain where they were.

In practice, the resources spent on controlling the movement of people meant fewer funds and people to meet the needs of those already in Nairobi. The solution to unemployment was envisioned in terms of growing the city’s modern formal business sector.²⁷ Those who were not accommodated in this sector were left to create livelihoods for themselves in whatever ways they could. That is, for a few people, incomes rose and some became prosperous, but for the large majority, incomes had hardly risen by the end of the 20th century.

To remedy this situation, the mayor of Nairobi proposed that
planning should be done in ways that would enable citizens to understand both the problems faced by the city and the solutions put forward by the city authorities. Nairobi’s early planners acknowledged that an understanding of the need for planning was alien to many residents and that opposition was likely from many quarters. In fact, opposition to urban planning is common in most parts of the world. ‘Where planning is an alien concept, there is a danger of it being rejected by a majority of people. Even in countries where planning had been in operation for a long time, there are tendencies of regarding it as a negative exercise and therefore dreaded.’  

Planning conflicts were also being experienced, as noted in 1973:

The city council has functions given to it to perform but we have suffered from a general lack of policy guidelines. Construction of markets for hawkers were said to be too elaborate and some were called white elephants. There is free land in our planning and we have been at loggerheads with some ministries with regard to development control. This is not usually welcome. Any developer would like to do what he likes. We insist on standards laid down, for example, on density of population, road thickness and drainage. In this respect we are unpopular. Considerable pressure is brought to bear but we hide under the law.

Nevertheless, the 1970s can still be considered the heyday of development in post-independence Kenya. Planners and residents were imbued with a spirit of self-governance and the desire to make Nairobi a truly African city. For Nairobi to show its African colours, the participation of Africans in governance and commerce was encouraged and African logic and institutions were expected to permeate throughout the social fabric. It was also a time in which those who had fought for freedom were to be rewarded and the national cake equitably shared. The city authorities were concerned about racial integration, especially in education, but also about slum clearance, the development of new housing and health facilities, water security and the building of essential infrastructure.
The city administration aimed to develop policies that included everyone from beggars to slum dwellers, roadside hawkers, shoe shiners and car washers. Programmes were imbued with a spirit of caring and reciprocity. As mayor, Rubia was particularly concerned about education, health, housing and economic opportunities for Africans. At one point, he even threatened to resign if hawkers were not licensed, and confronted Asian councillors, European bureaucrats and city police officials about their negative attitudes to hawkers.

The neoliberal era: Nairobi under the city commission, 1983–1991

In 1983, a task force was appointed to investigate financial mismanagement and poor service delivery by councillors who were part of the elected city government. The task force recommended that control of the city be shifted away from elected officials and into the hands of a commission, the chairperson and members of which would be appointed by the president. The transition was tumultuous and the nine-and-a-half years during which the commission ruled in the city were characterised by gross mismanagement and poor service delivery.

Analysis of various news sources shows that the commission was a microcosm of all that a civilised community loathes – a monolith of incorrigible brutality, inefficiency, terror, lethargy, corruption, dubious transactions, exploitation, incessant squabbling and intolerance. Service fees were collected for services never rendered, water shortages were a permanent feature of the city, shanty dwellers were violently evicted without notice and whole areas were flattened, potholes made road travel hazardous, traders and artisans were harassed, land meant for public utilities was turned to private use and debts were not collected. The city was in a mess. As reporter Shadrack Amkoye wrote, Nairobi was transformed from a ‘city in the sun’ into a ‘city in dirt’.

The city commission’s lack of concern for traders and artisans was reflected in the inhumane ways in which it dealt with shanty
dwellers and the frequent demolition of traders’ kiosks. In 1990, Njoroge Mungai, then-vice chairperson of KANU for the city of Nairobi, reportedly criticised Fred Gumo, who led the commission, for demolishing kiosks that were sources of livelihoods for ordinary people. The commission’s policies against ordinary poor people were also reflected by the demolition of Muoroto Village on 25 May 1990. The callousness with which that demolition was carried out was illustrated by the fact that Gumo paraded members of the commission’s security forces who carried out the demolition before the press to counter a report by the provost of St Andrews Church that some kiosk owners had died and others had been injured in the process. When the member of parliament for Kamukuji, Maina Wanjigi, asked the commission to admit that brutality had occurred and to resign, he was called a neo-colonialist and sacked by the government of Daniel Arap Moi. The minister for local government went on to justify the demolition, alleging that Muoroto Village was home to ‘a den of thieves’.

This behaviour reflected the arrogance and blindness of the governing elite to the plight of ordinary citizens. The whole scenario had to do with perceptions of the governability of people living in poorer areas by those in positions of political privilege. Where were these people expected to go, what were they expected to do thereafter and why was the city victimising them?

Also during the 1980s, several NGOs were established in Kenya. These promised to improve business productivity in ways that the state was not able to do. Examples include the Kenya Rural Enterprise Program (K-Rep) and Faulu Kenya, which both offer micro financing, and the Kenya Management Assistance Programme (K-Map), which aimed to improve links between small and large firms in Kenya.

Nairobi after 1992

When a new and elected city council took over after the 1992 national and local elections, it inherited a host of problems, including the extreme poverty of many residents. Mayor Steve Mwangi organised a convention under the banner ‘The Nairobi We
Want’, inviting residents and city authorities to discuss strategies for improving the city. Residents were particularly concerned about poor service delivery. The mayor responded by promising that he and his council would sort this out.\textsuperscript{33} This period saw the privatisation of services formerly supplied by the city. At the same time, NGOs such as K-Rep, K-Map and Faulu Kenya assumed key roles, delivering welfare services and setting up income-generating projects as well as addressing health and education issues.\textsuperscript{34} Four decades later, the solutions offered by these NGOs have had very little lasting impact.

In 1993, a newspaper reporter observed that 130,000 children lived on the streets of Nairobi,\textsuperscript{35} and that the mayor had indicated that both citizens and the government should take ‘mutual responsibility’ for them. The same reporter noted that the city council, the Undugu Society of Kenya (an NGO that works with street children and homeless adults) and other organisations had decided to accept this challenge. As a result, the Undugu Society initiated the Nairobi Cares for its Children Programme, encouraging supporters to buy coupons from supermarkets which would then donate food to selected rehabilitation centres for street children.

Meanwhile, as recommended by neoliberal policy-makers, municipal services such as water, garbage collection, clinics and housing developments were privatised in the hope that this would create cost savings for the city and increase service-delivery efficiency for citizens. Policy-makers pointed out that competition between private service providers should create a stronger sense of responsibility among employees and thus reduce corruption.\textsuperscript{36} What actually happened was that city governance and management continued to deteriorate.

The \textit{East African} reported that Nairobi had sunk into a quagmire. The article painted a picture of councillors engaged in physical fights, internal coups, graft, uncollected garbage and the use of substandard building materials and practices in the city.\textsuperscript{37} In another newspaper report, Nairobi is described as filthy: ‘Nairobi, the once proud “Green city in the sun” has turned into a capital of filth and neglect – a distant silhouette of what the colonialists
bequeathed at independence in 1963’. The report quotes former mayor Charles Rubia as saying, ‘We inherited a clean city; we have run it down ourselves through greed, incompetence and a culture of shameless interference by the executive.’ Kenya’s first mayor from the multiparty era, Steve ‘Magic’ Mwangi, concurred, highlighting that ‘the Ministry of Local Government has played havoc on our local authorities, causing damage that will require billions of shillings to clear up’.38 In 1997, yet another journalist observed that nothing was working in the city. From traffic lights and revenue collection, traffic management, health services and garbage collection to the maintenance and repair of infrastructure, the city was in disarray.39

The crisis was clearly generated by the politically privileged. They had the power to stop the decay but instead oversaw and even supervised further looting. The economy suffered and jobs were steadily lost. The less privileged had little choice but to seek a livelihood using whatever means they could. Unlike in the late 1960s and early 1970s, when the construction of marketplaces had been encouraged and hawkers were being licensed, the city authorities had neither strategies nor processes for handling traders and artisans. As the city’s infrastructure deteriorated, so did conditions for traders and artisans. Many were scapegoated for causing disorder and insecurity and they were punished by having their kiosks demolished.

**Nairobi in the new millennium**

The period from 2001 to 2010 was a time of recovery from the malaise inherited from the city commission and the neoliberal policies introduced by the first multiparty administration. To an extent, discipline was restored, legislation was reviewed and order was enforced in the city. John Gakuo, the town clerk, worked to restore the image of the city. Gakuo was supported by the national minister of local government, Musikari Kombo. Buildings were painted, public parks and gardens were rehabilitated, trees were planted, revenue collection improved, traffic decongestion measures
were implemented and floodlights were mounted. Overall, the will to restore and revitalize the city revived.\(^{40}\)

Emphasis was placed on the use of surveillance and the courts to ensure that municipal bylaws were obeyed. Informal traders and artisans were a major focus of the city clean-up, partly because their built structures tended to obstruct the free flow of traffic and pedestrians. Many families and hawkers were cleared out of the CBD and new regulations were introduced to ensure that individuals could be prosecuted for making the city dirty. In response, market traders in Kangemi undertook to keep their part of the city clean.

From 7 to 13 November 2004, a convention was held to explore ways of making Nairobi safer.\(^{41}\) The convention emphasised the participatory role of communities and stakeholders in city management. The question of how to deal with hawkers and informal businesses remained a thorny one, particularly when international events were taking place in the city. For example, in 2005, the city authorities again demolished kiosks in preparation for the All Africa Cities Conference, with city officials and the ministry of local government arguing that kiosks provided hideouts for criminals.\(^{42}\)

The city administration has since attempted to address this by introducing new kiosks. Unfortunately, these are tiny and badly designed so that they get very hot in summer, causing fresh vegetables and fruit to perish rapidly. The city also reconstructed the Muthurwa Market to accommodate hawkers whose presence in the streets was considered a nuisance. Perhaps predictably, many hawkers see the new market as too open and too far away from the CBD where most of their potential customers shop.

Conflicting worldviews

In essence, the problem is that the political and knowledge-privileged elites who govern Nairobi view the city differently from traders and artisans in the informal sector. Schooled mainly in Western institutions or using Western-inspired curricula and learning material, the elites imagine cities of stone buildings and
wide, empty pavements. The majority of Kenyans expect cities to contain many homesteads, built of wood, thatch and mabati (corrugated-iron sheets). Spatially, these two worldviews generate very different community economies and collective institutions. Issues of overcrowding and the possible problems created by an unregulated sprawl of enterprises are simply not perceived in the same way. For many, it is difficult to understand why one should not ‘pull’ (add) an extension from a main house to serve as a kiosk or a rented space, or sit in the bright sunlight and open air to sell goods on the street.

In the eyes of the planning and governing elite, the informal economy lacks the corporate structures or limited liability companies to facilitate governability. City planners are generally trained to deal with Western-type enterprise models that are corporate in nature and can be relied on to have names and fixed addresses. By contrast, the presence or otherwise of any particular trader in any single place is generally unpredictable and uncertain. Few traders use company names and they don’t all have the stable physical addresses that are crucial for traceability. Traders’ ways of conducting business tend to make it difficult to discern regular patterns or practices and the rules and values of informal businesses remain largely unknown. The number and diversity of enterprises further complicates monitoring and management, leading city authorities to argue that instituting effective control measures in relation to informal trade is not economical.

In general, national government business policies have not favoured the traders. Thus, while traders and artisans are still negotiating with the authorities for recognition of their basic right to trade, the multinational and domestic firms belong to the Kenya National Chamber of Commerce and Industry or the Kenya Association of Manufacturers, where they discuss issues of import regulation, taxation, and so on. Corporate bodies are also represented on government committees and their members are awarded accolades and recognition as national heroes.

Meanwhile, multinational firms work hard to control global markets and reap maximum profits which they repatriate to their
headquarters in the North. Local firms and parastatals invest much of their time and resources playing catch-up with their transnational competitors. Traders, artisans and peasant farmers struggle to take back some influence over the economy and infuse it with African logic, norms and values.

Put differently, the prevailing economic context in Kenya creates a situation where transnational, domestic and parastatal corporations keep wages low for the majority of workers and deploy their surpluses outside of the country and the continent. This inhibits the growth of a motivated labour force capable of enhancing the productivity of Kenya's economy. The deployment of surpluses abroad means that few investments are made in domestic research and development, and Kenya is failing to generate a critical mass of creative people capable of driving the innovation necessary for enhanced productivity. Domestic firms prefer to buy and import technology rather than invest in local knowledge infrastructure, while traders, artisans and peasant farmers have to weave their way through policies that favour multinational and domestic firms. This policy bias is present because the Kenyan government is, in turn, playing catch-up with the agendas set by the economic powers located in the North (Mkandawire 2014) and, more recently, in the East, as seen in the drafting of *Kenya Vision 2030: A Globally Competitive and Prosperous Kenya* (Republic of Kenya 2007). Kenya’s government is simply not interested in taking back or indigenising its economy in ways that might favour the development of local innovators or benefit existing traders and artisans.

Chapter 4 explores how African cities are (mis)understood in the literature on urban development, and begins to explain how informal traders and artisans have shaped urban African spaces.