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The Super Market: Examining the Bangladesh Market as a Model for Local Economic Development

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The Super Market

Examining the Bangladesh Market as a Model for Local

Economic Development

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Introduction: Public Markets as Local Economic Development

In the eleven years since the African National Congress assumed power in 1994, the structure and function of the South African government has evolved in an attempt to address the extreme income inequalities systematically created by Apartheid under a neo-liberal capitalist framework. This challenge to address the needs of the poor in the context of globalization has led to experiments in the still emerging discipline of local economic development (LED). The sustainability of this community-centered approach to economic development is questioned by mainstream economists who cite the increased efficiencies of large-scale production and trade. The Bangladesh Market in Westcliff, Chatsworth, a public market for informal trade, will be presented as a successful example of LED. The reasons for the success of the Bangladesh Market as an LED initiative will be explored, pressing the possibility for South African Municipalities to widely promote local public markets in historically marginalized communities as LED initiatives, empowering their citizens through employment creation and better food security.

Mainstream neo-liberal economic thought makes the argument that policies encouraging this development of a local economic community can interfere with the efficiency gained by both comparative advantage and economies of scale. However, specifically in the area of fresh produce distribution in South Africa, it seems that local distribution networks can actually be more efficient due to the reduced cost of storage, packaging, and transport. This is evidenced by price comparisons shown in the chart below between local informal distribution networks and discount branches of chain supermarkets. Additionally, multipliers created by increased employment and spending within economic communities increase calculations of overall efficiency.
Price comparison of the two large-discount supermarkets in Chatsworth and the Bangladesh Market:¹

<table>
<thead>
<tr>
<th></th>
<th>Take ‘n Pay</th>
<th>Checkers</th>
<th>Bangladesh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tomatoes</td>
<td>4.99 Rand/Kg</td>
<td>7.99 Rand/Kg</td>
<td>3.33 Rand/Kg</td>
</tr>
<tr>
<td>Onions</td>
<td>2.50 Rand/Kg</td>
<td>2.99 Rand/Kg</td>
<td>1.99 Rand/Kg</td>
</tr>
<tr>
<td>Potatoes</td>
<td>4.00 Rand/Kg</td>
<td>3.99 Rand/Kg</td>
<td>3.69 Rand/Kg</td>
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</table>

Durban is the only city in South Africa to still have a publicly owned bulk fresh produce distribution market. This market, the Durban Fresh Produce Market (DFPM), acts a central hub and key price setting mechanism for the distribution of fresh produce throughout the eThekwini Municipality and surrounding areas. As a publicly owned and operated central distribution center, it seeks to offer a wide breadth of financially dependable buyers for farmers. Additionally, farther down the supply chain, informal traders both within formal markets and individually, compete to offer a range of quality fruits and vegetables at the lowest possible prices for consumers.²

Current economic literature seeks to test the effect of multipliers in local markets as parts of case studies in two rural areas of South Africa. D’Haese and Van Huylensbroeck studied the impact of supermarkets on two formerly isolated rural communities. The authors began their study from the premise that “due to a more efficient management and procurement system,” supermarkets can sell food at a

¹ Prices documented on both 11/25/2005 and 12/09/2005 by the author of the study.
relatively lower price winning over the patronage of the rational consumer.\textsuperscript{3} This study is challenging the LED argument that the introduction of supermarkets has a net negative impact on formerly isolated rural communities. LED states that local food distribution networks provide higher levels of employment and keep capital within a community. This capital recycled back into the community is supposed to have a “multiplier effect,” increasing the economic well-being of all. D’Haese and Van Huylenbroeck observed that this extra capital did not in fact ever have this effect in the case studies because residents did not support local distribution networks when they could afford to spend their money elsewhere. In the interest of disadvantaged rural communities, the procurement channels of supermarkets were concluded to be the best channel for small formerly “local” food producers due to the larger and more dependable markets for produce they could ideally provide.

Due to the existence of the Durban Fresh Produce Market (DFPM), public fresh produce distribution networks in Durban seem to offer the same benefits as supermarkets in terms of large and dependable markets for farmers, without the monopolistic control that supermarkets tend to gain.\textsuperscript{4} More importantly they even seem to offer room for further local economic development initiatives by leaving the entire supply chain up to independent transporters and sellers. Public bulk food distribution centers allow for local

\footnotesize{\textsuperscript{3} Marijke D’Haese and Guido Van Huylenbroeck, “The rise of supermarkets and changing expenditure patterns of poor rural households case study in the Transkei area, South Africa” Food Policy 30 (2005) 97-113.}

\footnotesize{\textsuperscript{4} The South African supermarket sector is highly consolidated into the hands of four main chains, and these four chains control approximately 50-60\% of all of the food retail in South Africa. Dave D. Weatherspoon and Thomas Reardon, “The Rise of Supermarkets in Africa: Implications for Agrifood Systems and the Rural Poor” Development Policy Review, (2003), 21, (3): 333-355.}
informal trade that creates jobs and brings capital back into communities without sacrificing the efficiency of competition brought by many buyers and many sellers.\textsuperscript{5}

Officially established as a legal market for trade in 1984, the Bangladesh Market in Chatsworth is an outdoor Market comprised of informal traders selling a large variety of fresh produce among other cheap goods. Highly valued within the community, it has been described as, “a way for many, not only to make a living but also a place where fresh produce, meat, poultry and various other goods can be purchased at low prices.”\textsuperscript{6}

The market has grown from 15 “car-boot” traders in 1984\textsuperscript{7} to over 300 traders today,\textsuperscript{8} despite the growth of formal developments in the area including two discount chain supermarkets selling comparable products.\textsuperscript{9} Following a holistic local economic development (LED) approach, the eThekwini Municipality has sought to further develop and sustain this market recognizing its current and future potential benefit for the community as a whole. Additionally, it has recognized the Market as a “model” of LED worth trying to replicate in other communities.

It has been hypothesized that the Bangladesh Market continues to thrive because it meets a consumer demand in Chatsworth for a specific product and service. This service, offering fresh produce at low if not the lowest prices in a convenient location, has been identified by various experienced vendors as the primary element leading to the success of a public market. If one agrees with this analysis, it seems logical that a local

\textsuperscript{5} Harald Witt.
\textsuperscript{7} Vic Pillay, Chairman Bangladesh Market Association (Interview, 12/06/2005).
\textsuperscript{8} Shikar S. Singh, p. 42.
\textsuperscript{9} One Take’n Pay just adjacent to the market and one Checkers in a nearby shopping complex.
public market would be a successful LED initiative in any community around Durban. However, communities in Durban are still very much products of South Africa’s Apartheid history. Chatsworth is a historically Indian township created during Apartheid-era forced removals. The Bangladesh Market originated as a group of Indian farmers illegally trading the produce they grew themselves. Finding out if the Bangladesh Market offers a model for holistic LED that could succeed in a township without a similar history of growing and trading food is the primary purpose of this study.

**Methodology**

The focus of my research and the methods that I employed to conduct it both merged from my experiences living in Durban. When I first had the opportunity to visit the Bangladesh Market in Chatsworth I was both impressed by what it offered to the community and struck that I had not seen anything like it anywhere else in the city. Both the security and space it offered for informal fresh produce traders, and the convenience its location offered to residents of Chatsworth, were what stood out to me as impressive and unique. Having spent over a month living with a family in the township of Bonella, I naturally compared what I saw in Chatsworth with what I knew of the community where I had been staying. Left with many questions, I decided to study fresh produce distribution in Durban, focusing on the successful model of the Bangladesh Market.

Three areas for inquiry were identified in order to explore this question concerning the historical and current consumer climate in Chatsworth and at the Bangladesh Market. The areas identified were consumers at the Market and in the community of Bonella; current representatives of the eThekwini Municipality and other agents in the “development” process; and documented history of the Market as well as
local and national policy documents. Background research consisted of reading current literature on the informal economy in South Africa, the state of Durban as a city, and local economic development strategy.

Interviews with consumers at the Market were used as the primary source of data for exploring reasons for the current success of the Market in Chatsworth, and its prospects for the future. Interviews in Bonella were used to find out where food is currently sourced from in the township, and to explore possibilities for a local fresh produce market in the community. These two separate sets of interviews were conducted in order to compare and contrast preferences and motivations for purchasing of food in Chatsworth with those in a different township with a different history.

Interviews with officials representing the eThekwini Municipality were used to clarify specific historical and current policy objectives regarding public markets. Initially they were intended to identify useful areas for research. The meetings evolved into discussions of future possibilities for the role of the state in fresh produce distribution networks. Additional interviews with relevant community development agents were used to fill in gaps left by these discussions.

The documented history of the market was used along with national and local policy documents to provide a context for comparing conditions surrounding the origins of the market with current conditions in the township of Bonella. Interviews with key players surrounding the beginnings of the market were used to supplement various documented histories.

**Limitations of the Study:**
While this study succeeds in beginning to examine reasons for individual’s preferences regarding where they shop for food in both Chatsworth and Bonella, it leaves many questions about the possibilities of local public markets as effective LED initiatives unanswered. Given the time constraint of one month, the few interviews conducted were the best means identified to at least shed some light on these questions. An area for further study is a much more comprehensive price comparison between supermarkets that individuals in various townships shop at because of their convenience, compared with the public informal markets where they might alternatively shop if they existed closer to their homes.

**Part 1: Discussion of the role of the state**

The nature of the post-Apartheid state pulls it toward servicing a variety of clientele – the business community that provides growth but on its own terms, the ‘emergent’ entrepreneurs of color who count on the African National Congress government now in power to take them forwards, the myriad of poor people who felt completely marginalized under the pre-1994 regime.  

The post-1994 period in South Africa’s history has been one of the most exciting and important times for the implementation of new economic development strategies. At one time, South Africa was faced with trying to mitigate the inequalities left by an oppressive, apartheid state while simultaneously responding to the challenges of neo-liberalism and globalization. In the face of this challenge, South Africa recognized local governments as key agents of change and tasked them to specifically focus on the developmental needs of their poorest citizens. However, while preaching this welfarist approach at the local level, the national government’s embrace of neo-liberalism seemed

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to encourage local governments to move toward enhancing and competitiveness and encouraging entrepreneurialism through privatization. This unclear mandate from the national level for the role of the state in local economic development allowed local governments relative freedom to chart their own paths.

Informal trade, specifically in the area of fresh produce distribution, is inextricably linked to the battle of marginalized South Africans of all colors to claim their rightful place in the economic sphere. Despite the fact that street trading plays an absolutely vital role in both providing jobs and a means of livelihood for traders as well as the only affordable prices for many consumers, it historically “symbolized the manifestation of ‘non-whiteness,’ disorder, and the primitive,” its “‘de-urbanizing activities perceived as sponging off the urban capitalist project.” However, the adoption of the new constitution in 1994, which states in section 122, “municipalities must aim to encourage the involvement of communities and community organizations in the matters of local government,” led to a reversal in attitudes and policy regarding street trading, an economic activity so intricately connected to the livelihoods of the country’s poorest people.

In an interview on 30 November 2005 Shunnon Tulsiram, head of Markets in the eThekwini Municipality, spoke to me on behalf of the City Manager and the Municipality regarding eThekwini’s current LED strategy. According to Tulsiram, the city sees public

markets as a public good for food producers, food sellers, and food buyers. From this perspective, the city sees the Bangladesh Market as an example of a very successful market. Through the channels of the DFPM it offers food producers a large market by providing an organized space and time, it offers informal traders a reliable and legal place to sell, and it offers buyers a convenient safe place to buy fresh cheap produce. Both within the Bangladesh Market and outside of it in the area of informal trade in general, the city has the needs of the poorest of the poor in mind stating, “we have to look for the poorest of the poor, to let them organize themselves, to help them help themselves.”

1. a) **History of the Role of the State**

Durban did not always seek to foster such a positive environment toward street trading; the persistence and perseverance of traders through a period of extremely unfavorable legislation and policing led the city to alter its opinions. Up until the mid-1980s street trading was illegal in Durban, a policy reflecting the perception of street trading as a non-white sponge on the urban capitalist project. In the 1980s the city began to reverse its policy towards trading, mainly due to the increasing costs of policing the Warwick Avenue area. Warwick Avenue was a commuter hob that had also become the most popular location in the city for street traders. Official pressures resulted in the production of two groundbreaking studies: the Market Survey in 1983 and the Hawker Report in 1984. The Hawker report investigated the possible role of street trading in Durban’s economy, and the Market Survey stressed the importance of the specific

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14 Shunnon Tulsiram, Head of Markets eThekwini Municipality (Interview, 11/30/2005).  
location of Warwick Avenue. These two documents led to the first attempt by the city to constructively regulate street trading, creating ‘immune zones,’ where traders could trade legally in demarcated areas of the city.\textsuperscript{17}

The period of 1987 to 1997 was marked by contradictions between the conflicting directions of national legislation and local policy regarding street trading. Following the publication of the \textit{1987 White Paper on Privatization and Deregulation}, which led to the marginalization of women and those with the least resources and weakest networks, the city of Durban fought for greater power to introduce local regulations. Finally in 1997 by which time there were 19,800 street traders on the streets of Durban\textsuperscript{18}, the publication of the \textit{White Paper on Local Government} allowed the eThekwini Municipality full reign when it came to the regulation of street trading.

This most recent paper on local government challenges municipalities to address historical inequalities with exclusive responsibility in the areas of: “street trading, markets, beaches and public recreation infrastructure, and a range of urban amenity services.”\textsuperscript{19} As discussed in this paper, recent projects undertaken by the eThekwini Municipality have been in the interest of, “enhancing economic opportunities for the marginalized poor and poorer sections of the community.”\textsuperscript{20} In evaluating efforts by the

\begin{itemize}
\item \textsuperscript{17} Stein Inge Nesvag, p. 289.
\item \textsuperscript{18} Markewicz Report (Daily News 08/21/97).
\item \textsuperscript{19} Bill Freund, “City Hall and the Direction of Development: The Changing Role of the State as a Factor in Economic Planning and Development in Durban,” in Freund and Padayachee, P. 48
\end{itemize}
Municipality to develop public markets, it is important to keep both the goal and responsibility of helping Durban’s poorest citizens in mind.

Current eThekwini Municipal strategy recognizes the informal economy as an integrated and vital component of the economy as a whole. Since the 1980s, the city of Durban has explicitly reversed policies toward street traders, slowly recognizing not only their right to existence, but also the vital role they play in the post-Apartheid economy. Most recently, movement towards holistically developed management at the local level seeks to, “in very real terms make people the focus of planning, budgeting, implementation and monitoring development.” Current municipal initiatives seek to use public markets for informal traders as a place for projects combining local economic development and poverty alleviation.

1. b) Bangladesh as LED

Kodi Govender owns a 4 hectare farm in Gillets, near Pinetown. She drives to the Bangladesh Market early in the morning on Fridays and Saturdays to sell spinach, lettuce, green beans, and various other fresh vegetables. She prices her goods according to the labor put in to produce them, and manages to sell most of them at this price thanks to a body of loyal customers who come to the Market to shop specifically at her stand, and the

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22 Messsrs Kisa Dlamini and Sogen Moodley, ‘’Giving people the power to build their own communities’: the experiences of the eThekwini Municipality’s integrated development planning & city transformation process”(Transformation and Restructuring Office, eThekwini Municipality, Durban: 2002).
general large body of consumers who patronize the Market each weekend. Although she
has been approached by more than one “big supermarket chain” to sell her produce she
spurns their offers stating, “big supermarkets do not pay enough.” She only sells
sometimes to one small supermarket that is owned by a friend, “as a favor.”  

Although the majority of the fresh produce sold at the Bangladesh Market is
sourced through the DFPM, about 30% of the fruit and vegetables being sold come
directly from local farms. 15-20 of the stalls in the Market are occupied by farmers
selling the vegetables they grow themselves. These farmers choose to sell at the Market
every Friday and Saturday despite the access they have to both supermarket procurement
channels and the large market offered by the floor of the DFPM. Although the study by
D’Haese and Van Huylenbroeck found that local markets for farmers in rural case-study
areas seemed to produce very low rural growth multipliers in their communities, the high
level of patronage at the Bangladesh Market seems to indicate that the multipliers are
correspondingly high.

D’ Haese and Van Huylenbroeck cite, “Low production capacity due to lack of
production resources, labour and infrastructure along with institutional problems resulting
in limited marketing for locally produced goods” as the primary reasons for lowered
multiplier effects in rural areas. These problems manifest themselves concretely when
consumers choose to spend their extra income outside of the community, leading to a
worse not a better market for farmers trying to sell their produce locally. As is evidenced
by the success of the Bangladesh Market in Chatsworth, and the existence of farmers like

25 Shikar S. Singh, p. 54.
26 Marijke D’Haese and Guido Van Huylenbroeck.
Kodi, the consumption patterns of residents in Chatsworth do not seem to mirror those of the consumers in the rural areas that were studied. Conversely, the Bangladesh Market has found a certain niche for fresh local produce in the consumption patterns of consumers both in the community and commuting from without that, rather than shrinking as incomes rise, grows larger.

1. c) Current Developmental Efforts

With the rise of supermarkets providing a large market for producers and relatively cheap fresh goods for consumers, the eThekwini Municipality thinks specifically about the important and unique role that public Markets play in the lives of food sellers, the informal traders. Representing the city capacity as acting Head of Markets, Jason Moonsamy stated, “In Verulam and Warwick Junction, the whole initiative of building Markets was to give traders a formal legal area in which to trade.” Essentially, the Municipality hopes to improve the livelihoods of informal traders by giving them a consistent, reliable, and legal place to sell their goods.

Moonsamy explained, however, that because of a failure to correctly assess or take advantage of consumer demand for public fresh produce markets, the city’s development efforts have largely failed. Specifically, regarding the city’s support of the Verulam Market he stated, “The location – I don’t know what they were thinking. Over emphasized demand. Expectations. As well, they changed the road infrastructure, the transport infrastructure, and that could play a major role in terms of the buyer volume. I

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27 A public fresh produce market outside of Durban in the area of Phoenix that has received support from the eThekwini Municipality.

could also name for you some other markets that are failing as well.” Essentially, by ignoring why buyers shopped for their food where they did, the Municipality’s efforts to further develop the Verulam Market in fact ended up hurting it by discouraging consumers and decreasing sales volumes.

1. d) Critiques of the Role of the State

Vic Pillay, who founded the Bangladesh Market Association in 1984 and has acted as a historical connection between the Municipality and key stakeholders in the Market, offered his opinion on what factors influence whether a market succeeds or fails. According to Pillay, the main key to a market’s success is that it is community-driven. If a market is community driven, then most of the problems that lead to failure can be avoided. These problems include: “high operating costs, insufficient consumer demand, bad location, and subletting within the market.” Because the Bangladesh Market developed independently within the community it avoided these problems, although it is still struggling with subletting.

Pillay pointed out that in some cases the city approaches the challenge of initiating markets from the wrong perspective. According to Pillay, the success of a market has much more to do with people than physical structures. Rather than invest in a 2 or 3 million Rand structure as it has in the past, the municipality should do some market research to find out what consumers want to buy and where they want to buy it. Then if the municipality wants to start with a small stand or two and encourage some vendors to sell there, it can test the waters to find out if the community really will support a

29 Jason Moonsamy
market.\textsuperscript{30} Even when the city has merely sought to further develop markets that were originally community initiated, the physical structures it has provided have driven up operating costs, and therefore stall rents, to unsustainably high levels.\textsuperscript{31}

Recent critiques highlighting exactly this problem have been written concerning an eThekwini development effort in the Warwick Junction area. One such critique found that the regulation, which consisted in the construction of a better physical structure for the market, actually did not succeed in helping the most marginalized food producers, sellers, or buyers.\textsuperscript{32} The construction of a physical structure was a welcome improvement to simple temporary stalls, but it did not seem to play any role in increasing business at the market, therefore not directly helping any of the above-named stakeholders. According to Pillay, improved physical structure is not an element that necessarily increases buyer volume at a market, rather it usually hurts both buyers and sellers by driving up stall rents. In this way, further regulation of markets through the construction of physical structures is not a sufficient way for the eThekwini Municipality to implement its mandate of assisting public markets with the interest of marginalized stakeholders in mind.

The sentiment, that the fundamental success of a market seems to be more dependent upon its ability to capitalize on a specific consumer demand for goods, rather than physical infrastructure, was echoed by Tulsiram at another meeting with the Municipality. Regarding the success of the Bangladesh Market Tulsiram commented, “some people shop to eat, some people shop for fun. The Market allows the opportunity

\textsuperscript{30} Vic Pillay.
\textsuperscript{31} Vic Pillay, Chairman Bangladesh Market Association (Interview, 12/06/2005).
\textsuperscript{32} Khosa and Naidoo.
for a unique social interaction to take place.”  

Admitting being unable to speculate as to exactly why people began shopping at the Market in 1984, let alone why in excess of 15,000 customers shop there each weekend today, Tulsiram instead focused on why the Market is of interest to the Municipality. Before the Municipality can effectively play any role in Durban’s public markets, there are some questions it needs to think about regarding the Bangladesh Market as a model market. Tulsiram stated questions such as, “how does one ‘create’ that Market? Can it be created? What needs to be done, and what can be done?” The Municipality thinks of these questions with the needs of its poorest citizens in mind.

Part 2: Chatsworth vs. Bonella

2. a) The Realities:

Vimla Naidoo lives in Bonella but travels about 30 minutes in her car every Friday and Saturday to sell fresh produce at the Bangladesh Market in Chatsworth. When asked if she would rather sell closer to her home at a market in Bonella she stated, “No, never. No market in Bonella would ever be advisable because of the crime rate. Not even a shop.”

Thabile Cele, also a resident of Bonella, has been saving money in a Stokvel with twelve of her friends for more than 10 years. This year the women feel they have been particularly economically successful and have decided they want to invest their

33 Shunnon Tulsiram.
35 Shunnon Tulsiram.
37 A club to encourage savings that acts as an informal bank. In this particular one the women each contribute 500 dollars a month then get their share back at the end of the year.
money as a group in a business venture to provide employment for the unemployed youth in the community. When asked if she would ever consider funding a local public fresh produce market, Mrs. Cele stated, “No, not a market. We are thinking about investing in a toilet paper making machine. We are not interested in selling vegetables, we need to make money, to give jobs to the youth.”

What these two residents of Bonella have in common is an overwhelming pessimism towards the success of a Market in their community. As documented above, they would theoretically enjoy shopping at one just as much as every other woman in the community, but in terms of practically supporting the start of one, neither of them would waste the time. Whether this lack of faith in a market is what separates Bonella from Chatsworth and therefore eliminates the possibility of starting a market as an LED initiative, is what I seek to explore with the body of this paper.

2. b) Historical Inequalities in Fresh Produce Distribution

According to Economic History and Development professor Harald Witt, racial inequalities that still exist in the business of fresh produce distribution can be attributed to barriers within agricultural production reinforced by Apartheid. He states, “In general, densely populated shacklands, freehold settlements and municipal locations that housed Durban’s black population left little land available for productive agricultural activities.” Although still greatly marginalized, Durban’s Indian population was given the space for small-scale agricultural production, leading to their control of the bustling network for the informal trade of fresh produce.

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38 Thabile Cele, Bonella Resident (11/29/2005).
39 Harald Witt, p. 305.
The inequalities in the area of fresh produce distribution are reflected in the unequal structure of the Bangladesh Market. Although more of the fresh produce that is sold today at the Bangladesh Market does not come from farms, but is sourced through the DFPM, the Indian population still seems to have retained control of the majority of the market for fresh produce. This is partially due to the fact that the same people who used to farm and sell their own produce at the market are now those who have primary control of the transport networks bringing produce from the DFPM to the Bangladesh Market. This change of activity has taken place because some farmers now find it more lucrative to purchase goods early at the DFPM and transport them to Chatsworth to sell both to other vendors, and directly to consumers for a higher profit.\(^{40}\)

Inequalities in control of fresh produce distribution were partially addressed by the Market Association in 1995 when the Indian street traders who were the pioneers of the Market decided to include seventy to eighty African street traders as legal Market Vendors and as members of the Association. African traders now come from as far away as Hammersdale and Umbulo on the South Coast. There are flats across the street in which traders who come to Chatsworth just for the weekend can spend the night.\(^{41}\)

While the restructuring did succeed in changing the racial dynamic in the Market, which is currently reflected in the 90% Indian, 10% African breakdown of traders,\(^{42}\) it did not address a power dynamic that has existed since the early 20\(^{th}\) century. Indian trade was described to have then, “a more formal ‘shop-like’ character with a large turnover as opposed to the smaller and more stall and pavement operation styles typical of African

\(^{40}\) Shunnon Tulsiram.
\(^{41}\) Vic Pillay.
\(^{42}\) Shikar S. Singh, p. 42.
merchants.\textsuperscript{43} The physical arrangement of the Bangladesh Market today visibly echoes this historical inequality.

The Indians who began the Market in Chatsworth primarily traded fresh fruit and vegetables that they grew because that was the commodity they had available. Initially, small-scale farmers simply brought produce to sell and gradually the market grew as more residents took advantage of the opportunity to make money.\textsuperscript{44} The residents of Chatsworth thus exhibited an independent economic initiative in order to start the Market. \textsuperscript{45} Eventually traders, mainly Indian farmers and retailers, began to come from all parts of Kwazulu-Natal attracted by what had become a lucrative business opportunity. The status of Indians as indentured farm laborers under colonial rule and their limited freedom to retain land under Apartheid left illegally trading the food they produced as a logical enterprise to supplement insufficient incomes in Chatsworth.

2. c) The Picture in Bonella:

According to 13-year resident and community organizer in Bonella, Neena Lutchman, Bonella is the only multi-racial community in the whole of Cato Manor. People of various colors and income levels live side by side because, since 1994, “people of Bonella have been very friendly,” never trying to make anyone feel “outcast.”\textsuperscript{46} Ms. Lutchman was identified by Thandi Memela, head of eThekwini’s Area Based Management (ABM) Cato Manor LED team as one of the few “community experts” of Bonella. Ms. Memela directed me to Ms. Lutchman because due to the lack of

\textsuperscript{43} Stein Inge Nesvag, p. 284.
\textsuperscript{44} Shunnon Tulisiram.
\textsuperscript{45} “Business Plan for the Management of the New Market and Poultry and Fish Facilities” (Bangladesh Market Association, Chatsworth: 2005), p. 3.
\textsuperscript{46} Neena Lutchman, Bonella Resident and Community Organizer (Interview, 12/06/2005).
development projects in Bonella, eThekwini’s ABM has very little documented about the community.\footnote{Thandi Memela, eThekwini Area Based Management (Interview, 12/05/2005).}

Ms. Lutchman was adamantly in support of a local public market in Bonella. She stated, “it will be successful because if you look at Bonella there is no development even in terms of a shop. Everyone has to travel down to the edge to go to one bad Jabula,\footnote{A small shop located on the edge of Bonella. Due to its size it is expensively priced and the produce it sells is not fresh.} and even that is difficult for those who don’t have transport. People need something central where they can walk, and a market would create jobs.”\footnote{Neena Lutchman.} Ms. Lutchman admitted that Bonella has seen many development projects fail, but she explained that this was because they were “unsustainable” due to a lack of democratic structures leading to insufficient communication. Regarding a fresh produce market she stated, “A vegetable market would be sustainable. People must be committed for a long period of time, they would support the market. However, you have got to communicate, the most sustainable object can fall apart without communication.”\footnote{Neena Lutchman.}

While she was sure that a public market would be very successful in Bonella, Ms. Lutchman did not think it could survive as a primarily community driven project. Both funding and planning would have to take place on the part of the municipality, organizing cooperation between fresh produce vendors and residents of Bonella. Although the successful Bangladesh Market in Chatsworth did not have assistance initially from the
city, Ms. Lutchman believes that the unique history of Bonella and Cato Manor requires that the city provide slightly more assistance with LED initiatives.\(^5^1\)

2. d) History of Cato Manor

Historically, the entire area of Cato Manor was land occupied by Indian market gardeners. Following World War II when Durban’s economy was booming African industrial wage laborers began to flock to the city from all over Kwazulu-Natal and the Eastern Cape. Africans began to populate Cato Manor specifically when the Indian market gardeners found it more lucrative to lease their land to use their farm for leasing to African tenants than for farming. Indian businessmen provided shops and transportation to the growing African population. Although in 1949 the African population gained independent control, at least temporarily, of Cato Manor, African entrepreneurs never did take advantage of the void left by the Indian businesses. Rather they focused their efforts on other areas; in fact beer brewing became the African population of Cato Manor’s most famous autonomous economic endeavor.\(^5^2\)

The question of why Africans generally turned to beer brewing as a way to make some extra cash, while Indians farmed and traded fruits and vegetables, is worth examining further. From 1860 until 1911 over 152,000 Indians arrived in South Africa as indentured laborers working mainly on farms, turning Natal into, “one of the most prosperous parts of South Africa.”\(^5^3\) In 1911 the indenture system came to an end but many free Indians continued working the land. Conversely, following World War II thousands of Africans were drawn to Durban to work as urban industrial laborers in a

\(^{51}\) Neena Lutchman.

\(^{52}\) Cato Manor Interactive Cultural Center, Old Court House Museum, 77 Aliwal Street, Durban, 4001 (Permanent Collection, 12/05/05).

booming economy. 558 acres of Indian owned land in Cato Manor was expropriated to house the expanding African population. Animosity between Indians and Africans ensued, culminating in widespread riots in 1949 that led to the wholesale evacuation of Cato Manor by Indians.

Today Cato Manor, and specifically Bonella, is a mixed neighborhood comprised of Africans and Indians living next door to each other. Most residents of Bonella have lived there for less than fifteen years and this new dynamic provides for a good deal of tension and distrust within the community. However, this new multi-racial community also has potential to unify individuals in ways that have never before occurred in South Africa. If a shared local economic development project were successful in the community it would not only increase the livelihoods of Bonella’s poorest citizens, but also represent an important move toward cooperation rather than competition between Africans and Indians.

2. e) What the Municipality Says:

While the Indian Traders in the Bangladesh Market have independently acknowledged historical inequalities and reorganized power dynamics to empower African traders, the Market still exists in a historically Indian township. According to the Municipality, the existence of the Market is due to a certain autonomous initiative that was unique to the Indian population of Chatsworth in the 1980s and does not exist in any other community on the outskirts of Durban.

Shunnon Tulsiram stated, “the Bangladesh Market is very much a cultural thing,” meaning that its existence and success was specifically due to the fact that

54 Shunnon Tulsiram.
Chatsworth is a historically Indian township. While the Municipality does not think it is plausible that the initiative to claim a space and begin trading in it is something that African informal traders would do on their own initiative in their neighborhoods, it does find aspects of the Bangladesh Market are worth promoting. The Indian traders can offer fruit and vegetables at reasonable prices while still claiming a profit because of their efficient methods for procuring goods. In most cases this increased efficiency comes from cooperative efforts in purchasing and transport of goods. The Municipality thinks that the Indian informal traders in Durban generally exhibit a superior ability to cooperate in this area, and attributes this to their favored status under Apartheid.\textsuperscript{55}

It is specifically this cooperative relationship between traders in the Bangladesh Market that the Municipality seeks to model, specifically by empowering formerly disadvantaged African street traders to organize themselves. While the municipality is willing to consider also addressing historical inequalities through promoting fresh produce markets in disadvantaged townships, it is more focused on addressing power dynamics in already existing markets and trading areas.\textsuperscript{56} As part of a general initiative to encourage African street traders to form cooperative agreements in order to lower costs through bulk procurement and transport, the municipality also seeks to encourage traders to set up markets within communities where there seems to be an unmet demand for fresh produce.

\textsuperscript{55} Shunnon Tulsiram. \textsuperscript{56} Shunnon Tulsiram.
Part 3: What the Buyers Say

3. a) Consumer Demand in Chatsworth

The Bangladesh Market is considered by the eThekwini Municipality to be the model example of a local public market because of the net benefit it brings to the Chatsworth community. According to a dissertation by Shikar S. Singh about the Market that was published by the University of Kwazulu-Natal in 2004, of 27 residents surveyed from the Chatsworth area, only one did not shop regularly at the Market. In light of the conclusions reached above that the success of a market has to do with the existence of a specific consumer demand for goods, I sought to find out what that demand was in Chatsworth, by interviewing people shopping at the Market about why they were shopping there.

I visited the Market every Friday and Saturday while it was open for three weeks in a row, officially interviewing 20 shoppers. I began by approaching random shoppers with the question of “why do you shop here?” I followed with questions asking the shoppers where they lived, how they got to the market, how often they shopped at the market, what they bought, and where else they shopped. As will be shown, the responses varied quite widely but shoppers overwhelmingly responded that the market was in a very convenient location and the goods were usually cheaper than supermarkets where they would otherwise be buying food. The things that draw these consumers to the Market confirm what both members of the Market Association and representatives from the eThekwini Municipality hypothesized above regarding what makes a market succeed or fail.
For purposes of describing who shops at the Market, the people randomly selected for short interviews can be separated into two different categories: residents of Chatsworth and individuals who had traveled from outside the community. The main reason for this division is to highlight the fact that something about the Market is special enough to draw not only residents from the community, but also shoppers from various areas around Durban. A dissertation by Shikar S. Singh published in 2004 assumed that the main reason people shopped at the Market was for convenience, citing that 26 out of 27 residents surveyed shopped there. However, with the shoppers from outside the community, simply by knowing they don’t come from Chatsworth we can eliminate “convenience” from the hypothesized list of reasons that they choose to shop at the Bangladesh Market.

3. a) 1. The Locals

All of the residents from Chatsworth who were interviewed expressed that one reason they shop at the Market is because it is in a convenient location with many things all in one place. However, past this no general conclusion about why residents shop at the Market could be reached because responses varied so widely. The most interesting conflict among the responses was whether or not the fresh produce is always cheaper in the Market than in competing supermarkets.\(^{57}\)

As one female resident stated, “I shop here because it’s convenient and everything is in one place. It’s cheaper than any of the grocery stores.”\(^{58}\) She drives her car to the Market every Saturday to purchase all of her fruit and vegetables. She has been shopping

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\(^{57}\) A chart with price comparisons between the Market and the two closest discount supermarkets is available in the introduction in order to shed some light on this conflict.\(^{58}\) Anonymous shopper at the Bangladesh Market (Interview, 11/11/2005).

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at the Market for over 8 years. She buys her other groceries at the Checkers in Chatsworth Center,\(^{59}\) about a five minute drive from the Market.

Another female resident stated, “It’s the nearest place, I like to do my marketing here. They have nice things: fresh vegetables, salad things, fruit, lovely things.”\(^{60}\) She explicitly stated that in her experience the Market was not cheaper than the neighboring Take ‘n Pay\(^{61}\) or the nearby Checkers where she buys her other groceries, but she prefers the Market for fresh produce. She pays two Rand for a taxi ride to get to the Market every Saturday.

A third female respondent shopping with her husband stated, “we shop here because it’s close to our area. We have a car but sometimes we walk. We’ve been shopping here for 30 to 40 years.”\(^{62}\) When asked where else she shopped she said Checkers or Pick ‘n Pay where the fruits and vegetables are, “sometimes cheaper, sometimes not.” She and her husband come to the Bangladesh Market to shop every Saturday.

Although residents of Chatsworth overwhelmingly support the Bangladesh Market as is evidenced both by Singh’s survey of residents and the continued success and growth of the Market, there does not seem to be one clear reason for this support. As local shoppers have expressed, it is the combination of generally cheaper prices, fresh

\(^{59}\) Checkers is part of the Shoprite supermarket chain that is South Africa’s largest food retailer. It has 40% market share of the supermarket sector and serves more than 39 million customers per month. Weatherspoon and Reardon.

\(^{60}\) Anonymous shopper at the Bangladesh Market (Interview, 11/18/2005).

\(^{61}\) Take ‘n Pay is a discount branch of the Pick’n Pay supermarket chain. Pick ‘n Pay is South Africa’s second largest food retailer with a turnover of R 18.8 billion as of January 2003. Weathespoon and Reardon.

\(^{62}\) Anonymous shopper at the Bangladesh Market (Interview, 11/19/2005).
produce, convenient location and a certain uniqueness that draws residents of Chatsworth to support their local market.

3. a) 2. The Commuters

Offering a very different perspective, the shoppers who had traveled from outside of Chatsworth all agreed that one of the reasons they come to the market is that the fresh produce is always cheaper than in the competing supermarkets. However, only for half of them is lower prices the factor that draws them all the way to Chatsworth. For the other half a combination of factors including fresher produce, relationships with sellers, and an attachment to the Market draws them out of their way.

One female shopper drives her car every Saturday morning all the way from Umhlanga, a northern suburb of Durban about one-half hours drive away. When asked why she shops at the Market she stated, “you get to pick your own stuff, its fresh, and there’s a relationship you build with the people you buy from.”63 She also believes that the Market is in fact cheaper than the other places she shops for food. She buys the remainder of her groceries at Pick ‘n Pay and Checkers-Hyper.

Another female shopper interviewed was with a male partner. They pay three Rand each to take a taxi to the Market once a month from neighboring Mobeni Heights, about a twenty - minute ride. They shop at the Bangladesh Market for the sole reason that it is the cheapest place they can shop. They buy all of the groceries they can there, which include: “fresh chicken, potatoes, onions, green beans, carrots, big bags of beans, and other fresh fruit and vegetables.”64 If they run out of fruit or vegetables before they can

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63 Anonymous shopper at the Bangladesh Market (Interview, 11/12/2005).
64 Anonymous shopper at the Bangladesh Market (Interview, 11/26/2005).
make it all the way back to the Market they go without them for the remainder of the month.

Similar to the residents of Chatsworth, shoppers coming from neighboring areas of Durban seem to be drawn to the Market for various reasons. The Market’s location on a public transport route seems as if it would be an unnamed factor increasing the likeliness of those who commute for the low prices to shop there. However, Bangladesh’s biggest draw for commuters from all over Durban seems to be the experience it offers of shopping outside and building personal relationships with the Vendors week after week, in great contrast to the cold impersonal discount supermarkets.

3. b) Consumer Demand in Bonella:

Having drawn the conclusion that shoppers at the Bangladesh Market shop there for a combination of reasons including a desire for convenience, fresh produce, cheap goods, and a unique experience, I sought to find out where and why the women living in Bonella shop for their food. I spent a week interviewing women from nine different households of varying income levels. I began with the question, “where do you shop for your fresh produce,” following with questions of “why do you shop there,” “how often do you shop there,” and “how do you get there.” I also discussed with the women the possibility of having a local fresh produce market in Bonella.

Although no economic data was gathered on the households, for purposes of understanding shopping preferences, the women can be divided into those who always shop where they believe the vegetables are cheapest, and those who have the economic

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65 Taxis going from both central ranks in the city go by the Market on their normal route through the residential areas of Chatsworth, and on the way to the major shopping complex, Chatsworth Center.
ability to choose where they shop for other reasons. Of the women interviewed, three of them always shop for their fresh produce where they believe it is most cheap, and the other six have some other method of choosing where they do their shopping.

3. b) 1. Bargain Shoppers

Buyisile Ngcobo always shops at the Market on Warwick Avenue because that is where she believes she can buy food for the least amount of money. Every Saturday she pays double taxi fare (five Rand one way), to travel about twenty minutes to buy her cabbage, potatoes, and onions. She buys the rest of her groceries including, “mealie meal, samp, rice, beans, flour, powder soap, and milk” at the Checkers-Hyper on Victoria Street about once a month. The Warwick Avenue Market and the Checkers-Hyper on Victoria Street are about a fifteen minute walk away from each other in the same general location in Downtown Durban.

Oriana Nonti shops every Saturday where she believes is cheapest, combining buying small things at the Shoprite on West Street and bulk items at the Checkout near the taxi rank at the Workshop. These two locations are about a fifteen - minute, R 3.50 taxi ride from her house. She purchases all of her fruits and vegetables from inside the supermarket because she believes they are cheaper stating, “I’ll give you an example. Usually, apples are four for two Rand outside, but apples are six for two Rand inside. I always check. If they were cheaper outside I would buy them outside.”

Ms. Ngcobo and Ms. Nonti represent the two varying opinions of women who purchase fruits and vegetables with the lowest prices in mind, disagreeing as to whether they are cheaper from vendors on the street or from inside of discount bulk supermarkets.

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66 Buyisile Ngcobo (Interview, 11/24/2005).
67 Oriana Nonti (Interview, 11/24/2005).
However, what is of import, are the responses they offered regarding the possibility of shopping for food at a public market in Bonella. They both emphatically emphasized their desire to shop for fresh fruits and vegetables in a location closer to their homes, as long as prices of a market were cheaper than those of supermarkets.

3. b) 2. Preference Shoppers

Mira Surajbali buys all of her vegetables “as locally as possible.”68 She shops at the Farmers Fresh Produce Market on Sparks Road, about one kilometer from her house. She buys all the rest of her groceries at Shoprite/Checkers69 grocery stores. She expressed that she would happily support a local market stating, “we want to support local people and we want things nearby, some of us are lucky and have cars but not everyone has their own transport.” She is always supporting what she describes as “local vendors” on the street, and expressed that she believes they are cheaper than even the discount grocery store.

Thokozani Ngcobo buys her fresh vegetables with quality in mind, but where she buys them varies. Her favorite place to buy them is at the Market on Warwick Avenue, a double taxi fare (five Rand one way), twenty-minute taxi ride away. However, since she buys the rest of her groceries once a week at a Checkers-Hyper in a local shopping mall and only commutes past the workshop, another shopping mall, she rarely has time to make it to the “far superior” fresh produce market. She stated, “Maybe on the weekend if I’m passing by the Market I will do my shopping there. We have to pay twice as much to

68 Mina Surajbali (Interview, 11/25/2005).
69 Checkers is a large-scale supermarket chain, owned by the South African owned international supermarket chain of Shoprite.
get there. I’ll buy sweet potatoes there, and herbs because they’re from the farm.\textsuperscript{70}

They’re not as nice at the grocery store, maybe they were there for a long time and they get dry. Same thing with the Madumbe.\textsuperscript{71} The avocado pear is also at the market but not the grocery store. It is beautiful and nice.”\textsuperscript{72}

Like Mrs. Surajbali, Mrs. Ngcobo would gladly support a market in Bonella because of the greater freedom it would allow her with her food shopping. She could purchase all of the traditional African vegetables she desires without having to travel all the way to the Warwick Avenue Market in town. Although the two women have slightly different reasons for wanting fresh produce for sale locally in their neighborhood, the shared conclusion that they would support a market as long as the produce was of high quality was the same conclusion reached by every woman who chooses where to shop based on factors other than lowest prices.

From the various opinions expressed by the women in Bonella, it seems that the overwhelming consensus is that they would shop for fruit and vegetables from informal traders at a local public market if it was cheap and of relatively high quality. Even one woman who stated, “I only shop at the grocery store because the vendors are not dependable, I would only shop at a market in Bonella if it was cheap and fresh and nice,”\textsuperscript{73} seems as if she could be persuaded to shop at a local market if it met her standards. Regardless of income level, all the women interviewed in Bonella want cheap

\textsuperscript{70} The majority of the fresh produce sold in the Warwick Avenue Market is not in fact local, but comes through the DFPM. Only a small minority of the vendors are market gardeners selling their own produce.

\textsuperscript{71} Mrs. Ngcobo paused to explain to me that a Madumbe was a traditional African root vegetable that she had growing up.

\textsuperscript{72} Thokozani Ngcobo (Interview, 11/29/2005).

\textsuperscript{73} Thabile Cele (Interview, 11/29/2005).
fresh produce and would happily buy it from a market located conveniently close to where they live.

**Conclusion:**

The Bangladesh Market has proven to be a hub of social, economic, and political activities. Whilst it has been informal from the inception, market dynamics have revealed that there is a remarkable inter-relationship between all different stakeholders in the sector. The research indicates that the Bangladesh Market impacts on the lives of the residents, traders, consumers, and neighboring businesses. Each proving to contribute to the sustainability of the other in the long-term.\(^{74}\)

The Bangladesh Market is widely acknowledged as a “model” of LED, truly community initiated and sustained increasing the well-being of all. Specifically as a regular space for marginalized informal traders to sell their goods and residents of Chatsworth to purchase cheap fresh produce, it is an asset to the eThekwini Municipality as a whole. Residents of Bonella have indicated that they would both support and benefit from a similar market in their community. However, the factor preventing the model from being replicated in Bonella seems to be a lack of agency within the community to start a market. In the interest of promoting LED, it seems the eThekwini Municipality should play a role in empowering Bonella, and similar communities where there is a large potential for success, with assistance in organizing public markets.

The Durban Municipality acknowledges the need for empowerment among its poorest and historically marginalized citizens, especially those already involved in informal trade in some way. It has experimented with “creating” markets in communities, a process that in the past has consisted of building shelters and stands for trade. However, these efforts have been widely unsuccessful leaving expensive empty structures known as

\(^{74}\) Shikar S. Singh, p. 69.
“white elephants.” It seems the reason for the failure of these initiatives is because they focus too much on building physical structures and do not provide organization or funding for the most important element in a market, the traders. No matter how nice a shelter is, if there isn’t coordination among traders and promotion of a market within a community, not enough goods will be for sale and not enough shoppers will come to buy them.

If the eThekwini Municipality is serious about wanting to use local public markets as ways to empower historically disadvantaged informal traders and provide greater food security to its poorest citizens, then it will use what it can from the example of the Bangladesh Market. From this study it has become apparent that the Market was successful due to both coordination of the original traders and a demand among residents of Chatsworth for fresh produce at low prices close to their homes. Making use of this information, the eThekwini Municipality can both encourage cooperation among vendors of fresh produce and help them to organize markets in communities where a demand for fresh produce at low prices near people’s homes has been researched and documented.
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Appendix:

A. Map of the eThekwini Municipality

\footnote{Shikar S. Singh.}
B. Map of Chatsworth\textsuperscript{76}
C. Map of Westcliffe Business Center

77 Shikar S. Singh.