Informality and Public Space. The Case of Street Vending in an Intermediate City of Chile

J B Ulloa¹ and V Castillo²

¹Núcleo de Ciencias Sociales, Universidad de La Frontera and Facultad de Ciencias Sociales y Comunicaciones, Universidad Santo Tomás, Chile

²Universidad Santo Tomás, Chile

E-mail: jorgeulloama@santotomas.cl

Abstract. In Latin America, informal activities are an important source of jobs. In Chile they represent almost half of the total jobs in urban areas, with street trading being one of the activities that has been most known for its visibility in the public space. This article presents the results about the sociodemographic and labor characteristics of street vendors in the city of Los Angeles, Chile. An exhaustive analysis of official documents and other reports about work in Chile was performed, which were contrasted with a survey applied to 121 street vendors in the city, this provided relevant data to understand who they are, how they work, how their salaries are, their health conditions, their families, among other relevant data. It is important to highlight the overrepresentation of foreign workers compared to national employment data. Finally, it reflects on the working conditions faced by the street vendors, as well as to understand this type of activity not only as a job but as a way of life that is strongly embedded in the work scenario: public space.

1. Introduction
Informality is an important source of employment that remains above formality in Latin America (1). According to the ILO (2), about 140 million workers are employed informally, representing 53.8% of the employees, who are generally associated with precarious working conditions, lack of rights and social protection by cataloging it within a direct relationship between work and poverty (3), but that, has been valued as a “way of life in Latin America” (4).

Street trading is the most visible face of informal commerce and its main feature is that they provide a wide variety of products and services that are easily accessible and at a much lower cost than in formal or established businesses such as through the sale of fresh seasonal vegetables, household items, prepared food or services (shoeshine, taking pictures, selling prepaid phone cards, etc.) and which in most cities are being regulated through various mechanisms, mainly through the prohibition and sectorization of public spaces resulting in processes of exclusion and even criminalization of street workers. There is evidence that the majority of those who work on the street are women, youth and immigrants (5). On the other hand, it is also recognized that the main scenario in which they carry out
these practices is the public space, due to its central locations to work in it (6), since there is a wide range of urban functions that give meaning to their activities. For example, connections with public transport and the high number of pedestrians, both essential to attract these practices (7).

Likewise, street trading fulfills various functions and is organized in different ways, which makes them activities that are highly segmented (8), being able to address and understand them by the types of products they sell, the socio-spatial dynamics that are given, their social conditions and/or relationships, etc. This implies that to gain an understanding of the dynamics or policies of street trading within the context of informal employment requires knowledge of the characteristics of the subjects who work in the streets and that for Roever (5) these are the main limitations at the time of generating appropriate public policies for these groups.

This study aims to deepen in the characteristics of street trading in an intermediate city in Chile, contributing to the literature that has been expanding in recent times, but has not yet considered medium-scale cities where we will answer the following questions:

a) What are the main sociodemographic characteristics of street traders?

b) How are the working conditions in which they work?

c) How and what kind of products do they sell on the street?

2. Study Area

The city of Los Angeles is considered an intermediate city, provincial capital of the Bio Bio province in the region of the same name in the central-southern zone of Chile. It is located approximately 130 km from the city of Concepción, the regional capital and 510 km from Santiago, the capital of the country.

The perimeter studied corresponds to the central polygon of the city, in which the main government buildings, the main square and other places of interest such as banks, retail stores, restaurants and cafes and the city cathedral are located. Finally, within this delimited perimeter is the main bus terminal in the city, which connects it with other communes in the region, serving as an intermodal station and the fair of fresh products. In sum, the perimeter corresponds to 643,000 square meters, as shown in Figure 1.

![Figure 1. Study area corresponding to the downtown area of the city of Los Angeles](image-url)
3. Materials and Method

A descriptive and cross-sectional investigation of quantitative character was carried out. 121 street traders from downtown Los Angeles participated in it, who answered a survey that addressed the sociodemographic characteristics and working conditions they face daily. These data were contrasted with information available by the CASEN 2017 survey of the Ministry of Social Development of Chile.

The data collection was carried out during the months of July and August 2019 (winter). The project was previously approved by the Scientific Ethics Committee of the Santo Tomás University.

4. Results

4.1. Sociodemographic characteristics of street trading

The sample studied consisted of 121 street traders, who reported an average age of 42 years within a range that ranged from 14 to 80 years. In turn, 8.3% said they were 60 years old or older. In comparative terms, as shown in Table 1, the average age of the sample does not differ from that observed in standard workers in the city of Los Angeles and the total number of workers in the country.

Based on sex, a relative predominance of the male group was observed, who represented 57.5% of the total respondents, a trend that is equally evident in the groups of standard workers in the city and in the country as a whole. Regarding geographical origin, the majority of the participants declared that they lived in an urban area (85.1%) while identifying themselves as residents of Los Angeles commune (90.9%). This distribution by zone, however, is different from that observed in the sample of standard workers in the same city, since in this group the provenance of the rural sector reaches 25.7%.

A set of 12 respondents reported being of a different nationality from Chile, highlighting the group of Ecuadorian sellers (5.2%). It should be noted that foreign sellers who do not speak Spanish were left out of the study, so the figure presented constitutes a under-representation of the labor participation of foreigners in street trade. On the other hand, 11.6% identified themselves as belonging to or ancestry of one of the nine Indigenous Peoples recognized by Chile, with the Mapuche category prevailing (9.9%). Both the status of foreigner and that of indigenous belonging are categories that in the sample of street traders show a greater relative presence, since in the statistics by city these participation figures are significantly lower.

In socio-educational terms, a 95% literacy rate was evidenced in the sample of street traders, a figure that was below the observed in the samples of local (97.2%) and national (97.7%) workers. Indeed, street traders who recognize themselves as illiterate constitute, in relative terms, about twice the expected percentage. In turn, a considerable fraction of the participants failed to complete the basic level of education (15.7%) and only 63.6% reached twelve years of compulsory schooling. In a contrary scenario, the presence of certain street traders with higher education credentials (4.9%), as well as technical studies (11%) was also observed. On the other hand, it was found that the educational levels declared by the respondents were above that reached by their parents, since 52.8% and 41.2% of the mothers and fathers of street traders did not manage to complete the basic (primary) education.

In relation to the social security system, street traders are mainly affiliated with the public health system FONASA (89.5%) and - unlike what is observed in the samples of general workers in the city and the country - none declare to subscribe to the private pension system. Their general health conditions are perceived positively, evidencing that 62.8% report having good or very good health. Despite the above, 21% of the respondents reported having faced a work-related illness during the last three months and, at the same time, 7.5% of the sample was recognized as having a disability.

Finally, it was observed that street traders form family groups of heterogeneous size, with an average of 3.6 people per household within an empirical range of one to nine members. This figure coincides
with the estimated values for both the standard city workers (3.6) and the national population of workers (3.7).

**Table 1. Sociodemographic characteristics of street traders in the city of Los Angeles and local and national workers**

| Variables               | Los Angeles Street traders 2019 (n = 121) | Workers in general population of Los Angeles, CASEN 2017 (n = 828) | Workers in the general population of Chile, CASEN 2017 (n = 92.417) |
|-------------------------|------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
| Age (μ)                 | 42                                       | 43.3                                                            | 43.2                                                            |
| Sex (%)                 |                                          |                                                                 |                                                                 |
| - Woman                 | 42.5                                     | 41.1                                                            | 42.2                                                            |
| - Man                   | 57.5                                     | 58.9                                                            | 57.8                                                            |
| Zone (%)                |                                          |                                                                 |                                                                 |
| - Urban                 | 85.1                                     | 74.3                                                            | 82.8                                                            |
| - Rural                 | 14.9                                     | 25.7                                                            | 17.2                                                            |
| Nationality (%)         |                                          |                                                                 |                                                                 |
| - Chilean               | 90.9                                     | 98.3                                                            | 96                                                              |
| - Other                 | 9.1                                      | 1.7                                                             | 4                                                               |
| Ethnicity (%)           |                                          |                                                                 |                                                                 |
| - Indigenous            | 11.6                                     | 3.4                                                             | 11.1                                                            |
| - No indigenous         | 88.4                                     | 96.6                                                            | 88.9                                                            |
| Literacy (%)            |                                          |                                                                 |                                                                 |
| - Can read and write    | 95                                       | 97.2                                                            | 97.7                                                            |
| - Cannot read and/or write | 5                                      | 2.8                                                             | 2.3                                                             |
| Health system (%)       |                                          |                                                                 |                                                                 |
| - FONASA                | 89.5                                     | 88                                                              | 78.5                                                            |
| - Isapre                | 0                                        | 9.8                                                             | 15.6                                                            |
| - Other                 | 10.5                                     | 2.2                                                             | 5.9                                                             |
| Health condition (%)    |                                          |                                                                 |                                                                 |
| - Good or very good     | 62.8                                     | -                                                               | -                                                               |
| - Regular               | 32.2                                     | -                                                               | -                                                               |
| - Bad or Very bad       | 5                                        | -                                                               | -                                                               |
| Home size (μ)           | 3.6                                      | 3.6                                                             | 3.7                                                             |

4.2. Work Specific Features

Street traders carry out their work with quite high levels of variability. On average they work 43.8 hours per week (SD = 19.03), workload close to the maximum contemplated by the Chilean law of an ordinary workday (45 hours). However, in atypical expressions this weekly workload can reach days ranging from two to 108 hours per week.

In the same way, there is great heterogeneity in the antiquity that they have been exercising in the street trading, observing cases with an incipient experience that does not exceed the year, to others who have accompanied all their lives with this activity, reaching a maximum of 51 years of exercise.
For the majority of respondents, their activities as street traders represent a permanent occupation and only 20.8% of the sample reported that their work is carried out temporarily or occasionally.

According to the street trader's use of public space, it was possible to distinguish those who carry it out in a fixed position, with respect to those who distribute and mobilize themselves in different parts of the city. The first - called stationary vendors - accounted for 78.5% of the total respondents, while the second - called mobile vendors - accounted for the remaining 21.5%.

In the subgroup of stationary vendors, different mechanisms were identified by means of which they can secure their fixed work position. Although the majority of this group has a location assigned by the municipality (53.4%), a relevant percentage considers that the other vendors respect the occupied space (26.8%), while others manage to keep their location arriving early (15.5%). Only 4.1% considered the strategy of grouping with other sellers like them.

A relevant aspect of street traders is given by the work materials and furniture, which in turn are determined by the work mode of the seller and by the type of product offered. In the sample it was observed that 30.4% of sellers mainly use tables to display their merchandise. Following this option, 25.2% reported using boxes as the main material, these can be of cardboard, wood or plastic, and 22.6% have a non-motorized car or mobile, such as bicycles and tricycles. On the other hand, 10.4% use a cloth to work directly on the ground. Other less frequent materials were bags or backpacks (3.5%), motorized vehicles (0.9%) and other unspecified (5.2%). Only 1.7% reported not occupying any material to carry out their commercial activity.

According to what is presented in Figure 2, it is possible to identify a wide and diversified range of products, which, although not mutually exclusive, are usually offered separately, promoting specialization or separation by commercial items. Indeed, only 12.8% of street traders report offering products from two or more different categories.

The category of sales with the greatest presence in the street trading is that of “Bazaar articles and handicrafts”, which is offered by one in four traders surveyed. In this category there is a series of miscellaneous items of rapid circulation, highlighting technology products such as cellphone chargers and cases, as well as self-made products and other market innovations. On the other hand, the categories of “Fruits and vegetables” as well as that of “Prepared meals” have a presence in the street market located around 20%, followed by the categories of “Clothing and footwear” and “Sweets”, which are offered by 18.6% and 16% respectively. With a much more marginal presence are the categories of "Seasonal articles" and "Services", located at 7.6% and 3.4%.

Regarding the supply of these merchandise, traders report storing them in their own homes (58%) or inside warehouses (34.7%). Only in isolated cases the products are stored in the same workplace (3.4%) or in a cart or vehicle (3.4%).

![Figure 2. Type of products offered by street traders](image-url)
In subjective terms the participants indicated a high level of work satisfaction. 63.3% of street traders are somewhat or very satisfied with the work they do, while only 12.4% reported being very or somewhat dissatisfied. This compliance situation is consistent with job expectations, since most respondents plan to continue with the same activity and work (49.6%), or at least keep their occupation only changing locations (14.9%). Similarly, it is worth mentioning that 69.4% of traders consider that the work provides them with sufficient resources for their economic support, an aspect that would favor a positive satisfaction of the street trade.

Although street trading can be a source of satisfaction for those who exercise it, this activity usually brings with it problems that are inherent to its nature as informal commerce. When respondents were asked to identify the three most relevant problems affecting their business, it was found that climatic factors constitute a transversal complication, because it was chosen by 80.8% of the sample. Competition with other street traders (37.5%), eviction from work positions (35%), lack of infrastructure (35%) and insecurity or theft (32.5%) were also indicated as part of the most frequent problems. On the other hand, options such as confiscation and competition with established trade were only marked by 21.7% and 14.2% respectively. Finally, 13.3% indicated other unspecified problems.

Both the eviction of work positions and the confiscation of goods are coercive practices that affect only the segment of traders that do not have authorization or location assigned by the municipality, which would explain why, despite its seriousness, they are not recognize as cross-cutting issues to the entire sample. Indeed, 55.4% of street traders said they had been evicted at least once during the course of their work experiences, evidencing large differences in the frequency with which they had been affected. Some cases even reported that they are repelled from their sales positions every day.

On the other hand, 25% of the respondents reported having their merchandise confiscated, a practice that, although it occurs less frequently, would have more negative impacts than the eviction, since not only is the activity with which they get their economic support interrupted, but they also lose the investment of the goods that must be replaced later.

To the extent that eviction and confiscation are not a real possibility for about half of street traders, the concern that these actions raise in them also tends to be low or normal. 45.8% said they are not worried or are little worried about an eventual eviction, while 24.2% defined their concern as normal. Even so, the remaining 30% accuses a level of enough or much concern. For its part, the concern felt about the confiscation accounts for a distribution similar to that of the eviction; the zero or little concern reaches 44.5%, while the concern defined as normal is 26.9%, finally, adding the quite worried and very worried categories a figure of 28.5% is reached.

Together these figures show the asymmetry with which the eviction and confiscation actions are perceived, which vary according to the condition of the street trader, so that it is possible to branch this group into two clearly distinctive segments; On the one hand, there are sellers with municipal authorization who are protected in some way against persecutory action and, on the other, sellers who carry out their work outside the municipal ordinances and, consequently, appear as the actors more vulnerable to the problems of the field.

5. Conclusions
Although street traders constitute a work force on which idiosyncratic seals are recognized that make it distinguishable from other economic activities, it is also possible to identify a wide range of internally differentiating characteristics that demonstrate the heterogeneity of the trade, an effect expressed with notoriety in the types of products offered, the conditions and modalities of work and the problems that affect them. Consequently, multiple realities converge on the street trader that are branched based on the nature of the work performed, demanding a deeper and more precise understanding of these multiple profiles.

Street trading is a labor activity that presents certain favorable conditions for those who exercise it, among them is their satisfaction with the type of employment they exercise, as well as their projection
in the medium term, which is also contrasted with the difficulty arising, for example, weather conditions, variable earnings depending on the time of year, the feeling of insecurity, among other issues addressed.

On the other hand, it is possible to highlight how informal employment allows the insertion of certain excluded groups or those who have certain difficulties in obtaining formal employment, this referred to the foreign population, who are overrepresented with respect to official national data and who realize of how it is necessary to deepen the factors that promote this type of relationships, as well as to investigate how the living conditions of these people are.

In this sense, and following the complexities they face, it is considered to reflect on the needs of street workers in the public space, both from the development of health policies and education since their indexes present a difficulty for this group of workers compared to the rest.

Finally, it is also necessary to understand street trading as a valid form of employment and with meanings typical of the exercise of its activity, in this sense, it is proposed from this work to deepen the discussion from a qualitative approach in a next stage of work.

Acknowledgments
The authors thank Santo Tomás University for funding through the internal research fund Folio 9-19 and CONICYT / PCHA national doctorate / 2017- 21182063 in the case of the principal researcher.

References
[1] Veleda S 2001 Trabajo informal en América Latina: el comercio callejero Biblio 3W Rev bibliográfica Geogr y ciencias Soc. 6
[2] ILO 2018 Labour Overview of Latin America and the Caribbean (Lima: ILO)
[3] Chen M 2012 La economía informal: definiciones, teorías y políticas (Manchester: WIEGO)
[4] Perry G, Maloney W, Arias O, Fajnzylber P, Mason A and Saavedra-Chanduvi J 2008 Informalidad: Escape y Exclusión (Washington D.C.: Banco Mundial)
[5] Roever S 2014 Informal Economy Monitoring Study Sector Report: Street Vendors. (Cambridge, MA: WIEGO)
[6] Brown A 2015 Claiming the streets: Property rights and legal empowerment in the urban informal economy. World Dev. 76 238–248
[7] Bromley R and Mackie P 2008 Displacement and the New Spaces for Informal Trade in the Latin American City Centre Urban Stud. 46 (7) 1485–506.
[8] Martínez L, Short J and Estrada D 2018 The diversity of the street trading: A case study of street vending in Cali Cities 79:18-25.