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Public Markets as Community Development Tools*

Alfonso Morales

Abstract

Public markets were once essential parts of the cityscape and they are becoming so again. Markets serve several purposes, social, political, and economic, and so planners interested in multipurpose tools for development will be interested in public markets. Markets can help achieve a variety of goals including place-making, employment, and entrepreneurship. This article focuses on markets as tools of business incubation. Archival data and literature shows how important markets once were to cities. Ethnographically collected data from Chicago’s Maxwell Street market illustrates the individual and structural factors that account for businesses created at the market. Rural and urban markets are emerging or being rehabilitated all over the country – this research helps planners understand the history of markets, their multi-disciplinary nature, and the circumstances of people creating businesses at markets.

Keywords: economic development; community development; municipal markets; street vendors

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The public market was the first “free” enterprise zone (McMillian 2002)—the agora. And markets since have historically served various economic and/or social objectives, objectives that prompted political innovations necessary to create them (Tangires 2003; Pirenne 1925; Morales 2000). In the United States, city governments created public markets to address a variety of social problems, like ameliorating unemployment, incorporating new immigrants, and improving access to healthy food (Tangires 2003; Deutsch 1904; Levine 1979; Eastwood 1991; Morales 2000). Certainly, with their rich history, public markets, along with street vendors, perform vital functions. But like community gardens (Lawson 2005), their relative importance was occluded by storefront retail, especially after 1940, and both markets and merchants continue to be at times contested today (Kettles 2007). But increasingly, cities are encouraging the establishment and reestablishment of public markets around the country. The time is ripe for scholarly work on how people become merchants and what that means for planning markets.

Practicing planners and planning scholars should be interested in public markets and merchants for four main reasons. First, markets are places, amenities attractive to neighborhood residents because they contribute to quality of life and sociability (Balkin and Mier 2001; Hinshaw 2008; Knack 2008; Fried n.d.; Project for Public Spaces n.d.). Second, public markets are in a tight reciprocal relationship with urban land markets and community design. Tangires (2008) demonstrates how market design influences community use, and Gerend (2007) suggests that markets can provide uses for underutilized and vacant sites. Third, markets play a role in addressing health, ecological, and environmental concerns. They reduce vehicle miles traveled, enhance local sustainability, and help ensure food security. Fourth, and most important for our immediate purposes, markets and street vendors contribute to economic and community development, providing a variety of benefits (Morales, Balkin, and Persky 1995). They are instrumental in incubating new businesses, facilitating the expansion of existing business, and promoting income-earning opportunities. Indeed, with greater awareness of the diversity of both markets’ functions and merchants’ motivations, planners can organize and deploy markets suited to any number of contexts.

At the heart of understanding markets are the central questions this article answers: who starts businesses in markets, how do they do it, and why? By examining the historical and contemporary relationship between a particular public market,
Chicago’s Maxwell Street Market (hereafter, the Market), and the businesses developed there, this article argues that a mix of individual and structural reasons motivates people to create street vending businesses. However, the article also makes three corollary arguments: first, that cities have long been creating markets to incorporate new immigrants, ensure food security, and address unemployment; second, that existing businesses expand by growing into markets; and third, that business formation is a tool of not just economic development but also of individual empowerment. In making these arguments, this article provides suggestions for market creation and regulation contingent on who vends and why. Most existing research ignores how people start vending and the associated implications for a regulatory framework responsive to their needs.

This article reviews the literature and describes the methods and data used and then shows how policy makers created the Market utilizing nascent planning interests and multidisciplinary planning strategies. We will discover that policy makers explicitly acknowledged the many economic and social functions markets could serve. Examining the individual and structural factors involved, the second part of the article describes how and why people started businesses at the Market and shows how the Market continues incubating new businesses today. Finally, the conclusion suggests that in markets—thriving places with multiple functions—planners will find tools that can have a significantly positive impact on community and economic development.

►Background

For centuries, street markets have been public places where people gather, entertain and are entertained, exchange ideas, and buy or sell goods and services (Tangires 2003; Polanyi, Arensberg, and Pearson 1957). This review demonstrates how street markets have served community and economic development historically and in the contemporary scene.

For more than one hundred years, scholars have pointed out the utility of public markets in encouraging business formation, providing convenient and inexpensive consumer goods and fresh produce, fostering civic life, and helping to incorporate newcomers into communities (Tangires 2003, esp. chaps. 1, 3; Morales 2000). The earliest work describes how cities should design and implement markets (Deutsch 1904) as well as the social/economic functions markets serve, primarily their role as part of the food distribution infrastructure, as described in How Great Cities Are Fed (Hedden 1929). More recent histories, for instance, Mayo (1993), provide a concise description of market design and function with a focus on the transition from street to storefront retail. Tangires (2003) examines markets of the nineteenth century, describing their regulation, physical design, and problems with governance. She finds that markets fostered day labor employment and civic life in nineteenth-century cities by providing space for dialog and participation.

Chicago’s Maxwell Street is the subject of work by Eastwood (1991) and Morales (2000), who illustrate how the Market incorporated new immigrants socially and economically into Chicago. Morales traces the regulatory origins of the Market and finds that concentrating the Market administration in one person produced graft and corruption. These authors show how cities, deliberating about public markets, wrestled with transportation, food security, health and sanitation, governance, and where to locate markets. Markets helped new immigrants cope with a new country and assisted citizens coping with the economic transformations of the late nineteenth and early twentieth centuries. Berkow (1977) and Eshel and Schatz (2004) wax biographical in their stories of merchants at the Market and the importance of street vending for business formation and economic mobility. Although a systematic account of business start-up is missing from the literature, the scholarship is noteworthy for its resonance with our contemporary concerns about integrating new immigrants, incubating businesses, and creating opportunities for economic mobility.

Contemporary studies of markets can generally be divided into two types—those concerned with market design, function, and governance; and those dealing with social and economic aspects of markets, such as who could vend and with what effect.

The contemporary literature on markets elaborates on the political/legal regulation of markets. Most of this work is about markets in developing countries (Dewar and Watson 1990; Bromley 2000; Hough 1995); only a few studies exist on market regulation in the United States. Addressing the regulatory landscape, Gaber (1994) reveals how vendors operated, evaded authorities, and organized claims on vending space, but he does not discuss how merchants got into business. Valenzuela (2001) describes four types of sites where day laborers congregate in Los Angeles. Instead of merchandise, they gather to sell their labor, but their gathering sites bear a strong resemblance to street markets in that they can be either privately or publicly constituted. Valenzuela’s work describes city and private efforts at regulating these periodic market sites, but the focus of his work is on drawing parallels between day laborers and other types of entrepreneurs. A Planning Advisory Service report (Ball 2002) describes many functions street merchants serve and how they are regulated in a number of different cities. Portland and Washington, D.C., for instance, are among cities producing reports regarding the importance of markets and merchants in their local contexts and the variety of ways markets and merchants are regulated. Most recently, Kettles (2007) argues that vending in Los Angeles should be legalized for its economic benefits.
He finds that legal objections to street vending are based on the fear of “foreign” culture. He finds government regulation can drive potential entrepreneurs into noncompliance. This work suggests the interest planners should have in helping cities harness rather than harass merchants.

In sum, studies by academics and planners direct our attention to variation in regulatory regimes and how merchants cope with or persist despite regulation. However, knowledge of how and why people start vending will enrich our regulatory toolkit. Just as business regulation accommodates different types of business, knowing how and why merchants sell in public markets is an important step in understanding how to create regulatory frameworks that are adaptable to the needs of distinct types of vendors and that take into account different reasons for vending.

In addition to studies of regulation, a number of economic studies focus specifically on markets as part of the larger “underground” economy. By and large, estimates of uncounted income earned are significant (8 percent of U.S. GDP) and have been stable over twenty years (Smith 1987; Pozo 1996; Bajada and Schneider 2005). But little is known about the contribution of public markets to the underground economy. One exception is Morales, Balkin, and Persky (1995), who produced the first quantitative analysis of the economic and noneconomic benefits generated by street businesses in a market, using ethnographically collected data to estimate economic benefits and describe the social benefits of a large street market. Venkatesh (2006) describes the importance of the underground economy to a community and how structural isolation created the conditions for underground economic activities. Gaber (1994) and Morales (1998) find merchants are tied to the broader economy, and Morales discusses why street vendors are not always in compliance with tax law but how they become compliant and even overpay as they develop aspirations for a storefront. Balkin (1989) argues that markets provided self-employment opportunities to the economically marginalized. His work anticipates our current interest in microenterprise, but his work is mostly theoretical without empirical reference. Again, absent from these economic studies is a focus on how people start businesses.

Some research examines the creation of market business and the transition from vending to storefront businesses. An example of the former is Eckstein and Plattner (1978), who, by examining the economic and migration history of St. Louis, revealed a correlation between ethnicity and the type of business created at the Soulard Farmers Market. Rajzman (2001) explores the transition to storefront business. She conducted a survey that found street vending important in determining entrepreneurial intentions among Mexican Americans in Chicago. Those with experience in street vending, among other income-earning activities, displayed more intentions to form businesses and experienced higher rates of business formation. Her work, however, does not describe how people took up street vending.

This article builds on previous research by addressing the question of who starts street businesses, how, and why. Answering this question will produce policy and regulation responsive to different types of merchants. Like much of the research described above, this study deploys multiple methods, but here a unique combination of historical and archival work sets the stage for the ethnographic work described in the second part of the article.

Methods and Data

The author observed and interacted with vendors at the Market for more than three years, starting in March 1989 and ending in July 1992. During this time, the author employed multiple methods of investigation: archival analysis, ethnographic and participant observation, and structured interviews (Gaber and Gaber 1997).

Archival Research

City ordinances, reports discussed below, and City Council deliberations were reviewed at the archives of the City of Chicago. The Newberry Library supplemented those materials with photos of the area and social history of the immigrant groups. Finally, the University of Chicago Regenstein Library archives provided student papers about the Market as well as more social history of settlement house activity in the Market neighborhood.

Ethnographic and Participant Observation

Most important to the inquiry were ethnographic observations and interviews with merchants. The author became a vendor at the Market to reason as merchants reasoned and to establish rapport with them. Researchers become participant observers to gain more trust from the members of the population, to understand more fully the processes observed, and to be able to check the validity of the data gathered from interviews and other forms of observation.

The author was in the field (at the Market almost every Sunday) for a period of forty-one months: March 1989 through July 1992. About twenty-seven of these months were spent on formal data collection. The others, particularly in the beginning, were spent observing and interacting with the merchants. During this time, the author spent twenty contiguous months vending. Of the eighty-six Sundays in the twenty-month time period, the author missed three Sundays, vending a total of eighty-three Sundays. For eight months, the author sold...
used items (clothing, kitchen appliances, consumer goods, and other things typical of garage sales) provided by faculty and graduate students, and in cooperation with a business partner, the author sold new bathroom accessories for the remaining twelve months. The author returned to the Market regularly thereafter but collected data from merchants during the summer of 2005 for a report for the Maxwell Street Foundation (Morales 2006).

Structured Interviews

The author developed a structured interview protocol, the instrument for which was developed after the author spent some time both observing and vending at the Market. The validity of the questions was verified and pretested in preliminary interviews. The questions were translated into Spanish and back-translated into English. The author is fluent in Spanish and was able to conduct interviews with Spanish-speaking vendors. About half of the formal interviews were conducted in Spanish.

The instrument was organized into several broad sections: (1) basic demographics; (2) prior business experience; (3) labor market experience; (4) household composition and circumstances; and (5) vending business, including start-up, income, business organization, labor force, use of professional services, supply chain management, business changes, tax compliance, business problems, growth and change, aspirations for business, and so on. The interviews were conducted at the Market, the merchant’s residence, restaurants, or other public places convenient for the merchant. Members of the household were interviewed regarding their various roles in the business. Follow-up interviews were scheduled to check the initial interviews and to gather additional details as needed.

Data

Extensive field notes were collected, including the vendor’s business data from sales of merchandise or services provided. Informal interviews at the Market supplemented the formal interviews and helped the researcher maintain rapport with the merchants. The qualitative findings from this data are discussed in the next section of this article. The author also compiled quarterly maps of the organization and placement of rented plywood tables and other space-marking devices as well as estimated the number of merchants, businesses, and demographic composition of merchants. Table 1 provides a description of the number of vendors and businesses by ethnicity during 1990.

As illustrated in Table 1, most of the businesses had more than one vendor, with Latinos having more vendors per business. Vending operations owned by whites were more likely to be sole proprietor (i.e., one vendor per business), whereas businesses operated by Latinos had three vendors on average. Table 1 also shows that half of all vendors in 1990 were Latino.5 Latinos were also more likely than whites and blacks to employ children, mostly their own, but sometimes children of their kin. Finally, Latinas were also more likely to vend than their white or black female counterparts.

The initial structured interviews described above were collected from members of fifty-six vendor households. The households were selected using purposive and snowball sampling techniques. These included formal interviews with more than one hundred people. The sample includes variation in vendor ethnicity, gender, age, household composition, type of items sold, and net sales. Of the households interviewed, nineteen were Latino (mostly Mexican American), twenty-four were black, eleven were white, and two were Asian.6 During the summer of 2005, seventeen households were interviewed, fourteen from the prior sample and three new households.7 One hundred years earlier the Market was similarly diverse, though populated by European immigrants. We now turn to that history and the nascent planning interests it illustrates.

Maxwell Street Market: Business Incubation

Early Market

Merchants have created businesses at the Market for more than 120 years. For much of this history, street vending was recognized as a legitimate occupation. One source of this legitimacy was the Census Bureau, which, until 1940, considered street peddlers as an occupation category. The City of Chicago formally recognized the Market, intending it to foster new business or, at the very least, provide a place where new immigrants and displaced workers could earn a living.

Peddling was well established along Maxwell Street in the late nineteenth century. Mayer and Wade (1969, 261) described the activity on Maxwell between Jefferson and Halsted Streets in the 1880s:
A line of fruit vendors sell at their street stands. . . . Behind them a produce company, a saloon, and a grocery line the sidewalk. Second floors contained small apartments and furnished rooms for people working in and near the area.

In July 1912, the City Council passed a resolution acknowledging these merchants by creating a public market on Maxwell Street and, later in the same year, began looking into locating other public markets around the city through the creation of a Chicago Municipal Markets Commission (MMC). The MMC was initially composed of city aldermen, the comptroller, and the commissioner of public works, but the final composition represents a clear concern with nascent planning issues. The commission appointed by Mayor Carter Harrison was composed of three members of the City Council, three representatives of social settlements, one representative of the Chicago Association of Commerce, one representative of the City Club of Chicago, one representative of the Women’s “City Club,” and one transportation engineer. This policy-making body conducted research about public markets and their various purposes both in the United States and abroad.

In 1914 the MMC issued two reports. The first report (1914a, 34) authorized the infrastructure for markets, stating, “Dealer stands should be provided for rental to dealers. . . . Means should be provided to producers or their agents . . . to obtain stalls or stands in these markets.” It also emphasized the need for street vendors and legitimized the Market and its merchants:

Peddlers, hucksters and push carts are an economic necessity and tend greatly to reduce the high cost of living . . . and should be considered an established and legitimate business . . . and should be encouraged by municipal authorities . . . and as such should be subjected only to certain necessary sanitary and police regulations and such rules as may be required to prevent undue congestion of vehicle traffic. (1914a, 52)

This first MMC report also compared the functions of U.S. and European markets, finding that markets played an important economic role around the world. In addition, the report found that pushcarts made produce more available in what we now call “food deserts.” Furthermore, the MMC compared the prices of produce and other consumer goods offered by merchants to those of other retail establishments, determining that vendors reduced the cost of living. In short, the first report identified practices such as peddling, huckstering, and selling from pushcarts as legitimate businesses.

The first report also addressed the circumstances of those recently relocated to the United States and to Chicago in particular. For them, markets and vending were critical, according to the Preliminary Report (MMC 1914a, 12): “Maxwell Street market is . . . serving a large foreign born population.”

The authors went on to describe how markets should serve this population:

In the establishment of municipal markets the various standards of living prevailing among the foreign born people . . . should be considered in a cosmopolitan city like Chicago. . . . These foreign born people would gladly go to market, because they have been accustomed to the same in their native land. As a rule, they are also the people that most need municipal markets with their reduced prices and fresher supplies. . . . It is this class of people who are most sensitive to every fluctuation in prices. . . . It is to this class that the municipal market idea should make its first and most powerful appeal. (MMC 1914a, 33)

Clearly the authors made the appeal on behalf of the voiceless, the 35 percent of Chicagoans who were foreign-born as recorded in the 1910 Census. Similar structural circumstances today—incorporating new immigrants, concern with food security, and employment—warrant similar interests in planning for public markets.

The second and final report of the MMC in December 1914 addressed the growing problem of unemployment in Chicago. The report called for a “practical plan for relieving unemployment and destitution” by way of a “unified treatment” wherein street markets and merchants would play an important role. By advocating for regulated markets, this report, like the preliminary one, legitimized peddling and public markets. For instance, the report compared license fees for peddlers employing pushcarts and horse-drawn vehicles in different U.S. cities. License fees in Chicago were found “onerous,” making it difficult for people to enter the peddling business. The authors’ comparative analysis concluded that if the opportunity of entering the peddling business in the City of Chicago were made financially easier to its people it is believed that a large number of unemployed during times of unemployment or slack periods would enter the peddling business and thus be enabled to earn a living. (MMC 1914b, 51-52)

This comparative research behind these reports makes clear the value of markets and helped create the initial regulatory framework. Equally important, the report legitimizes peddling, recognizing it as a valid occupation, a substitute for other employment. The reports also reveal the city’s desire to establish markets.

What these government reports demonstrate so unmistakably is nascent planning interests in employing the Market in several ways: first, in terms of public uses of streets and sidewalks; second, in terms of incorporating new immigrants; third, as a vehicle for economic development and business creation; and fourth, as a means of addressing labor market marginalization, particularly by providing women, the handicapped, displaced workers, and new immigrants with a place to earn a living (MMC 1914b, 52-53). The reports do so
through multidisciplinary planning, including social services, transportation engineers, businesspeople, and others. By using comparative data, the reports justify the need for markets and merchants and make the Market part of the city plan to ameliorate economic destitution. The Market became subject to regulation, but merchants were legitimated and recognized as part of the broader economy. Subsequent ordinances formally established the Market as part of a system of public markets (including the Fulton Fish Market and the South Water Produce Market).

Given the city’s support, it is not surprising that, historically, many businesses were created at the Market or its environs. Examples include the following: Gene and Joe Silverberg of Bigsby and Kruthers, Morrie Mages of Mages Sporting Goods, Chernin’s Shoes, Karoll’s Men’s Clothes, Keeshin Bus Lines, Vienna Beef, Kuppenheimer’s, Meyer Meystels, and Turner Bros (Berkow 1977; Eshel and Schatz 2004). Last, and perhaps most famous of all, is the “polish dog,” created at the intersection of Maxwell and Halsted Streets. Of course, not every merchant became famous, but many accumulated the nest egg required for establishing a larger business or investing in children. Some vendors scraped together a living and a few practiced criminal activities, but the majority were entrepreneurs investing in themselves, their families, and their futures. Over the decades new immigrants with similar aspirations joined Chicagoans, renewsing the Market and reaping the rewards of becoming a merchant.

So far, then, we have learned how nascent planning interests congealed, providing social and economic opportunities for new immigrants. The city-created Market operated at the margins of the modern economy, yet its low barriers to entry enabled successive waves of immigrants income-earning opportunities as well as the chance to experience familiar activities while acclimating themselves to their new country.

In the next section, I describe how people become merchants. Planners and other policy makers armed with such knowledge are better enabled in their efforts at establishing or reestablishing successful markets. This knowledge can sensitize zoning officials regarding temporary uses, economic planners to development opportunities, and community planners to various partnerships they can establish in the service of the cities they work for.

Maxwell Street Market Businesses, 1989-1993

Business start-up stories vary from person to person, but existing merchants found the Market’s low barriers to entry made business experimentation possible. The case with which businesses were created was particularly important for new immigrants and people of color whose economic aspirations were blocked by discrimination or insufficient human capital or who discovered new aspirations because of new circumstances. Potential merchants with business experience in the United States or elsewhere found the street market environment relatively transparent compared to bureaucratic regulations governing storefront businesses.

When asked why they started businesses, merchants emphasized either individual reasons or structural reasons. Yet this analytic distinction belies two things, the fact that the city had created the Market and the synthetic combinations of reasons discovered in individual stories. Indeed, planners should see how the Market served various individual and structural purposes because well-designed markets should respond to these various needs.10

In terms of initiating businesses, we find that individual reasons typically stem from an emergent or rediscovered entrepreneurial spirit and a desire for self-employment and the autonomy of being one’s own boss. Most, if not all, of the individuals interviewed for this study mentioned the desire to answer only to themselves, to have autonomy over their workday. But this attitude was an acquired habit, and more nuanced reasons for starting businesses emerged when the individual’s history was explored. For some, mostly white males, autonomy dominated their account of business start-up. Relatively speaking, males, especially white males, already had more control over their lives, and that control extended to their choice of income-earning activities. That sense of control diminished among men of color, but still remained strong, especially among those with business experience. Even so, most merchants of color, particularly women, came to business more slowly than did white males, much less directly, and often from structural reasons.

Here we understand structural factors as circumstances outside of one’s personal control. Autonomy and other individual reasons for business might follow after such merchants have spent some time in business, but an entrepreneurial spirit is not in play at the start. Rather, these merchants are impelled by structural factors such as truncated labor market opportunities, unequal gender role relations, or neighborhood characteristics. Women and people of color navigate these structural circumstances—creating businesses rather suddenly by way of some epiphany, or slowly as they react incrementally to new information, or somewhat unsystematically as they weave together a response to circumstances that constrain their choices.

Individual-level factors. Most vendors mentioned self-employment as a reason for vending, but for some, this was the main and sometimes only reason for vending. For the most part, vendors in this category tended to have a formal education, at least through high school, but also some college, and some had postgraduate experience. The most striking finding here was that all of the vendors in this category were predisposed to vending because of previous exposure to
or more experience with business or street vending. Predisposing experiences made people more aware of possible choices they had for earning income and gave them more confidence in the choices they made; such experiences also made their account of business formation more linear, privileges their agency, their choices, and their determination in the trajectory toward self-employment. Many individuals in this category had prior business experience, owned a business before starting one at the Market, or expanded an existing business into the Market. From the planner’s perspective, those merchants with extant ventures are entering new markets and, in doing so, enliven a particular place by their temporary use of it. Others building on preexisting business experience are a pool of potential storefront business owners.

Consider the example of Sam, a white male, who was a collegiate golfer and a “people person.” After college, he worked in retail and became the regional manager for a produce supplier. As he says, “I was in good shape financially, and my work wasn’t hard, but I had a business itch and I wanted to scratch it.” His father-in-law and brother-in-law both owned produce businesses. In fact, his father-in-law gave him the initial loan to establish his own produce business in a Chicago suburb. One might think that owning a storefront produce business was enough, but that experience prepared Sam for the Market. It was over beers and spring baseball that Sam learned from his father-in-law about the Market. His father-in-law told him about Carl, who owned a produce business there. Sam knew that the Market was adjacent to the South Water Wholesale Produce Market, but he had no idea how to establish himself at the Market. Despite the lack of experience, I put two plus two together and called Carl and he was positively supportive. He wasn’t worried about competition; he told me he had more business than he knew what to do with. I helped him three or four months. Then Carl decided to start a new business in sporting goods, so I bought him out.

This connection to Carl gave Sam the opportunity to expand his business into the Market. Sam’s straightforward account illustrates the control he felt over his choices. The progression from storefront to street may seem illogical, but the point is that Sam’s individual interest in business elicited a variety of questions and activated relationships that led to self-employment and eventually expanding his produce business to the Market. His account is straightforward and emphasizes his agency. If planners provide the ordinance and opportunity, entrepreneurs like him will come.

White females and men of color provide more complicated accounts than the linear ones of men like Sam. While they may still emphasize the individual entrepreneurial spirit, their accounts of their individual reasons for starting a business typically contain structural reasons. Similar to Sam, Don Pedro already had a formal education, business experience, and aspirations when he immigrated from Mexico to Chicago in 1971. He was determined to have his own business, but unlike Sam, Don Pedro did not have ready access to capital or information about how to begin a business. Like many immigrants, he found employment: he switched jobs twice, worked twelve years, often moonlighted, and saved money by buying inexpensive consumer goods at the Market.

Despite a few promotions, factory employment was always a way station for Don Pedro, and after ten years at the factory, he purchased a storefront building, moved his family to one apartment above it, rented the other two, and opened a used appliance and furniture store. Over time he integrated himself into the broader ethnic business community and also became a Chicago Housing Authority subcontractor. These contacts provided information about new sources of merchandise, but circumstances, among them his recent divorce, militated against his investing or leasing another building. Still, his desire to grow caused him to reflect on his experience at the Market. He had shopped there for merchandise to sell in his store, but he never considered it as a business location: “To sell on the street is what we do in Mexico; I didn’t think it was for me here in the U.S.” However, a friend convinced him to try, and Don Pedro was pleased with the minimal investment in business start-up and very pleased with the large sales volume. He became a regular fixture at the Market, leaving his store on Sundays for even more business at the Market.

The difference between Don Pedro and his coethnics was telling: his education, but particularly his business experience, gave him direction and motivation. He persisted in business interests when he could have become comfortable with factory employment or been deterred by the years of work needed to develop a business. Like Sam, Don Pedro harnessed his circumstances to achieve his business aspirations. But unlike Sam, Don Pedro overcame financial problems and his own bias against the street as a business strategy. Planners can learn a few lessons from these examples. First, not all street merchants are marginal businesspeople, scratching meager incomes from street vending. Indeed, numerous merchants may be interested in expanding their businesses to street markets, and regulations can generate opportunities for small business. Second, existing merchants can serve as important business examples and allies in recruiting vendors for new businesses. Existing merchants will typically have the attitude that the more businesses on the street, the more attractive the market will be to customers. Finally, planners should recognize, as Valenzuela (2001) reminds us, that even the most marginalized of new immigrants can have an entrepreneurial spirit and can be assisted in business formation.

Thus far, the examples are of men whose relative autonomy and power within the household supported their aspirations and enabled their experimentation. Women face a more trying set of circumstances. Even educated, middle-class women have to overcome expectations about the jobs they
should have and the life they should lead as well as structural barriers to self-employment, as Tina Marie exemplifies.

Tina Marie, like Sam and Don Pedro, was also predisposed to vending, but came to the Market by a more circuitous path than the men discussed above. Hers is a final example of “individual” reasons for initiating business, some of her youthful experiences and her graduate education being predictive of self-employment. But as we will later see, her experience also reveals two types of structural motivations: first, unhappiness with one’s workplace environment; and second, limiting gender role expectations. Tina Marie’s experience also exposes how gender role expectations are internalized initially placing constraints on individuals about what type of job would be commensurate with their education.

Tina Marie describes herself as Italian American. She is the daughter of a homemaker and an accomplished professional. She attended college and graduate school, married, and entered the world of work in Texas as a lab pharmacologist for a large pharmaceutical company. In her youth, Tina Marie enjoyed a middle-class life but spiced it up by joining her high school friend, Kathy, who sold soaps at a market in Wheaton, a Chicago suburb. Tina Marie enjoyed sales and learned about the variety of markets in the city and its suburbs. After a few years of work for the pharmaceutical company, she began to reject her experience in corporate America. Life in a big bureaucracy was not to her liking; she felt constrained by office politics and by a dependence on others who were not always dependable. Once her marriage ended, she escaped the office politics and demoralizing office environment and returned to Illinois. When asked about how she began vending, Tina Marie recalled the circumstances in this way:

Over the years I had kept in touch with my best friend, Kathy. When I was living in Dallas, she mentioned that her dad and mom were starting to sell spices and she sent me a list to see what it was about. I tried a few of them. When I moved back here, she told me that her parents wanted to sell out. They really did not want to be in the spice business.

Kathy’s father had retired from selling in markets, primarily household consumables like soaps and other dry goods. But he was “bored from the moment he was born” and convinced his wife to buy the spice business at the Market. Since that particular business was a bad fit for him, his subsequent departure became Tina Marie’s entrée into the Market. As Tina Marie put it,

Think of a man who never cooked, that’s him; he didn’t know what he was selling! It was hard for him to sell spices. He made his wife go with him. At first, he told her that they would go only whenever they felt like selling. But he made her go every week. She did not want to get up early and drive an hour to get to the Market; she just wanted to retire. On top of everything he had a bad heart and so he had to slow down. But, to not go sell was a big deal because selling was his life, but his wife and his health finally got him out of business.

Tina Marie shared her business aspirations with her parents; however, her father tried to dissuade her, initially out of skepticism about starting a business, then because he “wanted me to do something with my degree,” and as a last resort out of fear for her safety. He remembered the Market of his youth and perceived it as dangerous and not the place for his daughter. Additionally, the $15,000 asking price for the business intimidated her. Still, Tina Marie desired to be in business:

I thought that it was perfect for me because I love to be self-employed even if I have to lower my income. I do not like working for anyone. I have a little more free time. I can work in the morning or in the evening. I can sell in different places—Wisconsin, Chicago. I can travel and meet different people. It was my niche and I really wanted it.

When Tina Marie shared her dream with her grandmother, the response was, “Let me get my purse; we’re going to the bank.” With $10,000 from her grandmother, $3,000 she had saved, and the discount Kathy’s parents gave her, Tina Marie purchased her spice business and became the Market’s “spice lady.” Still, all was not well in the beginning since her father “freaked out” at the idea of his daughter selling at the Market.

He thought that it was going to be very dangerous for me. He had not been there in a few years, but he had remembered how it was. He thought it was dangerous. After some long talks, he changed his mind, but he wanted to go with me. My dad continued to go with me, a thirty-year-old grown woman. Finally, he felt comfortable with me being there alone. I had other friends who would meet me there and eventually I hired help. He was against the place, but he was there for me.

Tina Marie’s familial environment was mixed: her grandmother and mother were supportive, but it took some time for her father to come around. After a few months, her father grew interested and supportive of her business and joined his wife and his mother in working for his daughter by packing spices, doing inventory, and helping sell at the Market.

Tina Marie moved swiftly from being without employment to having her business at the Market. After two years at the Market, she established a storefront in Highwood, Illinois, and soon after a Web presence that continues today. Tina Marie’s path was more complex than Sam’s and Don Pedro’s but shares some similar characteristics with both: the financial support of family and the disappointment with salaried employment. As was true with Sam, her education increased her self-efficacy and perceived control over situations. Similar to Don Pedro, she circumvented social expectations, taking her hopes to her “noni” who promptly helped her realize her dream.

What can planners glean from these examples? Clearly, Sam, Don Pedro, and Tina Marie, a ready pool of potential
merchants, evince the importance of individual factors—drive, determination, and immediate and supportive social relationships. That such successful business people are working the street indicate vending can appeal to persons of various backgrounds; markets are not only for the poor or economically marginal. These entrepreneurs' histories reflect the relative ease that people with business experience, formal education, networks, supportive relationships, and access to capital have in establishing business in the city-sanctioned Market, with its already low barriers to entry. However, structural factors, as we will see shortly, play a significant role as well. In fact, Tina Marie bridges and combines individual and structural causes of business start-up. Slowly her entrepreneurial spirit developed and gained momentum until Let’s Spice It Up was born and grew principally because of an open regulatory structure that facilitates experimentation with business.

Street markets furnish a flourishing environment in which would-be merchants with aspirations of self-employment can start, grow, and help their own business build the same kind of cache that storefront retail has. While self-employment statistics report a correlation between education and self-employment (Fairlie and Woodruff 2006), these data may be underreporting significant self-employment pursued by the relatively less educated and persons of color who initiate business following family examples (Hout and Rosen 2000). Furthermore, census or other data sets likely underrepresent the entrepreneurial initiatives of all persons engaged in street sales or business in public markets. In this regard, planners can be instrumental in recruiting “atypical suspects” to experiment with business as the next section suggests.

Structural factors. Unlike those motivated by the desire to own a business, merchants in this category start vending for other reasons. For them, the notion of being one’s own boss is nascent and has yet to take root. Without businesses or business experience and thus undercounted in economic statistics, these people generally have less formal education, are black or Latino, are often immigrants to Chicago, and have mostly nonbusiness reasons for going into business. Self-employment is their means to achieve some other noneconomic end, to circumvent employment discrimination, or to take advantage of unforeseen opportunities. Besides wanting to supplement their income, such people become merchants because they have been pushed out of the formal labor market or because they want to keep their children off the tough streets in their neighborhood. Many women especially see business as a way to exert some autonomy and decision-making capacity in their households and beyond as well as to be an example to their children.

Self-employment and an accompanying entrepreneurial spirit eventually can develop in people responding to structural factors. However, the process can be lengthy since such individuals are less aware of various income-earning opportunities and less practiced and confident in their choices. This difference in self-efficacy (Bandura 1986) makes these vendors’ accounts of business formation less linear and more dependent on broader economic or social contexts where agency takes shape. Indeed, Lupe’s story, the second one below, demonstrates how long it can take to “tune” into context and “retune” relationships and the efforts required to reconstruct oneself as an entrepreneur and then orchestrate elements of the social environment to launch a new business.

Virgilee, for example, fell into vending, but only after being pushed out of the formal labor market. With her infectious smile accompanying her “good morning, good morning, what can I getcha?” Virgilee conveyed a contagious enthusiasm for business to customers and passers-by alike. She had about 150 used work shirts and pairs of pants and coveralls, stacked by size on plywood tables in front of a white panel van with faded red cursive letters decorating the sides. Her pricing strategy was simple: shirts and pants for five dollars and coveralls for ten.

Virgilee was a black woman in her early thirties from Mississippi. She attended college for a few years but dropped out after getting pregnant. She migrated to Chicago in 1978 with her young son to search for a “factory” job. After a few years, she was laid off, and this single parent of one son was living on unemployment benefits. Her arrival and immediate employment interest coincided with disinvestment in manufacturing across the rustbelt; unfortunately, her race and limited education further constrained her opportunities. As she put it, “I know this work world was changing, all the jobs going overseas, people not getting paid like they should.” She was concerned; with poor employment prospects, she was only a month away from living on the street. She tried selling Shaklee products, but she simply did not have access to clients willing to pay for them. As she remembers, “I was out of a job and desperate.”

Luckily, for Virgilee, street-level business practices are not closely guarded secrets. Information about the Market’s low barriers to entry circulates, as does support for new businesses. Merchants share their knowledge with potential vendors charitably because they know that more merchants in a market mean more activity and more customers. As Virgilee recalled,

I was shopping at a flea market and I met a lady. We started talking and she got to like me. She saw I needed help and she showed me the ropes, and so I started going to flea markets. That lady, she encouraged me. I said, “I can’t sell, I can’t do business.” “Oh yea you can”—“How?”—“Oh just get a lot of things from your house that you don’t want and take ’em to the flea market. Don’t worry about what, don’t worry about how much, just say to yourself ‘it’s time to make some money’ and you will.”

Virgilee was in the midst of a personal transformation; she was at the Market vending regularly, enjoying an encouraging
friend, but not making much money. One morning an inspiration walked up to her table of used clothes and household goods:

I wasn’t making any sales at all because the stuff I had was nothing. I might make twenty or thirty bucks, but I might make five or ten bucks, and you had to pay that to get in the place. I’d been there all day and I got so depressed. So one day—I’ll never forget this guy; I wish I knew who he was, a Mexican guy—he came to my stand and said, “Ms.”—he couldn’t speak English very well—“You don’t have”—he was trying to tell me work uniforms like work pants, ‘cause all I had was some dress pants—“You want pants like mechanics wear?”—“Yeah!”—“OK, I’ll see if I can get some.” That’s how I got into it.

Animated by the idea, Virgilee felt her optimism return and took her sunny disposition to the phone.

Merchandise acquisition is the primary challenge for those without business experience or network ties. Many merchants start with used items scrounged from the workplace, home, or friends. But the moment arrives when another kind of strategy is required. The merchant must plot a course in uncertain seas, and then develop his or her knowledge and options by trial and error. Virgilee identified initial suppliers in the phone book, and the new merchandise inspired her to seek a new venue; as she recalls, “I heard about Maxwell Street, Jew Town you know. Everybody knows it. It’s the best market, it’s the biggest, the most people come here, it’s a free market.” Soon she was seeking a spot at Maxwell Street.

Virgilee’s income-earning worries stemmed from structural sources, and her response was a nascent, but increasingly strong, entrepreneurial spirit and inclining interest in self-employment. Self-employment statistics underestimate the many merchants under similar circumstances who earn or supplement their income as street entrepreneurs. In effect, many merchants use the Market against the labor market that marginalizes them. Virgilee was a relatively independent actor in a situation without the gender role expectations that Tina Marie faced. But some merchants, particularly women of color, are doubly constrained by labor market and household circumstances, yet they develop businesses impelled in some ways by those very constraints as Lupe’s story captures.

For Lupe, vending was her only stable employment since migrating from Mexico to the United States in 1975 with her husband and two young boys. Her economic opportunities were limited by her education and language. Her first job was in a light fixture factory where she worked between periodic layoffs. She considered this good work, but was dismayed by the irregular employment. For eight years, her interest in employment competed with her desire to attend to her four children, the two who migrated with the family and the son and young daughter born in the United States.

Lupe felt her future was in factory work, and she made efforts at language and workforce training, but she grew bitter about her prospects and critical of the lack of support from her husband at home. Slowly self-employment began to take root in her imagination, but she was drained by the hopelessness and frustrations of the triple day she faced: education, employed work, and housework. When she confided to her friends that she was interested in selling at the Market, they dismissed her ambition as shameful and wishful thinking in light of the patriarchic households they all shared:

There are some people who have a great need to be vendors or perhaps they would benefit from business, but they are ashamed to do or to be seen doing it. They just take what they make at their factory job and are satisfied with it because they are ashamed to be seen selling stuff.

This shame is akin to the belief Don Pedro had about street sales, as being somehow below him and not suited to his interests. Similarly, Lupe and her colleagues were not destined, and they associated desperation with street vendors.

Yet Lupe used the market to make her retail dollars stretch further, and she retained an interest in vending by shopping at the Market, where she saw all manner of merchandise for sale and women of all ethnic backgrounds selling. As she made purchases, she pursued snippets of conversation with women who encouraged her interest. This camaraderie was in sharp contrast to the dearth of support from her husband, Flavio. Lupe’s irregular employment made no difference to Flavio, who was long socialized into being the primary income earner. However, Lupe resisted her marginalized role and felt that her sons and daughter could learn from her experience in self-sufficiency. She explains, “I want my daughter and my sons to see that women can be important at work, and at home, that they can work with spouses to further the family situation and to improve themselves.” Lupe’s trajectory into business was made more complex by her unsupportive husband but more compelling by her need to demonstrate alternative gender roles to her children.

Undeterred and driven to be a good example, Lupe committed herself mentally to becoming a merchant and began planning how to initiate a business and convince her husband. Like a conductor, she began to orchestrate elements of her environment. Her first source of merchandise was a church bazaar where she was given unsold merchandise. She had her oldest son drive her to the bazaar and help her pack and load the goods. She and her children then stored the boxes in their basement, and she began to work on Flavio. In this she also had allies. While visiting the Market, she befriended a Mexican couple who were merchants and had them coax her husband. The two men discussed the matter, and with a little persuasion, Flavio bit on the lure. What would he sell? Lupe presented him with the carefully stored merchandise. Being a former businessman in Mexico, Flavio transitioned shortly to different suppliers, and after a few
months selling, she one Sunday and he the next, he finally relented and consented to Lupe’s selling the used goods. Then one Sunday, as they unpacked their merchandise, she brought out new socks and women’s apparel she had acquired from a warehouse. While her husband was a bit surprised, he said nothing. She was in business.

Lupe initially embraced her household role and structurally marginal employment; with time she discovered her irrelevance to the factory and her husband’s disinterest in her plight and aspirations. Slowly she developed an alternative: her “business plan” was painstakingly to assemble elements of her life into irreversible circumstances her husband would have to accept. This transition was lengthy, more than three years in the making. But compelled by her family interests, Lupe was determined to demonstrate her abilities and model some independence. The very barriers in her way compelled her to overcome them.

Her experience as an immigrant woman mirrored the early-twentieth-century City Council research and reports in almost every way: a street business was available to immigrants and people with poor prospects for employment. Lupe’s story of how and why she became a merchant is also the story of many Mexican women vendors at the Market. Before she became a merchant, Lupe struggled with the very idea of income, employment, and the role of women in a Mexican household. Likewise, many Mexican female merchants felt marginalized in the workplace and at home and sought out vending as means to equalize their contribution. Their way was made difficult by having to find an entry into the Market and convincing themselves, their friends, and their family that vending was reputable work. Lupe could not consider business until she changed her expectations about legitimate and “good” work and her husband’s expectations about her ability. Her negotiation for the opportunity to vend was much more involved than recounted here: unlike Tina Marie, who only needed a few months to develop family support, Lupe needed several years. But her wish for influence in her home and her poor employment prospects spurred her interest in vending. An open access market where existing merchants were unafraid and even welcomed Lupe made establishing her business simpler.

It is true that most merchants at the Market were working-class, not impoverished; and many vendors, men and women alike, held professional, salaried jobs. Historically, however, the Market did play an important role for marginalized persons. Women and the handicapped were prominently mentioned in reports influential in the city’s sanctioning of the Market. Likewise, a variety of journalists, nonprofit organizations, and one Planning Advisory Service report (Ball 2002) indicate the usefulness of street vending for the economically marginalized and handicapped. For Tina Marie, Lupe, and others like them, the Market operated as it was intended at its inception: as an employment opportunity that would also provide quality, low-cost consumer goods.

Street markets today invite experimentation with a variety of income-earning strategies. Of course, policy makers might naturally anticipate the embryonic businesses and income derived by creatively combining income earned at the Market and elsewhere as demonstrated by entrepreneurs like Don Pedro. Yet public markets today also produce social benefits for women like Virgilee, Tina Marie, and especially Lupe. It is the synergy of markets and self-employment as a way of life that continues to make markets an especially useful tool for planners, as the brief glimpse at the Market’s contemporary businesses and the conclusion illustrate.

Merchants and Maxwell Street Today

In 1994 the Market was moved several blocks from its historic location to accommodate a growing University of Illinois at Chicago and the development interests gentrifying the neighborhood. While reduced in size from more than 1,000 merchants to something close to 450, the Market continues as a vibrant place, accommodating new immigrants and natives alike and supplying people with income-earning and business-formation opportunities. In 2005 we conducted follow-up research to uncover some of the most recent activity of Market merchants. In the course of that research, new relationships were established with six families and contact reestablished with fourteen families, seven of which still had a presence at the Market. Some who had remained, as well as others who had left, had moved to other markets in the city, opened storefronts, or abandoned business in favor of wage and/or salaried employment or some combination of all three. The biggest change in the Market was the new and strictly enforced regulatory structure that inhibited “garage sale guys” from gaining a foothold there. Thus, the city had eliminated the Market as an opportunity for tentative experiments with business. However, as the follow-up information about a few businesses and the example of a new one next show, the Market still affords existing businesses the capability to expand and new businesses the ability to take root.

Tina Marie and Don Pedro, for example, continue to benefit from the Market experiences. Tina Marie’s spice business, Let’s Spice It Up, began at the old Maxwell Street Market and continued at the new location for ten years. Her business expanded to a number of markets in Wisconsin and Illinois and supported a storefront in Highwood, Illinois, for seven years. Notably, she expanded to a Web-based business that continues today. At the business’s peak, she employed five to seven people depending on season. She is now a mother of a young son, and self-employment permits her the flexibility to respond to her family’s needs. As for Don Pedro, he no longer vends at the Market, but his business interests have grown, enabled in part by the extra income he earned there. He owns a number of rental buildings and is a partner in other business ventures in Chicago.
Now for a glance at a new business—a restaurant at the Market belonging to Everardo. He is a recent immigrant from Mexico joining his family in the city. Initially, he worked for a family restaurant business. An economic strategy for larger extended families is to fill niches in the food service industry by opening a variety of restaurants in Chicago. Each member starts as an employee and then expands to the Market where costs are low, existing family restaurants subsidize preparation work, and mistakes are not so costly. Everardo had been in business two years when we met. He and six employees work every Sunday, using existing family restaurants to do the prep work. Because his food and service are exemplary, he has enjoyed a steady clientele and accumulated sufficient savings to establish a new Mexican restaurant elsewhere in the city.

Wirth (1928, 232) described this progression eighty years ago: “The proprietors of the substantial establishments on Halstead are the graduates of Maxwell.” Even when some vendors remain content to sell on the street, these examples demonstrate that the Market functions essentially in the same manner as it has for more than one hundred years, enabling people to generate some economic mobility and/or adapt and acclimate themselves to a new economic environment. Though markets are no panacea for urban poverty, social dislocations, or economic depression, they do meet economic development needs and are a means for addressing many other planning-related problems.

► Conclusion

Since street markets are a place, way of life, and magnet for social and economic activities, they can serve several purposes simultaneously and thus are relevant to planners seeking multipurpose tools for social, economic, and community development. This article has demonstrated the historical continuity between the concerns of the early twentieth century and those we have today. It argues that today, no less than one hundred years ago, markets and merchants are part of the continuum of economic and community development. The historical data presented shows how Chicago’s Maxwell Street Market became a tool of municipal policy in the early twentieth century established to address unemployment, enhance food security, and incorporate new immigrants as part of a larger plan for economic development. This finding reminds us that many “alternative” or disorganized activities originate through government efforts to address social problems.

The Market was a haven for new immigrants. We learned how the Market’s interstitial social location gradually accommodated immigrants, providing familiar products and allowing them to maintain habits of their country of origin. Cities around the country established markets and facilitated vending for decades accommodating the new citizen as well as those unemployed in the industrial era economic transitions (Tangires 2005). Immigrants established businesses, incorporated themselves into the larger economy, and established communities anchored in part by the social life of markets (Cutler 1996; Eastwood 2002). These historical considerations are echoed in cities around the country today.

The second part of the article focused on understanding who starts street businesses and why. To use markets fully as tools for community and economic development, planners need to understand who starts businesses, how, and why; they need to understand how the (potential) merchants populating them are responding to felt socioeconomic changes and emergent aspirations. People have a variety of reasons for vending, including economic dislocation, desire for economic mobility, self-determination, and an entrepreneurial spirit that can develop over time. These structural or individual reasons lend themselves to different planning strategies. Broadly speaking, all kinds of planners—land use, transportation, economic development, and community-oriented planners—can adopt the multidisciplinary strategy exemplified by the city of Chicago in establishing the Market and apply it to contemporary settings.

Let us consider some possibilities. Land use planners can canvass the city for suitable sites, being attentive to temporary uses, festivals, and other periodic uses as well as permanent locations. Sensitivity to neighborhoods or the intersection of neighborhoods can enable foot traffic and enhance interaction. Community-oriented planners should consider the personal economic and noneconomic benefits merchants can realize when they work with neighborhood groups to site markets and recruit potential merchants. Self-employment can empower people, but markets and merchants can strengthen and enliven neighborhoods by contributing to community connectedness and distinctiveness. Immigrant neighborhoods will be an immediate source of potential merchants; even the most marginalized populations can realize significant individual and neighborhood benefits from a local market.

Furthermore, transportation and economic development planners can conduct site surveys and focus groups with potential merchants to bring appropriate regulations to business rather than business into reified regulatory schemes. Because markets can serve as an important point of entry for business development, planners need to be responsive to different types of merchants—those selling food as well as those selling dry goods, those continuing existing businesses as well as those initiating new businesses—as they design regulations for new markets. Regulations should be responsive to why people vend and the process of starting a business. This includes making space at markets for those who are experimenting with business and for those in temporary but periodic businesses. Appropriate “sunset” clauses can ensure that merchants move into “experienced” categories or leave a market.
Initial regulations should not remain static but should be adapted to reflect the experience of merchant and government officials alike, to comprehend seasonal changes, and to ensure equity and accessibility. Regulators should not expect immediate compliance; rather, the structure and enforcement should invite experimentation, and once potential merchants discover their own interests in vending and the support of policy makers and planners, then merchants will understand the importance of good regulation. This attention to regulation is important. Merchants can eventually evolve into owners of storefront businesses, and establishing good working relationships with government is important. Furthermore, government has the responsibility to promote economic opportunity and the widespread availability of goods and services. Street markets touch consumers, merchants, other businesses, and the community at large; thus, the goodwill government earns can be significant.

In addition, economic and community planners should forge partnerships with existing merchant associations to incorporate street merchants or to help create independent associations. Information about economic opportunities is unevenly distributed but is a vital resource to the potential merchant. Planners can help create organizations and help establish information channels so that potential service providers can more easily address merchants with storefront aspirations. In this way, markets serve as incubators, and available training resources and support services will optimize “graduation” rates. Planners should also establish relationships between public and private groups, chambers of commerce, microentrepreneurship incubators, nonprofit organizations, immigrant groups, and others to help promote a mix of merchants and appropriate products. Cooperation with other planners and policy makers can create markets that are attractive places as well as fulfill appropriate economic functions.

Clearly, planners can deploy markets temporarily or more permanently in a number of ways: to promote livability; to enhance a city’s image; and to respond to consumer demand, the needs of immigrant populations, economic inequality, and constrained economic mobility (Ball 2002; Hinshaw 2008; Knack 2008). Planners should consider markets creative responses to community economic development problems. Whether temporary or ongoing, markets can serve a variety of economic and social purposes. Filion et al. (2004) in their study of successful small-metro downtowns found a number of factors associated with success, the same factors fostered by public markets: street-oriented retail, a pedestrian environment, active retail scene, and cultural activities. To this list, we can add the following: markets can incubate new business, encourage business growth and development, promote economic and social accommodation and assimilation, serve underserved populations, and enhance interaction in public places.

Once created, markets can help produce thriving places—places that encourage a variety of economic and noneconomic agendas, goals, and aspirations. Achieving such goals will require study by planning scholars and the comprehensive and multidisciplinary work of dedicated practicing planners. With such effort, public markets will continue to stimulate the flow of information and resources in the service of community and economic development. Likewise, the new business and social environment created by public markets will enliven public space and help produce healthy development. Planning is at the heart of this vital synergy.

Notes


2. By markets, we mean indoor and outdoor crafts, farmers’, food, seasonal, and temporary markets as well as swapmeets. For the most recent enumeration of farmers’ markets, see Brown (2002) and USDA at http://www.ams.usda.gov/farmersmarkets/FarmersMarketGrowth.htm.

3. Eisenburger (2007) describes zoning practice for day labor centers; while not precisely comparable, a similar effort is required for markets and merchants.


5. The ethnic variation of the Market changed throughout its history; for a more detailed description of this variation, see the works by Eastwood or Morales in the reference section.

6. The number of Asian merchants was too few to warrant inclusion in the table.

7. This article includes only data from the original merchants interviewed.


9. These examples are of the “formal” businesses stemming from the Market. In another paper, I discuss “formal” business within the market (Morales, forthcoming). Most academics or professionals might not readily deem businesses housed within the market “businesses,” yet they exhibit all the formal characteristics of a business. Some of the enterprises within the market not only comply with regulations and laws (e.g., paying taxes) but also employ personnel and have human resources policies, practice formal accounting procedures, hold business meetings, and employ professional services (e.g., accountants).

10. We need to distinguish between those who started businesses—the subject of this article—and those in the process of experimenting with, starting, changing, or ending businesses. The data recounted here is from vendors we might call “successful” business people, people vending at the Market. Such vendors’ business start-up practices are the culmination of months and sometimes years of planning, discussion, and experimentation. What about those at earlier stages of the process, or those who attempted business but failed, or were very successful and left?
On the Market’s periphery, the “garage sale guys” exemplify those either in an early experimental stage or content with irregular participation at the Market. For some, the goal was literally to have a garage sale at the Market; for others, the Market was one of a circuit of markets they followed; and still others desired to sell on a permanent basis. Similarly, on the other side of the business lifecycle, many businesses did not suddenly fail; instead, the choice to leave the Market was complex and the process could be lengthy. The reasons were many and often similar to why storefront businesses fail or change their format. For instance, success produced departures from the Market, and exhaustion claimed businesses. Some merchants departed due to higher-paying jobs, or perhaps a change in family structure required the departure. In any case, businesses in an early experimental stage as well as business operations, failures and reasons for growth and change warrant further investigation in a separate article.

11. Shaklee is a direct sales company specializing in nutritional supplements.

12. Virgielee’s discovery of cleaning store caskets is one of a similar class of merchandise acquisition strategies stemming from the accumulation of surplus property. Wholesale “buybacks,” warehouse-supplied “scratched and dented,” surplus from church and other bazaars, and salable items negotiated from workplaces are all similar sources of merchandise to the enterprising merchant.

13. For instance, the mobile food truck industry, uninvitingly described in Chapter 4, has as least one Web page with information on regulations by state: http://www.lunchtruckparts.com/mbi%20gov%20links.htm.

References


