The breakdown of the colonial economy in the 1970s and the failure to effectively create a planned economy in the post-independence period mean that the population of Luanda had to create its own esquemas (strategies) to survive. The second wave of returnees from the Congo/Zaire in the early 1980s appears to have played an important role in developing informal economic activities, along with former soldiers and families of the MPLA (Popular Movement for the Liberation of Angola) and FNLA (National Liberation Front of Angola) who had been based in countries to the north before 1975. Part of the informal economic sector was hidden but it began to manifest itself on the streets of Luanda and other towns. The crowded streets of Luanda provide many opportunities for sales of goods, such as vegetables or fish (mainly carried out by women), though there are also many examples of sales of higher value goods (even consumer durables) by the side of the road (mainly carried out by young men). About a fifth of small and medium enterprises in Luanda carry out their business in the street.

A network of marketplaces has long played a central role in this informal economy. The largest of these, Roque Santeiro, at one time was estimated to host over 20,000 traders and 100,000 consumers on a daily basis, and to play a major role as a wholesaler of other major markets throughout peri-urban Luanda (including the large ones such as Kikolo, Sao Paulo, Kwanzas, Estalagem, as well as dozens of smaller ones) and to other provinces, as well as in direct retail to hundreds of thousands of Luanda’s peri-urban residents. For most of Luanda’s five million inhabitants this informal urban marketplace system simultaneously provided relatively affordable access to basic subsistence and other consumer items as well as the only source of employment and entrepreneurial opportunity for hundreds of thousands of unskilled labourers. There are still notable differences between markets in the type of products bought and sold, and there is a certain amount of specialization: Roque Santeiro was important for food products and there were large numbers of women while at Kikolo and Asa Branca there are large numbers of men who are involved in trading of furniture, clothes and other miscellaneous goods.

The market of Roque Santeiro emerged as an important centre of the informal economy in Luanda in the 1980s as the government encouraged people who had begun to sell on street corners to move to what was, before 1985, a piece of waste ground and informal rubbish tip. Even then, though the government was not in favour of the growth of the informal economy, it was unable to prevent it and felt that it could only move it to what was then a marginal location. In the late 1980s and 1990s Roque Santeiro was the largest market in the city (and possibly the largest open-air market in Africa) serving as the main distribution point for other markets as well as selling directly to the public: Goods from other areas of Angola and goods imported through the port (a short distance away) were traded in bulk at Roque Santeiro and then traded in smaller quantities in other areas of the market or in other locations.

In April 2002, a peace agreement was signed between the Government of Angola and UNITA (National Union for the Total Independence of Angola), which led to the ending of security problems in Angola for the first time since 1975. Whilst in previous periods of peace in Angola (such as between 1993 and 1998) considerable tensions remained and there was little free movement of people and goods around the country, the post-2002 period has created the potential for stimulation of local production, increasing local employment and reducing the dependence on imports. The urban population of Angola started to grow rapidly, nowhere more so than in Luanda, with a growth rate of about 7 per cent per year and the population tending to spread outwards from the centre of Luanda particularly to the east and south. There has also been a significant increase in traffic and in traffic congestion. Roque Santeiro acquired a reputation as a congested area. The degraded image of the improvised stalls, the threat of pick-pockets, the lack of sanitary facilities and refrigeration for fresh produce were criticisms levelled against the market. Roque Santeiro was located on prime real-estate above the port, beside the main road to the north of the
country with a spectacular view of the sea, attracted international land developers who presented a series of commercial proposals for the expropriation of the site. New markets, further out from the centre of the city, had taken on some of the function of wholesale markets for products coming from the rest of the country. Goods had ceased to come directly from the port to Roque Santeiro as security at the port has improved, and importers and wholesalers had taken over abandoned factories (in the towns of Cazenga and Hoji-ya Henda) which they use as warehouses for resale of imported goods.

Just after peace was achieved, the government announced a programme to restructure the trading system, which aimed to gradually transform informal commerce and bring it into the formal economy. Rather than upgrading the hygiene and infrastructure of traditional market places the programme involved the closure and removal of existing markets, changing the geographical location of markets and reducing the number of people who are able to trade in markets while preventing trading in the streets (especially near to the centre of the city where it was thought that street trading had a negative impact on the aesthetics of the city). The number of people trading at Roque Santeiro had gradually declined since these plans were announced, as there was talk that Roque Santeiro would be closed and that the activities and traders would be transferred to Panguila, which is 25 kilometres north of Roque Santeiro in a newly developing area with a small population. Those working at the market (traders, other workers, the market administration and aid organizations) felt that the closure of Roque Santeiro eventually was inevitable, though there had been no move to close the market and move traders to Panguila in the five years since the first announcement was made. They had therefore moved to other locations when the opportunity arose.

Despite the gradual decline in the number of traders at Roque Santeiro it continued to be the largest market in Angola well into the post-war period, covering about 50 hectares and still having about 5,000 registered traders (though maybe five times as many traders in reality). It retained its place as part of the supply chain, particularly for nationally produced goods. In large markets, such as Roque Santeiro, the same product may be resold a number of times in increasingly smaller quantities. The trading circuits of locally produced fish, of beer and of mandioca had Roque Santeiro as important nodes, though to some extent the circuits of all products continued to use Roque Santeiro.

Other markets which have been closed for rebuilding with money from Chinese credits (usually using Chinese construction companies) and then re-opened have fewer spaces than the markets they replace. Former traders continue to trade outside these markets or in the street nearby when there is a high demand in these areas. In fact, there can be an advantage to trading outside a market: customers often prefer to buy without leaving their car or while waiting for a taxi, and without passing through the crowds in a market. Sellers tend to be looking for customers, rather than customers looking for sellers, as there is a relative over-supply of sellers: people continue to seek work in informal trading, thus maintaining competition between sellers which manifests itself in sellers seeking out purchasers.

In 2010 the Roque Santeiro traders, who had not already abandoned the market and found places in other markets or reverted to selling in the streets or from their homes, were moved to the new market in Panguila. Described as “a paradise” compared to Roque Santeiro, the new market has space for only 8,376 traders (5,376 fixed stalls, 3,000 open air). While the new Panguila market offered much more hygienic conditions than Roque Santeiro, access to the new market was a problem for most sellers. Located 22 kilometres from the city centre, the road construction was still incomplete and extensive traffic chaos prevailed on the way to the market. Neither traders nor shoppers had easy access to the market spending hours stuck in congested traffic, paying increased transport fares. Traders consequently were unable to sell their goods in sufficient volume to make a profit. More traders were reported to have opted to sell their goods from their homes or in the streets of Luanda rather than face the traffic congestion and spend US$2 taxi fares to and from Panguila.

The closure of Roque Santeiro has meant that many day and casual labourers have lost their livelihoods, a scenario which may have contributed to increased levels of crime and delinquency in Luanda. The market had been a huge source of employment within the city, and its transfer meant a loss of employment for
stevedores and ambulant sellers who earned a daily livings there and local house owners who provided overnight temporary warehousing of merchandise.

The informal trading economy in Luanda continued to grow in the decade after the achievement of peace in Angola. The main underlying factor that contributes to the continued importance of the informal trading economy is the shortage of formal employment, which leads to large numbers of people creating their own economic activities in ways that require only small amounts of capital and low levels of skill. There is, however, a gradual tendency for these street trading activities to migrate to the doorways of blocks of flats or of houses, where they attract less attention from fiscais (economic police) and which allows the trader to more easily combine trading with domestic activities. Informal trade thus appears to be entrenched, despite the disappearance of the original factors that led to its emergence 30 years ago during the war. Informal trade is still instrumental in bringing the bulk of agricultural goods to the urban consumers in post-conflict Angola. Government attempts to take over the distribution of locally grown produce through a string of state-owned supermarkets resulted in the bankruptcy of the Nossa Super chain in 2009. The government however has renewed its determined effort to stamp out informal trading in early 2014 by announcing a heavy regime of fines, not only on informal traders, but on their customers as well. The image of the informal trader is seen as an affront to those who wish to promote the vision of Luanda as a world-class modern city, despite the fact that these informal markets still provide essential services and employment to much of the urban population.

1 *Semanário Factual*, 5-12 September 2010.
3 *Semanário Econômico*, 9 September 2010.