

Rina Hermawati, Caroline Paskarina, Nunung Runiawati

THE ARRANGEMENT OF STREET VENDORS IN BANDUNG, INDONESIA

The arrangement of street vendors in Indonesian cities has yet to find an ideal pattern that can be applied universally across the country. However, the success of street vendor management in one place cannot be replicated in another area. This article presents the analysis of the supervision of street vendors populating Merdeka Street and Cihampelas Street in Bandung, Indonesia, using the best-practice approach. The latter includes the dimensions of impact, partnership, sustainability, leadership and community empowerment, and innovation within local context and transferability. This study uses a qualitative methodology, including research interviews and questionnaires. Interviews were conducted with street vendors and the task unit of street vendors. Questionnaires were distributed to 50 buyers and 50 other community members. So far, street vendors view regulations and rearrangement as decreasing their business opportunities and they prefer to return to informal arrangements. Regulation policies have not been implemented in a sustainable way, and no long-term road map has ever been produced. Moreover, street vendors have not been involved in the planning, action, and post-arrangement stages, raising resentment, dissatisfaction, and distrust among citizens. We conclude that decision-making on the street vending arrangements should go beyond the cost-benefit analysis of street vendors' profit after the rearrangement of their placements. Rather it should involve the whole scope of social, economic, and public aspects and considerations with the involvement of affected citizens, albeit under the supervision of state actors.

Rina Hermawati – Department of Anthropology, Universitas Padjadjaran, Indonesia. Email: r.hermawati@unpad.ac.id

Caroline Paskarina – Department of Political Science, Universitas Padjadjaran, Indonesia. Email: caroline.paskarina@unpad.ac.id

Nunung Runiawati – Department of Public Administration, Universitas Padjadjaran, Indonesia. Email: n.runiawati@unpad.ac.id

Keywords: arrangement, Bandung, state-public partnership, street vendors, sustainability

DOI: 10.17323/727-0634-2022-20-4-659-670

INTRODUCTION

The informal sector represents a significant part of the labour market in developing countries. Hermanto et al. (1995) propose the following characteristics of the informal sector: (1) a small business unit; (2) irregular patterns of activities, in terms of time, capital, and revenues; (3) not having a fixed place or a bond with other businesses; (4) not require particular expertise or skills; (5) small capital, tools, devices, and turnover; (6) not affected by regulations or stipulations imposed by the government so that it is said to be illegal (Hermanto et al. 1995). One of the most typical informal sector activities in most developing countries is street vending (Ramli 1992). Street vending provides employment and income generation for socially and economically deprived groups, and might also provide cheaper services to the population if properly managed (Adhikari 2011; Bhattarai, Kumar 2020; Hermawati et al. 2021).

The disordered presence of street vendors that occupy public places, such as sidewalks, parks, and squares, has a range of corresponding problems, such as the garbage pollution, traffic jams negatively impacting the air quality, and congestion at pedestrian sidewalks. These issues have driven the city governments in the developing countries to generate and implement policies on regulation and arrangement of street vendor businesses.

In Indonesia, the relocation of street vendors from the Banjarsari Monument to the Notoharjo Flea market in Solo has brought to life a concept of '*nguwongke uwong*' (to humanize human beings), which is a form of participatory interactions of state actors and street vendors. It did not go smoothly, however, as 54 additional meal servings had to be arranged before the consensus about relocation had been achieved. Involvement of street vendors in the process of planning, performance, and budgeting of the activities of the arrangement of street vending is consistently shown as an important factor for formalization of vending (Aminullah 2015; Holidin, Handini 2014; Wahab 1999; Winarti 2012). However, limited human resources, low budget, and a lack of interest in the issue among decision-makers, as well as other structural reasons are named as reasons that impede effective regulation of street vending (Ardianingsih 2008; Asmuni 2014; Evita 2013; Grenada, Rahman 2017; Pamungkas 2016; Setyowati 2016).

To sum up, the article presents the case of regulation and relocation of street vendors in Bandung using the best-practice perspective, comprising the dimensions of impact, partnership, sustainability, leadership and community empowerment, and innovation within local context and transferability (Prasojo 2007). We analysed possible changes in street vending arrangements from economic,

social, and environmental aspects and their impact on consumers, urban population in general, and street vendors themselves. In the case presented, state and private actors collaborated to resolve issues related to street vending. Despite limited success, some practices identified might serve as tactics in other contexts, though with precautions and adaptations in regard to exposed pitfalls.

METHODOLOGY

The study is a qualitative sociological research aimed at detailed description and in-depth understanding of best practices in street vending regulation in Bandung. The data gathering techniques employed are in-depth semi-structured interviews, document analysis, and questionnaires. The authors conducted in-depth semi-structured interviews with street vendors, the board of the association of street vendors, and the Special Task Unit for Street Vendors. Some of the questions asked covered such topics as impact, partnership, sustainability, leadership, and innovation. Documents analysed were mainly related to the activities of the City Government in handling street vendors. The documents were obtained through the Civil Service Police Unit, the Office of Cooperatives, Small and Medium Enterprises, Trade Industry, the Local Development Planning Agency, and associations of street vendors. Other documents analysed include the Internet, blogs, photos, videos, and other sources. Finally, we also conducted surveys. The questionnaires were distributed to 50 consumers and 50 community members in the vicinity of street vending to find their responses evaluating the arrangement of street vendors.

RESULT

Relocation of Street Vendors in Bandung

During the last five years, The City Government has put some effort into relocating street vendors from Merdeka Street and Cihampelas Street. Merdeka Street is located in the red zones where it is not allowed to trade at the location. As a result, the City Government formed a partnership with the management of Bandung Indah Plaza Mall to relocate the street vendors to the lower level of the building with an aim to ensure that trading goes at rates comparable to before the relocation. As for street vendors from Cihampelas Street, they were relocated to a newly built flyover known as Cihampelas Terrace, a skywalk area accommodating 192 street vendors. A relocation included improvement of facilities for street vendors and assigning a particular spot to each of them to ensure stability and 'humanise' sellers. Relocating both streets was a relatively successful programme. Pressing issues were resolved, whereas street vendors obtained comfortable spaces for trade with no immediate financial loss. However, in-depth interviews and questionnaires with relocated vendors, their

customers, and community members revealed that the new arrangements were not ideal with numerous downsides identified by different stakeholders.

The Dimension of Impact

1. Consumers. Consumer respondents, both females and males came from various age groups and occupations. It shows that the street vendors' clientele spans across all age segments and occupation groups.

Table 1

Profile of Consumer Respondents

No.	Characteristics of Respondents	<i>f</i>	%
I	Sex		
1	Male	22	44
2	Female	28	56
	Total	50	100
II	Age		
1	< 15 years old	4	8
2	15–24 years old	26	52
3	25–44 years old	16	32
4	45–54 years old	4	8
	Total	50	100
III	Occupation		
1	Private Employee	16	32
2	State Civil Apparatus	2	4
3	Entrepreneur	2	4
4	Student	19	38
5	Housewife	11	22
	Total	50	100

Source: Research Result, 2018

The consumers perceived the activities of the arrangement of street vendors positively, with comfort and safety of shopping mentioned among other reasons. According to most of the customers, street vending locations also became cleaner and easier-to-reach.

Some customers were unimpressed by new arrangements. The highest number of consumers' complaints regarded the difficulty to access the location (26%) and the higher price compared to the price before the arrangement (24%). Inaccessibility of new spaces were attributed mostly to physical obstacles like stairs.

Table 2

Responses of Consumers to the Place for the Arrangement of Street Vendors

No	Details	SD		D		A		SA	
		f	%	f	%	f	%	f	%
1	Consumers feel more comfortable making a transaction at the new location.	00	0	6	12	14	28	33	60
2	Consumers feel safer making a transaction at the new location.	22	4	7	14	16	32	25	50
3	There is no difference in price before and after the relocation of street vendors.	33	6	9	18	33	66	5	10
4	Trading places for street vendors at the new location are more orderly arranged.	66	12	2	4	9	18	33	66
5	Facilities for trading used by street vendors at the new location are cleaner than those before the relocation.	33	6	4	8	9	18	34	68
6	The arrangement of street vendors at the new location is able to draw tourists' interest to make a visit.	44	8	12	24	19	38	15	30
7	The new location of street vendors is easy to reach.	11	2	12	24	25	50	12	24
8	The arrangement of street vendors at the new location can promote supporting economic activities (for example, stalls, shops, parking lots, local transportation services, and others).	66	12	22	44	18	38	4	8

Source: Research Result, 2018

Notes:

SD = Strongly Disagree

D = Disagree

A = Agree

SA = Strongly Agree

f = frequency

2. Residents. The respondents were selected from local residents using different methods and techniques (see Table 3).

The respondents gave positive responses to the arrangement of street vendors, particularly concerning the orderliness and cleanliness of the location for trading. The majority of the residents (66% to 80%) believed that the new location of street vendors did not cause traffic jams or negatively affected cleanliness, and security. However, the City Government still needs to anticipate the impact of the arrangement on traffic jams, cleanliness, and safety of the surroundings. Besides, some residents

stated that they were not happy with it. The residents also felt that the activities of the arrangement have not yet been able to draw tourists' interest.

Table 3

Profile of Respondents from the Residents

No	Characteristics of the Respondents	f	%
I	Sex		
1	Male	30	60
2	Female	20	40
	Total	50	100
II	Age		
1	15–24 years old	9	18
2	25–44 years old	21	42
3	45–54 years old	15	30
4	> 55 years old	5	10
	Total	50	100
III	Occupation		
1	Private Employee	8	16
2	Entrepreneur	20	40
3	Student	5	10
4	Housewife	6	12
5	Handyman	7	14
6	Teacher	1	2
7	Retired	3	6
	Total	50	100

Source: Research Result, 2018

Consumers and the respondents displayed overall positive attitudes towards the relocation of street vendors. However, the street vendors themselves at both street sites were much more cautious if not outright negative towards the relocation. In the long-term, the relocation caused a decrease in their income, despite new infrastructure and equipment of their stationery trading places. One of the interviewed street vendors stated that the turnover decreased by almost 60%, and the relocation to the mall's basement even caused some health problems because of the air pollution from the nearby parking. The research participants at Cihampelas Terrace stated that the old trading spots were eventually rented out to new clients. As a result, the old street vendors had to look for new places or were forced to return to trade back to the street they had left before. In this regard, the indicative example of the dynamic is that of one particular interviewed street vendor. He

received a one-off benefit for participating in relocation and was allocated a trading spot. Yet, he still had to continue with unregulated informal street vending to maintain the turnover and income he had before the relocation.

Table 4

Responses of Residents to the Place for Relocation of Street Vendors

No	Details	SD		D		A		SA			
		f	%	F	%	f	%	F	%		
1	The new trading location for street vendors causes the problem of traffic jams	00	12	24	21	42	8	16	9	18	
2	The new trading location for street vendors causes the problem of cleanliness (garbage pile, the dirtiness of the site, and the like)	2	7	14	28	56	3	6	12	24	
3	The new trading location for street vendors causes the problem of security for the surroundings	33	15	30	25	50	4	8	6	12	
4	The new trading location for street vendors causes unfair competition with the previously existing vendors	66	8	16	31	62	10	20	1	2	
5	Trading places for street vendors at the new location	3	5	10	0	0	22	44	23	46	
6	Facilities for trading used by street vendors at the new location are cleaner than those before the relocation	44	3	6	1	2	20	40	2	26	52
7	The arrangement of street vendors at the new location can draw tourists' interest to visit	11	6	12	17	34	1	12	24	15	30
8	The arrangement of street vendors at the new location can promote supporting economic activities (for example, stalls, shops, parking lots, local transportation services, and others)	66	4	8	19	38	22	44	5	10	

Source: Research Result, 2018

Notes:

SD = Strongly Disagree

D = Disagree

A = Agree

SA = Strongly Agree

f = frequency

We argue that challenges and downsides of relocations are a result of inconsistency in the implementation of this programme and a lack of engagement of the street vendors in the planning and implementation of the relocation. In particular, the following factors compromised relocation outcomes:

1. Eviction was performed by the Police rather than trained field officers. This resulted in numerous conflicts and grievances among street vendors. Moreover, there were just not enough police officers to cover the vast area of Bandung, making the process long, irregular, and situational, and leaving out many street vendors from the programme.

2. The market of unregulated street vending remained profitable and demand for street vendors remained. Hence, experienced 'old' street vendors either returned to or continued their irregular business alongside the new arrangements. . Allocated spots, in meantime, were rented to 'newcomers.' At the same time, demand for street food brought new people to informal street vending 'taking place' of those who remained committed to their relocation.

3. Penalties imposed by the City Government do not deter street vendors as their benefit outweighs possible fines. Moreover, penalties are applied irregularly as there is not enough manpower to identify all lawbreakers. Hence, street vendors only risk being financially penalised, whereas the benefit of involvement in informal street vending is guaranteed.

The Dimension of Partnership

Another troubling dimension is partnership or public participation in relocation. State actors still dominate the activities of relocation. The role of the street vendors and their associations is limited to tokenist public communication and assistance with relocation process upon principles predetermined by the state. Data collection on street vendors for relocation and the position of kiosks were in the hands of street vendors, yet, again a question of gatekeepers and power dynamics within the community has not been addressed. The state actors conducted planning and monitoring stages, leaving street vendors in a position of objects of policy implementation rather than equal partners co-producing it. The effort to involve street vendors' associations at the post-arrangement at Cihampelas Terrace failed due to the lack of sufficient financial resources and social capital.

The Dimension of Sustainability

Normatively, the arrangement of street vendors in Bandung has had a well-grounded legal basis through the Local Regulation Number 4 the Year 2011 concerning the Arrangement and Supervision of Street Vendors, which the Special Task Unit followed for Street Vendors in Bandung. However, the road map and standard operating procedures related to the activities of the arrangement of street vendors have not yet been prepared. As a result, the conducted arrangement tends to be partial and incidental. Besides that, the

coordination among different branches of the Special Task Force is frequently obstructed by the sectoral interests or related agencies.

The City Government has introduced various programs to empower street vendors through e-commerce training programs and business meetings with state-owned enterprises, local-owned enterprises and other financial institutions aimed at improving financial literacy and independence of street vendors associations. Despite these efforts, the street vendors have not felt the benefits of those programs yet. The street vendors felt that the knowledge provided was not practical enough to apply; for instance, learning about small business loans was provided, but there was no assistance for getting the loan. Therefore, the City Government needs to monitor various empowerment programs for street vendors starting from the recruitment of participants for training to after-training assistance, so that there is a positive practical outcome from these programs and not just another budget expenditure.

The Dimension of Leadership and Empowerment

Leadership in the arrangement of street vendors belongs to the Mayor of Bandung because the program was the Mayor's initiative. Meanwhile, coordination among institutions in charge to address the problem of street vendors is virtually non-existent as the absence of the planning road map and procedural standard operation testifies. Earlier, street vendors believed in Mayor Bandung as a figure that could fulfil their aspirations. However, after the arrangement, some street vendors were disappointed that their turnover decreased and that there was no sustainable program to support their businesses.

At the same time, it seems that the aspect of empowerment in the arrangement of street vendors has not yet taken root. The arrangement of street vendors still largely depends on the dominant role of the City Government from the planning and the performance to the post-arrangement. The involvement of the public is limited to conveying aspirations through various media outlets.

The Dimension of Innovation

The arrangement of street vendors at both locations is quite innovative. Cihampelas Terrace used to be mentioned as one of the tourist icons in Bandung. However, this kind of arrangement cannot be replicated in other locations of street vendors. The arrangement needs to consider many aspects related to street vendors' characteristics (mainly the goods sold) and sites of street vendors (near shopping centres, parks, schools, and others). The pattern of the arrangement of street vendors at Merdeka Street, which is integrated with a shopping centre, can be applied to street vendors operating around shopping centres. Meanwhile, the arrangement of street vendors at Cihampelas Terrace may be continued considering its impact on the environment.

It appears that the policy on the arrangement of street vendors has some positive impact felt by the public and shoppers. However, the street vendors still

complained about the decrease in their income. Besides that, the activities of the arrangement have not yet fully involved the partnership with some parties, the empowerment of society, and economic sustainability of the program. The actions of arrangement also still lean on the dominant role of the government.

Conclusion

The article affirms the findings made in the previous studies concerning the policy on the arrangement of street vendors. One of the findings is that this program is hard to implement because of the lack of involvement of street vendors as the target group (Aminullah 2015; Holidin, Handini 2014; Sasono 1989; Wahab 1999; Winarti 2012).

Similarly, it seems that sustainability has not yet received proper attention from the City Government. When the City Government managed to relocate the street vendors, it was thought that the problem of street vendors was finally resolved. In fact, after the arrangement, some new problems frequently arose, for example the decrease in income that often forced the street vendors to retake the street, sales-purchase and rent transactions of road vending spots, and the presence of new street vendors at the places that were allegedly relocated. A holistic road map developed by all parties involved should support the policy of street vending arrangement. The absence of integrated planning has caused the procedure on the arrangement of street vendors to lean on individual bureaucratic decisions often made by the Mayor of Bandung.

Equally, the policy on the arrangement of street vendors in Bandung has not enhanced the economic state of street vendors, both in the form of an income increase and the change in their status from street vendors to sellers in the informal sector. At the same time, a variety of facilities freely provided by the city government has brought about new street vending spots to obtain the arrangement and enhance the practice of trading/renting the stalls that have already been arranged.

These varying indicators show that the policies on the arrangement of street vendors in Bandung have begun to shift from previously elitist to populist non-elitist ones, yet with mixed results. Truly non-elitist, participatory policies require legal protection of street vendors, providing special training to state officials implementing relocation, involvement of street vendors in planning and monitoring stages of relocation, including that of choosing an actual space for relocation, as well as providing financial and social resources to street vendors' associations.

References

Adhikari D. B. (2011) Income Generation in Informal Sector: A Case Study of the Street Vendors of Kathmandu Metropolitan City. *Economic Journal of Development Issues* 13,14 (1–2): 1–14

Aminullah A., Irfan I., Khairul M. (2015) Implementasi Perda No. 09 Tahun 2002 tentang Penataan dan Penertiban Pedagang Kaki Lima di Kota Pasuruan [Implementation of Local Regulation Number 4 the Year 2002 on the Arrangement and the Eviction of Street Vendors in Pasuruan City]. *Wacana* [Discourse] 8 (3): 158–167.

Ardianingsih S. (2008) *Implementasi Kebijakan Penanganan Pedagang Kaki Lima di DKI Jakarta (Studi Kasus di Kota Jakarta Barat)* [Implementation of the Policy on the Handling of Street Vendors in the Special Capital Region of Jakarta (A Case Study in West Jakarta City)]. Jakarta: Universitas Indonesia.

Asmuni A. H. (2014) Evaluasi Kebijakan Ekonomi Sektor Informal: Studi terhadap Pelaksanaan Penataan dan Penertiban Pedagang Kaki Lima di Kabupaten Jember [Evaluation of Economic Policies on Informal Sectors: A Study on the Implementation of Arrangement and Supervision of Street Vendors in Jember City]. *Reformasi* [Reformation] 4 (1): 1–7.

Bhattarai K., Balaram P. (2020) Street Vending, Income Generation and Poverty Implication: The Case of the Kathmandu Valley, Nepal. *Quest Journal of Management and Social Sciences* 2 (2): 194–205.

Evita E. (2013) Implementasi Kebijakan Penataan Pedagang Kaki Lima (Studi pada Batu Tourism Center di Kota Batu) [Implementation of the Policy on the Arrangement of Street Vendors (A Study on Batu Tourism Center in Batu City)]. *Administrasi Publik* [Public Administration], 1 (5): 943–952.

Hermanto S. (1995) *Rural Poverty: Problems and Alternatives to Cope with Them*. Pusat Penelitian Sosial Ekonomi Pertanian. Bogor: Institut Pertanian Bogor

Hermawati R., Herawati E., Paskarina C., Rejito J. (2021) Female Street Vendors in Bandung City. *The International Journal of Interdisciplinary Social and Community Studies*, 16 (2): 13–25.

Holidin D., Handini R. (2014) Sound Governance Analysis in The Innovation of Traditional Market Revitalization and Street Vendor Management. *Bisnis Dan Birokrasi Journal* [Journal of Business and Bureaucracy], 21 (1): 17–26.

Pamungkas B. (2016) *Pedagang Kaki Lima dan Pengembangan Kota: Analisa Kebijakan Pengelolaan Pasar Malam PKL Kota Jakarta dan Kuala Lumpur* [Street Vendor and the City Development: An Analysis of the Management of Street Vending Night Markets in Jakarta and Kuala Lumpur]. Indocompac. Jakarta.

Prasojo E., Teguh K., Defny. (2007) *Reformasi dan Inovasi Birokrasi: Studi di Kabupaten Sragen* [Reform and Innovation of Bureaucracy: A Study in Sragen]. Jakarta: Yappika.

Ramli R. (1992) *Sektor Informal Perkotaan: Pedagang Kaki Lima di Jakarta* [The Urban Informal Sector: Street Vendors in Jakarta]. Jakarta: Ind-Hill Co.

Setyowati N. D. (2016) Kajian Model Penataan Pedagang Kaki Lima Berbasis Pengembangan Kota Madiun Menjadi Kota Tujuan Wisata [Study on Models of the Arrangement of Street Vendors Based on the Development of Madiun City as a Tourist Destination City]. *Jurnal Penelitian Ilmu-Ilmu Sosial* [Journal of Social Sciences Research], 17 (1): 60–79.

Sasono A. (1989) *Laporan Studi Kasus Pengembangan Modal Aksi Pembinaan Sektor Informal di DKI Jakarta, Yogyakarta dan Samarinda* [A Report on the Development of Working Capital in the Informal Sector of DKI Jakarta, Yogyakarta, and Samarinda]. ILO, Depnaker, Indonesia.

Wahab A. (1999) *Ekonomi Politik Pembangunan: Bisnis Indonesia Era Orde Baru dan di Tengah Krisis Moneter* [Development Political Economy: Indonesian Business in the New Order Era and the Middle of Monetary Crisis]. Malang: Danar Wijaya.

Winarti W. (2012) Analisa Kebijakan Penataan Pedagang Kaki Lima dari Perspektif Deliberatif [Analysis of the Policy on the Arrangement of Street Vendors from the Deliberative Perspective]. *Eksplorasi*, XXIV (1): 118–126.