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**STREET VENDING IN INDONESIA,  
HOW TO GIVE THEIR PRESENCE A SUSTAINABLE VALUE?  
a Case Study of Street Vending in Senen,  
Gede Bage and Cipadu Market**

**Abstrak**

*Terdapat asumsi bahwa kebijakan-kebijakan yang telah diimplementasikan pemerintah terkait masalah Pedagang Kaki Lima (PKL) selama ini cenderung koersiv, bahkan mengarah pada konflik kepentingan antara PKL dan Pemerintah Daerah. Sebagai target group kebijakan, PKL dalam banyak kasus, juga diasumsikan tidak memiliki posisi tawar-menawar yang seimbang dengan Pemerintah Daerah. Namun, dalam tulisan ini penulis mencoba menyoroti fenomena tersebut dari perspektif sosial-politik yang lebih mendasar. Penelitian dilakukan menggunakan metode case study dan depth-interview, yang dilakukan terhadap 30 PKL (Pasar Senen, Jakarta), 13 PKL (Pasar Gede Bage, Bandung) dan tujuh lainnya di Pasar Cipadu (Tangerang). Permasalahan real berdasarkan sudut pandang PKL itu sendiri terhadap kebijakan-kebijakan yang telah terimplementasi, dijadikan sebagai pijakan kajian, khususnya untuk memberikan nilai-nilai baru yang lebih berkelanjutan terhadap keberadaan mereka. Penulis menemukan aspek-aspek marketing yang berbubungan dengan perilaku konsumen dari pedagang-pedagang tersebut adalah relatif signifikan utk diikutsertakan ke dalam pertimbangan pembuatan kebijakan publik.*

**Kata Kunci :** *pedagang kaki lima, kebijakan, pemerintah daerah*

Street vendors, street hawkers or whatever terms we use to describe people who sell something on sidewalks, might have addressed us several debatable questions. Are they the people who can cause a beautiful city to look dirty and slummy? Are they groups of people who often make it difficult for side-walkers to walk comfortably on some particular sidewalks? But, is it a fact that their stalls and tents are regularly filled by a lot of office workers in almost all urban areas to have lunch with at cheap price? And how would the newspaper companies, bottled drink companies, etc. survive in this terrible economic crisis without those vendors? Isn't it quite amazing that almost all of street vendors in Indonesia can still survive despite the crisis, while a lot of big companies fallen down, some of them even totally get bankrupt? I think, to some extent, we have to admit that street vending should not just be banned. Otherwise, there must be some ways in creating

sustainable value by still letting them sell something on the sidewalks as well as avoiding negative effects of street vending.

In *City Management and Public Participation*, which is written by Léo Agustino, any public policy or regulation about street vendors in Indonesia that doesn't involve public participation in its decision-making process, can only push the government to do structural compulsion (i.e. in most cases, the sellers are beaten up to move them away from the sidewalk). He points out as well that a possible solution of this sort of phenomenon can't only be seen from the government side. In other words, he means that both the government and the sellers should stand equally in creating the better solution (Agustino 2005). These points of view have inspired me a lot to look at the vendors side in coming up with what I call as 'a sustainable value' regarding street vending phenomenon in Indonesia.

First of all, I think the government only has a right to govern or to regulate public spaces, instead of changing them to become government property. Thereby, in turn, "repressive approaches" (i.e. the government forbids the street vendors to sell their goods on some particular places without relocating them to other places) will only produce conflict among the vendors, bureaucrats and political elites in deciding a sufficient policy over this kind of problem. In a more concrete sense, conflict of interest might occur when local government attempts to implement a public policy about the city sidewalk which requires the vendors to move away from where they were previously selling their goods. The use of violence to demolish kiosks, tents and the destruction or confiscation of vendors' property was a human rights violation, Bylaw No. 8/1988 was used as the legal basis for the operations, conflicted with the people's right having to get a proper job and earn a living.

Based on my research in Senen Market, Jakarta, for example, most of the vendors have been selling on the sidewalk for more than 10 years, but the government receives many complaints from storeowners along the sidewalk. Generally, the owners complain that most people rarely buy what they need from shops. Instead, they prefer to buy something from street vendors, as the goods are much cheaper than what are sold in the shops. Nevertheless, in my point of view, the storeowners should recognize that whether they like it or not, there is an

unwritten economical law that says consumers or buyers tend to buy something which is cheaper and also easy to get.

However, I think their existence plays a significant role in providing job opportunities, especially from informal sectors. They can contribute to local government income rate as well. Thus, in line with Agustino's opinion, the government should see them as a development asset, both socially and economically, rather than just see them as a development object which can be threatened inhumanely (Agustino 2005). Even more so, I think we also have to consider that, in general, those sellers come from low class societies, who mostly have a lack of educational background and financial support in seeking for other types of occupations. Nevertheless, in point of fact, since the street vendors don't pay tax, the local governments almost never see them as one of their development asset, and maybe not even as a real part of the local community. For instance, according to my research on three different locations, seems to me that street vendors are often seen as those who likely have "social welfare problem" by the many local governments of some areas. Again, one of the grounds behind that view is because they never pay tax. So that, based on Indonesian public order regulation, several local governments think they should be moved away from the sidewalks. But, do they really have to pay tax to do selling on the sidewalks if they likely can't feel the tax redistribution from the government? Furthermore, referring my interview of 13 street vendors on Gede Bage market, 9 of them admit that the majority of the vendors in Bandung don't have identity cards which can legally prove them as Bandung's residents. As a consequence, the local governments must tell them to keep out of the city after ID card inspections. Offe, C. in *Democracy and Trust* states a pessimistic question about why, for some people, looking to government to fix things can often lead to more harm than good? To put in his own words:

"Why should members of such minorities, facing discrimination, lend their support to democratic political structures? Unless all groups can benefit from the ultimate exchange with government, how can overall stability be maintained?" (Offe 1999)

Therefore, I believe that those cases mentioned above are not really adequate reasons to just move them away from the sidewalks. I think the government should also consider that, with some conditions, there must be a place where they can sell their goods without either breaking the regulations or disturbing other people with their activity.

Concerning that point of fact, the writer conducted a depth interview of 30 street vendors in Senen market, Jakarta, which comes up with a result that the vendors are actually willing to pay tax, as long as the tax system is clean or legal. Probably, they mean that there should be no more levies taken illegally by some particular government officials. One of the reasons why they don't want to be moved anywhere is because they feel that they have paid regularly to the city administration in renting the location. So, those vendors resisted the city officials as they claimed that they paid daily fees to various officers, including military, police and city administration officers. The city administration has, however, denied vendors were obliged to make payments. While some vendors are considered legal and are provided with kiosks in traditional markets in Central Jakarta, most street vendors have no legal status. Moreover, still based on the interview, they say that what they really need are spaces where they are allowed to do their selling activities. More than 50% of the vendors complain about the relocated places as well. Once the local government tries to relocate them from the sidewalks, those new places aren't profitable enough compared with their previous selling locations.

Another example is Gede Bage market, it has been used by the government as a new place where they can legally sell whatever products they want to put up for sale. Nearly all of the vendors there are relocated from sidewalks on Dewi Sartika and Tegallega street. However, the problem occurs when almost all of them realize that their income has been gone down sharply within the last few months after they have been moved there. Consequently, they all assume that the main cause of their decreasing income is because the market is too far away from city residential area. Thus, despite also having to compete with a traditional market near Gede Bage in getting buyers, there are few people who actually go there and buy their products.

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Conversely, Cipadu market, located in Tangerang, might be a good example of some sort of convenient relocated vending-place. On Cipadu, the vendors are provided small but suitable stores by the city administration. Whereby, consumers can easily reach that location from all around Tangerang, since it is located in the heart of the city, to find many types of Muslim clothes. Although the atmosphere of the place is designated as comfortable as possible for the consumers, they are still able to buy the products at much cheaper price compared with department stores. More than that, the consumers also can enjoy their time walking on the sidewalks just like what they would have probably expected when did shopping from street vending. Basically, Cipadu is designated for the vendors as profitable as they were formerly selling their products. For this reason, they possibly would not lost their consumers in the relocated place as it is, at least, adjusted with consumer expectations.

Moreover, Dallen Timothy, Assistant Professor at the School of Human Movement Green State University, Ohio, USA, offers some proper solutions about street selling phenomenon in Indonesia (Timothy 2005). Firstly, he thinks that the Indonesian government should facilitate street vendors associations which can coordinate their members to strengthen the vendors bargaining position in dealing with government policies or regulations. In doing so, the government ought to give those associations legal status to act as some sort of legal liaison, with the intention that they would be able to participate in decision making process of any regulation related to street selling. On the one hand, hopefully, the associations can reduce conflict between the government and the vendors as both sides can discuss more easily about any problem which might come up. Secondly, the vendors should sell products which are more related to tourist-based goods (e.g. souvenirs, traditional handicrafts, etc.) Hence, their products might be still profitable if the government want them to do selling only in tourism area. Thirdly, the government is supposed to provide a training program in areas such as hygiene with the purpose of making the sidewalks stay clean wherever the vendors do selling activities. So that, for instance, there would be no reason to blame them as the cause of dirty cities.

Overall, if we have to look back to the basic ideas of democratic theory, it gives emphasis to citizen participation, or what has become known as “participatory

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democracy” referring to theorists such as Rousseau, Marx, and Dewey (Kellner 1998). In this conception, famously expressed by Abraham Lincoln, democracy is government by, of, and for the people. It states that in order to create a real participatory democracy, the citizens must be informed, they must be capable of argumentation and participation, and they must be active and organized to become an actual part of democratic political force. Therefore, I think Leo Agustino has properly addressed a good solution as well that instead of prohibiting them to make something for a living, it will be more useful for the government to put them into one discussion, whereby both sides are equally involved in defining the actual problems, and deciding what sort of solution might be suitable regarding the problems (Agustino 2005).

I suppose such governmental agencies like Promotion and Investment Board or Department of Small Scales Industries Development could put those things have been mentioned above into action. For instance, they could coordinate the vendors and give them training about how to rise up the quality of their products. So that, in a long term, expectantly, they would be able to expand their market to be more than just street selling. For a further research, it might be useful to observe in what manner promoting events such as ‘Jawa Barat Expo’, ‘Nusa Dua Expo’ (BPPMD annual report 2005) used to carry out by Promotion and Investment Board might be proper alternatives in both expanding their market and increasing their income. As a pre-comparison, it is interesting to figure out ILO’s experience in promoting better working conditions for unprotected segments of the workforce, starting with the Work Improvement in Small Enterprises (WISE) program, has demonstrated that even the smallest businesses can make concrete changes to their workplaces and work management that result in significant impacts both in terms of working conditions and in terms of business performance (ILO annual report 2004). The objective of the activity is to define approaches and strategies and develop basic tools to improve working and employment conditions of street and market vendors that are capable of application on a wide scale.

These approaches and strategies should increase traders’ demand for improved working and employment conditions, as well as the supply of services and information for them to improve conditions, and help create a supporting environment for such improvements.

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Furthermore, four outputs are proposed a report of market research, addressing a definition of the target group and of sub-groups, adapted to the local situation including Needs and demands of the target group for working and employment conditions improvements. They are also built-in supply of services by government, community and business services to promote improvements in working and employment conditions, besides services of the ILO's tripartite constituents, these might include commercially oriented business services, social marketing, community level institutions, public health institutions and policy level approaches. Principally, market research activities will include

key informant interviews with those in close contact with the target group, focus group discussions with street and market vendors, technical assessments of the working conditions and environment of street and market vendors, an also in-depth interviews with current and potential providers of services which do or could promote working and employment conditions improvements and Literature review of relevant Indonesian experience. But again, this writing doesn't mean to generalize street vending phenomenon in all areas of Indonesia. Instead, it is expected to enriching public policy discourse regarding treatments to the existence of street vending activities which are, of course, still very debatable.

To sum up, we can't just ban street vending without giving them possible alternatives to what they should do and telling them where should they move. The street vending problem involves not only the vendors and the government, but is also related with us as its consumers or even just pedestrians. There is no certain alternative about what we or the government should do next, because it depends in which city they are located, what kind of products they sell, which public spaces they exactly sell their goods, and so on. In other words, some marketing aspects ought to be included in creating a appropriate public policy regarding the street vending occurrence. Nevertheless, I think, in general, involving them to decide what is possibly better for themselves and other people who also use the sidewalks is much better than just banning them. Creating clear and consistent rules about where and why they should or shouldn't sell their products is vital. Most of all, the illegal levies, which causes both distrust and confusion on the city administration policies, should totally be eradicated. In addition, for me,

personally, we also have to see them as persons who just try to find something to eat, both for themselves and their family.

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