The Municipality’s Strategy of the Street Vendors Relocation

(A Case Study on the Street Vendors Relocation from Monument ‘45 of Banjarsari to Klithikan Notoharjo Market, Surakarta)

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Abstract
This research discusses the strategy of street vendors relocation conducted by Surakarta Municipality. Relocation was done by displacing 989 street vendors from Monument ‘45 of Banjarsari to Klithikan Notoharjo Market, Surakarta. The interesting points in this relocation strategy: socialization and communication during the process were done by the municipal authorities in a polite manner, making use of the elements of local cultures. The realization of relocation: the street vendors’ participation, assistance and mentoring programs. This kind of strategy performed by the municipal government was admitted by society as a successful program. The objective of this research is to know the strategy of street vendors relocation that was implemented by the Surakarta (Solo) Municipal Government, using the case study of street vendors’ relocation from Banjarsari to Notoharjo Market Surakarta; The research method applied is Phenomenological Paradigm with Qualitative Approach. Meanwhile, the type of this research is a Case Study. The significant findings resulted: First, There are 10 main propositions found, (1) the more strategic the location is, the more possible the street vendors will appear; (2) working as a street vendor is easy and profitable, and this is the reason why a person chooses this job; (3) businesses of street vendors absorb many labors, so that they bring about positive impacts for the society and the government; (4) street vendors have a negative impact on the occupied area, community, government, because they cause untidiness, harassment, hindrance for the city progress, and the solution is that a lot number of street vendors must be relocated to the market; (5) a relocation policy is risky, so the support from the publics and the Local House of Representatives is extremely needed; (6) the more susceptible the street vendors’ business is, the more important the helps from the government are needed; (7) when socialization of relocation is based on anti-violence and making use of local cultures, it will run smoothly and can be controlled; (8) if the street vendors take part in relocation program, the target of the program applied by the government will be easier; (9) to make stimulus of the business aid run maximally, mentoring program is necessary; (10) in realizing the relocation policy, unpredictable problems occasionally appear, so that emergency planning is needed. Second, this research has been able to compose the strategy of relocation that has been applied successfully in Surakarta city.

Keywords: relocation strategy, leaders’ approach, cultural element, participation, assistance, maintenance.

1. Introduction
Relocation perhaps constitutes the most difficult of the whole tasks dealing with urban planning, especially if it is related to the job opportunity and informal income of the street vendors (Davidson, 1993). Movement is not the final objective of relocation.
Relocation as a “contract” between the government and the relocatees, focuses attention on the strategy of negotiation, resources, advantages and disadvantages, and there is feeling of “justice” for each side, in relation with business sustainability. Relocating actually means giving support and aid that are not merely in the physical form. The proof shows that infrastructures (land/business location) play important roles for improving the income of micro-company, especially in big cities (Sethuraman, 1997: 40). The aid in a relocation program at least includes: credit provision, development of business skills, and giving support of technical science (Shamsad, 2007). Both physical accommodation and location access in the correct place are closely related to the law recognition, that determines the prospect of income and investment opportunity. The work place in a correct location constitutes a basic need serving as capital investment that is able to increase business climate (Shamsad, 2007).

Some articles reported the failure of relocation, during the process of relocation, and after the placement of relocatees in the new place. Phenomenon causing the failure of such a relocation is the less concern for applying correct strategy of relocation. To be more specific, the causes of the failure were: (1) the relocation programs were not described well (Agbola and Jinadu, 1997; URC, 2002; Solon, 2003); (2) the relocatees were not involved in composing the program (Swanson, 2007; Crossa, 2009); (3) the unsuitable program of aid or the lack of government’s aid (Samsad, 2007; Raredon, 2010); (4) less appreciation to the kind of vendors’ business (Kamunyori, 2007) and (5) less appreciation to the street vendors themselves (Ferchen, 2008). Basically, the research on street vendors has been done to describe and identify the existence of street vendors (Asiedu & Agyei-Mensah, 2008).

A research argued on the claim of de Soto about the cause of informality and its significance (Gonzales, 2009). Firdausy (1995) studied the links between informal sectors and urban, especially its contribution to the urban poverty. Research of the opinion of the government on the street vendors’ business. Ferchen (2008) illustrated the ignorance of the Chinese government to illegal street vendors living in the city. Tinari (2004) reported that Street vendors were not facilitated with appropriate location for their business. Research relating to the strategy of relocation was done by Miller (1968) about Traditional Model; (Jacobs, 1961); Wallace, 1968), Development Model; (Jacobs, 1961; Rossi, 1963), Prosperity Model; (Wardono, Agus Dwidoso, et.al, 2016), Humanistic Model.

2. Theoretical Analysis And Related Research

2.1. Concept and Informal Sector – Street Vendors

Armstrong and McGee (1987: 106) stated that informal sector activity was proposed as the opposite of the activity of capitalistic economy. However, the productive activity of informal sector served to reduce poverty when job opportunity was limited. The development and the sustainability of that program was viewed as the impact of unemployment and backwardness, and they were regarded as temporary phenomenon or transition. It was reported further that an informal sector used an area for migrants from the village only before finding jobs with sufficient income in the new location. Sethuraman (1981:63) defined informal sector as a disguised work, since they generally had low productivity, with low-paid activity, and this sector often served to reproduce labors. According to the Marxist theory, informal sector is a marginal point serving as workers reserve that produces or offers cheap goods, in a bad quality, and as a sub-system that supports the availability of goods and services. In line with it, the margin list theory sees informal sector as a marginal activity in a peripheral formal sector that acts as marginal polar for workers reserve of an industry producing cheap goods with high quality (Quijano-Obregón, 1974).

(Smart, 1989; Mcgee, 1970; Dasgupta, 1992) said, the vendors were poor and marginalized people who tried to defend their lives. Some of them got stuck on survival activities in desperation. In Indonesia, informal sector term is equalized to street businessmen or often called street vendors (Suharto, 2005). Street vendors that mostly are not registered in the country’s income calculation, are regarded as the main cause so that this sector is called informal. The reason is because almost all their activities are always located outside the scope of state’s rules and patronage. Even when their activities are registered, this sector does not follow workers’ protection, working security, and other sanctuary steps (UNDP, 1997).
2.2. The Theory of Public Policy

The authority to regulate public matters performed by the government is called public policy. It can be understood as a set of regulations, decisions, statutes that are valid in a certain region and made by public officials, and used to settle public problems. Public policy is the response of problems in the community from a political system, through the government’s authority. The decision can implicate on actions or non- actions (Suharno, 2010). Some politician’s tend to choose the opinion that the public policy study should be directed to ascertain whether the government has taken the right policy to attain the right goals. They refuse the opinion that policy analysts should be free from value. They wanted to improve the quality of the political policy in ways they extremely need, although in society there are often found substantial differences whether the policy is ‘correct’ and ‘right’ (Suharno, 2010).

Some experts have opinions about the composition of public policy and steps which must be taken, including: Agenda Setting, Policy Formulation, Policy Adoption, Policy Implementation, Policy Evaluation (Dunn, 1994); Identification of Policy Problem, Agenda Setting, Policy Formulation, Policy Legitimation, Policy Implementation, Policy Evaluation (Dye, 1995); Problem Formulation, Policy Formulation, Adoption, Implementation, Policy Evaluation (Anderson, 1979); Agenda Arrangement, Policy Formulation, Policy-making, Policy Implementation, Policy Evaluation (Howlet, 1995).

2.3. Public Management

Public management is an interdisciplinary science that is commonly covering the functions of organizational management, including planning, organizing and controlling, associated with human, financial, physical, information and political management (Overman, 1984: 1). Public management domain includes the government as an agent and the public or the community as a principle. In such a relationship, administrative principles hold the chief control.

According to Ott (1991) public management focuses on public administration as a profession and focuses on public managers a practitioner of this profession. Ppublic Management pour out more attention to the internal operation or implementation of government or non-profit organization than to its relationship and interaction with the parliament, justice or other public sector organizations.

2.4. The Theory of Relocation

2.4.1. Choice of Relocation

There is no best choice in correlation to relocation problems, but if relocation program cannot be avoided, alternatives must be prepared to minimize impacts generated (Davidson, 1993). Choosing a relocation from native housing complex can cause pressure, especially if the locations have different environment, economic life patterns, livelihoods, and socio-cultural parameter. Independent relocation happens when relocatees have initiative themselves, either individually or in group to choose the location based on the consideration of economic or social factors.

2.4.2. The Choice of Relocation Place

Four steps in choosing a relocation place according to Davidson (1993) are: First, choosing a right spot is the most important element, starting with choosing alternatives, by involving potential relocatees and locals; Second, performing a feasibility study on an alternative location by considering the area’s potential in terms of ecological similarity, price of land, work, ease of obtaining credit, marketing, economic opportunities for livelihood, as well as the local community existence; Third, the planning and design of the relocation area must be in accordance with the local custom and culture.

Physical-social identification of the community affected by the relocation: on the family members, relatives, how often and who use the social facilities and infrastructure. It is important to understand the settlement pattern and design in order to be able to predict the needs in the new area. The public in put must serve as an integral part of the planning process; Fourth, the size of the land used for building houses or business should be based on the previous residence. Allowing the relocatees to build their own houses is better than providing built houses for them. Physical and social infrastructure should be prepared before relocatees move to the location. Organization/community groups are invited to discuss the development program.

2.4.3. Plans and Target of Relocation

The entire plan and target of relocation must be resolved one month before the development of location.
The project manager must consult and cooperate with the relocatees in the whole steps of relocation program, from selecting the location until the relocation to the new area. If the number of people relocated is large enough, the project manager has to decide the target of relocation annually in order to finish the relocation well before the development phase.

a. Living with the Locals: Relocatees cannot be regarded as those who live in an exile. Relocation can create an impact on the locals in various fields including: work, the use of public facilities, exploitation of natural resources or social facilities. Disputes between relocatees and the locals may arise if the project manager only helps the relocatees. Infrastructure and supporting facilities in anew location can be utilized together with the locals. The locals can be treated in such a way that they will not feel to be discriminated dealing with the given entitlement, that is actually not amends.

b. Relocation Checking List: Considering all choices to develop the strategies for alternative relocation by holding discussion to arrange the target, planning relocation with potential relocatees. Increasing the participation of relocatees and the locals in choosing the location and the design location development. Consulting to the female citizens about the lay out of the settlement, including the communication system, social facilities, cultural heritage, and the improvement of the residents’ welfare. The relocation location must be equipped with facilities needed before relocation is carried out. Developing program that can be utilized by relocatees and local people together to realize the social integration in the future.

3. Research Method

Approach; Fenomenological Paradigm with qualitative approach. Sort of research; case study. Location of research; in Solo city, the focus of a location was in Klitikan Notoharjo Market, Semanggi village; at Banjarsari Monument ‘45, Banjarsari village; Surakarta Municipal Government, Department of Market Managers, Management and Guidance Section of Street Vendors; Local House of Representatives of Surakarta. The number of research informants was 28 people. Field research was done for 2 years, starting August 2012 until August 2014. Data collection method: observation, interview, literature study. The primary data: interview with a triangulation method. Secondary data: journals, issues, internet, Local Government’s regulations.

4. The Results of the Research and Discussion

The strategy of relocation begins with Problematic Analysis:

1. Regarded from order point of view, street vendors are very disturbing.
2. Street vendors a business that is able to give job opportunities for the poor, urban unemployed people. This business has remarkable endurance, they are able to survive even when the the country besets stormsof monetary crisis. That is why this kind of business is an asset necessarily protected and empowered further.
3. The guide lines of the city government’s policies are to defend the oppressed people, along with this, consequently, the street vendors need to be given a solution and facilities based on the size of their business, so they can continue to do business.
4. Fora small number of street vendors, the solution is: local empowerment, facilitated with: shelters, tents, wagons. For a lot number of street vendors, the solution is: being relocated to the market.

As for the stages performed, dealing with the solution n of street vendor’s location, are as follows:

A. The Preparation Stages of Relocation Strategy:

The Preparation contains 3 important points for the preparation program of relocation:

1. Analysis of operational needs: analysis of operational needs includes some needs, among others: a. Community’s supports. Community’s supports encourage the street vendors to realize that they work on illegal place; b. The data of street vendors. The data of street vendors have an important role in the policy decision related to the solution and facilities given; c. Location. There are 989 street vendors that are relocated, and such a number of vendors need a wide location. The local government does not own wide land in the city, so it decides that street vendors will be relocated to the suburbs; d. Infrastructure, market and all facilities are built, including ones supporting market activities, such as: service post, cooperatives, access to public transportation, and others; e. Assistance program/credit, serving as an effort to recover the vendors’ business and sustainability of their economic self-reliance in the new place; f. Mentoring is done in order that any scheme of relocation can run well.
2. Socialization: Activities conducted in the socialization phase: a. performing an approach to street vendors. The local government and its staff held a socialization to the street vendors with a non-violent approach, kind manners and mutual respect; b. The mayor and his deputy directly met the street vendors in the location, listening to their proposal, complaints, and desires. The input from the street vendors was the main elements of consideration in relocation activities; c. The local government invited the street vendors to participate in relocation program, including in terms of needed helps.

3. Communication: Communication between leaders of the local government and street vendors was based on the local cultures: a. “Humanizing human beings.” The relation among human beings is based on the principles of mutual respect, appreciation, treating people equally, without any discriminative manners; b. “A Javanese was dead if he were on the lap”, it means, if a person got righteous deeds from others, he would not forget them, and he would be obedient to the giver; c. not inconsistent, it means, an attitude and a speech that are consistent, since the first time the speech is spoken, until it is actualized into real actions; d. The leaders are servants, it means that they are public servants, not the rulers who are arbitrary to the community.

B. The Planning Stages of Relocation Strategy:

The planning stage is divided into three planning programs, among others:

1. The Macro Strategic Planning: a. The approval of The Local House of Representatives; b. Placement of street vendors; c. The building of the market; d. Assistance strategy; e. Mentoring.

2. The Operational Planning: a. planning of the market building; b. planning of assistance program, including: a means of transportation, market, rights of use letter and company registration, retribution, transportation routes, promotion, and credit.

3. Emergency Planning: emergency planning is needed to anticipate problems that possibly arise at any time, with respect to conflict inflicted due to the relocation.

C. The Stages of Organizing Relocation Strategy:

The stages of organizing the implementation of field activities are as follows:

1. Collecting the data of street vendors: Data collection of street vendors was managed by Street Vendors Office, with recording the data of all street vendors in Solo. At any location, zones of street vendors were made, and groups of street vendors reformed.

2. Technical Design and Plans of zoning kiosks: technical design and plans of zoning kiosks were done by the Public Works Agency, based on the data and direction from the local government.

3. The building of the market: was done by the Public Works Agency. Preparation: An authorization decree & auction; were held jointly by the Local Government, Regional Development Agency, Public Works Agency.

4. Preparation of street vendors: the demolition was conducted by the street vendors themselves.

5. Movement ceremony: holding cultural carnival. Carried out by the Local Government, the Local House of Representatives and the street vendors.

D. The Implementation Stages of Relocation Strategy:

The execution of the activity implementation programs was performed in accordance with the following schedule:

1. Technical Design and Plans of zoning kiosks. This was held in: October 2005. Implementer: the Public Works Agency, with direction from the Local Government.


3. The stalls demolition, the Cultural carnival, the inauguration of the market were held in: June 2006. The demolition of stalls and kiosks was done by the owners themselves, assisted by a Squad of Public Order Police.

4. Cultural Carnival was held on: July 23, 2006. Implementer: the street vendors, the Local Government, the Local Government Deliberation, Local House of Representatives.

5. The inauguration of the market was held on: July 23, 2006. It was performed by the Governor.

E. Controlling Stages of Relocation Strategy: after market traders started their business operations in a new location, the situation was as follows:

1. Monitoring and evaluation 1: the market was quiet for 3 months to 4 years.
2. Monitoring and evaluation 2: there was market terror conducted by nearby residents.
3. Monitoring and evaluation 3: some traders escaped from the market.
4. Monitoring and evaluation 4: some traders complained about the number of stalls in the market.
5. Monitoring and evaluation 5: after the 6 months traders had not been able to pay a levy.
6. The condition state of road access and public transport had not been able to boost market crowd.

F. The Follow-up of Relocation Strategy:

Based on Monitoring and Evaluation, then the follow-up executed were:

1. Since the market was quiet (3 months -4 years) then, free retribution which was previously given only for 6 months, extended until 1 year.
2. The roads and public transport access had not been able to boost the success of the market, and the efforts done was changing the public transportation routes to be directed toward the market location.
3. To make the market quickly known and the market crowd quickly realized, promotion advertising the market, various events and competitions were held in the market.
4. The market terror conducted by local people was solved by giving them shelters around the market to do business.
5. The debt and kiosks left by the traders who flee were bleached and borne by the Local Government.
6. To manage traders' business, as well as to resolve their complaints about the stalls location, the efforts done were: a. physical maintenance of the market; b. training of business sales, display of goods, bookkeeping; c. maintenance of traders: counseling for traders.

G. The Final Results:

1. When traders came out of the market crisis, the increase of their income reached 100 to 400 per cent.
2. Traders preferred working in the market to working as street vendors, the reasons: a. they occupied legal places; b. working in the market was more serene with respect to security factor, and so forth; c. the income was relatively easier to manage.
3. Facilities and infrastructure in the market were qualified, and had no environmental impacts.
4. Responses of traders in doing their activities in the market: a. Among traders there was no unfair competition;
5. Relations between the traders and customers ran well; c. Some traders were of the opinion that sales in the market face no constraints, but some others said there were obstacles in marketing; d. Some merchants undertook business cooperation with other parties, but some others did not.
6. Responses of traders to their business: a. following the current sales that were highly desired in the markets; b. focusing on the present business; and c. unwilling to change to other business.

5. Conclusion

The strategy of relocation of street vendors conducted by the Municipal Government of Surakarta started with a Problem Analysis. It was then implemented through the following stages:

1. The preparatory strategy;
2. The planning strategy;
3. The organizing strategy;
4. The implementation strategy;
5. Controlling strategy;
6. Following-up strategy;
7. The final results.

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98

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