A CASE STUDY OF STREET FOOD VENDOR RELOCATIONS IN TWO INDONESIAN CITIES

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Present street food vendor relocation policies appear to focus on reclaiming public space from low income street vendors and relocating the vendors into aesthetically pleasing new markets. We suggest that spatial interventions also need to improve the economic prospects of the vendors and address the socioeconomic, political, and spatial disparities underlying urban poverty and informality.
As informal street vending has proliferated in many Indonesian cities, some local governments have sought to relocate food vendors from the streets to public purpose-built markets. A number of such relocations have received widespread recognition for being undertaken in a conflict-free manner, through engagement and participation, and with limited confrontation. However, further examination reveals the success of such policies and programs are limited, as many relocated vendors returning to the streets within a few years.

This paper examined four different vendor relocation processes in two different Indonesian cities conducted between May 2015 and January 2016. It illuminates why informal food vendors return to the streets and how urban policies and planning might better incorporate informal food distribution activities with the formal market.

To study our relocation cases, we examine why certain food vendors might end up returning to the streets, after being relocated to purpose-built markets. We also explore mitigating factors and transformative policy and planning alternatives involving differently resourced and abled partners including local authorities. Though government is one among many decision makers and actors, it nonetheless has the power to influence rules that determine systemic interactions and emergent dynamics.

In the following, we investigate the ways in which relocation efforts, that deliver improvements public spaces including purpose-built markets, fall short of upgrading vendor livelihoods or even meeting their day-to-day needs. We also explore why simply extending property right efforts fail to address the sociospatial, economic, political disparities underlying urban poverty and informality. Finally, we study how relocation efforts can recognize and enhance the rights of street food vendors to the city or facilitate meaningful political participation as to promote more sustainable policy outcomes.

**RESEARCH METHODOLOGY**

We carried out a comparative study of four different vendor relocation cases, in the two “sister” Indonesian cities of Jogyakarta and Solo, in Central Java. While both are similar in population — half million within city limits and 4 million at the metropolitan level — Jogyakarta is a regional capital and art, education, and tourist hub, while Solo is known for its traditional handicraft and textile industries as well as a series of progressive policies under the former Mayor Jokowi. Specifically, the study focused on market relocation sites of Taman Kuliner and Gajah Mada University’s Food Court in the city of Jogyakarta; and, Solo’s Pasar’ Notoharjo, and Pasar Punggunrejo market projects.

These two cities had received recognition by the national popular press for having undertaken broad-based, popular, and presumably successful campaigns to remove street vendors from public spaces. They are notable because the approach adopted in three of the four market cases contrasts with the more widespread practice of employing physical force and coercion to relocate informal markets. However, despite the use of collaborative methods and fiscal incentives, many of the vendors abandoned the public markets that they had been assigned to, and returned to the streets.

Our study was carried out by a team of five researchers from the local Indonesian NGO Yayasan Kota Kita. Researchers conducted in depth interviews with a total of 40 current and former vendors, including food vendors, between May 2015 and January 2016. Those interviewed included vendors who had been involved in the relocation processes and decided to remain in the new facilities, as well as an equal proportion of those who had returned to the streets (typically their original locations, but also including new street market locations). Interview questions were aimed at understanding the backgrounds and experiences of food vendors; their perspectives on street vendor relocation policies; their reasons for and experiences of remaining in or abandoning the market facilities; and, their thoughts and recommendations on how the City might better support food vendor relocation policies in the future.

**DESCRIPTION OF CASES**

**CITY OF SOLO.** Since 2005, Solo’s long term development plan has explicitly sought to improve the welfare of the people and to improve the city building on the idea of Solo as Cul-
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Figure 2: After selling his stall, a street vendor returns to Jl. Dewan-toro in Solo, to sell sate. He never found success in Pasar Panggun-rejo. Photo by Dennie Ramon

nearby residents about noise, trash, and general lawlessness. This informal market was becoming the city’s most visible public agenda issue. Repeated attempts to force the vendors away, largely through the violent action of the police, were unsuccessful.

In 2005, a new mayor, Joko Widodo, tried a fresh approach. The mayor (now President of Indonesia) invited the street traders and other stakeholders to over 50 open dialogue meetings. The rapport and personal relationship that he built was instrumental in convincing them to support his relocation plan, which was implemented within a year’s time. The negotiations included significant concessions from the government side, including the development of a new purpose-built market, the provision of stall ownership certificates, and access to business loans to support their businesses. The government also responded to vendors’ concerns that the relocation site was too remote and disconnected from the city by surfacing roads, installing signage, designing new bus routes to improve access, and promoting the new market through the media.

Marked by a parade of vendors through the streets to the new location called Pasar Notoharjo, the ceremonial fanfare and celebration

PASAR NOTOHARJO, SOLO. Informal trading dramatically grew in the aftermath of the Asian Financial Crisis of 1997, as many unemployed workers in Solo congregated in Banjarsari Park (a public space in the middle of the city) and became vendors. At its peak, the park was bursting with 1,000 vendors, leading to complaints by cultural City. The official mission to support the “People’s Economy” (ekonomi masyarakat) as the first development priority translated into several policy programs, including micro-economic development, support for cooperatives, street trader (PKL) management, revitalization of traditional markets, and promotion/capacity building for market traders (business management). The City lacks an explicit vision or policy program for street food vending and food markets. However, general street trader management and support programs also pertain to street food operations. These general programs include government registration, relocation and integration from public space to purpose-built markets and the upgrading of mobile vending stalls at select locations. Despite the City’s overarching vision and policy programs with regards to street trading, actual policy processes and outcomes have varied.
helped to attract the attention of the public and raise the credibility of the move. Still, during the first year many traders complained that they had lost their customers and struggled to make ends meet as a result of the new location. Some sold their stalls and returned to the streets but eventually returned when the market started to attract more customers after the first year.

PASAR PUNGGUNREJO, SOLO. In the eastern part of Solo, a main road that runs alongside the Sebelas Maret University campus featured a high density informal market. This market was started in the late 1990’s by around 160 small-scale traders who had congregated there. As the City prepared for the construction of a strategic urban project, the Solo Techno Park, Mayor Jokowi sought to clear the vendors from the north side of the road. However, the density of existing land uses in the campus area limited relocation options to a site which sat behind a government building, out of view from the main road.

Paguyuban Pedagang Sekitar Kampus (PPSK), an association of traders established in 2000, strongly opposed this relocation plan, contesting the proposed new location for the market and sought concessions such as stall titles at their existing locations from the government. However, as the street vendors faced negative public opinion and pressure from the university, the PPSK conceded.

Between January 2008 and December 2009, 201 traders were relocated to Pasar Punggunrejo. Just a few years later, almost all of these relocated traders had abandoned the new market for the streets. In particular, those who sold food, phone credit, and spare parts— drawing from students as their primary client base and requiring convenient access points— were the first to go. Despite gaining stall certificates, vendors complained of being forced into the move with no governmental promotion of the market, technical assistance, or access to loans. Many felt that street vending would give them easier access to clients.

JOGYAKARTA. Jogjakarta is a medium-sized city in Central Java comparable to Solo, but known as a city of students (200,000 attend a total of 140 colleges and universities). It has aimed to become a quality education city, center of cultural tourism, a peoples’ economy and one offering environmentally friendly services. However, its approach to street trader management has been somewhat ad hoc. These vendor policies were first couched as part of the post-earthquake infrastructural upgrades in 2007, then promoted as part of the cultural tourism in 2008, then associated with city efforts to improve human settlements and public facilities in 2010, and, finally part of the efforts to “tidy up” the city in 2011. In its current plan, the City cites uncontrolled street trading in major city streets as an acute problem requiring active street-to-market relocation efforts and zero tolerance on further growth of street trading. So far, the local government has exercised a high level of discretion in regulating and controlling street trades, including street food vending.

UGM, JOGYAKARTA. Many informal vendors congregate in public spaces and streets nearby and within universities like Gajah Majah University (UGM) to draw patronage from students and the wider public. In 2005, the university, with support from the city government, sought to improve circulation by banning vehicular traffic and street vending and relocating existing vendors to three on-campus, purpose-built facilities.

Initially the vendors demanded in situ upgrading instead of the move. But as a result of negotiations with public authorities, vendors agreed to relocate upon gaining assurance that the process would be inclusive and that the new site would be improved and needed amenities. Staggered over time, the relocation of the southern area was completed in 2009, the eastern area in 2012, and the western area in 2015. Each site offered a food court for exclusive use by food vendors. Each vendor received a stall with a kitchen area, plumbing, and sewage. The food courts also featured eating areas for students with Wi-Fi and public toilets. However, the food courts remained cut off from the main streets as part of the closed campus policy.

Supported by advertising and promotions, the food courts initially enjoyed high levels of popularity. Yet, over time, clientele declined.
Figure 3 (top): Street vendors have returned Jalan Tubun, Solo, preferring the street to remodeled market facilities.
Photo by Dennie Ramon

Figure 4 (bottom): UCM Campus Foodcourt, Yogyakarta.
Photo by Dennie Ramon
While almost all the food vendors remain on site, they do so for lack of other options.

TAMAN KULINER, JOGYAKARTA. A second relocation occurred immediately outside the gates of the Gajah Mada University, this time along the Selokan Mataram, a popular location for students, passing motorists, and pedestrians seeking food and school supplies. Blaming street vendors for traffic congestion and littering, the local government decided to relocate the vendors, but without the negotiation and participatory planning processes of the former UGM relocation.

After announcing the need to move street vendors, the actual relocation took another three years to occur during which time the vendors were kept in a state of limbo about their future location. In addition, the vendors were not involved in the site selection or the new design of the purpose built market. Finally, 120 vendors—40 of whom were food vendors—were relocated to Taman Kuliner Condongcatur.

This new location was promoted as a destination for domestic tourists, despite being significantly removed from major roads and carrying little visibility. While the site came equipped with electricity, clean piped water, sinks, sewage, and public spaces for eating and for children to play, the design was lacking as many of the stalls were not facing outward but were hidden from sight and difficult to access.

Taman Kuliner was initially successful, partly thanks to promotional events organized by the management, such as arts festivals and traditional bird calling competitions. However, these events declined in frequency as time went on and finally stopped as more vendors closed their stalls. Nine years after the relocation, only four out of 120 vendors remained, the rest having returned to the streets.

FINDINGS
This section summarizes our findings as to why informal street food vendors from the four market sites returned to the streets after “successful” relocation and upgrading efforts. We also comment on how policy and planning interventions might prevent such unfavorable outcomes in the future.

THE NEW MARKETS OFFER AESTHETIC SOLUTIONS WITH LITTLE FUNCTIONALITY. Many street food vendor relocations delivered improvements in the visible quality of public spaces and purpose-built markets but fail to pay comparable attention to physical functionality and locational factors—key concerns of vendors. Respondents repeatedly indicated that markets better accommodated their needs around food preparation, storage, and waste disposal in addition to offering parking areas, public toilets, Wi-Fi access, and even places to pray, all of which helped attract customers. But such improvements were offset by shortcomings in site design and infrastructural elements such as low visibility from the street and lacking integration of the market with urban surroundings, which inhibited client access and patronage.

Among various respondents, food vendors were disproportionately concerned with issues of visibility and access as their businesses were highly reliant on selling food to people on the go. At previous locations, food vendors used tarpaulin or sheets to both separate eating customers from the street as well as advertise their business. Located away from main roads, central or busy areas, and most importantly, the sights of potential customers, the purpose-built markets overlooked the critical requisites of marketing and access for successful food vending. Purpose-built markets such as Taman Kuliner or Pasar Notoharjo were located on government-owned properties off main roads and on the outskirts of the city respectively. Solo’s Pasar Punggungrejo was imperceptible from the road due to a large setback. Eko, a trader who left Punggungrejo for the streets, remarked:

» The market is not accessible for students...
I only had a limited number of regular customers, who knew me from my previous location. When they graduated, it was very difficult to find new customers due to the non-strategic location. So I had to move out.

Interviewed food vendors also commented that site designs that failed to consider internal circulation and access. In Pasar Klitikan Notoharjo, relocated vendors complained that they were positioned in upper floors of two or three
took a promotional campaign to integrate the area with its surroundings and improve its reputation and popularity. This finding indicates that locational variables can be more or less maximized depending on the extent to which vendor relocation and site planning processes prioritize dialogue, negotiation, and a commitment to finding mutual benefits for street vendors and the local authorities.

**THE RELOCATION POLICIES FAIL TO PREPARE VENDORS FOR CHANGING CLIENTELE AND BUSINESS ENvironments.** For street food vendors, relocation goes far beyond moving to a new location. The fixed market location means that vendors need to accommodate the tastes and preferences of changing clientele and adjust to a more competitive business environment. The failure of relocation policies to prepare vendors for such ranging demands limits their effectiveness and durability.

Most relocated street vendors shed their previous customer base, as food patronage tends to be highly location specific. For instance, some vendors were housed in long narrow rows alongside non-food stalls or in a three storeys building which makes them inaccessible because many clients do not want to walk up the steps. Instead, food vendors were arranged in long narrow rows alongside non-food stalls, and were made to use concrete benches for food preparation. Alternatively, food vendors prefer ‘food court’ arrangements where stalls face clients and offer food preparation areas, storage, and drainage for better hygiene and presentation.

Finally, food vendors highlighted locational considerations such as market proximity and accessibility to large customer bases, whether in residential or commercial areas. While mobile vendors can control their location and visibility by moving to strategic areas, vendors in purpose-built markets face more enduring circumstances. In Taman Kuliner, the lack of dialogue between vendors and the City precluded opportunities to troubleshoot the site’s remoteness. In contrast is the Pasar Notoharjo relocation of 2007. During this project Mayor Jokowi heard the vendors’ concerns about the site’s remoteness from the rest of the city. As a result, his administration extended new bus routes, completed street surfacing, and under-
interviewed vendors previously served students from certain universities while others catered to taxi drivers on particular roads. At the relocation sites, customers often demanded a higher quality of food, preferred to have more choices, and were willing to spend more time eating compared to those eating at street stalls. As relocated vendors had to adapt to their new clientele, those specializing in one type of food and cooking style struggled much more than those able to diversify offerings and accommodate different taste preferences of new customers.

Among vendors who met success with market relocation, recurring themes included adoption of a competitive mindset, adaptability to new customer demands, and continuing relationships with existing clients. Whereas success in street vending can result from simply offering a product or service when and where they are needed, brick and mortar businesses alternatively succeed upon developing a brand or reputation and winning repeat patronage, whether due to the quality or reliability of the offering or strengthening relationships with customers. Given the difficult challenge for food vendors in public markets related to differentiating products from one another, many purveyors respond by offering distinct dishes, whether in terms of flavor or regional origin. As stated by Antok, the head of a Solo-based trader’s associations:

» There are some reasons people fail or succeed here: level of tenacity, type of commodity, amount of capital, extent of knowledge based on experience and education, and social links or networks. To win competition, first we should become distinct in the quality of our product, service delivery, and price because the competitors are not just those in this site but also the many new street vendors who have not been relocated.

On the streets, food vendors can gain competitive advantage through mobility and outperform competitors by finding superior sites. But at fixed sites, competition is more direct. Some vendors have adapted by offering special deals to customers to generate new business and otherwise exploring creative and enterprising marketing strategies. According to Bu Mukti, one of the very few who stayed at the Taman Kuliner site, “To be a food trader in this empty market, I have to be creative in selling my food, including giving bonus to someone who can bring me a big order.” As most of her peers have returned to the streets, the implication is that vendor preparedness for adjusting to more competitive business environments within fixed locations not only varies widely but also lacks sorely.

**POLICY AND PLANNING PROCESSES NEGLECT THE ONGOING AND EMERGING NEEDS OF VENDORS.** Our findings indicate that government commitment to vendor outreach and participatory planning is instrumental during the relocation process, but maintenance and support is also needed beyond the transition phase. At the moment, policy and planning processes neglect the ongoing and emerging needs of vendors following relocation.

In the relocation of street vendors from Solo’s Banjarsari Park to Pasar Notorejo in 2007, Mayor Jokowi’s deep engagement was critical to building trust, obtaining mutual concessions, and producing a satisfactory outcome. The mayor employed dinner invitations, site visits, and participatory planning processes involving the vendors, their associations, and intermediary non-governmental and community-based organizations.

On the other hand, street to market transfers have been less successful in cases of vendor exclusion from planning processes and inconsistent or stalled implementation. In Solo’s Pasar Pungunggrego, the government relocated one group of traders while allowing others to remain in the streets. This resulted in increased tension among vendor groups and diminished faith in government capacity. In Jogyakarta the three-year delay in relocating vendors from outside Gajah Mada University, in addition to their exclusion from decision making processes, enhanced their dissatisfaction with the eventual selection of a site.

Once markets have been inaugurated, consistent maintenance instrumental to continued operation and success. This follow-up includes the regular provision of basic services (e.g. clean water, sewage, trash collection) and the initiation of promotional campaigns. In Punggunrejo, the
Figures 6, 7 and 8: Relocated vendors found that placement in Pasar Klitikhan Notoharjo, Solo, meant they could serve the needs of customers attracted to the market, as well as the vendors of other products. Photo by Dennie Ramon.
accumulation of trash and inadequate maintenance led to falling hygiene levels, site deterioration, and eventual decisions of abandonment by many vendors. In the case of both Jogjakartan city markets, the discontinuation of promotional campaigns resulted in falling customer volumes. The importance of factors like adequate parking and hygiene levels should be observed.

Moreover, relocated vendors require ongoing training and support with learning financial literacy, management skills, and other capacities to succeed at business in a fixed location, formalized market environment. In relocating street vendors from Solo’s Banjarsari Park to Pasar Notorejo in 2007, the Jokowi administration offered concessions of stall ownership certificates and access to business loans. In so doing, it unwittingly posed added economic risks and burdens to the poorest vendors, who lacked finance know-how and were often seduced to sell their certificates amidst unexpected hardship.

Rizal, a trader from Solo’s Punggunrejo market, remarked, “Many traders have low education levels. Most of us are afraid to borrow money from the bank. We don’t really have a clear understanding of how it works and feel insecure about the risk.” Some commented on feeling trapped in their new positions because competitive concerns led them to obtain loans in order to enlarge their stock, which newly exposed them to financial risks. The vendor Purman, of Solo’s Pasar Notoharjo, explained, “Immediately after I got the stall from the Government, I borrowed money from the bank [with stall as collateral] just to add commodities, but after a year I didn’t have enough revenue so I abandoned the stall and went back to the street and the bank seized it.”

Given limits to government capacity, non-governmental organizations, trade associations, and micro-credit financial institutions can step in to provide targeted training and technical assistance as well as mediate further negotiations with local authorities. Reflecting on the potential of self-organization and more sustained engagement by civil society organizations, Aa, a community-based organizer stated, “After relocation, the government should empower the vendor association to protect themselves legally, run soft saving and loan programs, get better leverage, and run mutual help associations to counter adversity.” In the case of Solo’s Pasar Notoharjo, such local organizations played an instrumental role in allowing the vendors to address common concerns as they arose and correspond with the Mayor in a coordinated manner. On the other hand, the City alternatively exploited differences among vendors in Pasar Punggunrejo to weaken their bargaining position.

**POLICY AND PLANNING IMPLICATIONS**

Our study also suggests lessons for improving urban policies and planning with respect to relocating street food vendors and promoting their long-term success at new sites.

**THE NEED TO PROVIDE PRO-POOR AND INCLUSIVE SPATIAL INTERVENTIONS.** Present street food vendor relocation policies appear to focus on reclaiming public space from low income street vendors and relocating the vendors into aesthetically pleasing new markets. We suggest that spatial interventions also need to improve the economic prospects of the vendors and address the socioeconomic, political, and spatial disparities underlying urban poverty and informality.

Certainly, relocated food vendors could benefit from designated spaces for food preparation, storage, and waste disposal within markets as well as the provision of parking areas, public toilets, Wi-Fi access, and places to pray. However, upgrading vendor livelihoods to ensure vendors remain in the markets long-term requires effective site designs, such as those which arrange food stalls in visible and accessible ways within market sites. Given the practical experience and grounded knowledge of food vendors, incorporating their perspectives and preferences on stall arrangements and locations within the markets can promote the viability of new facilities. Programs also need to be initiated which promote the visibility of markets from the street and integrate the market with urban surroundings. Aside from infrastructural elements which strengthen connectivity between market sites and major circulation routes or pedestrian access paths, locating markets in proximity to large custom-
er bases, whether in residential or commercial areas, can promote their long-term viability.

What is ultimately needed is an explicit commitment to pro-poor and inclusive spatial interventions. In Solo, vendor relocation efforts were part of a larger local campaign of economic empowerment (of the urban poor) and building a people’s economy, which partly entailed promotional campaigns promoting the reputations of public markets. Hence, pro-poor and inclusive spatial policy and planning would go far beyond convincing informal food vendors to abandon public spaces for designated market places. It would require attention to vendor rights to the city, including their proximity and connectivity to major residential and commercial clusters as well as major transport networks. Within the markets, pro-poor and inclusive processes of strategic spatial planning and management might engage food vendors in thinking through their unique offerings as well as complementarity with respect to products and services as to apportion space and assign stalls in ways that promote the overall success of the new market.

Figure 9: Between 2007-2012 numerous street vendors were relocated from the streets of Solo, Indonesia, into purpose built public markets. One such example is Pasar Gede, pictured here, which received a number of street vendors during the term of Mayor Joko Widodo. Photo by Dennie Ramon

FROM MARKET-CENTRIC APPROACHES TO COMMUNITY-BASED WEALTH GENERATION.

Relocation policies are more likely to have lasting effects if they incorporate technical assistance and trainings for food vendors. Vendors should be taught to adapt to customer demands and expand business through branding and marketing strategies. Food vendors might also benefit from coordinated bulk purchases of ingredients and supplies or complementary menu offerings within a food court or marketplace.

Awarding relocated vendors certificates of perpetual stall ownership, while intended to advance their economic prospects, often has the opposite effect. Street vendors exposed to a new market environment and competition can make them economically vulnerable. The pro-
vision of stall ownership certificates, which in turn enables access to bank loans, poses added economic risks and burdens in the absence of technical assistance and training. Vendors clearly require more support than new facilities, even with a formal certificate, given little experience working in formal conditions and in some cases, paying taxes and monthly rent. Being poor, they also have generally low levels of education and are often reluctant to take out loans.

FROM THE POLICY CYCLE TO COLLABORATIVE, ADAPTIVE GOVERNANCE. Local governments should enable vendors to resolve emerging issues and engage with government planners on an as-needed basis. For instance, vendor’s associations or other non-governmental organizations could oversee maintenance, including the regular provision of basic services (e.g. clean water, sewage, trash collection), skills trainings, and promotional campaigns, to promote continued success of public markets following inauguration. Meanwhile, government could focus on consistently enforcing rules and regulations to ensure fair competition or improving public accessibility of markets, for instance, through subsidized bus fares or undertaking urban infrastructure improvements that improve circulation and walkability in the market vicinity.

On site, vendors are more likely to support stall reapportionments that are based on the varying profiles and the needs of the different vendors if mechanisms for shared decision-making and gains distribution are in place. Vendors may form a worker cooperative, where each member owns shares, contributes business revenues as a share of total profits, and takes out dividends (perhaps based on a combination of individual and group performance as well as number of shares). Moreover, vendors could participate in shared decision making about product and service placement within markets, improvement of common spaces, and marketing campaigns. They should proactively engage the City to deliver urban infrastructure improvements and other public works and services that improve the site’s connectivity to the rest of the city and resultant public patronage.

ENDNOTE

1 Pasar in Bahasa Indonesia means ‘Market’ in English
Figure 10 (left): Food vendor relocations processes often fail because policies fail to prepare vendors for the competitive business environments inside purpose-built markets.

Photo by: Dennie Ramon

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