

Development of Street Vendors Malang City, Indonesia

Benyamin Walawengu^{1*}, Bonaventura Ngarawula¹, Wahyu Wiyani¹

¹University of Merdeka Malang, Jalan Terusan Dieng No. 62-64 Klojen, Pisang Candi, Kec. Sukun, Kota Malang, Jawa Timur 65146, Indonesia

*Corresponding author: Benyamin Walawengu

| Received: 17.02.2023 | Accepted: 21.03.2023 | Published: 24.03.2023 |

Abstract: The purpose of this research is to study the implementation study of the Malang Mayor Regulation Number 73 of 2019 concerning the position and organizational structure of the Duties, Functions, and Work Procedures of the Cooperative, Industry, and Trade Offices as a government organization that is obliged and has the authority to control street vendors (street vendors) in Malang City. The research location was conducted in Pasar Besar, around Jalan Kyai Tamin, Zaenul Arifin, Jalan Sersan Harun Malang City, and government agencies, namely Diskoperindag (Office of Cooperatives and SMEs, Industry and Trade) Malang City as the agency responsible for the development of street vendors. Research results found The results of this study indicate the level of effectiveness and efficiency in organizing PKL coaching, Diskoperindag can be said to be not optimal or not sufficiently implementable to describe the implementation of Malang Mayor Regulation Number 73 of 2019 concerning position, organizational structure, duties and functions and work procedures for cooperative, industry and trade services, structuring street vendors with the currently existing conditions. The government is making every effort to carry out guidance and counseling to street vendors in the Pasar Besar City of Malang regularly according to what is stated in the Regional Regulation. Several internal and external primary factors from the receiving party or street vendors cause this.

Keywords: Policy Implementation, Development, Street vendors.

1. INTRODUCTION

Street vendors (PKL) are informal sector businesses in the form of trading businesses that are sometimes producers. Street vendors generally have small capital, and sometimes they are only a tool for capital owners by getting a commission as a reward or for their efforts (Henny Purwanti and Misnarti. 2012). The existence of street vendors has opened up employment opportunities so that the unemployment rate can be reduced. The lower class of society needs their existence because prices are relatively lower than in modern shops or restaurants. However, the existence of street vendors, besides being profitable, also brings new problems. The street vendors' activities are considered illegal because the use of space is not by its designation, so it disturbs the public interest.

Malang City is a leading city in the field of tourism. This potential, Malang City has experienced relatively rapid development in the last decade. The visible physical development is the expansion of the city area. The city's physical development eventually attracted a follow-up activity in the informal sector in the form of a mushrooming of businesses by informal sector street vendors (PKL), most of whom use the

city's public spaces. The use of urban public spaces and open spaces for the benefit of street vendors has decreased the quantity and quality of urban open spaces. The local government has issued several policies to regulate these informal entrepreneurs. However, efforts to control street vendors still need to be improved.

Suppose the government sees street vendors as a socio-economic potential that can be developed. In that case, the policies chosen will be more directed at managing street vendors, for example, by providing business space for street vendors, formalizing their status to get bank credit, and so on. On the other hand, if street vendors are only seen as disturbing the order and beauty of the city, then they will be the target of eviction and control. The trade service has guided street vendors as a form of effort in dealing with street vendors. This is contained in Malang Mayor Regulation 41 of 2016 concerning the Position, Structure, Duties, and Functions Work Procedures of the Trade Service, article 3, paragraph 2, point explaining that the trade service has the function of structuring, coaching, empowering, and supervising street vendors.

Quick Response Code



Journal homepage:
<https://www.easpublisher.com/>

Copyright © 2023 The Author(s): This is an open-access article distributed under the terms of the Creative Commons Attribution **4.0 International License (CC BY-NC 4.0)** which permits unrestricted use, distribution, and reproduction in any medium for non-commercial use provided the original author and source are credited.

Citation: Benyamin Walawengu, Bonaventura Ngarawula, Wahyu Wiyani (2023). Development of Street Vendors Malang City, Indonesia. *Cross Current Int J Econ Manag Media Stud*, 5(2), 28-32.

One of the developments that have been carried out is the widening of the highway along the Malang city road, which is currently being felt. Based on the background above, he is interested in conducting research with the title "Development of Street Vendors (Study of Implementation of Market Policy Based on Malang Mayor Regulation No. 73 of 2019 concerning position, organizational structure, duties and functions and work procedures for cooperative, industrial and trade services).

2. LITERATURE REVIEW

2.1 Theory of Public Policy Implementation

The policy is an utterance or writing that provides general instructions regarding the determination of the scope that gives limits and general directions for a person to move. According to Dunn, WN (1994, public policy is a series of interconnected choices made by government agencies or officials in areas related to governmental tasks, such as defense, energy, health, education, welfare, society, crime, urban areas, etc. According to Thomas R. Dye, public policy is whatever the government chooses to do or not do, defines what the government does, and why they do it. The results make a life together look different.

Guntur Setiawan argued that policy implementation is actions taken by individuals (groups) of the government and the private sector to achieve the goals set in previous policy decisions. Meanwhile, according to Nugroho Dwijowijoto, policy implementation is one of the stages of public policy, between the formation of policies and the consequences of policies for the people they influence. Suppose a policy is inappropriate or unable to reduce the problem that is the target of the policy. In that case, the policy may fail even if the policy is implemented very well.

The success of a public policy implementation is also primarily determined by the level of policy implementation, which consists of the policy content and the context of implementation. Which shows the resulting positive impact, (3) extension of change envision, namely how much change one wants or wants to achieve through implementation so that it must have a precise scale, (4) the site of decision making, namely, the location of decision making from a policy to be implemented, (5) implementer program, namely the implementation of policies or programs that competent implementers must support, and (6) committed resources, namely, resources that must support so that policy implementation can run well.

2.2 Overview of Street Vendors

Street Vendors or abbreviated PKL, is a term to refer to hawkers of wares who use carts. The term has often been interpreted this way because there are five traders' legs. Meanwhile, the implementation context is: street vendors who are considered to add to urban problems also have potential, including being

able to add jobs, implement small-scale investment flows, produce goods that relatively absorb many wage components, and are a place for on the job training for entrepreneurial candidates, in Malang Mayor Regulation Number 73 of 2019 concerning Position, Organizational Structure, Duties and Functions and Work Procedures for Cooperative, Industry and Trade Services.

In dealing with street vendors, it is necessary to find a good and wise solution because extermination without providing a way out by providing a place that meets the requirements is tantamount to killing the growth of the people's economy, which in fact, is the source of life for the grassroots community. Therefore, the best way to deal with this sector is through coaching. There are two tendencies in fostering street vendors in a city, namely primary and secondary. First: Primary tendency, namely emphasizing the process of giving or transferring some power, strength, or ability to the community so that they become more empowered businesses, partly by building material assets to support the development of their independence through the organization. Second: secondary tendencies. Emphasis on the process of stimulation,

Coaching in the informal sector concerns those working in the field of street vendors and also governmental organs in agencies related to that field. Therefore, the activities of the street vendor development program can be grouped into four approaches: encouraging existing sectors to become formal, increasing capacity in informal sector businesses, relocating, placing street vendors in new locations, and handling informal sector businesses. They are diverting businesses that have little prospects to other business fields.

Locational management is a limitation given by the City Government by not allowing street vendors to do business in any place they like as they, please. The informal sector is expected to occupy a location by the structuring plan. Locational management includes relocation, stabilization, and removal.

3. RESEARCH METHOD

3.1 Research Locations

The research location is the Big Market, around Kyai Tamin Street, Zaenul Arifin, Sergeant Harun Street, Malang City. The choice of location for this research was based on the reason that the area was apart from the large number of street vendors selling and tending to cause problems. This research was also held in government agencies: Diskoperindag Malang City, the agency responsible for coaching street vendors. The scope of this research is a study of the implementation of the Malang mayor's regulation policy number 73 of 2019 concerning the position and organizational structure of tasks and functions and work procedures for cooperative, industry, and trade services.

3.2 Research Informants

Research informants are critical in a study. Research informants are people who are used to providing information about the situation and background conditions of the research (Moleong, 2000). In this study, the research informants were the market service, street vendor coordinators, and the community (PKL actors).

3.3 Data Sources

In this study, the data sources used were primary data and secondary data. Primary data is data obtained directly from research respondents, both interviews and documentation, and researchers' field notes relevant to the problems studied. Secondary data is written data used as supporting information in primary data analysis.

3.4 Data Analysis Techniques

Data were analyzed using several steps according to the theory of Miles, Huberman, and Saldana (2014), namely analyzing data in three steps: data condensation, presenting data and drawing conclusions or verification. Data condensation refers to selecting, shrinking, simplifying, summarizing, and transforming data.

4. RESULTS AND DISCUSSION

4.1 Implementation of Malang Mayor Regulation Number 73 of 2019

Based on the mandate of the Mayor of Malang Regulation Number 73 of 2019 concerning position, organizational structure, duties and functions, and work procedures for cooperatives, industry, and trade, article 21 part B states that the arrangement of street vendors (PKL) needs to comply with regulations and receive guidance regarding obligations as non-formal trading business actors. Referring to this Regulation, the Malang City Industry and Trade Cooperative Service, as a government organization/work unit in charge of trade affairs, especially the non-formal sector, carries out coaching duties for street vendors in the Pasar Besar area of Malang City.

The market performance development program is broken down into activities which include: 1) Structuring and counseling street vendors; 2) Supervision and control of street vendors; 3) Arrangement of Market Order; 4) Light/moderate/severe rehabilitation of people's market buildings and buildings; 5) Accommodation of traders for market revitalization; 6) Fostering People's Market Management According to Indonesian National Standards; 7) Procurement and maintenance of market facilities; 8) UPT Operations. Market; and 9) Market Revitalization. Diskoperindag Malang City, in order to realize regional goals and organizations need to collaborate with other regional agencies or apparatus.

In connection with the non-formal trading process carried out by street vendors in the Pasar Besar area, several problems led to the ineffective implementation of Regional Regulation No. 73 of 2019. Some of these common problems include the problem of cleanliness, cleanliness is a factor that affects the comfort of stakeholders and also the arrangement of merchant location. The level of congestion and the use of the shoulder of the road as a place to sell does not deny that there is a reduction in the area of the road that can be used for mobility in the region, thereby hampering the overall mobility process. Licensing issues and permits affect the arrangement of street vendors in the Pasar Besar area,

Based on interviews with informants, there are other social facts around traffic jams due to street vendors' disobedience to the boundaries of the use of trading areas and safety issues. Even though there is no data from the Department of Transportation regarding the number of pedestrians being hit in the big market area, the news released by *TribunJatim* shows cases of being hit in that area. This requires more attention and collective awareness from all parties, the government, street vendors, and the community. Other informants also said that the messy parking lot and untidy traffic caused the inconvenience. A new issue that has arisen is regarding high crime, namely pickpockets. Regarding street vendors, there needs to be a better organization.

Perwali No. 73 of 2019 must be sufficiently implementable with the current conditions. However, the government is regularly making every effort to guide and counsel street vendors in the Pasar Besar City of Malang. Guidance cannot be categorized as a failure because there are still several other aspects that are factors why violations still occur in the field. Coaching and counseling have even become a routine programs run by the Diskoperindag. However, at the level of impact, it still needs to be more optimal amidst the many complaints and problems in the community.

4.2 Factors inhibiting implementation

In implementing the guidance of street vendors in the Pasar Besar area of Malang City, the Head of the MSME Division of the Diskoperindag said there were internal and external obstacles. From an internal perspective, there are factors such as a lack of human resources and budget constraints in the coaching process and maximizing organizational functions. From an external perspective, the source is from the street vendors themselves, and there are still many thugs roaming the area. Policy failure is a form of failure of the Support function because the implementation of a public policy will be complicated if there is not enough support for the implementation of the policy. In this case, support from internal Diskoperindag who feel lacking in human resources and budget in carrying out their duties and functions is needed.

4.3 Strategic Issues in the Implementation of Street Vendor Development in the Pasar Besar Area, Malang City

Strategic issues are strategic steps that can be taken to address the problems faced in controlling street vendors in the Pasar Besar area of Malang City. Thomas E. Ambler (2008) explains that strategic issues lead to important aspects that require attention to achieve organizational goals. Igor Ansof (1980) also provides an explanation of Strategic Issues as a future development both occurring within the organization and outside the organization, which tends to have a significant impact on the ability of the organization to fulfill its goals.

Strategic issues should become determinants of policy direction in regional development because, ideally, they will influence the decision-making process. Strategic issues that can be developed relate to controlling street vendors in Malang in minimizing problems and realizing not only organizational goals but also the regional goals of Malang City. In implementing this policy, the Malang City Diskoperindag has several driving factors, which include: 1) communication factors where there has been a clear division of tasks in achieving organizational goals; and 2) supporting resource factors, this is related to the availability of the budget for activities in Diskoperindag. Based on the description of the inhibiting and supporting factors for policy implementation, strategic issues are drawn which can be the focus of future improvements.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1 CONCLUSION

The results of the analysis of the policy implementation for fostering street vendors show that the level of effectiveness and efficiency in implementing the development of street vendors can be said to be ineffective because the objectives of implementing the policy have yet to be achieved as a whole. The Diskoperindag represented said that the implementation of the policy was not optimal or not sufficiently implementable, describing the implementation of Malang Mayor Regulation Number 73 of 2019 concerning position, organizational structure, duties and functions, and work procedures of cooperative, industry, and trade offices, structuring street vendors with the currently existing conditions. The government is making every effort to carry out guidance and counseling to street vendors in the Pasar Besar City of Malang regularly, according to what is stated in the Perwali.

This is caused by several main inhibiting factors from internal supervisory agencies and external parties who receive street vendors. The implementation of a public policy will be complicated if there is insufficient support for the implementation of the policy. In this case, support from internal

Diskoperindag who feel lacking in human resources and budget in carrying out their duties and functions is needed. The external aspect is the lack of cooperation between the traders and the existence of another social phenomenon, namely the rise of thugs in the area. Supporting factors for the implementation of street vendors coaching policies include 1) communication factors where there has been a clear division of tasks in achieving organizational goals; and 2) supporting resource factors.

Based on the mapping carried out, problems and policy-supporting factors can be drawn as strategic issues to answer the direction of the entire process going forward. Strategic issues that can be developed regarding the description of the problems of street vendors in Malang City include returning the function of the Big Market as an Icon of Malang City as a shopping center and a comfortable tourist center, strengthening the ultra-micro scale economy and SMEs by presenting the best scheme in economic turnover, namely encouraging infrastructure improvements Big Market, Control and Arrangement of street vendors in Pasar Besar as a center of business economy and economic driver in Malang City, Strengthening collaboration from the government with the private sector or another informal sector to overcome the problem of lack of order in street vendors.

This should be appropriately pursued in answering social problems and realizing the development direction of a Dignified City of Malang. Many parties deplore the disorderly street vendors and all the resulting negative impacts that will damage the image of the Big Market as an economic center that contributes the highest PAD in Malang to the retail trade sector. Collaborative efforts and support, both workforce and material, are needed to be carried out correctly.

5.2 SUGGESTIONS

In pursuing a policy, it is implemented optimally, requiring joint commitment. The concept of performance management consists of planning, measurement, monitoring, evaluation, and reporting processes. To encourage the creation of a working climate that impacts society, things can be done, such as the activity planning process in the supervisory agency, namely the Malang City Diskoperindag, which focuses on performance down to the smallest output. If the measure of performance success is enough to talk about the implementation of outreach or counseling, it cannot measure the output that impacts street vendors. So that at this point, there is a need for assistance at the most technical level to oversee it. For example, the measure of performance success is the number of street vendors who do not commit violations. Every policy requires monitoring and evaluation. When the policy is not running, what needs to be questioned is whether the Regulation is still relevant to the current conditions of

society, which are constantly changing. Especially considering that the policy has not been updated for a long time, from an implementer's point of view, it also monitors and evaluates its performance, which includes inhibiting factors and supporting factors in achieving the stated activity size. Thus there will be new strategies that can accommodate performance that has a more significant impact on society. All performance must be reported to ascertain what things need improvement after the activity ends and how effective and efficient the implementation of the activity program and budget is.

REFERENCE

- Abdul, W. S. (1991). Policy analysis from formulation to implementation of state policy, Jakarta: Bumi script.
- Abdul, W. S. (1997). Public policy evaluation, Malang: publisher FIA Brawijaya University and IKIP Malang
- Abdul, W. S. (1997). Wisdom Analysis from Formulation to Implementation of State Policy 2nd edition. Jakarta: Bumi Aksara.
- Bambang, S. (1994). Law and Policy of Public Administration. Jakarta: PT Rineka Cipta.
- Chandler, R. C., & Plano, J. C. (1988). The Public Administration Dictionary. John Wiley & Sons.
- Dunn, W. N. (1994). Public Policy Analysis: An Introduction, New Jersey: Pearson Education. In Introduction to Public Policy Analysis. Yogyakarta: Gajah Mada University Press.
- Dwijowijoto, R. N. (2006). Public Policy: Formulation, Implementation and Evaluation, Jakarta: PT. Elex Media Komputindo.
- Dye, T. R. (1981). Understanding Public Policy, Englewood Chief, New Jersey: Prentice-Hall Inc.
- Eddie, S. (2005). Building a Community to Empower the People. Bandung: Rafika Aditama.
- Edi, S. (2009). Community Empowerment Strategy. Bandung: Rafika Aditama.
- Grindle, Merilee, S. (Ed). (1980). Politics and Apolicy Implementation in the Third World, New Jersey: Princetown University Press.
- Guntur S. (2004). Implementation in Development Bureaucracy, Bandung: Offset Rosdakarya Youth.
- Gulo, W. (2002). Research methodology. Jakarta: pt. Gramedia widiasarana
- Henny, P., & Misnarti. (2012). Efforts to control and develop street vendors in Lumajang district. *Journal of the High School of Law (STIH) Jenderal Sudirman Lumajang*.
- Harbani, P. (2011). Second printing, Bureaucratic leadership, cv. Alphabet, bandung.
- Handoko, T. (2011). Street Business Turning Billions. Yogyakarta: Crop Circle Corp.
- Hadari, N. (1983). Social field research methods. Yogyakarta: Gajah Mada University press.
- Wisdom, H. (2001). Community Empowerment Strategy. Bandung: Alphabet
- Joko Widodo, M. S. (2007). Public policy analysis: concepts and applications of public policy analysis, bayumedia publishing, Malang.
- Jamez, E. A. (1979). Public policy making. New york: holt, rinrhartand Winston.
- Kaelan. (2012). Interdisciplinary qualitative research methods. Yogyakarta: paradigm.
- Lalu, M. (2010). Study of the management of street vendors (pkl) in the city of Malang spectra journal number 15 volume viii.
- Moleong, L. J. (2007). Qualitative research methodology. Bandung: pt. Rosdakarya youth.
- Mazmanian. Implementation and Public Policy, New York: Harpercollins.
- Nugroho Dwijowijoto, R. (2006). Public Policy: Formulation, Implementation, and Evaluation, Jakarta PT. Elex Media Komputindio.
- Nakamura, Robert, T., & Frank, S. (1980). The Politics of Policy Implementation, New York; St. Martins Press.
- Prijono., & Pranarka. (1996). Community Empowerment Strategy. Bandung: Main Humanities.
- Rukminto, I. (2001). The Importance of Community Empowerment. Bandung: Main Humanities.
- Alert. (1998). Social Economy of Street Vendors. Jakarta: Gramedia.
- Sedarmayanti. (2011). Work Procedures and Work Productivity: A Review from an Economic Aspect. Bandung: CV Mandar Maju.
- Samodra, W. (1994). Evaluation of Public Policy. Jakarta: Raja grafindo Persada.
- Said Zainal, A. (2012). Public Policy, Jakarta: Salemba Humanika Publisher.
- Subarsono, A. G. (2010). Public Policy Analysis. Yogyakarta: Student Libraries.
- Suhairini, A. (1998). Research procedure a practical approach, Jakarta: pt. Create rinka.
- Sumadi, S. (2005). Research methodology, jakarta: raja grafindo press.
- Sanapiah, F. (2001). Surabaya education research methodology: a national effort.
- Sugiono. (2009). Educational research methods: quantitative, qualitative and r&d approaches Bandung: alphabet.
- Big Indonesian Dictionary compilation team, 1998 Big Indonesian Dictionary, Jakarta: Balai librarian.
- Widjajanti, R. (2009). Characteristics of the activities of street vendors in commercial areas in the city center, technical journal vol.30.
- Www.detail_artikel.com, accessed 17-10-2018.
- Winarno, B. (2002). Public Policy Policy and Process. Yogyakarta: Media Pressindo.
- Yusdi, G. (2011). Empowering street vendors in Brebes Square, Brebes District, Brebes Regency.