Accommodating the informal economy in public space: The intricate political and spatial arrangements at an Indonesian street market

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The immense wave of urbanization and the limited formal job opportunities available in large Asian cities have led to the proliferation of street vending activities, which are often controversial and sometimes illegal due to their occupation of public space. The Kutek Sunday Market in Depok municipality, Indonesia was forced to move from a busy university location to a relatively secluded residential neighbourhood. Despite this disadvantage, the market has continued to attract sizeable business. This case study, based on extensive field observation and interviews, describes how the market location was selected and how it is spatially arranged to meet the needs of vendors, residents, and shoppers. The paper shows how local residents and vendors creatively developed an open-ended, self-organized system to manage the complex tasks involved in operating the market and to adapt to fluctuations in the number and characteristics of vendors and shoppers. Although the system is highly praised as an effective tool for informal economy survivability, its limited planning capacity requires cooperation with other parties to overcome unanticipated challenges. Cooperation among stakeholders has maximized the benefits and minimized the drawbacks of informal economic activities in a public space.

Keywords: street market, street vendors, informal economy, public space, Indonesia
1 Introduction

1.1 Proliferation of street vendors in an urbanizing world

Regional development disparities and lack of good governance have contributed to the problem of uncontrolled, massive urbanization in many developing countries (Hossain, 2004). The rapid population growth of urban centres has made it hard for many residents to find employment in the formal economy (Ligthelm & van Wyk, 2004). One consequence of urban growth is the proliferation of street vendors (Chirisa, 2009), who have been greatly increasing in number and occupying public spaces all over major cities in developing countries, seeking to obtain enough income to survive (Faruque & Haque, 2010; Dunn, 2014). After the monetary crisis of 1998, the number of street vendors grew substantially in many Asian countries, because many workers previously employed in the formal sector lost their jobs (Indira, 2015). Selling goods on the street has become a major source of employment, services, and income for poor urban households (Fidler & Webster, 1996; Ikeda, 2005; Suriansyah, 2005; Estrada & Hondagneu-Sotelo, 2011). The term ‘street vendor’ encompasses vendors in organized marketplaces, sellers who set up booths in the kerb lanes of streets, mobile street hawkers, and home-based vendors (Cohen et al., 2002). Their operations are often considered illegal, but they distribute legal goods and services (ILO, 2002). Therefore, their economic activities do not operate in separate economic circuits but are interrelated with the formal sector (Chen, 2007; Hossain, 2014).

The presence of street vendors in public spaces offers positive impacts, not only in developing countries but also in developed ones. For example, street vendors have become an unavoidable feature of the urban landscape in Los Angeles, New York, and Chicago (Munoz, 2012). In New York (Roy, 2005) and Mumbai (Anjaria, 2006), they contribute to public safety and enhance quality of life in the neighbourhoods where they operate, although city authorities still tend to regard them as a public nuisance. They are recognized as an integral part of certain neighbourhoods (Deguchi, 2005), community members often rely on them for access to food (Kabener, 2004), and they add liveliness to urban places (Deguchi et al., 2005). The transformation of public spaces by informal street businesses represents an innovation that effectively accommodates the needs of city dwellers and encourages people to engage in social interaction (Jimu, 2005; Rojas, 2008), despite the fact that the presence of these businesses usually violates municipal regulations (Danesh, 1999). Despite its various positive outcomes, street vending is still neglected in urban policy in developing countries (Jimu, 2005). Through the lens of modernist planning, this economic activity is generally viewed as inimical to public order and state control (Cross, 2000). For this reason, street vending has been widely discouraged in Latin American countries such as Colombia (Donovan, 2008) and Asian countries such as Indonesia (Harjoko & Adianto, 2012).

The mounting desire to create attractive global cities (Robbins & Askoy, 1996) has mesmerized many governments in developing countries, leading them to disregard aspects of the informal economy such as street vending in their city planning and regulatory activities (Parthasarathy, 2003). As a result, their development plans are unresponsive to the needs of informal urban activities (Perera & Amin, 1996) and contribute further to spatial problems in developing cities (Yankson, 2000). Local municipalities often lack the political will, administrative expertise or innovative management strategies needed to incorporate street vending activities effectively within the urban economic system (Morrell et al., 2011). This failure to plan thoughtfully for the inclusion of street vendors can result in immense occupation of public spaces and substantial environmental problems, such as congested pavements and obstruction of pedestrian traffic (Loukaitou-Sideris & Ehrenfeucht, 2011), as well as poor sanitation (Rakodi, 2005), due to littering of the streets, pavements, and open drains that exceeds the authorities’ capacity to keep their cities clean (Satterthwaite, 2003; Yankson, 2007). Many empirical studies conducted in Asian capitals have viewed the informal economy, including street vendors, as something simply to be managed (Ong, 2006; Jiang et al., 2010) while a city pursues advanced development as a global city (Yeo et al., 2012). Methods of regulating street vendors have included designating a single area for their activities (Chai et al., 2011) or a licence procurement system for vending activity (Lincoln, 2008; Chiu, 2013). In these ways, the state acknowledges the existence of street vending as creating a survival system for the urban poor and thus ensuring social order. However, this survival system reveals a highly distinctive dynamic of self-regulation that lacks formal control over planning (Dovey, 2012). Therefore, it is imperative to understand street vendors’ spatial production in urban areas for accommodating the informal urban economy.

1.2 The hidden social system underlying the spatial arrangements of street markets

Street vending occurs in public spaces (Satterthwaite, 2003), on street pavements (Jimu, 2005), along footpaths (Suharto, 2004), around marketplaces (Brown, 2006), at bus stops (Cohen et al., 2002), and at other venues in public spaces (Yankson, 2000). How they occupy the street space varies as widely as the locations themselves, depending on what activities are nearby (Suharto, 2004), such as pedestrian traffic (Devwar & Watson, 1990) or proximity to transport and commuter

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Moreover, studies in Indonesia have shown how the character of particular places and their ability (largely due to the activities occurring in the surrounding area) to attract prospective customers are crucial considerations in the location decisions of street vendors (Suparwoko & Sriyana, 2006; Suparwoko, 2008). Therefore, a relocation programme, without a comprehensive understanding of the vendors’ location preferences, will fail to achieve its intended goals.

Research conducted previously by Adianto (2009) at five traditional markets in Jakarta and by Libratonoro (2012) at the Bekasi traditional market in West Java demonstrated that the location, types of commodities sold, and hours of operation of street vendors conform to the activity patterns of shoppers and producers. All these studies noted that the social system, which produces rules for the management and use of available resources, plays a pivotal role in the spatial arrangement of street vendors in public spaces. The social system manufactures self-organization to construct spatial arrangements (Koolhaas, 2005; Mörtenböck & Mooshammer, 2007) through appropriation and re-appropriation of public spaces (Isin, 1999; Boeri, 2003), based on deliberative planning (Koolhaas & Cleijne, 2007) and creative calculations (Franke, 2006). Due to their lack of access to formal institutions, street vendors must either develop new arrangements or make use of existing arrangements or unwritten rules as sources for their self-organization, governance, and economic activity (Lindell, 2008). A study by Peters (2013) in Surabaya (Indonesia) describes the formidable strength of informality and its contribution to modern urban development through the spirit of collectivity of the underprivileged and proletariats. It shares a similar argument with Obeng-Odoom (2011), who studies the agility and survivability of the informal sectors under the constant threat of eviction in Ghana. Despite the stigmatization, informality creates a delicate governance that works within the framework of formal governance (Dovey, 2012), and the spatial arrangements are one of these delicate results. This delicacy encourages the agility and survivability of the informal economy in the modernized city under constant eviction threats. These studies underscore the observation that space is social, because it is produced in reciprocal relations that both shape and are shaped by social relations (Lefebvre, 1991; Shields, 1998). Thus, the production of urban space is not simply about planning specific uses of material space; rather, it involves producing and reproducing all aspects of urban life (McCann, 2002). Based on Lefebvre’s insights, how street vendors organize their spaces represents a concealed social order, applied to the organization of a shared arena (Ostrom, 2005). The street vendors, along with shoppers and other parties that benefit from their presence, create suitable vending arrangements.

This study aims to clarify the location preferences that guide street vending activities and how vendors create spatial arrangements through self-organization. Specifically, by uncovering the social system behind the production of street vending space in Indonesia’s Kutek Sunday Market, we seek to enrich architectural discourse on urban informality.

2 Method

The study location was the Kukusan Teknik area of Depok, West Java as shown in Figure 1. It was selected because of the street vending activity that took place in this area’s housing complex on Sunday mornings. Street vendors from all three major traditional markets in Depok come to Kukusan to sell consumer goods each Sunday from 6:00 to 10:00 a.m. On a regular basis, from 80 to nearly 200 street vendors sell various commodities along an alley of 300 metres in length, constituting a temporary market at the edge of a residential neighbourhood.

We applied a qualitative approach in three stages. In the first stage, during February and March 2015, we completed a literature review to establish the state of the art in this field. We then conducted preliminary observation in mid-March 2015, to structure our case study in alignment with our theoretical framework. During our preliminary observation, we identified several prominent local actors, such as the head of the Neighbourhood Association (NA), the head of the local Vendors Association (VA), and long-time local residents. We introduced ourselves to these individuals and obtained their consent to participate in this study.

Field observations and interviews were the main features of the project’s second stage, from April to June 2015. One advantage of conducting interviews relative to other alternatives, such as questionnaires, is that it allows the interviewees to construct their own accounts of their experiences, describing and explaining their lives in their own words (Valentine, 2005: 111). The fluctuating number of vendors, the commodities sold and their spatial arrangements were documented during field observation. Based on the commodities being marketed, we classified the vendors into three categories: food, goods, and services (Suharto, 2004).
The interviews took place in two waves. First, in early May 2015, we interviewed the NA head, VA head, and knowledgeable residents in the neighbourhood, who explained the history of street vending activity in this area along with the self-organization process carried out by all involved actors. The second wave of interviews comprised a random sampling of vendors, residents that live in the alley-turned-market, and shoppers. Vendors and residents shared information regarding their reasons for trading at this location, as well as concerning the construction and implementation of vendors’ self-organization in cooperation with local residents. The shoppers gave their reasons for purchasing goods at this location and their perspectives on the spatial implications of street vendors’ presence in their neighbourhood. The number of respondents in each subgroup varied. Only sixty vendors consented to interviews. We also interviewed fifty families residing in the alley—a significant number considering that there are fifty-seven houses in the alley, seven of which contain rental units. Finally, we spoke with three hundred shoppers in the course of twelve weeks of field observation and interviews. The respondents were of various ages, occupations, monthly income levels and housing types.

The third stage of the study, from July to September 2015, consisted of data analysis, discussion, and writing. Triangulation was employed to verify the accounts of the various interviewees (Valentine, 2005). The findings were discussed with academic colleagues at peer meetings to enrich and refine the results. Several additional field observations and interviews were carried out during August 2015 to further clarify particular issues.

Figure 1: a) the Depok municipality; b) the Beji district; c) the study location (source: Internet 1).

3 Results

3.1 The history and present condition of the Kutek Sunday Market

Since 2001, the University of Indonesia has opened their facilities for public recreational activities every Sunday. The participants come mostly from the immediately surrounding municipality of Depok, but also from the nearby metropolis of Jakarta. The huge crowds flocking to this area lured vendors who provided a range of commodities, from food and beverages to electronic gadgets and various services. According to the heads of the NA and VA, vendors were allowed to trade within the University of Indonesia complex if they made a financial contribution, even though they were unregistered. Therefore, their presence was not technically illegal, and it was profitable for all parties—the university, vendors, and shoppers.

This lucrative cooperation ended due to a fatal accident caused by vendors in 2003. Since then, the University of Indonesia has prohibited all trading activities by vendors on Sunday. Despite a series of demonstrations seeking renewed permission to operate on campus, the vendors were rebuffed. As an alternative way to resolve the dispute, the university discussed with the heads of the NA and VA the possibility of relocating the vendors to a neighbourhood immediately outside the campus, along the university’s perimeter wall. Although this street is narrower than the previous location, all parties agreed to make it the new trading location for vendors. Two main factors made this new location preferable. On the one hand, it is still very close to the University of Indonesia, making it easy for large crowds to visit the site. On the other hand, because it is a blind alley, the presence of vendors does not disturb the circulation of residents in the neighbourhood. The NA head was appointed as area manager to administer the trading and supportive activities.
At first, the residents of the alley objected to the presence of vendors in front of their houses. Privacy disturbances, loud noise, piled-up rubbish, and restricted circulation were among the results of the market’s relocation to the alley. After intense deliberations, the residents consented to vending activities in their neighbourhood with several conditions: (1) the activity may occur only from 6:00 to 11:00 a.m. on Sundays; (2) the vendors make payments to the NA to fund local improvements; (3) local residents are allowed to participate in the vending activity; (4) vendors reimburse the cost of any electricity they use from the houses of local residents; and (5) any misconduct will lead to the termination of street vending activity in the neighbourhood. For security reasons, all vendors must register with the head of the NA. To maintain order, each vendor has a permanent trading spot. In 2003, there were 105 registered vendors, but the number has increased each year, reaching 198 vendors in 2015 as shown in Figure 2.

During our twelve weeks of observation, the number of vendors fluctuated from eighty-one to 198. Courses at the University of Indonesia were in session from February to June 2015; the number of vendors increased from 140 in early April to 198 at the end of May. After finishing their examinations in early June 2015, most students vacated their rented rooms and returned to their permanent residences, reducing traffic in the area considerably; accordingly, the number of vendors dropped precipitously and was under one hundred for the last three weeks of our observation, dropping to eighty-one in the
final week. This fluctuation reveals the direct impact of the presence of students on the number of vendors selling at the Kutek Sunday Market.

3.2 The mutual benefits for all involved actors

The vendors indicated that their main trading locations were the three traditional markets in Depok municipality: the PAL Market (34.15%), Kemiri Market (36.59%), and Jaya Depok Market (29.27%). Most of them stated that their reason for trading at the Kutek Sunday Market was to avoid fierce competition at the traditional markets on weekends. Although the traditional markets attract very large numbers of visitors on weekends, profits do not increase because of the substantially greater number of competitors. Instead, to enhance their profits, these vendors choose to come to the Kutek Sunday Market, where the number of vendors is lower. Low administrative costs are another key consideration. Fourteen vendors stated in their interviews that the administrative fee at the major traditional markets is three to five times higher than the costs at the Kutek Sunday Market. This factor also helps to make coming to Kutek on Sundays an attractive option.

Although local residents also engage in trading activities as vendors, not all of them are delighted with the presence of the Kutek Sunday Market on their alley. Family members at nine houses (18%) stated that they were annoyed by the market’s presence, despite the several advantages they receive from it. Rubbish is a major disturbance. Although an appointed officer picks up all the rubbish after the market closes, the unpleasant sights and smells bother several respondents. Blocked circulation is another main inconvenience. For local residents, the huge crowd creates an exceptionally displeasing environment to walk through. Family members identified noise as a third problem. Furthermore, several family members commented that the huge crowd of people in such close proximity to residents’ houses compromises the privacy of people living along the alley. Despite all these problems, most of the residents that expressed dissatisfaction still accepted the Kutek Sunday Market’s presence on their street. Vending activities yield financial benefits for the community as a whole and for many individuals. Local residents provide a wide range of supportive services to vendors, such as electricity access, stall tables, and storage space, thereby earning additional income. Moreover, the payments remitted by each vendor in exchange for the trading space and the rubbish disposal service cover the market administrator’s salary as well as neighbourhood improvements.

The market provides several benefits to the community. Twenty residents (40%) said they could obtain items to meet their immediate needs within walking distance. Twelve people (24%) said they were amused and entertained by the presence of the crowd and the various commodities offered. Nine respondents (18%) noted that the market brought with it job opportunities and additional income for local residents. Not only do some of the residents participate in the market as vendors, but many of them gain additional income to improve their livelihood by providing needed services.

Each vendor is obligated to contribute to a fund for neighbourhood improvements. According to the NA and VA heads and local leaders, the community has used this money to overhaul the alley, improving the drainage channel along the alley and maintaining the border wall that separates it from the university. Before the market opened in 2003, the residents had no joint account for neighbourhood improvement. Since then, thanks to effective management of the funds contributed by vendors, the neighbourhood’s physical condition has been improved without any help from government programmes.

Thus, although the market brings with it several environmental problems – rubbish, restricted circulation, loud noise, and lack of privacy – it also offers substantial social and economic benefits. Although the market is located in an enclosed area – on a narrow, dead-end alley where large numbers of people would not normally pass – it has attracted shoppers from all over Depok municipality and even from Jakarta. Most of the respondents (44.33%) said they visited the market regularly every Sunday.

Geographically, the largest portion of shoppers (44.67%) lives in Depok municipality outside the immediate Kukusan area. Kukusan itself provides nearly as many customers (41.67%), and 13.67% live in Jakarta. Nearly half of the visitors (49.67%) said they come to fulfil needs and already have in mind what kinds of commodities they intend to purchase; the others stated that their main interest was to enjoy the atmosphere (28.67%) or sightseeing with their friends (21.67%). These shoppers found the market enjoyable despite the huge crowds and the somewhat messy scene while the market is functioning. In summary, the Kutek Sunday Market delivers benefits to all involved actors – vendors, shoppers, and local residents. These mutual benefits are possible because the participants abide by accepted rules, as a product of negotiation in social relations. The rules regulate the rights and obligations of all participating actors so as to allow the vending activities to be orchestrated harmoniously.

3.3 Spatial self-organization: From well-ordered to scattered zoning

In the process of implementing the vendor registration system from 2003 to 2012, the heads of the NA and VA reached agreement on the spatial arrangement of the Kutek Sunday Market. This arrangement situates the location of trading spaces based...
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Figure 3: Vending activities by residents in front of their houses (photo: Mitchell Edbert Suryanto).

Figure 4: a) the size of the stalls and the width of circulation space; b) a diagram showing how adjoining space is controlled by surrounding vendors (photo and illustration: Mitchell Edbert Suryanto).

Figure 5: Circulation arrangements for pedestrians (photos 1 and 2) and vendors (photos 3, 4, and 5) (photo and illustration: Mitchell Edbert Suryanto).
on the types of commodities sold, as well as identifying parking, storage, and loading areas. The arrangement represents a consensus of the two association heads, all vendors, and residents of the alley. The spatial arrangement has successfully accommodated each party’s interests without compromising neighbourhood security as shown in Figure 3.

As the number of vendors continued to grow and many occasional vendors started participating, the NA and VA heads were overwhelmed and struggled to register the new members and allocate market sites to them. The penetration of occasional vendors into the Kutek Sunday Market started in 2010. These are ambulatory vendors who use wheeled carts or bicycles to move from one market to another in the course of a day. They do not trade at the Kutek Market regularly every Sunday, so they cannot be assigned a permanent trading spot. However, the NA head allowed them to operate in the market because they agreed to pay the prescribed contribution. Since the number of vendors was fluctuating, the NA head discontinued new registrations in 2012. Many local residents, mainly people living in the alley, also began to engage in occasional trading activities, using their front terraces as a trading space and turning the interior of the house into a production space. In 2010, six local residents were participating in this way, but by 2015 this number had tripled. At first, they operated on an occasional basis, but now they have become permanent sellers. Figure 4 shows the presence of ambulatory vendors and local residents among the traders at the Kutek Sunday Market, which complicates the development of spatial arrangements. Their fluctuating numbers and flexible locations compel the NA and VA heads to locate them in any available vacant spaces, such as between stalls of permanent vendors. This series of ever-changing incursions obnubilates the regulated spatial arrangements.

Remarkably, the permanent vendors and residents allow and accept the additional vendors, even though their presence reduces everyone else’s trading space. The permanent vendors tolerate the others as a token of appreciation for their profession. They recognize that their survival as street vendors depends on mutual support and cooperation. Furthermore, they hope that the presence of occasional vendors can increase everyone’s profit because they sell complementary commodities that can draw additional customers; this factor also encourages their mutual cooperation. Rather than seeking to bar the occasional sellers, the permanent traders become the decision-makers that determine possible locations for new occasional vendors. Therefore, despite the negative impact on visible spatial order, vendors do not object to the presence of additional occasional vendors inside the Kutek Sunday Market, as long as they provide complimentary commodities to generate more shoppers and avoid engaging in direct competition with already-established sellers.

To alleviate these density and circulation difficulties, the NA and VA heads and local residents reached an agreement to use the west street for service access for loading and unloading commodities. This area has also become a vehicle parking space for vendors. Many visitors ride motorcycles to visit this market. According to the NA head, about 100 motorcycles enter the market every Sunday. This large number of vehicles requires provision of considerable parking space that can be easily monitored for security purposes, but without complicating pedestrian circulation throughout the market as shown in Figure 6.
Vending activities require stalls for displaying commodities. The size of each stall depends on the number of commodities that a vendor wishes to sell, and the larger stalls are not easy to move. The administrator, which consists of the NA and VA heads and local residents, provides rental stalls, made from second-hand wood and bamboo by unemployed young residents. Initially, the NA and VA heads and local residents decided to place the rental stalls at the north end of the alley, where pedestrians and motorcycles do not pass through. As the number of rental stalls has grown, small green spaces have been repurposed as additional rental stall storage areas, so that the stalls do not disturb circulation on weekdays or on market days as shown in Figure 7.

The land where the rental stalls stand belongs to the community. The administrator, as the stall owners, make the consensual agreement with the residents, which brings mutual benefit for all parties. The sellers have space for selling their goods to earn income. The residents also earn income, from the electricity fee paid by the sellers. The neighbourhood, which is represented by the NA head, earns income as well to fund the self-help neighbourhood improvement. It also provides employment opportunities for the unemployed residents to earn income for their families. Meanwhile, for the shoppers, the market provides various goods and services they need within walking distance in the neighbourhood. Therefore, the obtained mutual benefits to all parties from the consensual agreement allow the public space and some parts of the individual properties to be utilized for the market.

Although vendors have generally adhered faithfully to the market’s rules, several matters sparked conflict. As the VA head admitted, vendors failed to keep up with the abundant rubbish they were generating. Not only did they have inadequate time and staff to handle their rubbish, the waste disposal bins in the area were insufficient. Eventually, local residents filed complaints with the VA head, demanding an immediate solution. To overcome this impediment, the NA and VA heads and local residents deliberated on the issue and agreed to hire a waste disposal officer, who would be paid by additional contribution from vendors. The service is carried out by local residents, providing a job opportunity for unemployed persons. Meanwhile, each vendor accesses electricity, if needed, from the nearest resident’s house. While setting up their stalls, the vendors install cables to access electricity and pay the residents for it directly.

4 Discussion

Mutual benefits, which are shared with all involved parties, become the main consideration for producing vending space within a neighbourhood. The space is produced and developed through social relations, as described by Lefebvre (1991), through consideration of the economic and quality-of-life considerations of vendors, residents, and shoppers. To achieve the expected benefits, all involved parties created spatial self-organization and appropriated the available existing space for vending activities. Local residents provide vending space, parking, circulation management for pedestrians, goods, and vehicles, waste disposal service, and rental stalls in exchange for affordable compensation from vendors. The low price of various service provisions allows vendors to sell commodities within the purchasing ability of the designated shoppers. The mutual benefits also compensate for the negative outcomes the market imposes on the community, such as piles of rubbish, circulation blockages, loud noise, and privacy transgressions. The social relations, which are manifested in agreements to achieve the concurred mutual benefits, are also refined as issues arise that require immediate solutions. The increasing number of ambulatory and occasional vendors in the market led to changes in the registration system and the regulations governing selling locations. The increasing number of vendors has also compelled spatial expansions, which have required more residents to agree to permit vendors to trade in front of their houses. Originally, the Kutek Sunday Market took advantage of the crowds participating in other recreational activities at a university complex. Today, however, the vending activities...
are themselves a primary destination. Despite having a less advantageous location ever since the tragic accident of 2003, the market has continued to attract increasing numbers of vendors and shoppers. This case study shows that the number of pedestrians already coming into a particular area does not always determine the locations selected by street vendors, but that accessibility and proximity to large numbers of people are essential to make a street market possible.

This study demonstrated the ability of local residents to engage in spatial self-organization to deal with the adversities presented by the market. The spatial provisions for relocating vending activities were accommodated through the establishment of social relations among the involved parties, which resulted in a mutually acceptable agreement. Social relations, in this case, are not neutral but involve careful economic calculations that enable all parties to benefit. Without the possibility of achieving shared benefit, the social relations could not lead to viable spatial arrangements. However, the potential of mutual benefit has motivated efforts to create and preserve a harmonious spatial order among commercial and domestic activities, all occurring in a narrow alley. This finding shows how informality operates in the framework of its formal counterparts, as mentioned by Dovey (2012). This self-regulation transforms the public space and some parts of individual property to a shared arena (Ostrom, 2005) with a distinctive and delicate “new social order.” It also works to encourage mutual benefits for all involved parties as positive outcomes, and simultaneously minimizes the negative impacts to the surrounding neighbourhood. It is the agility and survivability of informality, as stated by Obeng-Odoom (2011) and Peters (2013) in the modernized city.

However, informality should not be considered as the act of agility and survivability itself, as Obeng-Odoom (2011) and Peters (2013) describe, but the act of accommodating the various interests of the involved actors. The location of the market was selected according to a consensual agreement between the head of neighbourhood, residents, and vendors, which brought a new weekly activity to an isolated alley. The created spatial and social system connects the isolated alley with points of access for the shoppers, which profits the vendors and residents, as does the waste removal service. It brings employment for the residents and vendors, and also funding for neighbourhood improvement. It alternates with the zero-sum approach of formality to attain a consensual spatial and social system for accommodating the interests of the involved actors, then creates a new contiguous space that connects with its formal counterparts. Therefore, in this case, informality is not just an alternative, contested space but rather one that is interconnected and interdependent with the formal system. This cooperation brings mutual benefits, thus minimizing the negative impacts of the informal sector. It gradually becomes an integral part of the whole social and economic system, with only blurred lines separating the formal and informal.

5 Conclusions

The presence of the informal economic sector, including street vendors, in urban spaces has generated environmental problems despite its immense contribution to urban livelihoods. Therefore, it is critical to seek ways to integrate the informal economy into the urban environment so as to maximize the benefits and reduce the downsides. Street vending plays a pivotal role in sustaining livelihoods, not only for traders but also for local residents and regional shoppers. Prohibiting vending activities completely is certainly an undesirable solution, because doing so would negatively affect many people’s livelihood and sustenance. In this case, after the market was evicted from its previous location, vendors pursued the Kutek area as a new location that would still be accessible to their customers. The market’s occupation of a residential street in Kutek area has required extensive cooperation and negotiation to achieve mutual benefits for both vendors and local residents. Vendors have preserved their livelihoods and residents have received job opportunities and other ways to earn additional income. To achieve their desired objectives, vendors and local residents operate a self-organized system to manage vending and its supportive activities. The system determines the space, circulation and utility arrangements, as well as managing other issues. It evolves in accordance with local conditions to maintain the benefits sought by each stakeholder group. This case study shows that communities can display considerable capacity to construct a self-organized system that meets their immediate needs.

However, self-organized systems tend to have limited capacity and often require cooperation with outside parties to succeed. This cooperation is important because the formal and informal are interdependent and become an integral economic system with a vague distinction. Suitable interventions in social development, urban planning, and design can help to enable the informal economy to function lucratively and beneficially in urban areas. Such interventions must accommodate the interests of all involved parties so as to avoid resistance or new impediments in the future. Further multidisciplinary studies on how to integrate the informal and formal economic sectors in urban space are needed to validate the benefits of informal sectors to urban communities and to explore multiple ways to reduce their possible downsides.

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