

ANALYSIS OF THE PROVISION OF WORKING OPPORTUNITIES OF THE INFORMAL SECTOR OF STREET VENDORS IN BOGOR CITY

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Abstract

The problem of street vendors in Bogor City is a dilemmatic problem that is difficult to resolve. On the one hand, the failure of national development causes the cities to be a refuge for regional people who want to earn a living. On the other hand, Bogor City Government also wants to curb its city from the chaos. The problem in this study is the extent of job opportunities provided by the Bogor City Government in the form of physical and non-physical provision and institutional guidance to street vendors in the city of Bogor. Surveys are used as a research design. Respondents consist of Bogor City street vendors concerned with or directly influenced by the policy of fostering informal sector of street vendors. The sample is selected by judgment sampling. The results show that the Bogor City Government has not provided extensive job opportunities to street vendors. Bogor City Government is considered to have no reliable source of funds to help the capital of street vendors, less help the street vendors gain more access to capital, have no good channeling and refund mechanisms, and do not have a good system for overseeing the mechanism.

Introduction

The informal sector, especially the street vendors, has recently received serious attention from the community as we see and hear from the media-mass media. In places where street vendors usually hung, traffic was often jammed; the environment becomes ugly, chaotic, and dirty; other business activities are also disrupted because in front of his business place filled with street vendors. The choice of jobs available to those who are informal sector actors is limited. With low levels of education, inadequate knowledge and skills, and modest capital, all they can do is to become street vendors, hawkers, scavengers, and so on. But being an informal sector actor is not a voluntary choice. For some, it is more a kind of throwing condition, a kind of activity that must be taken for granted and hard to avoid having previously experienced bad experiences like evictions; work termination; or left by husband, father, or mother. Indeed, they are human resources who simply maintain a honest life without the will to disturb the society and the city government. Therefore, its existence should not be feared cause disturbance of order and beauty of the city that leads to social turmoil. If the conditions are like that, then the problem is how the city government makes policies that can make the actors in this sector have a meaning of good life, in addition to maintaining order and beauty of the city. The informal sector policy is heavily influenced, in particular, by the views of the benefits and losses of the informal sector for cities in developing countries. Gerry (2005) doubts the benefits of this informal sector as a container that can accommodate the workforce in the city. To preserve the informal sector as a container for labor means to perpetuate poverty and inequality in the distribution of income because the informal sector is a symptom of the exploitation of the capitalist economic system in order to meet the needs of the formal sector for cheap labor

to produce goods and services, in addition to the opinion that the poor in the city is a group that has the potential to hold revolutionary activities. Such a view is reinforced by the view that sees the informal sector as a workplace for migrants that will make city administrators difficult especially in matters relating to population growth and density, which at once is accompanied by obligations to prepare housing, sanitation services, and food for a long period of time. Such views on the informal sector become more apparent in the prevailing control efforts of those working in the informal sector.

The problem of street vendors in Bogor City is a dilemmatic problem that is difficult to resolve. On the one hand, the failure of national development causes the cities to be a refuge for regional people who want to earn a living. On the other hand, the City Government of Bogor also wants to curb its city from the chaos. Cities receive the consequences of the inability of the national government to prosper its people. The people of the region cannot be blamed if it eventually runs into town. It is recognized that work as a street vendor has provided a substantial job opportunity for residents as a safety valve for unemployment. Recognized or not, the existence of street vendors is still needed by some people, especially small people. The reason is that the location of the sale is concentrated in crowded places, the price of goods is competitive, and the type and variety of goods sold vary so that the choice of some people who are less able to financially. Based on Bogor City Central Bureau of Statistics, if the number of street vendors spread in various areas of Bogor City recorded 3,475 people in 2010, then in 2016 the number has increased to 4,637 people. Based on the description, Bogor City Government should not neglect the informal sector of these street vendors, let alone their presence in addition to providing employment opportunities for the population, also needed by some people, especially the small people. But in fact, the various policies of Bogor City Government in public opinion is actually recognized as a step of control or the formation of small people whose business is actually very noble and noble that is to fulfill the responsibility of giving a living and welfare to all family members without asking for help or get support from outsiders.

In the days of the New Order Government, street vendors were generally afraid of officers of the Peace and Order supported by other security forces (soldiers or police). They will either disperse or escape once the officers arrive. However, recent developments show that street vendors have high resistance to regulatory efforts. A number of riots had occurred in the operations of the street vendors and tended to take casualties, a matter of extreme concern. This indicates that Bogor City Government's policy does not reflect the aspirations of the street vendors who are the main targets of the policy. Recognition of public participation that has been forged is only a matter of formality.

The problems identified are as follows: 1) The policy of fostering informal sector of street vendors in Bogor City still contains many weaknesses. The policy has not provided optimal results in the sense that there is still gap between the results achieved and the expected results; 2) Bogor City Government's policy on fostering informal sector of street vendors in practice limits employment opportunities. In broad public opinion, it is more recognizable as a step to control or eviction of small people; 3) The recognition of public participation is merely a formality. Bogor City Government's policy on fostering informal sector of street vendors does not reflect the aspirations of street vendors that are the main target of the policy. Based on problem identification, then the problem formulation can be arranged into the research question as follows: To what extent job opportunities provided by Bogor City Government in the form of physical and non-physical provision and institutional development to street vendors in Bogor City?

Literature Review

The informal sector is a concept which, according to Bekkers and Stoffers (2005), was first introduced by Hart in 1971. Nevertheless, the concept of the informal sector is a vague concept. The traditional sector, the resilience sector, the unregulated sector, are all terms used to describe it.

The ILO (2002) report on Kenya says that rural-to-urban migration not only leads to unemployment in the city. While the modern sector does not provide adequate employment opportunities, rural and urban migrants alike find work in the production and distribution of small-scale goods and services at the micro level. These small-scale activities make up the informal sector.

Cross (2008) describes the informal sector as an economic activity that occurs outside the norms of formal economic transactions created by the state and formal business practices. Generally, the term is applied to small or micro businesses that are the result of individual or family work independently. Industrialization and urbanization in developing countries are accompanied by striking poverty and at the same time there are business activities in unorganized markets in urban areas better known as the urban informal sector. Thus, there is a dualism in the nature of the economy in urban areas, a phenomenon that has long been known in development studies. When considered from the marketing side, it appears that contracts in transactions in the informal sector (both in urban and rural areas), are based on bargaining results and implemented outside the formal legal system. Social and cultural activities are more influential on their daily activities than with modern legal systems or business rules. The informal sector includes the production and trade in legal goods and services which may have incomplete business licenses, regional code violations, no tax obligations, non-compliance with rules governing contracts and working conditions and/or absence of guarantees in relation to suppliers and buyer/service users.

The informal sector shows an increasing proportion of economic activity, especially in developing countries. In these countries the informal sector consists of small and self-sustaining activities with or without hired workers, especially at low organizational and technological levels, with the primary objective of creating jobs and income. These activities are usually carried out without proper acknowledgment from the authorities, and escaped the attention of administrative processes responsible for implementing laws and regulations. For the condition of Indonesia, based on the report of research conducted by Institute of Community Service of University of Indonesia (2000), informal sector is the activity of marginal economic sector having characteristics: 1) The pattern of activity is irregular in terms of time, capital, and its acceptance; 2) Not touched by regulations or provisions set by the government so that their activities are often categorized as wild; 3) The capital, equipment, and equipment or turnover is usually small and cultivated on a daily basis; 4) Has no fixed place and / or attachment to other business; 5) Generally conducted by and serving the low income group; 6) It does not require special skills and skills so that it can broadly absorb different levels of labor; 7) Generally each business unit employs a small number of workers and from a family, acquaintance, or originating neighborhood environment; 8) Not familiar with the banking system, bookkeeping, credit, and so on.

Historically the existence of the informal sector in Indonesia is inseparable from the application of the forced cultivation system (*cultuurstelsel*) initiated by Van den Bosch which is repressive and exploitative. Through agrarian politics, the arable land which is the main source of people's income has been used by the Dutch Government for the purposes of export commodities such as sugar and coffee. The inhabitant who was originally a landowning farmer then had to work as a hired laborer and eventually had to lose property rights to his land. The impoverishment of the population due to the forced cultivation system and the difficulties of earning income

led to the emergence of a phenomenon later known as the informal sector. At this time began to develop agricultural activities, namely in the field of small-scale trade and services. Such activities are beyond government oversight and protection, even in some instances informal sector activities are prohibited and considered unlawful by the government. The informal sector began to be talked about in the 1970s. This sector is attractive not only because of its potential as an employer but is also seen as a means to combat poverty. The informal sector is said to be one of the most obvious forms of small business in a dilemma in many developing countries. This informal sector bursts to the fore because the formal sector does not provide sufficient space to emerge economic activities that take place outside organized sectors. The sectors that are mainly filled by the less fortunate groups are seen increasingly mushrooming in developing countries including Indonesia.

One part of the informal sector that is even often identified with the informal sector itself is a street vendor. The term street vendor has been known since the days of Governor General Raffles. Raffles at that time issued a traffic regulation governing a five-foot road lane along the left and right of the road as a pedestrian lane. Merchants who sell on the street and then popularly known as street vendors. The street vendors are those who in their business use road/sidewalks and public venues that are not designated as places of business and other places that are not their own.

Ramli (2002) argues that attempts to explain the business activities of street vendors cannot be separated from the so-called market economy. The market economy in question here is the total flow of trade that is fragmented into individual-to-person transactions each of which has nothing to do. In this type of economy, independent activities of a number of street vendors can take place, where relationships with each other are made with an enormous amount of ad hoc exchange. With this kind of pattern there is buying and selling between street vendors and buyers, where their relationships are commercial in nature regardless of personal relationships. The business activities of street vendors to sell their merchandise cannot be separated from the crowds or crowds of people who are passing by are expected to become potential buyers. This is the decisive factor for the street vendor to consider the place and time of selling or running its business activities as a street vendor.

Todaro (2000) states that the informal sector has many links with other sectors in the national economy. This informal sector is linked to the rural sector in the sense that the village is a source of poor labor, which then fills the informal sector in urban areas in order to avoid poverty and unemployment in the village, although the actual working conditions and quality of life in the city are not necessarily better. In addition, the informal sector is also closely related to the urban formal sector, in the formal sector sense in fact depends on the informal sector in the supply of inputs of cheap labor and labor while the informal sector is highly dependent on the formal sector in its position as the principal market of most of the income they earn accept. The informal sector actually subsidizes the formal sector in the supply of raw materials and various raw and labor commodities, all of which are often valued and purchased at very cheap prices (when compared to the considerable formal purchasing power of the formal sector) and all forms or patterns of relations This lame is often even institutionalized or standardized by the government. The importance of the informal sector in the provision of income sources for the poor is undoubted. But there are some things that need to be questioned, such as whether this informal sector is a temporary shelter for people who have not yet entered the formal sector or are just stepping stones for someone to wait for a more decent job. In spite of it all, because of its real and important role, the informal sector actually needs to be institutionalized or acknowledged to exist and all its services appropriately, to be promoted as one of the main sources of employment and income for urban labor force.

Reports of research conducted by the Institute for Human Resource Development of Bogor Agricultural Institute (2000) mention the existence of eight areas of informal sector

development that need to be addressed: 1) Planning and development of the informal sector which includes analysis and problem solving activities as well as the preparation of policies handling various related issues and development of the existence and growth of the informal sector; 2) Development of funding facilitation (spending programs, investment and fundraising and resources to finance a range of informal sector activities) especially for the potential informal sector; 3) Development of quality, image, and business conduct of informal sector actors intended to complement human resource development related to utilizing successful business activity models; 4) Implementation and development of business information services, primarily to equip the organization of the builder with a series of basic information, which information is expected to be utilized for the interests of the relevant advisory organization in addition to meeting the interests of the parties concerned; 5) Implementation of the development of training and education activities with a view to improving and developing the quality of human resources individually through the implementation of effective and concise and practical programs that can support the dynamics of its activities; 6) Implementation and development of advocacy activities so that the advisory organization will be the voice mouth of the parties concerned; 7) Implementation of business and business development consultancy activities in the form of one-stop service activities for the development of informal sector business in an effort to assist the potential informal sector in order to be able to develop their business activities; 8) Implementation of research and development activities that will serve to support various other activities undertaken by development organizations, among them to find various formulas or models of business development or recognize various factors that can help the informal sector to grow in addition to compile and process data into information needed for interested parties with informal sector coaching.

A research report from the Research Institute of the University of Indonesia (1997) states that the provision of job opportunities through fostering of street vendors can be done through three common tools: physical, non-physical, and institutional development. Physical guidance can be done by the development of facilities and infrastructure of five-foot business which includes the shelter of business premises, the construction of a proper business place and other physical aspects. Non-physical activities may include policies, licensing and levies, capital assistance, technical business development, management, establishment of business groups, technical guidance and other tools. Institutional activity is an activity for the organization of the builder who must have a concept that is directed, controlled and has the right target desired by the dynamics of the society itself. Coordination between government agencies should be realized so that overlapping concepts and coaching can be avoided. The integration between physical, non-physical, and institutional development needs to be supported by the availability of complete and actual information resources on foot-five issues so that the guidance can reach the expected target. The aim of street vendors is to produce a strong toe-trader who is able to drive, integrate, and develop resource potentials into effective strengths to increase productivity, efficiency, added value, and increasing competitiveness; making the street vendors as strong entrepreneurs; making street vendors as the people's economic power, and strengthening the structure of the national economy. However, since the criterion is unclear, the results of coaching are difficult to assess. In addition, coaching efforts that have been done also have fundamental weaknesses that are not clear the purpose of capital assistance provided; the non-use of administrative, management, or production techniques provided by the fostering institutions by the street vendors; and the spirit of the street vendors who weakened after the first year of coaching.

Research Methods

In accordance with the problem and purpose/purpose of this research, the research design used in this study is a survey. In this study, the variables studied are the job opportunities of street vendors provided by Bogor City Government. Conceptually employment opportunities are all forms of attention given to job seekers so that job seekers can earn income. Operational employment opportunities in this study are all forms of attention provided by the Bogor City Government to street vendors, so they can start and develop their business that can be measured from the dimensions: physical provision, non-physical provision, and institutional.

Table 1
Variable Operationalization

Variable	Dimension	Indicator
Employment Opportunity	Physical provision	The shelter of the place business Construction of facilities and infrastructure
	Non-physical provision	Policy Permits and charges Helping capital Technical guidance
	Institutional	Business group formation Organizational resources Construction concept

The population in this study consists of street vendors who are concerned with or directly affected by the policy of fostering informal sector of street vendors. In this case determined a sample of 100 street vendors. Primary data concerning respondent profile and research variables were collected through questionnaires filled in by respondents. Primary data concerning respondent profile and research variables were collected through questionnaires filled in by respondents. In the manufacture of questionnaires used Likert Scale. The response of each instrument item has gradation from very positive (score 4) to very negative (score 1). Secondary data are collected from various sources such as books, documents, journals, working papers, articles, and legislation. The preparation of research instruments begins by conducting a theoretical assessment of the concepts, theories, and opinions of experts and relevant research results. From the assessment, then the formulation of the dimensions, indicators, and instrument items of each variable. Against this instrument is then conducted trials derived from randomly selected populations to determine the validity and reliability of these instruments. The data collected in this study will be processed in stages. The collected raw data will first be described so that it is easy to understand using descriptive statistics. Data descriptions will be done through the presentation of data using frequency tables and percentages.

Research Results and Discussion

The informal sector at least plays a role as an employer and becomes a source of income for most people. One of the economic activities of the people covered in the informal sector is a street vendor who is often considered the savior of the economy when the informal sector is unable to absorb all labor. The activities of these street vendors are very important for Bogor City because the number of those involved is very much. The types of merchandise sold by

street vendors are generally very diverse. As shown in Table 2, there are at least 16 types of merchandise sold by street vendors.

Table 2
Merchandise Type

Merchandise Type	Frequency	Percentage
Food/drink	25	25,0
Cigarettes/candies/wipes	12	12,0
Newspapers/magazines	5	5,0
Vegetables/fruit	6	6,0
Clothes	8	8,0
Toy	3	3,0
Electronic goods	2	2,0
Accessories/jewelry	4	4,0
Medicines/cosmetics	3	3,0
Household appliance	6	6,0
Stationary	7	7,0
CD/DVD	10	10,0
Sandals	3	3,0
Book	3	3,0
Poster	3	3,0
Bag	2	2,0
	100	100,0

The difficulty of finding a job seems to be a very decisive factor for the street vendor. In Table 3 it is seen that most of the street vendor respondents that is 45.0% or 45 people become street vendors because they have to be forced, followed by other reasons such as unnecessary big capital, adequate income, no special skill, and follow the family.

Table 3
Reasons Become a Street Vendor

Reason	Frequency	Percentage
Forced	45	45,0
No need big capital	20	20,0
Adequate income	15	15,0
No special skills required	9	9,0
Fun	7	7,0
Following the family	5	5,0
	100	100,0

Table 4 shows that most of the street vendors responded outside the market, namely on the street/sidewalk (47.0% or 47 people), while the rest sold in the shop/office, market, station, parking lot, and uncertain places. This increasingly affirms the nature of street vendors who are in sales always try to approach the buyer.

Table 4
Business Location

Business Location	Frequency	Percentage
Street/sidewalk	47	47,0
Patio store/office	19	19,0
Market	13	13,0
Station	4	4,0
Parking lot	2	2,0
Stop	8	8,0
Uncertain	15	15,0
	100	100,0

Based on the analysis of the results of data collection, obtained scores of the value of each employment indicator as can be seen in Table 5.

Table 5
Provision of Working Opportunities

Dimension	Indicator	Score
Physical provision	The shelter of the place business	3,45
	Construction of facilities and infrastructure	2,65
Non-physical provision	Policy	3,53
	Permits and charges	2,31
	Helping capital	1,55
	Technical guidance	3,12
Institutional	Business group formation	2,13
	Organizational resources	2,43
	Construction concept	3,21
Total		24,38
Average		2,71

The informal sector at least plays a role as an employer and becomes a source of income for most people. One of the economic activities of the people covered in the informal sector is a street vendor who is often considered the savior of the economy when the informal sector is unable to absorb all labor. The activities of these street vendors are very important for Bogor City because the number of those involved is very much. But the Bogor City Government has not provided extensive job opportunities to street vendors. Bogor City Government is considered to have no reliable source of funds to help the capital of street vendors, less help the street vendors gain more access to capital, have no good channeling and refund mechanisms, and do not have a good system for overseeing the mechanism. Actually, the Bogor City Government already has a distribution and refund mechanism that also anticipates the possibility of external funding sources.

Bogor City Government has various institutions that act as a fostering of street vendors, but the Bogor City Government is considered not yet provide adequate resources for the activities of these institutions. Bogor City Government is considered not to protect street vendors and does not create a conducive climate for the development of the business. Bogor City Government is considered not to have a clear mechanism in the granting of business license, does not have a

good oversight system against the mechanism, and does not provide a guarantee of non-discrimination in the granting of a business license. Bogor City Government is also considered to have no clear mechanism regarding charges to street vendors, does not have a good oversight system to the mechanism, and does not guarantee the absence of illegal levies. The emergence of such assessments is closely related to the attitude and commitment of the Bogor City Government to the street vendors. The existing orientation always puts the street vendor as the source of the problem. The various coaching efforts that have been done by Bogor City Government in public opinion is known as the step of controlling or eviction of small people who try. With such an orientation it is difficult for the Bogor City Government to utilize the various competencies that should be found within the scope of the activities of street vendors. This orientation needs to be redefined by placing street vendors as economic agents capable of self-regulating in certain guidance channels provided by the Bogor City Government so that their presence and activities do not produce negative impacts as they are today.

The rights of street vendors are still neglected. Bogor City Government is deemed not to grant the right to the street vendors to obtain information on the policy, not to grant the street vendors the right to participate in the planning, and to have no legal mechanism governing the right to complain of violations of the rights of the street vendors. In practice, the participation of street vendors is still lacking. Bogor City Government is considered not to provide appropriate information to street vendors, does not involve street vendors in the effort to solve the problem, although it does not prevent the street vendors to report their fate to those who are considered authorized. In terms of culture, it seems that the Bogor City Government still cannot accept the participation. Participation of street vendors in quantity was assessed not to increase. Participation is seen as not important in policy planning so ultimately the opinion of street vendors does not receive serious consideration. Street vendors have difficulty to get information because Bogor City Government was not able to be the main source of information about the policy. Bogor City Government is also considered not to provide adequate information on instruments of participation, not trying to increase awareness of participation among street vendors, and not transparent in policy planning. These assessments arose because Bogor City Government has not yet adopted key components that should exist in all participatory democracies, in which to participate effectively the community should have access to policy making, access to public information, and access to justice. Lack of access to the participation of street vendors prior to policy making resulted in the policy adopted not reflecting the opinion of street vendors, while the lack of access to participation after policy-making resulted in the policy ultimately becoming ineffective. Participation is only possible if the required information is available. Lack of information or misinformation will substantially affect the quality of participation. Because to uphold modern democracy, Bogor City Government needs to have institutional mechanisms that relate to specific ways of accessing information. Unavailability of access to justice makes street vendors unable to take legal action or file administrative demands to defend the rights of those who are degraded.

Conclusion

The activities of street vendors are very important for Bogor City because the number of those involved is very much. But Bogor City Government has not provided extensive job opportunities to street vendors. Bogor City Government is considered to have no reliable source of funds to help the capital of street vendors, less help the street vendors gain more access to capital, have no good channeling and refund mechanisms, and do not have a good system for overseeing the mechanism. Bogor City Government is deemed not to grant the right to the street vendors to obtain information on the policy, not to grant the street vendors the right to participate in the planning, and to have no legal mechanism governing the right to complain of

violations of the rights of street vendors. In practice, the participation of street vendors is still lacking.

Bogor City Government should be able to protect street vendors and create a conducive climate for the development of the business. Bogor City Government needs to have a clear mechanism for granting a business license, having a good oversight system to the mechanism, and providing a guarantee of non-discrimination in the granting of a business license. Bogor City Government must also have a clear mechanism on levies to street vendors, have a good system of supervision of the mechanism, and provide assurance of the absence of illegal levies. More work opportunities need to be provided to street vendors. Bogor City Government orientation which has always put the street vendors as the source of the problem needs to be redeployed by placing the street vendors as economic actors capable of self-regulating in certain guidance lines that have been provided. Participation of street vendor also needs to be improved through the provision of access to policy making, access to public information, and access to adequate justice.

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