

CHAPTER ONE

INTRODUCTION

A. Background of Reasearch

In Indonesia, the problem regarding street vendors has not come to an end. This problem arises every year and continues to take place without any solution in its implementation. The existence of street vendors is often considered illegal because street vendors occupy public space. Thus, its existence is not in accordance with the vision of the city which mostly emphasizes the aspects of cleanliness, beauty, and tidiness of the city or better known as 3K. Therefore, street vendors often become the main target of regional regulation such as eviction and relocation.¹

A street vendor is a business that carries out small business activities on the roadside or sidewalk. The street vendors only have banners, carts, and attractive promos exposed on the edges of highways or in crowded traffic places to invite consumers interest. Street vendors are considered good business activities using easily moved facilities or equipment.

Street vendors are a community that mostly sells their products by utilizing the roadside area to earn money by holding their wares or carts on the edges of road crossing. At first, street vendors came to exist and rapidly developed during the monetary crisis that hit Indonesia in 1998 which resulted in an economic activity decline. The need to survive by

¹ Dwitho frasetiandy, Wahana Lingkup Hidup Indonesia-Kalimantan Selatan, <http://walhikalsel.or.id/?p=104> on 6 February 2019 at 3:35 p.m.

creating their own jobs made people with limited skills to be street vendors. As time goes by, these street vendors still exist today. However, ironically these street vendors have been seen as disturbing street users because the street vendors take some spaces of the road to hold their wares. Thus there is no distance between the sidewalk and the road.

Street vendors are a form of small business that strives to get economic fulfillment independently. It should be recognized that micro, small, and medium scale businesses (*UMKM*, the abbreviation of *Usaha Mikro, Kecil, dan Menengah*) play an important role in economic development and growth both in developing countries (NSB), but also in developed countries (NM).²

Seen from its economic and socio-cultural aspects, of the many economic models in Banjarbaru, street vendors can be considered to be the easiest to do by the community. As a small scale economic activity, in order to start a street vendor business, only relatively minimal capital is needed. In addition, street vendors can be managed by one person or family with a relatively traditional management pattern. The consumers of street vendors are also local consumers with diverse income. Thus, basically, the street vendor arrangement conducted by the government has to consider the basic objectives of the city structuring policy. Of course, the arrangement has to be done without compromising the economic

² Tulus Tambunan, *Usaha Mikro Kecil Dan Menengah Di Indonesia: Isu-Isu Penting*, Jakarta: LP3ES, 2012, p. 1.

activities of marginal communities.³ This actually has been regulated through Banjarbaru Mayor Regulation No. 46 of 2017 concerning the structuring guidelines for street vendors⁴.

In Banjarbaru, street vendors are often given a warning or even evicted from selling in certain areas which have great potential for consumers to buy goods. However, according to the Government, the street vendors are disturbing the road access for road users. Nowadays, “street vendors indeed have been freed from the obligation to obtain *SIUP* (Business Permit) in accordance with the Regulation of the Minister of Trade No. 36/M-DAG/PER/9/2007 in Article 9.⁵ However, the Banjarbaru government has not had management and structure for street vendors to get a place to sell their goods, especially is for seasonal street vendors.

Based on the explanation above, the researcher is interested to conduct management research and modeling for street vendors in Banjarbaru against the applicable regional regulations. Thus, this research was conducted based on legal awareness indicators, namely knowledge of the contents of legal regulations, attitudes towards legal regulations, and patterns of legal behavior. Therefore, to find out more about the management and arrangement, the researcher is interested to investigate

³ Dwitio frasetiandy, Wahana Lingkup Hidup Indonesia-Kalimantan Selatan, <http://walhikalsel.or.id/?p=104> retrieved on 6 February 2019 at 3:35 p.m.

⁴ Mayor Regulation No.46 of 2017 concerning the structuring guidelines for street vendors

⁵ The Regulation of the Minister of Trade No. 36/M-DAG/PER/9/2007 in Article 9

**“THE IMPLEMENTATION OF MANAGEMENT AND
REGULATION OF STREET VENDORS IN BANJARBARU CITY”.**

B. Statement of Problem

1. How is the management of street vendors in Banjarbaru based the Mayor of Regulation Number 46 of 2017 concerning Structuring Guidelines for Street Vendors?
2. How is the supervision carried out by the government on the street vendors in Banjarbaru City?

C. Objective of Research

- A. To find out how management are carried out by the Banjarbaru City government towards the street vendors.
- B. To find out the supervisory role on the street vendors in Banjarbaru City.

C. Benefit of Research

1. Theoretical Aspect

This research is expected to be able to provide knowledge in the field of management, structure and provide additional literature for anyone who wants to learn, know and research about the problems discussed in this study.

2. Practical Aspect

This research is expected to be used as a community reference and provide input to the Regional Government of Banjarbaru City in implementing law and management of street vendors.