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Policy Asymmetry and Persistence: Street Vendor Governance in Tangerang Regency

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ABSTRACT : This inquiry examines the application of Regional Regulation No. 08 of 2015 on Structuring and Empowerment of *Pedagang Kaki Lima* (PKL) or Street Vendors in Tangerang Regency, with the critical case of Pasar Ceplak, Sukamulya District. Drawing on a qualitative descriptive approach, specifically a case study, this research highlights structural and operational constraints obstructing the implementation of the policy's dual objectives by using the theory of policy implementation, as articulated by Van Metter and Van Horn. These findings demonstrate that their implementation has been consistently suboptimal, namely PKL persistence in unauthorized locations, and pervasive failures in planned relocation efforts. Such shortfalls are largely due to a dire lack of strategic resources, and the insufficient provision of alternative trading zones in the relevant departments which can reduce the economic risk to PKL. Moreover, through analyzing data, ineffective communication results in information asymmetry and the adoption of a punitive enforcement approach which is both systemic and entrenched rather than an empowerment strategy. Consequently, this study reveals that the policy is riddled with severe operational asymmetry, whereby vendors' socio economic rationalities routinely contradict the regulatory mandate, calling for an immediate shift to participatory and spatially integrated systems of governance to enable sustainable urban order as well as micro-enterprises to grow.

KEYWORDS: Street Vendors, Policy Implementation, Urban Governance, Tangerang Regency, Informal Sector.

INTRODUCTION

Street vendors, known as *Pedagang Kaki Lima* (PKL), are one of the most common yet least documented aspects of urban life in Indonesia and constitute a major source of non-agricultural employment within the informal sector, while also providing affordable goods and services that support micro, small, and medium enterprises (UMKM) (Yohana Magdalena Lydia, 2019; Zulfa, 2016). Nevertheless, the existence of PKL is frequently associated with urban problems such as traffic congestion, misuse of public space, and environmental degradation, which require a regulatory model capable of balancing urban order with socio-economic needs (Puspitasari, 2015).

Globally, street vending is often treated through restrictive or prohibitive approaches that perceive it as incompatible with modern urban planning. More recent perspectives, however, emphasize that PKL activities can be understood as localized and creative forms of urban intervention which, when properly integrated, may contribute to more inclusive and livable cities (Sudarmadi, 2019). The

persistence of informality is also influenced by high institutional transaction costs, complex registration procedures, and excessive regulation, which discourage vendors from entering the formal economy (Yohana Magdalena Lydia, 2019).

In Indonesia, PKL governance is primarily guided by Presidential Regulation No. 125 of 2012 concerning the coordination of structuring and empowerment of street vendors (Peraturan Presiden Republik Indonesia No. 125 Tahun 2012). This national framework is operationalized at the regional level, including through Tangerang Regency Regional Regulation No. 08 of 2015 on the Structuring and Empowerment of Street Vendors (Peraturan Daerah Kabupaten Tangerang No. 08 Tahun 2015). The regulation adopts a dual mandate: establishing designated trading locations to achieve urban order, while simultaneously fostering resilient and independent micro-enterprises.

Despite this comprehensive regulatory design, various studies indicate a persistent gap between policy objectives and implementation outcomes. Research on Pasar Ceplak in Sukamulya District demonstrates that the implementation of Perda No. 08/2015 has not achieved its intended restructuring and empowerment goals, as vendors continue to occupy prohibited areas and relocation efforts remain ineffective (Ansorullah, 2020). Therefore, this study seeks to identify and analyze the principal constraints affecting the performance of Perda No. 08/2015 in Tangerang Regency by employing established theories of policy implementation.

RESEARCH METHODS

This study adopts a descriptive qualitative approach with a case study design, which is widely used to evaluate public policy implementation by capturing contextual complexity and institutional dynamics (Sudarmadi, 2019). The empirical focus is the implementation of Regional Regulation No. 08 of 2015 in Pasar Ceplak, Sukamulya District, Tangerang Regency, selected due to documented evidence of persistent policy failure in this location (Ansorullah, 2020).

Data were collected exclusively from secondary sources, including academic research on PKL governance, government documents, and public reports on enforcement practices (Puspitasari, 2015; Zulfa, 2016). The analysis applies thematic coding and aligns empirical findings with policy implementation variables such as resources, communication, and institutional characteristics to systematically explain suboptimal outcomes.

RESULTS AND DISCUSSION

The Discrepancy Between Intent and Reality of Policy.

The dual mandate of structuring (*penataan*) and empowerment (*pemberdayaan*) in Perda No. 08/2015 reflects national policy directions that

emphasize spatial order and micro-enterprise development (Peraturan Presiden Republik Indonesia No. 125 Tahun 2012). However, empirical findings in Pasar Ceplak indicate that PKL continue to occupy sidewalks and road shoulders, demonstrating the failure of the structuring component (Ansorullah, 2020).

Tangerang Regency, Regional Regulation No. 08 of 2015 boasts an ambitious dual mandate. The regulation is also guided by national regulations calling for the structured use of space (*penataan*) as well as the enhanced economic capabilities of vendors (*pemberdayaan*). The structuring element is directly tied to urban planning goals where the construction of adequate vending sites is coordinated with the Regional Spatial Plan (RTRW). On the contrary, empowerment is associated with the socio-economic protection laws for the micro-economy, which are intended to develop resilient and self-sufficient businesses.

Critically, the actual implementation of urban order is inseparable from prior achievement of economic empowerment. Only after empowerment suffers – more specifically, if relocation results in economic hardship – does the component of structure become a mere prohibition. The policy requires a complex collaborative operation in which development authorities (Department of Industry and Trade, or *Dinas Perindustrian dan Perdagangan-Disperindag*) must overcome economic risk before enforcement (like Public Order Police, or *Satuan Polisi Pamong Praja - Satpol PP*) can guarantee compliance.

The implementation outcome in Pasar Ceplak, Sukamulya District makes it abundantly clear of the functional limits of this dual mandate. The evaluation declares that the implementation has not been carried out optimally. Despite the regulatory framework, PKL have been operating continuously on sidewalks and road shoulders, hence in violation of spatial usage regulations. Such spatial violations verify the continuation of disorder and the utter failure for structuring target.

Enforcement and relocation have also ultimately failed. According to reports, PKL which had been previously governed frequently revisit unauthorized places while new vendors emerge. Ceplak Market street vendors, who were promised a specific, designated zone to conduct their activities, moved "has not gone as expected." This statistical evidence reveals a stark fact that there is a stark incongruity between the legislative aspiration of Perda No. 08/2015 and its operational efficacy on ground.

Table 1. Objectives and Outcomes of Perda No. 08/2015 Implementation in Tangerang Regency

| Perda Objective (Intent) | Relevant Mandate | Empirical Outcome (Pasar Ceplak, Sukamulya) |
|---------------------------------|---|---|
| Structuring (<i>Penataan</i>) | Establishing designated, appropriate selling locations; creating urban order. | PKL still occupy sidewalks/road shoulders; relocation attempts consistently fail. |

| Perda Objective (Intent) | Relevant Mandate | Empirical Outcome (Pasar Ceplak, Sukamulya) |
|-------------------------------------|--|---|
| Empowerment (<i>Pemberdayaan</i>) | Fostering resilient, independent micro-businesses. | Limited action/guidance provided; pervasive vendor resistance driven by fear of income decrease. |
| Regulatory Compliance | Enforcement of Regional Regulations and maintenance of public order. | High recurrence rate of vendors after enforcement (<i>penindakan</i>); implementation limited to punitive measures. |

The suboptimal performance of Perda No. 08/2015 can be systematically analyzed by examining the implementation variables, particularly those related to resources, communication, institutional characteristics, and the external environment, as theorized in public policy literature.

The most critical factor contributing to implementation failure is the structural deficiency in resources, specifically the absence of viable physical space. The Department of Industry and Trade (Disperindag) and Sukamulya District authorities have been unable to provide a specific, strategically suitable location for PKL activities. This failure to secure the necessary spatial resources transforms the regulatory framework from a developmental tool into a purely prohibitive instrument.

PKL activities are fundamentally driven by locational advantages, with high customer traffic and strategic accessibility being the primary reasons vendors choose their spots. Vendors are rational economic actors; they calculate that moving to an undesirable, non-strategic spot will result in a significant decrease in their trading turnover (*omset dagang*), leading to economic instability or collapse. When the policy requires compliance (relocation) without mitigating this fundamental economic risk, it imposes an excessively high transaction cost on the vendors. This reinforces the tendency for the informal sector to avoid formal government regulation, precisely because the institutional framework fails to offer a competitive economic alternative. Consequently, the lack of strategic spatial resources acts as the primary, unyielding constraint, ensuring vendor resistance and making policy enforcement futile.

Effective communication is paramount for securing voluntary compliance and trust. In the Pasar Ceplak case, the socialization of the Regional Regulation was severely hampered, and communication between implementing agents and PKL was reported as ineffective. Crucially, some PKL reported receiving no information regarding the policy at all.

Furthermore, the mechanisms for disseminating information were exclusionary. Vendors faced limitations in accessing official government information delivered via official websites or social media platforms. This pervasive information asymmetry undermines the credibility of the government's dual promise. If PKL cannot access detailed plans regarding proposed relocation benefits

or empowerment programs, they cannot rationally trust that the policy is designed for their benefit. This institutional communication failure fuels existing social unrest and distrust, mirroring findings from other relocation cases where government promises regarding facilities were not realized.

The performance of implementation agents demonstrates an institutional bias that prioritizes visible urban order over complex socio-economic development. The *Satuan Polisi Pamong Praja* (Satpol PP) is the key regional government apparatus charged with enforcing Regional Regulations and maintaining public order. While Satpol PP management affirms a commitment to a persuasive approach and collaborative partnership with the community, empirical findings indicate that the characteristic actions of the implementing agents have been limited predominantly to enforcement actions (*penindakan*).

This institutional reliance on policing is administratively simpler and fiscally less demanding than designing and executing complex guidance and empowerment initiatives. However, this focus structurally prevents the policy from achieving its developmental objectives, as enforcement alone fails to address the root socio-economic problems of the PKL. The over-reliance on punitive measures creates an institutional enforcement trap: forced evictions only lead to the rapid recurrence of vendors, necessitating perpetual, costly enforcement cycles, rather than leading to sustainable compliance and market formalization.

The external environment, particularly the economic calculus employed by the PKL, constitutes a powerful constraint on policy implementation. The unwillingness of vendors to relocate stems overwhelmingly from the fear of decreased trading turnover (*omset dagang*). This fear is not speculative; analysis of relocation schemes in comparable contexts has confirmed that moving PKL to non-strategic, less visible locations results in significant income decline, triggering substantial resistance and conflict.

The existence of a vibrant, high-traffic consumer environment at the unauthorized locations means that vendors view these spots as strategically irreplaceable resources. The policy, therefore, attempts to mandate behavior that is financially detrimental to the actors involved. The environmental constraint - the unforgiving nature of market forces and consumer geography consistently overrides the regulatory imperative, thereby validating the rational resistance displayed by the informal sector.

Table 2. Empirical Constraints on Policy Implementation of Perda No. 08/2015 in Sukamulya District

| Implementation Variable (Theoretical Lens) | Specific Manifestation in Pasar Ceplak Case | Empirical Evidence |
|---|--|---|
| Resources (Spatial/Physical) | Critical deficiency: | Disperindag unable to provide space; PKL resist |

| Implementation Variable (Theoretical Lens) | Specific Manifestation in Pasar Ceplak Case | Empirical Evidence |
|---|--|---|
| | failure to establish specific, economically viable trading locations. | moving from strategic spots. |
| Communication and Information | Policy information asymmetry; ineffective socialization and inaccessible official platforms. | PKL reported receiving no information; difficulty accessing government websites. |
| Characteristics of Implementing Agents | Institutional bias toward punitive enforcement (<i>penindakan</i>); developmental goals neglected. | Satpol PP actions limited to enforcement; failure to address PKL root problems. |
| External/Economic Environment | PKL prioritize turnover preservation; high perceived transaction cost of relocation. | Fear of decreased turnover (<i>omset</i>); unwillingness to leave high-traffic areas. |

Integrated and Inclusive Governance Pathways

The analysis strongly indicates that policy failure in Tangerang Regency is systemic and needs structural change in which the policy focus shifts from reliance on unilateral enforcement to a holistic, multi-stakeholder governance approach.

Sustainable structuring means that the government no longer treats PKL as a mere violator; it treats them as collaborative economic partners. Such successful models elsewhere in Indonesia, including the strategy used in Bandung, show that multi-actor task forces (Satgassus) involving the relevant government departments, private market owners, and PKL representatives can be formed. This collaborative process starts with a series of open forums intended to create mutual understanding and find common ground, rather than imposed rules from above.

At Tangerang Regency, that translates to creating an institutionalised coordination mechanism and a formal program that connects the affiliations of Disperindag, Satpol PP, and PKL organizations to jointly construct feasible relocation plans that will address grievances, ensuring that solutions are developed with the vendors, not for them.

The abstract goals of the Perda must be translated into instructions for practical, technical operation through practical use. The lack of the release of detailed technical regulations (such as Perbup) for proper zoning is a major bottleneck. Successful cases which are comparative were the PKL Management in Yogyakarta and Sleman when specific spatial zones and time classes for the activity (e.g. 06.00-18.00 and 18.00-04.00) were defined.

In order to fulfill and implement the requirements of such regulations, Tangerang Regency will be required to develop secondary regulations that define and map permanent zones not only compliant with regulation but also designed to be economically relevant. It is crucial to counter vendors' economic fear by establishing a fixed, designated zone that recognizes the economic geography - the flow of pedestrians and closeness to demand centers. Such spatial precision brings the necessary predictability both to PKL and the urban planners, flipping arbitrary prohibition into predictable regulation.

The institutional emphasis on punitive penindakan should gradually be re-positioned with the use of mentorship and developmental help. Although Satpol PP's place in the system is a must, they should incorporate social and economic solutions into their operative strategy. Such a shift would entail a significant reorientation of institutional training and performance metrics on the part of implementation agents.

Success cannot be defined by the number of evictions - it has to be measured in how many people have successfully moved into the next new zone; by the business growth rates in the new zone and by how many suppliers have held up over time. Through emphasizing development assistance and problem-solving mechanisms over excessive enforcement, the local government can harmonize pragmatic implementation of the policy with its legislative mandate for empowerment.

CONCLUSIONS

The analysis of the implementation of Regional Regulation Number 08 of 2015 concerning the structuring of street vendors (PKL) in Tangerang Regency, using the Pasar Ceplak case, demonstrates the existence of significant operational asymmetry. The government's failure to provide relocation sites that are economically viable and strategically located weakens the achievement of the policy's objectives, namely urban order and the empowerment of micro-enterprises. In the context of informal sector policies, the economic rationality of street vendors aimed at protecting income and minimizing transaction costs constitutes a major structural constraint. When the economic risks of relocation are not adequately mitigated, policy implementation tends to shift toward repressive enforcement, which is costly, ineffective, and ultimately leads to recurring violations.

To achieve sustainable street vendor management, a transformation of the governance paradigm is required through the formulation of economically responsive zoning regulations that provide clear certainty regarding space and time for vending activities. Furthermore, the administrative approach should be redirected toward a collaborative governance mechanism that formally involves street vendor representatives and non-governmental actors in the planning and implementation of relocation and empowerment programs. Such a participatory

model is expected to enhance compliance, strengthen institutional trust, and foster a sense of shared ownership. Future research may focus on developing quantitative models to assess the economic feasibility of relocation sites and on evaluating the long-term effectiveness of multi-stakeholder coordination in managing street vendors within Indonesia's urban context.

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