

Sharia Economics on the Market Relocation Policy of Street Vendors in Purbalingga Food Center: Socio-Economic Conditions as the Consideration

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ABSTRACT

This research investigates the impact of market relocation on the socio-economic conditions of street vendors at the Purbalingga Food Center (PFC). The relocation policy aimed to discipline street vendors, create a more representative culinary area, and address urban issues by establishing a new crowd center in the Purbalingga district. The study employs descriptive qualitative research methods, incorporating interviews, observation, and documentation for data collection. The findings reveal several outcomes: sustained positive interaction among traders, increased comfort due to improved facilities, enhanced security, decreased income for street vendors resulting from a lack of buyers, and the emergence of new business opportunities such as parking attendants and cleaning staff. Despite the income decline, the relocation brought overall benefits, aligning with Sharia economic principles. The study concludes that the government's relocation policy, while introducing challenges, ultimately generated advantages for both traders and policymakers. The results highlight the multifaceted impact of such policies, emphasizing the need for careful consideration and alignment with existing issues to maximize benefits for all stakeholders.

Keywords: Food center, Market relocation, Street vendors, Socio-economic conditions

ABSTRAK

Penelitian ini bertujuan untuk mengetahui dampak relokasi pasar terhadap kondisi sosial ekonomi pedagang kaki lima di Purbalingga Food Center (PFC). Kebijakan relokasi tersebut bertujuan untuk menertibkan pedagang kaki lima, menciptakan kawasan kuliner yang lebih representatif, dan mengatasi permasalahan perkotaan dengan mendirikan pusat keramaian baru di Kabupaten Purbalingga. Penelitian ini menggunakan metode penelitian deskriptif kualitatif yang mencakup wawancara, observasi, dan dokumentasi untuk pengumpulan data. Temuan ini menunjukkan beberapa hasil: interaksi positif yang berkelanjutan di antara para pedagang, peningkatan kenyamanan karena peningkatan fasilitas, peningkatan keamanan, penurunan pendapatan pedagang kaki lima karena kurangnya pembeli, dan munculnya peluang bisnis baru seperti tukang parkir dan petugas kebersihan. Meskipun terjadi penurunan pendapatan, relokasi ini membawa manfaat secara keseluruhan dan sejalan dengan prinsip ekonomi syariah. Studi ini menyimpulkan bahwa kebijakan relokasi pemerintah, meskipun menimbulkan tantangan, pada akhirnya memberikan keuntungan bagi para pedagang dan pembuat kebijakan. Hasil penelitian ini menyoroti dampak beragam dari kebijakan-kebijakan tersebut, menekankan perlunya pertimbangan yang cermat dan penyesuaian dengan isu-isu yang ada untuk memaksimalkan manfaat bagi seluruh pemangku kepentingan.

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INTRODUCTION

The urban center is one of the places where various social and economic activities develop. This is because the city center is heavily traversed by mobility flows. One of the common problems that occurs in urban areas is the high level of unemployment due to the speed of population growth that exceeds the speed of job providers. Therefore, many people choose to look for alternative jobs in the informal sector. The informal sector itself is a field of economic activity whose entry does not always require formal education and high skills and requires licenses and large capital to produce it (Yadewani & Syafrani, 2020). Jobs that are included in the informal sector are street vendors, itinerant traders, hawkers, pedicab drivers and so on.

The informal sector plays an important role in helping the urban economy. In addition to meeting the daily needs of the community, the informal sector can also absorb labor so as to reduce the problem of unemployment in urban areas. One form of the informal sector is street vendors.

Street vendors (PKL) are one part of the informal sector that is commonly found in urban areas. In general, street vendors are referred to as people who sell their merchandise on a mobile basis using carts. However, over time, street vendors began to sell in public places (Handayani, 2009). As we often see, many street vendors are selling in public spaces intended for community activities such as on sidewalks, squares, roadsides and other places. In some cases, the presence of street vendors causes problems for the city, namely causing traffic congestion, lack of beauty and cleanliness of the city's spatial layout. In addition, trading in places that are not intended for use is also at risk of being prosecuted by the Civil Service Police Unit (Satpol PP). Nevertheless, there are still many traders who still choose to sell in public areas. In fact, the number continues to grow from time to time. According to Medina et al. (2022), there are 2 factors that support the ease of development of street vendors in public spaces, namely, proximity and ease of communication with sources of formal activities and the existence of space utilized for business activities.

The square is generally the identity of a city/district. The square is one of the public spaces that will change over time. These changes are caused by the culture of the community, which is increasingly developing. The square is visited and utilized as a place of community entertainment, which is used to watch various live music performances, and regional arts, a place to gather with family and relax with friends and a playground for children.

As is the case in Purbalingga city square which is located on Jl. Jendral Soedirman, Purbalingga Lor, Purbalingga District, Purbalingga Regency which is almost every day never deserted by visitors. The strategic and easily accessible place makes the square visited by many people. This makes many street vendors depend on their lives selling there. The existence of these street vendors causes the square to not function properly. The unavailability of trading places for street vendors also causes street vendors to choose to sell in the center of the crowd. Purbalingga Square becomes dirty and chaotic due to the street vendors who sell on the side of the road and then cause congestion due to parking visitors who are on part of the Purbalingga Square road.

To address the problem of street vendors in the square, the Purbalingga Regency Government relocated the street vendors who were previously in the Purbalingga Square to the Purbalingga Food Center (PFC) located south of the Goentor Darjono Purbalingga Stadium. The placement of street vendors to a more representative culinary area in addition to overcoming urban problems, this move also aims to grow a new crowd center in Purbalingga Regency besides the Square.

The relocation of street vendors, as outlined in Regional Regulation No. 94 of 2019 regarding the arrangement and designation of street vendors (PKL) locations in the Purbalingga District, is guided by specific objectives. According to Article 2 of the

Regional Regulation, these objectives include providing business opportunities for PKL by designating locations based on their intended purposes. Additionally, the initiative aims to foster the growth and development of micro-economies for street vendors, promoting resilience and independence. The ultimate goal is to realize clean, beautiful, orderly, and safe areas with adequate environmental infrastructure.

The relocation of street vendors (PKL) from Purbalingga Square to the Purbalingga Food Center (PFC) was carried out on January 14, 2020. The number of relocated traders was 369. However, this number changed after verification in March 2022 to 312 traders with various types of merchandise being sold, such as food, drinks, toys, clothes, toys and so on. Table 1 shows data on the number of street vendors at the Purbalingga Food Center.

Table 1. Number of street vendors

No.	Block	Number of Traders
1	Block A	62 Merchants
2	Block B	72 Merchants
3	Block C	46 Merchants
4	Block D	132 Merchants

Source: Purbalingga Food Center Association

Relocation is one of the public policies carried out by the Regional Government. Anderson (2003) defines public policy as policies developed by government agencies and officials. This refers to technical and administrative issues. The elements contained in public policy are in order to solve problems and achieve certain goals.

The government's policy of relocating street vendors to the Purbalingga Food Center has created pros and cons. In a study (Puspita et al., 2023), some people supported the relocation because the trading locations of street vendors (PKL) are often on sidewalks that should function as pedestrian paths. Meanwhile, some traders reject the relocation policy because they tend to feel comfortable with the previous location and are lazy to adapt to the new location. The reason why street vendors reject the relocation policy is because of the length of time they have occupied the location. There is a concern that moving the trade location will reduce the amount of income they have in the previous location. Just like what happened at the Purbalingga Food Center, where there are pros and cons of relocation. As stated by Mrs. Murjiah as a clothing trader:

Actually, I do not agree with this relocation, it is more comfortable to sell in the square where it is spacious and more relaxed. Visitors from anywhere can get to the square if here people are still unfamiliar. There are still many who do not know the access to the Purbalingga Food Center. In addition, customers are also leaving, in the past, if you wanted to buy, you would find it in the square, now you have to look for it in the pfc, except for those who already have a cellphone number, they usually immediately find a tempate at the PFC (interview 2022).

Every move requires adaptation from the old location to the new location. Likewise, the moving of the selling location of street vendors (PKL) to the Purbalingga Food Center (PFC) is still in the early stages, namely the adjustment, introduction and adaptation stages to obtain market prey. This opinion is actually inversely proportional to Mrs. Leli. according to Mrs. Leli as a pecel trader said:

"I just agree mba, the current place is also more organized, the stalls are permanent so traders don't have to bother pushing carts, and dismantling tents to sell again." (interview 2022).

According to Sa'adah & Wicoro (2022) in general, relocation is often interpreted as moving places in terms of geographical space. In fact, it cannot be denied that relocation involves battles between various spatial concepts such as economic, social, political, environmental to cultural space. The expected result of the relocation process according to Wet in (Purnomo, 2016), is that the condition of the relocated community becomes better than the condition before the relocation occurred. These better conditions include:

income level, diversity of income sources, status and security of the new location and access to basic infrastructure services.

Based on the results of the interviews, vendors experienced changes in income before and after relocation. Before the relocation, many vendors made a profit even though they had to push their carts and some incurred costs to dismantle the tents. They dared to incur these costs because they felt they could afford the benefits. Since the relocation, most traders have complained because their income has decreased, and there are also some traders whose income has increased from the previous place. The following data presents the changes in the income of street vendors in the Purbalingga Food Center.

LITERATURE REVIEW

Market Relocation

According to Noviko (2016), relocation is an effort to redeploy an activity/activity from one place to another that is considered more appropriate based on certain reasons and objectives. Meanwhile, what is meant by the market according to Adam Smith, the market is defined as a place of sale or as a geographical area. The market is a mechanism that can bring together sellers and buyers to make transactions for goods and services, as well as the process of determining prices (Damsar & Indrayani, 2018). So, market relocation is the movement of the trade location to a better place where it has been determined. In this study, the intended market relocation is the relocation of activities (trading) which was previously located in Purbalingga Square to a new place, namely the Purbalingga Food Center.

Socio-economic Conditions

According to (Basrowi and Juariyah, 2010), socio-economic conditions are the state or position of a person in the surrounding community. The characteristics of socio-economic conditions, as described by Basrowi and Juariyah (2010), include several aspects. First, individuals tend to have a higher level of education. Second, social status is reflected in aspects of life, health, work, and self-recognition of the environment. Furthermore, the level of upward mobility is also greater in better socio-economic circumstances. In addition, having large fields and an orientation towards the commercial economy of products are also characteristic. Finally, occupations in this context tend to be more specific, showing a higher degree of specialization.

Street vendors

A trader is a person or entity that buys merchandise from producers and sells it to consumers (Lasiyama, 2022). Meanwhile, street vendors or street vendors (PKL) are people who conduct trading and or service businesses in public places, either using or not using something in carrying out their trading business (Proverbs, 2018). Public places that are widely used as trading places are sidewalks, squares, shopfronts, and roadsides. The tools used for trading vary, some of which use carts, pikulan, tents and so on. The existence of street vendors in Purbalingga Square makes road conditions congested because they are used for selling and parking. The strategic place and the easy access road to the location make many street vendors sell there. Therefore, there is a need for policies to overcome existing problems so that public spaces are more organized and can run properly.

METHODS

This research is a *field* research with qualitative research methods. It is called field research because researchers go directly to the field to engage with participants or the local community. That way means the researcher feels what they feel and, at the same time, gets a picture of the local situation (Semiawan, 2010). Therefore, in this research, the author conducted research located at the Purbalingga Food Center located on Jl. Lingkar

next to GOR Goentoe Darjono Purbalingga Kidul, Purbalingga District, Purbalingga Regency to find data for this research.

As for the type of research, namely descriptive qualitative research, where the data collected is in the form of words, pictures and not numbers (Moleong, 2018). Data collection techniques in this study were carried out through observation, interviews and documentation.

The data analysis method proposed by Miles and Huberman, as described in research by Anggito and Setiawan (2018), identifies three lines of activity that occur simultaneously, namely data reduction, data presentation, and conclusion drawing or verification. First, at the data reduction stage, researchers summarize, select key information, and focus on essential things. Thus, the data that has been reduced provides a clear picture and makes it easier for researchers to continue data collection and look for additional information if needed. In research at the Purbalingga Food Center (PFC), the authors summarized, grouped, eliminated irrelevant information, and focused on important data in order to reach conclusions.

Second, at the data presentation or data display stage, qualitative research allows various forms of presentation, such as brief descriptions, charts, relationships between categories, flowcharts, and so on. However, Miles and Huberman (1984) note that the most common form of presenting qualitative data is narrative text. Therefore, in this research, the author combines the information that has been organized into tables as one of the effective forms of data presentation.

Third, at the stage of drawing conclusions or verification, the initial conclusions proposed are still temporary and can change if they are not supported by strong evidence during the next data collection stage. Conclusions become credible if they can be strengthened with valid and consistent evidence when researchers return to the field to collect additional data. This approach emphasizes an iterative process and continuous improvement of the resulting conclusions.

RESULTS AND DISCUSSION

The government plays an important role in regulating and directing society towards a better direction. Therefore, the government should be fair and wise in making a policy as taught by Rasulullah PBUH. The decision or policy must bring *maslahah* (goodness) to its people. According to Ulinnada (2020), explaining *maslahah* is a law that maintains the purpose of *shara'* to realize benefits and avoid deterioration. The benefit that is the goal of *shara'* is not a benefit based solely on human desires and passions. This is because it is fully realized that the purpose of the law is none other than to realize benefits for humans in all aspects and aspects of their lives in the world and avoid various forms that can lead to damage. In other words, every legal provision that has been outlined by *shara'* is aimed at creating benefits for humans.

Market relocation is one example of a policy carried out by the government to deal with existing problems. Just as the Purbalingga Regency Government did to deal with the problem of street vendors in the square, the government relocated the traders to a new place for mutual benefit. The government is happy because the square can function as it should, while for relocation, traders can bring benefits because they have a new place to trade in accordance with its designation which is expected to change trading activities in a better direction.

According to Haetami (2016) and Noor et al. (2021), one of the ways to determine the degree of benefit is that it can be measured from the aspect of the final goal that appears as a result that will be caused. This is important for everyone to know because there is often confusion in assessing it. Sometimes what he considers a *maslahah* is actually a *mafsadah*. Therefore, the measure to distinguish between the two can be seen in terms of whether the consequences are good or bad. If an action produces good then it is called *maslahah*, but on the contrary if the resulting badness is called *mafsaddah*.

As in this study, the *maslahah* caused by market relocation can be seen through: *First*, the interaction between traders. The existence of market relocation has a good impact on the interaction process between traders. The interaction between traders causes *maslahah*, namely that with the relocation of traders, they can get to know each other with other traders who previously did not know because the place where they sell is different from the previous one.

Second, increased comfort. Before the relocation process is carried out, the government should already have a new place for relocated traders. The place is certainly chosen based on the criteria for the sustainability of the buying and selling process to run well. The existence of complete facilities creates *maslahah* for traders because with complete infrastructure facilities the traders become more comfortable in selling.

Third, increased security. The existence of night guards in the Purbalingga food center produces *maslahah* in the form of a sense of security for traders. They are not afraid if the carts or goods they leave behind are stolen by people. *Fourth*, the opening of business opportunities. The existence of business opportunities due to market relocation also indicates that relocation creates *maslahah* for other communities by recruiting new workers at the Purbalingga Food Center (PFC). In addition to producing benefits, market relocation also causes *mafsadah* for some traders, namely the decline in the income of street vendors due to the location of kiosks and the location of the Purbalingga Food Center (PFC), which is considered less strategic for selling so that it results in a lack of visitors followed by a decrease in income. In this case, the government must immediately overcome the existing problems.

The view of Sharia Economics on the market relocation policy is that it can bring benefits to the people. Therefore, the government must really make policies in accordance with existing problems. Based on the results of the study, it is concluded that the street vendors market reallocation policy brings benefits and also *mafsadah* to traders, buyers, and also the government as a policy maker.

CONCLUSION

Relocation is an effort to relocate an activity from one place to a place that is considered more appropriate based on certain reasons and objectives. The policy of relocating street vendors from those previously located in Purbalingga Square and traders on GOR Goentoer Darjono Purbalingga Street is one way to discipline street vendors by providing a more representative culinary area. Besides that, it is also to overcome urban problems and is to grow a new center of crowds in the Purbalingga district. However, the relocation raises pros and cons from the traders themselves, some of whom agree, and some do not agree with the relocation. After the relocation, the traders also experienced changes both socially and economically. The purpose of this study was to find out the impact of market relocation on the socio-economic conditions of street vendors at the Purbalingga Food Center (PFC). This research is a field research with the type of research that is descriptive qualitative research. Data collection techniques used in this study include interviews, observation, and documentation. While the data analysis technique in this study uses the approach proposed by Miles and Huberman, which consists of three stages, namely reduction, data presentation, and drawing conclusions. The result of this study indicates the impact of market relocation on the socio-economic conditions of street vendors, namely: (1)The interaction that exists between traders continues to run well, both before and after relocation; (2)Increased level of comfort due to more adequate facilities and infrastructure; (3)Increased security; (4)The decline in the income level of street vendors caused by the lack of buyers; (5)The opening of business opportunities, namely the existence of new parking attendants and cleaning staff. Sharia economic view of market relocation policies that can bring benefits to people. Therefore, the government must really make policies in accordance with the existing problems. Based on the result of the study it was concluded that the policy of relocating the street vendor market brought benefits and also *mafsadah* to traders and also the government as a policy maker.

Overall, the observations and interviews concluded that the market relocation policy has had a significant impact on socio-economic conditions. Interactions between traders continue to be good, both before and after market relocation. An increase in the level of comfort can be seen from the provision of more adequate facilities and infrastructure, as well as an increase in the level of security around the market. However, there was a decrease in the income level of street vendors due to the lack of buyers. On the other hand, the relocation policy also opened up new business opportunities, such as new parking attendants and cleaning staff. Therefore, it can be concluded that market relocation has a complex impact on the social and economic aspects of the neighborhood.

The view of sharia economics on the market relocation policy is that it can bring benefits to the people. Therefore, the government must really make policies in accordance with existing problems. Based on the results of the study, it is concluded that the street vendor market relocation policy brings benefits and also *mafsadah* both to traders, buyers, and also the government as a policy maker.

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