From Overt Opposition to Covert Cooperation
--Street Food Vending Governance in Nanjing, China

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Street food vending is significant in the Global South, and growing as low-and-middle income countries urbanize and modernize.
Street vending is a contested space in academia

STREET VENDING AND PUBLIC POLICY: A GLOBAL REVIEW

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Eleven major arguments are frequently used to justify the continuation and proliferation of street vending. The significance of the different arguments varies considerably from country to country, from city to city, and in accordance with the specific characteristics of the vendor, merchandise and neighborhood.

F1. Through their transactions, street vendors contribute directly to the overall level of economic activity, and to the provision of goods and services. They are an integral part of the economy, and their elimination would reduce competition and economic activity. All businesses which sell or rent to street vendors and their dependents would suffer if street vendors could no longer make a livelihood.

F2. In many countries, citizens have constitutional rights to choose their occupations and to engage in entrepreneurial activities. Street vending is one such option, and its suppression reduces the range of alternatives available to citizens. Even if such rights are not formally guaranteed, it can be argued that they are basic human rights under “natural law” (Paine 1792, 159).

A1. Street vendors are not evenly spread across the city. They concentrate very heavily in a few locations, and those locations are typically the points with the highest levels of pedestrian and vehicular congestion. Pedestrians passing through street markets and people sitting in stationary or slow-moving vehicles are constantly exposed to the sight of goods and services on sale on the streets, and they will often make impulse purchases. Additional street vendors gravitate towards the congestion, because that is where available demand is concentrated. As a result, through a process of circular and cumulative causation, both street sales and levels of congestion are further increased.

A2. By contributing to vehicular and pedestrian congestion, street vendors may cause traffic accidents, increase the levels of vehicle-generated air pollution, and impede the flow of police, fire, ambulance and other emergency vehicles. Crowded sidewalks, vendors in the roadway, and pedestrians displaced onto the roadway may block motorists’ sight-lines at intersections, and the lively activity of street sales may distract motorists from their driving.
From “zero tolerance” to “soft regulation”--Policy Timeline

- **1949**: Pre-market economy
  - Sweeping ban
- **Deregulation**
  - Laissez-faire development
- **1978**: City Image Management
  - Banned again
- **1994**: Social harmony
  - Conditional permits
- **2009**:
Scholars below have critiqued policy reform

Restrictive
“Functionally, it permits street vendors to operate in some designated areas of the city while strictly prohibiting them from the “important areas.””
(Xue and Huang, 2015: 162)

Orchestrating gentrification
“...characterize these expressions of “inclusiveness” towards vendors as highly ambivalent, and as giving “priority to a specific city image and urban order” and relegating legal vending locations to peripheral locations.”
(Hanser, 2016: 378)
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<tr>
<th>Research data and sites</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Method</strong></td>
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<td><strong>Respondents</strong></td>
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But implementation tells a different story from policy.
1. How to explain the observed cooperation between vendors and officers?
The misalignment between policy as written and policy as practiced is dubbed in a variety of terms, such as ambiguous governance, blind-eye governance, and flexible governance (Wang, 2017; Chiu, 2013; Sun, 2011, etc.).

Responsive Authoritarianism and Blind-Eye Governance in China

“The government chooses to overlook extra-legal behaviour as long as social groups keep within certain limits”

“Ambiguity enables coalition and compromise”
2. What is **behind** the ambiguity?
Land expropriation in China created landless farmers
(Zhang and Gu, 2004; Liu, 2010; Yu et al., 2013)
Rapid urbanization heightened the problem of landless farmers.

By 2010, in total China created over 40 million landless farmers, susceptible to the “no land, no job, no social security” dilemma in cities. (Liu, 2010; Zhang and Gu, 2004)

Half of landless farmers still farm after urbanization. (Qi, 2007)

A survey in 2004 showed that land expropriation had become top concern of peasants. (Yu, 2004 from Chinese Academy of Social Sciences)
Insufficient compensation is a common justification for street vending

“Our land was expropriated very early, in 1994...we were too naive. The compensation was bad but we took it...we didn’t get enough compensation...if our land was claimed in 2000s, we’d be rich...the government knows we are poor...” --Vendor A

“The government subsidy is insufficient...we can’t afford getting sick. If we fall ill, we can do nothing but wait for death.” --Vendor B

“My wife has pancreatic cancer...I (grow and sell food) just in hope of covering her medical expenses...the Party is good, the law enforcement is people-centred” --Vendor C
City management officers in this neighbourhood are part of the landless farmer community.

“I know the officers...if there is inspection from superiors, I will be informed to keep away from this street”
Vendors take up undeveloped lots in the surrounding to grow food.
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Conclusions:

- I argue that the term *compensatory governance* contributes to the theoretical understanding of informality governance by teasing out the cause of ambiguous governance--injustice in land expropriation and the centrality of informal economy to landless farmers;

- The place-based governance enables a *covert cooperation* between local vendors, officers, and local government;

- Implicit permission is a strategy to *offload local government’s social services* to landless farmers themselves

- Through the process, the urban space is *remade with rural remnants*, switching between “orderly city corner” and “village market”.
Discussion: formalization and normalization

- Compensational governance is volatile. Without institutionalization, this underground economy is subject to suppression in the event of local leadership shift.

Given the pitfalls in top-down formalization approaches,
- It is worth the attention of scholars and civil society organizations to design formalization strategies for the street vendor community from a bottom-up manner.

RETHINKING FORMALIZATION:
WHO, WHAT, WHY, AND HOW?

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