

**PUBLIC POLICY IMPLEMENTATION IN STREET VENDOR MANAGEMENT AND ITS IMPACT ON URBAN ECONOMIC DEVELOPMENT: EVIDENCE FROM BANDUNG, INDONESIA****Deni Mujahidin<sup>a</sup>**<sup>1</sup>Universitas Pasundan  
denimujahidin96@gmail.com**ARTICLE INFO****Received:** 2 December 2025;**Accepted:** 6 January 2026 ;**Publish:** 8 February 2026;

Volume 1 Issue 1,

January - June 2026, pp. 13-17

<http://doi.org/10.23960/jPM.v1i1.1>**Corresponding author :**

Author Name

(institutional address)

**Email:** author@xxx.xxx

(Cambria 8pt, Spasi 1 Normal)

**ABSTRACT**

*Street vendors represent an important component of the informal economy in many developing countries and contribute significantly to urban economic activities. However, their presence often creates challenges related to urban spatial management, public order, and the utilization of public spaces. This study aims to analyze the implementation of public policy in street vendor management and its implications for urban economic development in Bandung, Indonesia. The research employed a qualitative descriptive approach using secondary data sources, including government policy documents, academic literature, and relevant publications related to street vendors management and urban governance. The analysis focuses on the policy implementation framework proposed by George C. Edwards III, which emphasizes four key factors influencing policy implementation: communication, resources, disposition, and bureaucratic structure. The findings indicate that effective communication between government authorities and street vendors, adequate institutional resources, supportive attitudes among policy implementers, and well-coordinated bureaucratic structures play an important role in ensuring the effectiveness of street vendor management policies. Furthermore, the implementation of these policies contributes to supporting urban economic development by maintaining the economic activities of the informal sector while improving the organization of public spaces. However, several challenges remain, including limited enforcement capacity and resistance from some street vendors. The study highlights the importance of balanced and inclusive policy approaches that integrate regulatory measures with economic empowerment strategies to support sustainable urban economic development.*

**Keywords:** public policy implementation, street vendor management, urban economic development, informal sector, urban governance.

**ABSTRAK**

Pedagang kaki lima merupakan bagian penting dari sektor ekonomi informal di banyak negara berkembang dan memberikan kontribusi yang signifikan terhadap aktivitas ekonomi perkotaan. Namun, keberadaan pedagang kaki lima seringkali menimbulkan tantangan terkait penataan ruang kota, ketertiban umum, serta pemanfaatan ruang publik. Penelitian ini bertujuan untuk menganalisis implementasi kebijakan publik dalam penataan pedagang kaki lima serta implikasinya terhadap pembangunan ekonomi perkotaan di Bandung, Indonesia. Penelitian ini menggunakan pendekatan deskriptif kualitatif dengan memanfaatkan data sekunder yang diperoleh dari dokumen kebijakan pemerintah, literatur akademik, serta berbagai publikasi yang relevan dengan pengelolaan pedagang kaki lima dan tata kelola perkotaan. Analisis penelitian menggunakan kerangka implementasi kebijakan yang dikemukakan oleh George C. Edwards III yang menekankan empat faktor utama dalam implementasi kebijakan, yaitu komunikasi, sumber daya, disposisi, dan struktur birokrasi. Hasil penelitian menunjukkan bahwa komunikasi yang efektif antara pemerintah dan pedagang kaki lima, ketersediaan sumber daya institusional yang memadai, sikap implementor kebijakan yang mendukung, serta koordinasi struktur birokrasi yang baik berperan penting dalam keberhasilan implementasi kebijakan penataan pedagang kaki lima. Selain itu, implementasi kebijakan tersebut juga berkontribusi terhadap pembangunan ekonomi perkotaan dengan tetap mempertahankan aktivitas ekonomi sektor informal sekaligus meningkatkan keteraturan pemanfaatan ruang publik. Meskipun demikian, masih terdapat beberapa tantangan seperti keterbatasan kapasitas penegakan kebijakan dan resistensi dari sebagian pedagang kaki lima. Oleh karena itu, diperlukan pendekatan kebijakan yang lebih inklusif dan seimbang antara regulasi dan pemberdayaan ekonomi untuk mendukung pembangunan ekonomi perkotaan yang berkelanjutan.

**Kata Kunci :** implementasi kebijakan publik, penataan pedagang kaki lima, pembangunan ekonomi perkotaan, sektor informal, tata kelola perkotaan.

**A. INTRODUCTION**

Urban economic development has become an important issue in many developing countries, particularly in rapidly growing cities where economic activities are closely linked to the informal sector. One of the most visible forms of informal economic activity is the presence of street vendors who operate in public spaces and provide accessible goods and services to urban communities. Street vendors play a significant role in supporting local economic activities, generating employment opportunities, and contributing to the livelihoods of low-income populations. At the same time, their presence often raises challenges related to urban order, spatial management,

and public space utilization (Roever & Skinner, 2016).

In many cities, local governments are required to design policies that balance economic opportunities for street vendors with the need to maintain urban order and public space management. Effective public policy is therefore essential to regulate street vendor activities while simultaneously supporting local economic development. Policy implementation becomes a crucial stage in this process because the success of public policy largely depends on how effectively it is implemented by government institutions and accepted by the target groups within society (Hill & Hupe, 2014). In the context of urban governance, the implementation of street vendor management policies requires coordination between government authorities, enforcement agencies, and the vendors themselves.

In Indonesia, the management of street vendors has become an important agenda for local governments in addressing urban economic and spatial challenges. Street vendors are often considered both as contributors to the local economy and as sources of urban management problems, such as traffic congestion, limited pedestrian access, and the use of public spaces without regulation. As a result, many local governments have introduced regulatory frameworks aimed at organizing and empowering street vendors in a more structured and sustainable manner. These policies generally include zoning arrangements, relocation programs, and empowerment initiatives designed to improve the welfare of vendors while maintaining urban order.

One example of such policy implementation can be observed in Bandung, one of the major urban centers in Indonesia that faces significant challenges related to the management of street vendor activities. The local government has introduced various regulatory policies to manage and organize street vendors in strategic public areas. These policies aim not only to improve urban spatial management but also to support the development of local economic activities generated by the informal sector. The effectiveness of these policies largely depends on the ability of government institutions to implement regulations consistently while maintaining constructive engagement with street vendor communities.

Despite the existence of regulatory frameworks and policy initiatives, the implementation of street vendor management policies often faces various challenges. These challenges include limited coordination among implementing agencies, resistance from street vendors, and inconsistencies in enforcement practices. In addition, differences between policy objectives and on-the-ground realities may affect the overall effectiveness of policy outcomes. Therefore, understanding how public policy is implemented in the management of street vendors becomes essential for evaluating its impact on urban economic development.

Based on this background, this study aims to analyze the implementation of public policy in street vendor management and its implications for urban economic development in Bandung, Indonesia. By examining the interaction between policy implementation and local economic activities, this study seeks to provide insights into how effective governance strategies can contribute to more inclusive and sustainable urban economic development. The findings are expected to contribute to the broader discussion on public policy, urban governance, and the role of the informal sector in supporting local economic growth.

## **B. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT**

### **Public Policy Implementation**

Public policy implementation refers to the process through which government policies are translated into concrete actions and programs aimed at achieving specific policy objectives. Policy implementation is a critical stage in the public policy process because the success or failure of a policy often depends not only on how well it is formulated but also on how effectively it is implemented in practice. According to George C. Edwards III, successful policy implementation is influenced by several key factors, namely communication, resources, disposition, and bureaucratic structure. Communication ensures that policy objectives and procedures are clearly conveyed to implementers and target groups. Resources refer to the availability of human, financial, and institutional capacities required for policy implementation. Disposition relates to the attitudes and commitment of policy implementers, while bureaucratic structure concerns the organizational arrangements and procedures that facilitate policy execution.

These factors play a crucial role in determining the effectiveness of policy implementation, particularly in complex governance contexts involving multiple stakeholders. In urban governance, where policy implementation often involves coordination among various government agencies and community actors, the effectiveness of these elements becomes essential to ensure that policy goals can be achieved efficiently and sustainably.

### **Street Vendor Management Policy**

Street vendor management policies are regulatory frameworks designed by local governments to regulate,

organize, and empower street vendors operating in urban public spaces. The presence of street vendors is often associated with the informal sector, which plays a significant role in providing employment opportunities and supporting local economic activities, particularly in developing countries. However, the uncontrolled growth of street vendors may also create challenges related to urban order, traffic congestion, sanitation, and the use of public spaces.

Therefore, local governments often introduce policies aimed at balancing economic opportunities with urban spatial management. These policies typically include zoning arrangements, relocation programs, licensing systems, and empowerment initiatives such as training programs and access to financial support. Effective street vendor management policies not only focus on regulation and control but also emphasize empowerment strategies that help improve the economic capacity and welfare of street vendors.

Previous studies suggest that well-implemented street vendor policies can contribute to more organized urban environments while maintaining the economic contributions of the informal sector. However, ineffective policy implementation may result in conflicts between government authorities and street vendors, leading to resistance and non-compliance. Consequently, understanding how such policies are implemented in practice is essential to evaluate their effectiveness in achieving both economic and urban governance objectives.

### **Urban Economic Development**

Urban economic development refers to the process through which cities enhance economic growth, improve employment opportunities, and increase the overall welfare of urban communities. In many developing countries, the informal sector plays a vital role in supporting urban economic activities, particularly for low-income groups that may face barriers in accessing formal employment. Street vendors, as part of the informal sector, contribute to urban economic dynamics by providing affordable goods and services, generating income for households, and supporting local market activities.

Scholars argue that inclusive urban economic development should recognize the role of informal economic actors while ensuring that urban management policies support orderly and sustainable economic activities. Policies that integrate informal economic actors into urban development strategies can help create more inclusive economic systems and reduce socioeconomic disparities within cities.

In this context, the relationship between public policy implementation and urban economic development becomes particularly important. Policies that regulate and empower street vendors may not only improve urban spatial management but also strengthen local economic activities. Therefore, examining the implementation of street vendor management policies provides valuable insights into how public policies can contribute to supporting urban economic development while maintaining effective governance of public spaces.

### **C. RESEARCH METHODOLOGY**

This study employed a qualitative descriptive research approach to analyze the implementation of public policy in street vendor management and its implications for urban economic development in Bandung, Indonesia. The qualitative approach was chosen to obtain a comprehensive understanding of how policy implementation occurs in practice and how it influences economic activities within the informal sector. The study used secondary data sources, including government policy documents, official reports, academic literature, and relevant publications related to street vendor management and urban economic governance. Data were collected through document analysis to identify policy frameworks, implementation strategies, and regulatory mechanisms implemented by the local government in managing street vendors. The data were then analyzed using qualitative content analysis by examining patterns, interpreting policy implementation processes, and evaluating their implications for urban economic development. This approach enables the study to provide an in-depth understanding of the relationship between public policy implementation and the management of street vendor activities within the context of urban governance.

## **RESULT AND DISCUSSION**

The results of this study show that the implementation of street vendor management policies has played an important role in shaping urban economic activities and spatial management in Bandung, Indonesia. The local government has introduced several regulatory measures aimed at organizing street vendors operating in public spaces while simultaneously supporting their economic activities. These policies are intended to create a balance between maintaining urban order and providing economic opportunities for informal sector actors. The implementation process involves regulatory arrangements, relocation programs, and empowerment initiatives

designed to improve the welfare of street vendors while ensuring that public spaces can be utilized in a more orderly and sustainable manner.

From the perspective of policy implementation, the findings indicate that communication between government institutions and street vendors plays a crucial role in determining the effectiveness of policy outcomes. Clear communication regarding policy objectives, regulations, and operational procedures helps reduce misunderstandings and resistance among street vendors. In the context of policy implementation theory proposed by George C. Edwards III, effective communication is a fundamental factor that ensures that policy directives are properly understood by both implementers and target groups. In Bandung, communication mechanisms such as socialization programs and direct engagement with street vendor communities have been used to explain policy objectives and encourage compliance with government regulations.

Another important factor influencing policy implementation is the availability of resources. The management of street vendors requires sufficient human resources, administrative capacity, and institutional support from local government agencies responsible for urban management. The findings suggest that the availability of adequate resources contributes to more effective monitoring, supervision, and enforcement of street vendor regulations. Local government agencies responsible for public order and spatial management play a key role in ensuring that street vendor activities are conducted in designated areas in accordance with existing regulations.

The study also highlights the importance of the disposition or commitment of policy implementers in the successful execution of street vendor management policies. The attitudes and willingness of government officials to implement policies consistently influence how regulations are enforced in practice. When policy implementers demonstrate a cooperative and supportive approach toward street vendors, the implementation process tends to be more effective and less confrontational. This approach encourages dialogue and collaboration between government authorities and street vendors, thereby facilitating smoother policy implementation.

In addition, bureaucratic structure is another factor that affects the effectiveness of policy implementation. The presence of clear organizational structures, coordination mechanisms, and administrative procedures enables government agencies to implement policies more efficiently. In Bandung, coordination among different local government agencies involved in urban management is necessary to ensure that street vendor policies are implemented consistently. Effective inter-agency coordination helps reduce policy overlap and improves the overall management of street vendor activities within urban public spaces.

From an economic perspective, the implementation of street vendor management policies has contributed to supporting urban economic development. Street vendors remain an important component of the local economy because they provide employment opportunities, support small-scale entrepreneurship, and offer affordable goods and services to urban communities. By organizing street vendor activities through designated zones and empowerment programs, the local government can help ensure that these economic activities continue to contribute to the urban economy while maintaining order in public spaces.

However, the findings also reveal several challenges in the implementation of street vendor management policies. Resistance from some street vendors, limitations in enforcement capacity, and inconsistencies in policy application remain important issues that may affect policy effectiveness. In some cases, differences between regulatory objectives and the socio-economic realities faced by street vendors can create tensions between government authorities and informal sector actors. These challenges highlight the need for more inclusive policy approaches that combine regulatory enforcement with economic empowerment strategies.

Overall, the results of this study indicate that effective policy implementation plays a significant role in achieving both urban management objectives and economic development goals. By improving communication, strengthening institutional resources, fostering positive implementer attitudes, and enhancing bureaucratic coordination, local governments can create more effective street vendor management policies. Such policies not only contribute to better urban spatial management but also support the sustainability of local economic activities within the informal sector.

## CONCLUSION AND SUGGESTION

This study examined the implementation of public policy in street vendor management and its implications for urban economic development in Bandung, Indonesia. The findings indicate that the management of street vendors through public policy plays an important role in balancing urban spatial order with the sustainability of informal economic activities. Street vendors contribute significantly to urban economic dynamics by creating

employment opportunities, supporting small-scale entrepreneurship, and providing affordable goods and services for the community. Therefore, effective policy implementation is essential to ensure that these economic contributions can be maintained while also preserving the functionality of public spaces.

The analysis of policy implementation based on the framework proposed by George C. Edwards III shows that several factors influence the effectiveness of street vendor management policies. Communication between government authorities and street vendors is crucial to ensure that policy objectives and regulations are clearly understood by all stakeholders. Adequate resources, including institutional capacity and human resources, also play an important role in supporting monitoring and enforcement activities. In addition, the disposition of policy implementers and the existence of clear bureaucratic structures contribute to the effectiveness and consistency of policy implementation in managing street vendor activities.

From an economic perspective, the implementation of street vendor management policies can support urban economic development when regulatory measures are accompanied by empowerment programs and inclusive governance approaches. Policies that integrate regulation with support for the informal sector can help create a more organized urban environment while still maintaining the economic contributions of street vendors. However, several challenges remain, including resistance from vendors, limitations in enforcement capacity, and the need for stronger coordination among government institutions.

Overall, this study highlights the importance of implementing balanced and inclusive policies in managing street vendor activities within urban areas. Effective policy implementation not only contributes to improving urban governance and spatial management but also supports the sustainability of local economic development. The findings of this study provide valuable insights for policymakers and local governments in designing policy strategies that promote both urban order and economic inclusivity.

## REFERENCES

- Bromley, R. (2000). Street vending and public policy: A global review. *International Journal of Sociology and Social Policy*, 20(1/2), 1–28.
- Cross, J., & Morales, A. (2007). *Street entrepreneurs: People, place and politics in local and global perspective*. London: Routledge.
- Hill, M., & Hupe, P. (2014). *Implementing public policy: An introduction to the study of operational governance* (3rd ed.). London: Sage Publications.
- Roever, S., & Skinner, C. (2016). Street vendors and cities. *Environment and Urbanization*, 28(2), 359–374.
- Rodrik, D. (2018). An African growth miracle? *Journal of African Economies*, 27(1), 10–27.
- Scott, W. R. (2014). *Institutions and organizations: Ideas, interests, and identities* (4th ed.). Thousand Oaks, CA: Sage Publications.
- Tinker, I. (2003). Street foods: Traditional microenterprise in a modernizing world. *International Journal of Politics, Culture, and Society*, 16(3), 331–349.
- Winarno, B. (2016). *Kebijakan publik: Teori, proses, dan studi kasus*. Yogyakarta: CAPS.
- George C. Edwards III. (1980). *Implementing public policy*. Washington, DC: Congressional Quarterly Press.
- Yatmo, Y. A. (2008). Street vendors as ‘out of place’ urban elements. *Journal of Urban Design*, 13(3), 387–402