

# The Experience of International Street Vendor Economy's Policy and Enlightenment Through Desk Research

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**Abstract:** In recent years, the street vendor economy, an informal economic activity in which individual workers obtain income by selling legal goods in urban public space, has developed rapidly all over the world. This phenomenon is inseparable from the change of attitude and policy towards informal economy in various countries, certainly, the street-stall economy has its unique charm. This paper uses the SWOT analysis, one of the desktop research's essential methods, to obtain the international experience and inspiration for the street vendor economy through the analysis of the China, Vietnam and South Africa. By analyzing the strengths, weaknesses, opportunities and threat of the policy and law in the Vietnam and South Africa respectively, the enlightenment from these two countries the author had studied might help promote the perfection of the policy in China.

**Keywords:** Street vendor economy, Policy reform, Desk research, SWOT analysis, International experience.

## 1. Introduction

Street-stall economy, also referred to the informal economy, is a form of economy formed by placing stalls to obtain a source of income. It could be divided into fixed vendors with fixed business location and mobile vendors without fixed business location [2]. Hawkers could run their businesses in many various forms, including small workshops, waste recycling, tricycle handling services, and the like. An increasing individual are choosing to increase their disposable income in this way to ease the alleviate financial pressure, but it is regulated by the government at the same time.

In contemporary society, countries all around the world have disparate attitudes to the street vendor economy in different periods, but almost all countries had moved from banning the street vendor economy to opening it up. Based on this phenomenon, these issues had attracted public attention: What accounts for the change in government policy? What are these policies, and what are their advantages and disadvantages for the government, vendors and consumers? What are the differences between international policy and China's? In this paper, I will introduce two representative countries and their specific policies, which are Vietnam and

South Africa, using SWOT analysis to reach the conclusions for the above questions.

## 2. Research Method

In this paper, the research technique that I use is the desk research. The desk research [5] is a type of market research involving the collection and examination of information that already exists instead of doing the field research and collection of primary data, such as published government reports, company records, and information found in newspapers, journals, and on the websites. To be more specific, in this paper, I will use the SWOT analysis, which is one of the most essential approaches of the desk research, to analyze the policies of the street-stall economy in different countries, so that we could get the enlightenment and experience that can help and improve China's street vendor economy. SWOT analysis [6] is a strategic planning method used to assist individuals or organizations identify strengths, weaknesses, opportunities, and threats, numerous individuals, groups and companies use this technique to evaluate their strategic positions in the markets. The figure 1 illustrates the SWOT matrix and its specific pattern.

		SWOT Analysis	
		helpful	harmful
		Strengths	Weaknesses
internal origin	Opportunities	use the strengths to seize the opportunities	overcome weaknesses by taking the benefits of the opportunities
external origin	Threats	use the strengths to avoid or decrease the threats	overcome weaknesses and avoid the threats

Figure 1. SWOT Analysis with 4 elements in a 2 \* 2 matrix

The matrix lists the analytical methods that could explain the relationships between the strengths, weaknesses, opportunities and threats. By considering this table, individuals and companies know clearly about their advantages and disadvantages, so that they could think deeply about, for example, how to use the strengths to grasp the chances, in order to reduce risks and develop themselves.

### 3. Street Vendor Economy in China-- Take Guangzhou as An Example

#### 3.1. The Introduction of Street Vendor Economy in China

The street-stall economy has always been the focus of the Chinese government. On the ground of the complexity of the street vendor economy, the government's attitude towards it is different in various periods. In the past, the Chinese administration did not support the street vending in most of the cities due to its disadvantages. However, this phenomenon had been changed accompanied by the epidemic. The emergence of the epidemic in 2020 was unexpected for China, it was also caused a loss to the domestic economy. To deal with this situation, China started to consider about developing the informal economy, thus their attitude to the street vendor economy had ranged from prohibition to support.

After the Chinese People's Political Consultative Conference and the National People's Congress of the People's Republic of China [4], many provinces and cities have begun to loosen the management of mobile street vendors. The government created new policies for each of the 23 provinces. For instance, in March, 2020, Chengdu in Sichuan province introduced the 'Chengdu City Management Five Permission One Adhere to Coordinating Epidemic Prevention and Control Measures to Help Economic Development'. Under the premise of ensuring safety and epidemic prevention, temporary street stalls and night markets were allowed to be set up at appointed places, and mobile vendors were allowed to operate in certain areas. After that, Shaanxi province had also begun to allow urban street shops to run businesses and allow street vendors to occupy the streets for a certain period of time.

#### 3.2. The Positive Significance of the Street Vendor Economy's Existence

##### 3.2.1. Provide Opportunities for Low-Income Families to Increase Their Incomes

China is a country with a huge population, with the development of economy, the economic inequality in China has shown an increasing trend throughout these years. The figure 2 describes the division of monthly income in China.

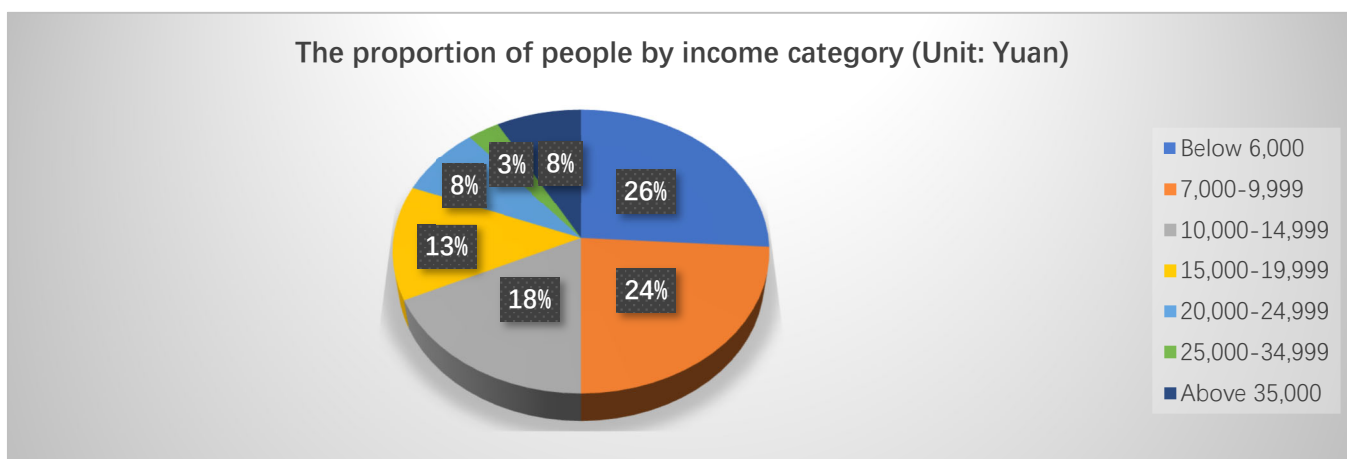


Figure 2. The proportion of people by income category

According to this diagram, it is clearly that individuals or families earning less than 10,000 yuan a month make up approximately half of the population, while people whose income above 35,000 yuan only account for 8%. Apparently, many families' income cannot cover their expenditures, which means they are under great financial pressures. For

example, Guangzhou, one of the most essential cities in China, faced this issue in 2010. Families lived in Guangzhou [3] had the problem with the disposable income – their expenditures exceed the income, so that they have account deficit. The statistics in the Figure 3 illustrates the fundamental states of household income and expenditures in Guangzhou, 2010.

Household income and expenditure by income in Guangzhou (Unit:Yuan)						
family income and expenditure	Households by income type					
	average	low income	lower middle income	middle income	upper middle income	high income
A.general income	36,296	13,841	25,279	35,737	42,969	64,886
B.total expenditure	34,623	15,893	25,150	32,637	39,653	60,836
A-B	1,673	-2,053	129	3,100	3,316	4,049
C.disposable income	30,658	11,048	21,173	30,230	36,912	54,963
D.wage income	26,471	9,737	19,488	27,348	31,480	49,176
E.consumption expenditures	25,012	11,768	18,896	23,495	29,301	42,200
C-F	5,647	-720	2,277	6,735	7,612	12,764
D-F	1,459	-2,031	592	3,853	2,179	6,977

Figure 3. Household income and expenses in Guangzhou (Unit:Yuan)

By calculating the difference between the general income and total expenditure, the low-income households have the fiscal deficit, because the difference between the two numbers is -2,053 yuan, which is negative. Similarly, when using the disposable income and wage income to minus the consumption expenditures (11,768 yuan), the numbers are also negative, they are -720 yuan and -2,031 yuan respectively. Compare with the other income type households, there is no denying that the low-income families have to sustain more economic pressures, because no other type of household go into the red.

However, stalls provide chances for the low-income families to increase their disposable incomes. As the street vendor economy develops, an increasing resident are choosing to get profits through street vending due to its benefits. Firstly, the costs of setting up one stall is relatively low, it is unnecessary for people to pay much capital to rent a

booth. Also, there is no education, background or ability required for this job, people who want to engage in could join it.

### 3.2.2. Improving the Quality of Life of Some Low-wage Groups

As for the low-wage families, their quality of life is worrisome due to the low disposable income. Their living conditions cannot be guaranteed because of the low income, their working conditions, personal rights and interests are also being exploited. These families may face a variety of difficulties before engage in the street vendor, such as the wage arrears, time is limited, being frisked and so on. By interviewing 512 migrant workers, the <comparative study of migrant workers in Pearl River Delta and Yangtze River Delta> (Figure 4) written by Wan Xiangdong shows that the state of working of rural workers.

State of working of rural workers	Pearl River Delta	Yangtze River Delta
sample size	512.00	512.00
average working hours per day (hours)	9.90	9.00
average monthly wage	926.00	1192.00
the rate of wage arrears (%)	22.50	12.50
the average months of arrears of wages	2.00	1.10
restrict meal time (%)	51.40	52.90
assaulted by management (%)	2.00	0.60
suspected of theft (%)	5.30	2.20
being held (%)	1.80	1.20
not allowed to drink water at work (%)	4.10	1.00
not allowed to go to the toilet at work (%)	3.90	0.60
rates of rights and interests are infringed (%)	26.00	17.60
the complaint ratio (%)	24.80	16.70
feeling physically and mentally exhausted (average)	1.97	1.74
feeling uncertain about the future	1.70	1.65
feeling like life is hard	1.73	1.73

**Figure 4.** The comparison of migrant workers in Pearl River Delta and Yangtze River Delta

Data source: comparative study of migrant workers in Pearl River Delta and Yangtze River Delta (Unit: Yuan)

Obviously, these migrant workers' life is very difficult when they have their original jobs, especially in the Pearl River Delta. They need to work around 10 hours per day, but the average monthly wage is only 926 yuan, and the average individuals' wages are about two months behind. More shockingly, about 4% of the workers cannot drink or go to the bathroom during the worktime; their meal times are restricted; they are suspected (5.3%), held (1.8%) and even assaulted by the managers (2.0%). All the above situations are undoubtedly exploiting the legitimate rights and interests of workers, these are also the reason why 26.0% workers in the Pearl River Delta and 17.6% workers in the Yangtze River Delta consider that their rights are infringed, while the complaint rates are also high among those samples.

Overly exploitative working conditions encourage workers to turn to street vendors. After they join the street vendor, people could manage their time wisely. Depends on the different situations, they are able to adjust the time flexibly: If there are many customers, the vendors might choose to have dinner later; if the business is hot today, they may close

the booth later than before without any doubt. The most significant thing is that these workers will definitely not be held, frisked or assaulted, which means their interests and rights can be pledged.

### 3.3. The Negative Significance of the Street Vendor Economy's Existence in China

#### 3.3.1. Environmental Hazards

On account of the characteristics of the street vendor like flexibility, simple operation, fast entry, huge workers are choosing to run this business. Although it might help them address the bread-and-butter issue, it causes the environmental problems as well. Street stalls are easy to produce rubbish, especially food stalls. Trash at the food stalls includes plastic bags, bamboo sticks, detergent, food scraps, none of them is easy to clean up, which increase the workload of sanitation workers, and also increase the cost of cleaning up at the same time.



**Figure 5.** Roadside waste produced by street vendors

As the diagram 5 shows, after the booth is closed, garbage can be seen everywhere on the roads, and the leftovers of food and meal boxes are directly dumped on the streets, which has a very negative impact on the city's beauty and also the environment.

### **3.3.2. The Quality of the Products Cannot Be Guaranteed**

On the ground of low requirements of the street vendor, more and more people are running this kind of business to get profits. As the numbers of vendors go up, it is hard for the government to regulate. Some of the products are purchased directly from the manufacturer, some of them are come from the vendors themselves. Take the food stalls as an example, almost all the ingredients and raw materials are prepared by the vendors themselves, such as meat, vegetables, spices, food packaging boxes and so on. In the process of shopping, consumers cannot be sure whether the food is safe, hygienic and in line with national food safety standards, and in case the consumers have some problems with the products, it is hard for them to find the vendors because the vendors are mobile. Therefore, that is one of the most significant reasons that consumers' rights and interests cannot be guaranteed by the government.

### **3.4. The Policies in Guangzhou**

Guangzhou, locates in the south of China, is one of the first-tier cities in this country. Since 1990, in order to enhance the competitiveness, Guangzhou had vigorously promoted the image of the city and improved the urban environment [7]. During that period, street vendors were strictly prohibited by the government on account of their negative influence on the city's beauty. However, the government's management led to street clashes and chaos, thus they had to reconsider opening up the street-stalls economy. In 2010, the government had put forward the concept of establishing a street vendor distribution area to address the relevant issues. After that, to be more specific, the technical principles of the implementation included the function orientation, location layout and site control of the dredge area. In regard to arrangements for the area of vendors, it was significant for the administrations to make full use of all vacant public spaces in the city. Also, all of the vendors should not be located in the center of the bustling district and should not influence the established spatial, social and economics. After confirming the location of the booth, a series of regulatory measures for the street-stalls economy were put into effect:

- I. Identity card register
- II. Issue the certificates of stall setting, every seller is

required to be listed for business. The license includes the name and photo of the seller, the place and type of the seller, the number of the booth, and the contact telephone number, etc.

III. Records of vendors' violations, those who commit serious violations will be disqualified from selling.

IV. Payment of venue rent.

V. Fixed point positioning and timing operation, all the distribution area sellers must be delimited in the yellow line of a single space unit operation.

### **3.5. The Strengths of Guangzhou's New Policies**

After adjusting, the policies and the management mechanisms were more detailed. These new regulations would help the government manage the traders better, so that the street vendor economy in this city could have the opportunity to develop the long term. According to the specific analysis of each new policy, the strengths were visibly. First of all, registering the identity of each vendor could help managers knew clearly of the population information. By showing the business certifications and some of their personal information, both the consumers and the government could supervise them. Also, all the vendors were required to sign contracts, which shown the formal form of management to administrate an informal economy. With the professional managements, the consumers had more confident to consume in the stalls, which promoted the vendors' businesses in this city.

### **3.6. The Weaknesses of Guangzhou's New Policies**

The new policy was in conflict with mobile vendors. The government emphasize on the fixed positions of the vendors, it caused a loss to the mobile sellers. If the vendors could move their places, they would increase their sales and scales by adapting to the living habits and preferences of modern people. Obviously, most of the toy vendors chose to sell their products in front of the kindergartens or primary schools, because children were their main customers and sales targets. Moreover, it was difficult for vendors to find and access specific consumers who have demand for their products due to the new policy. Some products needed to be sold on a specific occasions and places, selling the same product in the same place for a long time would lead to the reduction of the demand. For example, the best places for the vendors to sell popcorn was cinemas. Compare the sales of popcorn at the roadside to the figure for popcorn at the movie theater, the

popcorn at the cinema would be more popular without any doubt. However, if a vendor sold the same popcorn at the same cinema every day, the sales would decrease. Because the number of customers in a fixed place was limited and people's preferences was elusory, it was unlikely that their preference kept the same. This required vendors to actively seek new customers, but new policies restrict their businesses.

### 3.7. The Opportunities of Guangzhou's New Policies

For Guangzhou's government, the new policy would help to unify management. There were countless vendors in China

that decentralized management might drain the government's funds. Effective management could quickly improve economic development, and as long as the government seize this opportunity, the benefits of the street-stalls economy for this city might exceed their expectations. About the street vendors, there was no denying that their living burden was lightened because of the newly policy. The change in the government's attitude had given the street vendors a glimmer of hope, they had chances to obtain revenue and profits in the way of stalls. With government support, they did not have to worry about police oppression and harassment, because it was no longer illegal to set up stalls.

Areas	overall number of people	type(%)		satisfaction degree (%)		
		mobile vendors	others	satisfied	general	dissatisfied
Huang Cun subway station	23	46.7	53.3	13.3	86.7	0
Xiao Gang market	41	4.8	95.2	23.8	66.7	9.5
Long Dao Wei	65	32.3	67.7	35.4	58.1	6.5
Kang Le village	53	9.5	90.5	19	66.7	14.3

Figure 6. The satisfaction degree of different types of vendors in 4 areas

Figure 6 showed the probability of vendors entering the areas and their satisfaction degrees of the new laws. In general, the rate of dissatisfaction was very low in this survey. In Huang Cun subway station, the rate vendors who was dissatisfied with the new policy was 0, which was the evidence of the effectiveness of Policy. In addition, with regard to the citizens, they could enjoy shopping on the street stalls more safely due to the administration's strict control. Vendor's disclosed personal information and marketing qualification certificate signified that citizens could report them if the goods had quality problems. Hence, people who used to worry about the quality of the goods could now rest assured. It was a way for the government to stimulate consumption as well, because the more people expend, the greater the multiplier effect, the better it was for the development of the economy, and vice versa.

### 3.8. The Threats of Guangzhou's New Policies

Threats always coexist with opportunities, these policies also had hidden threats and risks to the society. Although signing contracts with vendors made management more procedural and legalized, the restrains of the contract made it difficult and complicated for people to work as vendors. On the basis of the policy, the rental fee varies from regions, vendors must pay the rent one or two months in advance and apply for cancellation at least one month ahead of schedule. Contracts increased business risks, whether hawkers made a profit or a loss, they could not quickly enter or exit the business. Especially for some of the vendors whose business was not successful, they might be losing money every day, but they could not stop the loss in time, that was the reason why some hawkers afraid to enter the industry. Such the risks and threats might add insult to injury for those who worked as street vendors.

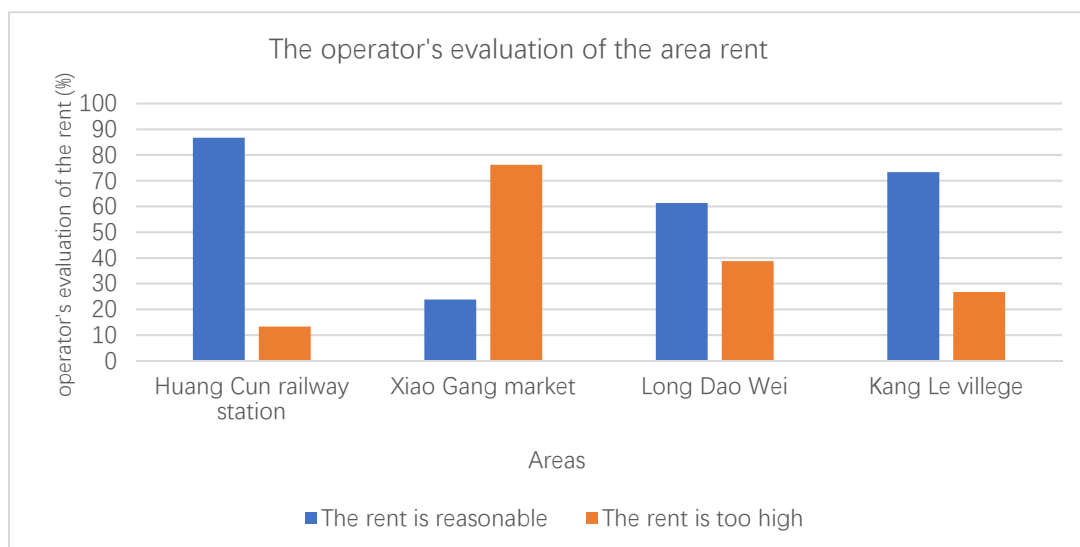


Figure 7. The evaluation of vendors of the area rent

The figure 7 illustrates the perspectives of the hawkers who worked in the specific areas in Guangzhou. What was noteworthy was that the data of Xiao Gang market, almost 80% of operators supposed that the rent was too high for them.

Therefore, how to reasonably set rent in the different areas was a major consideration of the government, otherwise the inequality between income and expenditure of street vendors would pose a threat to their legitimate rights and interests.

## 4. Street Vendor Economy in Vietnam - Take Hanoi As an Example

### 4.1. The Introduction of Street Vendor Economy in Vietnam

The street-stall economy is a global phenomenon present in the developed and developing countries, it is popular and widely known all around the world. In Hanoi, Vietnam, street food plays an important role among all types of the stalls. Vietnamese are keen on the street food, which lead to the hot business of the street food stores. However, the issues of street

food have also come with it, like food security, quality assurance, etc. In response to this phenomenon, the Vietnamese government has issued a series of policies and laws on street food since 2008.

### 4.2. The Policies in Hanoi

In July 2008, the street food in the Hanoi was banned, this 'ban encompasses 62 streets and 48 public areas, including some significant historical sites' [1]. Nobody is allowed to set up booths in these places, because the aims of the government are modernizing the city and solving congestion issues in this city.

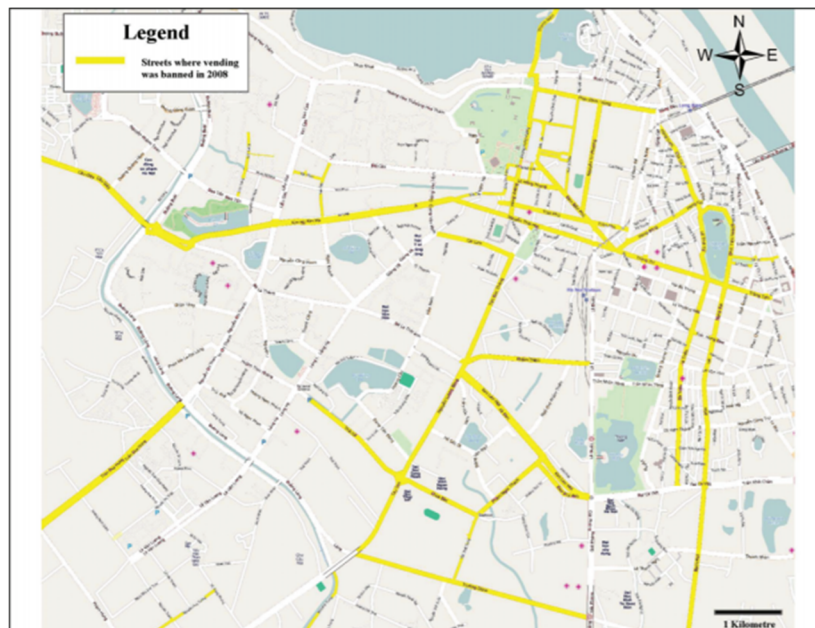


Figure 8. Central Hanoi: streets where vending was banned in 2008

Source: adapted from VietnamNet (2009).

Figure 8 describes the streets where vending was forbidden in 2008, in this map, the yellow lines, which represented the banded streets, took up almost the whole city.

Around 2 years later, the Vietnamese government began discussing a new draft food safety law, and the final law on food safety implemented in July 2011, the newly plan is to centralize vendors and subdivided into specific departments to strengthen management so to better control hygiene and food safety. The Vietnamese government decided to improve the management of street food vendors from different aspects: Firstly, the primary responsibility of the street food is not just belonged to the Ministry of Health, the Ministry of Agriculture and Rural Development and the local administration and governance would also need to pay attention to the relevant problems. Secondly, contrast that with the previous definition of street food, which is 'any food that is sold on the streets', the government redefined the concept of street food, they suppose that they are 'ready-to-eat food and beverages sold in the public area'. It means that the government began to restrict the types of food that vendors could sell; they are not allowed to sell anything they want like before. Thirdly, the newly policy provided instructions for the implementation of licensing and certification procedures. In order to get the certification, people who want to engage in the street vendor have to be evaluated on their knowledge of food safety and hygiene practices. During this process, the Vietnamese government

would offer the educational training courses and give the information about the knowledge though TV and radio to help the vendors learn hygienic knowledge and obtain the license. Lastly, it is also essential that the government need to reinforce the management of local authorities, strengthen the publicity of health knowledge and expand safety inspections on street food. On the one hand, improving hawkers' compliance with food safety regulations; On the other hand, strengthen publicity to raise awareness of consumers, so that they could know the street food in depth.

### 4.3. The Strengths of Hanoi's Policies

The new policy enacted in 2011 has a lot of advantages over its predecessors, these policies can indeed improve food safety for consumers in this country. In the new law, the Ministry of Health, the Vietnamese government and the Ministry of Agriculture and Rural Development would concern the street food safety simultaneously to ensure vendors set up their stalls in accordance with laws and regulations, which gives the consumers multiple protections. Also, limiting the types of food they could sell is one of the most crucial methods. It means that the government would strictly control raw materials and sources of food, they not allow vendors to sell food that fails to meet hygiene standards. Setting the educational training lessons provides excellent platforms for all the vendors to learn the relevant knowledge and laws. Intensive training might help them fleetly improve

their awareness of hygiene, comprehending how to address some common health problems. For instance, when facing the issues of sewage treatment, the vendors know how to deal with sewage discharge in the proper and legal way. In addition, enhance publicity and testing of food safety could change consumers' attitudes towards street food to some extent. Consumer's sentiment and attitudes are important, in the past they may have simply followed the mainstream to opt for street food, but they ignored the hygiene issues. The dissemination of information through the media raised the individuals' awareness of food hygiene, so that they might be more rigorous about choosing street food.

#### 4.4. The Weaknesses of Hanoi's Policies

Admittedly, there are still many shortcomings in these policies. Gathering more institutions and managers to manage could indeed improve security, but it signifies that an increase in administrative costs. If the government indicated that more than three agencies need to be responsible for food safety in this city, they have to hire or transfer more officers to complete the administration and management. With more managers, the increase in labor costs is likely to increase the financial burden on the government. Similarly, publicizing knowledge through the media and strengthening the inspection of food safety require a large amount of manpower and material resources, it is worth considering whether the government can bear the high administrative costs. In the light of the newly policies, the Vietnamese government move from completely banning the street-stall economy to opening up and managing it illustrates that they support the development of the stall economy in Hanoi, but the high costs of regulation is one of these policies' biggest difficulties.

Furthermore, even if governments have the adequate funds and manpower to support their plans, they had to consider the feasibility of plans. Although the relevant administrations offered the training courses for the vendors, for instance, many vendors were still unable to obtain business certificates. In Hanoi, among 18,700 food services establishments [11], 'only 64.4% of them were granted with food hygiene and safety certificates', which was not a high rate. A low pass rate

could easily dent traders' confidence and limit their development, hence it was the drawbacks of Vietnam's policies as well.

#### 4.5. The Opportunities of Hanoi's Policies

Obviously, Hanoi's new economic turnaround would be accompanied by the emergence of new policies. With the permission and support of the government, the street vendor economy could develop, and it was beneficial for the consumers, vendors and governments. As for the consumers in Vietnam, who are into the street food, they have chances to enjoy various types of inexpensive and palatable street food. With the food quality and safety improvement, consumers could buy roadside food with peace of mind. For the vendors, the reopening of the street-stall economy has provided them with a source of income, and the burden of employment has been reduced as well. In addition, all the vendors must learn the hygienic knowledge to get the business certificate under the new policy, it was the superexcellent opportunities for them to enhance food safety awareness. The government could also benefit from the new policies. The development of the street vendor economy has made a huge contribution to the development of the whole economy in the Vietnam. Because those popular and cheap food attracted customers and stimulated consumption. From an economic point of view, there is a multiplier effect that benefits the whole country. What's more, it was also a chance for the government to deal with the unemployment rate. Street-stall provided the jobs for the jobless, which means the number of unemployed people reduced. Thus, it would help the country control unemployment rate, this city

#### 4.6. The Threats of Hanoi's Policies

The threats of the new policy were the relationships between the vendors and the managers. Generally speaking, the local polices were in direct charge of the vendors, while the governments and agencies connected vendors indirectly in Vietnam. The figure below explains the relationships between these four portions.

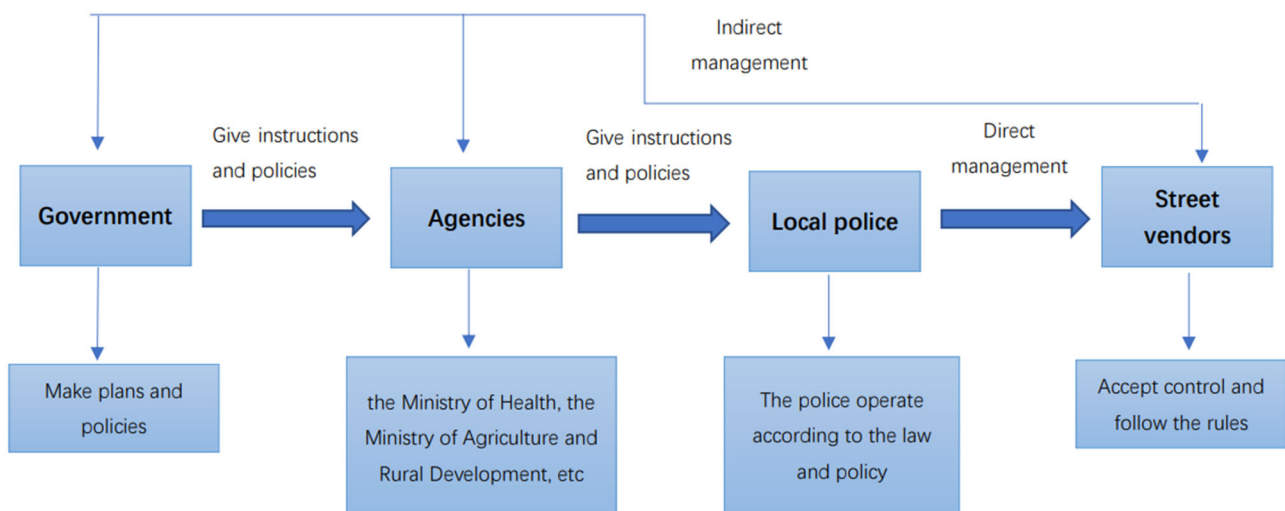


Figure 9. The relation schema between the governments, agencies, police and street vendors

If the government wanted to implement one policy, attention must be paid to every link, especially the local police, who control the street vendors directly. The police in Vietnam realized that it was difficult for them to fine some hawkers

whose life was tough due to the sympathy. A large proportion of vendors came to set up stalls to make a living, if they were fined for running business without complying with the new policy, their income would reduce greatly. 'it was unrealistic

to fine' [11] the Vietnamese official supposed, 'offenders refused the summons and reject to pay the amount of the fine, they claim that they do not have any money'. For the basic-level polices, they are not willing to lose these vendor's votes and supports, thus they did not follow the law and polices strictly, they turned a blind eye when they found the illegal behaviors of some vendors.

Moreover, plenty of vendors had strong dissatisfaction with the local police and new policy. The vendors reported that some polices force them to pay monthly just to 'sit on the streets' [11] One example of this is that a lady, Linh, who operated the tea business. She regarded those police behaviors as the 'daily robbery' and it was unfair at all, that was the reason why Linh tried to express her displeasure by shouting at the police. Most of the vendors chose to endure injustice and they did not dare to resist, but there is no doubt that they had accumulated a lot of negative feelings towards the police's actions.

The complicated relationships between the officials and the hawkers were the hidden danger and threats to the government. Compassionate police officers may not strictly follow the policy of enforcing fines, which would be adverse for the government to implement the new plans; While the unfair police abused of power causes resentment among vendors, and reduced the authority of the government. More seriously, it may even provoke protests from vendors, which had negative impacts on social security and the image of the city.

#### 4.7. Policy Advantages That China Can Learn From

The example of Vietnam mainly explains the management of street food in Hanoi. As mentioned above, the negative significances of street vendor economy's existence are problems of environmental pollution and food security.

Hanoi's new laws can effectively address the government's issues, the management of Chinese food stalls could learn from the Vietnam. For example, China probably can establish multiple authorities responsible for food safety for vendors, not only the government. Although our country has the 'Food Safety Law of the People's Republic of China', if this country has and agencies more departments to regulate, the consumers might have more protections. Furthermore, the government of Vietnam has provided specialized food hygiene training courses for all of the street vendors. In contrast to China's information registration, Vietnam's approach is more detailed and available. Only by promoting the safety awareness of street vendors through education can the safety and hygiene of street food be fundamentally improved. At the same time, China could do more to publicize food safety, so that the consumers might pay more attention of it.

## 5. Street Vendor Economy in the South Africa--Take Durban as An Example

### 5.1. The Introduction of Street Vendor Economy in South Africa

After the global financial crisis of 2008 [10], the world economy is eager to recover. The South African government had recognized the importance of the informal economy as it pushes forward the country's economy, hence it introduced a lot of new laws and regulations to develop the street vendor economy. Durban was one of the representative cities of the development of the street-stalls economy in South Africa, its legal and policy reform changed the landscape of the Durban's street stalls. The stalls in Durban sold a wide variety of merchandises, including food, beverages, clothing, and the like. Two pictures below, took by Kyle Laferriere [8], shows the scenes when street vendors were running their businesses.



Figure 10. Street vendors in Durban [8]

### 5.2. The Policies in Durban

South Africa's government had long been opposed to develop the street vendor economy, the regulations and policies on the street vendor economy were not thorough [9]. In the past, due to the defects in the laws, stallholders across the country had a number of problems. For example, the peddler bribed the police to set up their stalls. In São Paulo, although approximately 90% vendors did not have any business licenses, they could still vend goods because of paying according to the square area. Also, the merchandise

confiscations were one of the policies previously. Commonly, the local officials had the rights to determine the violations of vendors, some of them confiscated directly the vendors' products. The problem was that the street vendor policy at the time did not specify what would be done with the seized goods, which meant vendors had little recourse and their commodities were almost never returned. The next one was about evictions. Before the political reform, state actors exert unfair power and right was arbitrary evictions, vendors are disgruntled at the arbitrary eviction from certain areas and streets by managers, such the actions of the managers caused

the negative impacts on the street-stalls economy development.

Problems Street Vendors Encountered in Work in Five Cities

Problem	Accra, Ghana (%)	Ahmedabad, India (%)	Durban, South Africa (%)	Lima, Peru (%)	Nakuru, Kenya (%)	Total (%)
Insecurity of vending site	6.71	67.76	49.31	60.14	42.22	45.33
Harassment	8.00	61.18	55.41	43.54	43.97	42.41
Confiscations	3.33	44.08	53.42	21.77	38.35	32.01
Evictions	7.33	63.16	44.90	17.36	27.35	32.39

*N* = 738.

Note: Differences between cities are statistically significant at the .001 level ( $\chi^2$ ) on every item.

Source: Informal Economy Monitoring Study survey data (2012)

Figure 11. Problems street vendor encountered in work in five cities

The Figure 11 gives some information about the street vendor problems in five cities. It is worth noting that the percentage of harassment of vendors in the Durban reaches up to 55.41%, that is to say, more than half of vendors have been harassed or infringed by managers. The figure for confiscations and evictions are also high, they are around 53% and 45% respectively. Compare with the other cities, the situation at Bandar Hawker is not ideal. The proportion of goods confiscated, for instance, Durban is the highest among these 5 sample cities, it is almost sixteen times higher than the figure for Accra, Ghana.

After the financial crisis hit, the South African government, desperate to revive the domestic economy, began to reform and redefine the policies of the street vending by rethinking of previous policies. In Durban, the following laws were reformulated by the governments: To begin with, the local governments impose restrictions on municipal power. The street vendors and their allies in this city repeated appeals to the courts for infringement by government officials, eventually the judge ruled that the ‘municipality was going beyond the scope of its powers by impounding the applicant’s goods’, if municipality did not authorize the seizure of goods without the authorization clause approved by the municipal government, they would violate the legality principle of the Constitution. The second policy was that combining street sales with poverty alleviation. The Durban High Court’s new policies and laws reflected a pro-poor orientation by using of public space as a livelihood resource, because they understood that the purpose of setting up stalls for a large part of the vendors is facing living expenses, their meager income was not enough to support them to hire a lawyer to appeal when they encounter injustice, hence the government had a duty to protect the rights and interests of them. In the light of the Constitution of South Africa, the government claimed that no one was allowed to deprive other person’s property at will without the law permits, to protect the rights of poor traders. Thirdly, establishing channels for street vendors’ representation played a great part in this policy reform. In consideration of the vendors’ capacity constraints, the local government suggested that it was essential for the Durban to manage the officials more effectively, thus the new mechanism of the street vendor was established. Beyond doubt, the South African administration’s controls had huge influence on the street vendors, and these new policies had the merits and demerits.

### 5.3. The Strengths of Durban’s Policies

Apparently, the policy reform in Durban had the strengths

in various aspects. The most conspicuous advantage was that it did protect the interests of street vendors, especially the impoverished vendors. The limitation of the managers’ power could effectively mitigate the confiscation of vendors’ property. With the new laws, officials would more strictly abide by the policies and regulations of management, rather than random confiscation of vendor’s goods to profit. As the reduction of officials’ harassment and confiscation, stallholders had adequate stock to sell, and they did not need to spend time and energy in suing to protest against unfair management. As for the individual who have a hard time surviving, the laws and policies that favor them gave them the confidence to survive, helped them develop their businesses at the same time. Moreover, the concept of poverty alleviation was necessary for the South Africa government, because helping people out of poverty was one of the first tasks of the government. Also, the new mechanism, setting channels for vendors’ representation, could aid the managers controlled the large number of vendors in an organized way. With efficient and systematic management, it was easier for street vendors to expand, so that the participation of more people could increase the street-stall economy’s development.

### 5.4. The Weaknesses of Durban’s Policies

Despite the local administrations tried to encourage the vendors to operate their businesses through reenacting the policies [9], the existence of some fundamental issues and weaknesses of these policies still needed to be reflected on. First, over-curtailling the authority of managers might lead to resentment. In a general way, managers were not willing to diminish their power, this new policy had big impacts on their mindset. The more serious consequence was it might increase their dissatisfaction with the government, the discrimination and oppression against vendors. Second, if the government’s objective was to address the problem of poor groups of vendors, it was far from enough to only reform the law and policy. Linking street vending to poverty alleviation might improve the lives of the needy vendors, but obviously the new policy was not comprehensive enough to do much to help these people. Third, building channels for vendors required the government to spend money and manpower, which meant this law had a very high demand for the government’s resource allocation.

### 5.5. The Opportunities of Durban’s Policies

Reform is of vital importance to the government. After the financial crisis, economic recovery and development determined the fate of the whole country, whether the South

African government could seize the development opportunity of the street vendor economy directly determined the overall economic development trend to a certain extent. As for the managers, it was also a chance to clamp down on executive abuse. Administrators must use their power fairly to develop the economy in this city. The biggest beneficiaries of these new policies were street vendors. Under the protection of the government, they were exempt from confiscation of goods, police' harassment and evictions. Therefore, the number individuals who chose to become the vendors went up, which led to a thriving industry of stallholders.

## 5.6. The Threat of Durban's Policies

By re-improve the street vendor policy and law, the South Africa might turnaround in the economy. However, in the face of a new economic turnaround, its existential threat cannot be neglected. According to the comprehension of the South African Court, the laws and policies of the constitution could only maintain a semblance of justice, instead of changing the essence of inequity problems. It realized that 'the nature of this sector', unless officials were to be sympathetic to street vendors, there was inevitable that some powerful officials abuse the poor and powerless. This phenomenon illustrated that the government regulation needed to be strengthened, the department of management needed to be more detailed, in order to better protect the rights and interests of vendors.

## 5.7. Policy Advantages That China Can Learn From

Compared with China, protecting the interests of street vendors is the focus of policy innovation in South Africa. Guangzhou's new policy focuses on consumer protection, because its regulations have been emphasizing the management of street vendors. It's also important to note that the hawkers play the vital roles in the policy, thus it might be better for Guangzhou to protect vendors with more detailed laws.

In Durban, the government is very strict with the managers who are entitled to control the local hawkers, which decreases harassment and confiscation of vendors by local officials. With more support, hawkers could obtain more profits. Similarly, it is not uncommon for hawkers and managers to clash in China, they even fight with each other for their own benefits. Therefore, it is important for China to learn from the South Africa.

## 6. Discussion

In the case of Vietnam, it mainly introduces the policy reform of food hygiene. They have improved food safety across the board by establishing new laws and policies, such as supervising street food ingredients, providing the platforms for hawkers to learn hygienic knowledge, offering gratis courses to educate vendors and so on. By doing this, hawkers will have a clearer idea and concept of the food hygienic standard, which means customers could worry less about health problems. As one of the managers believes, it would be beneficial to have 'an inter-ministerial committee or steering board' to better control street food given its interdisciplinary nature [11].

However, this policy has its drawbacks, and the weaknesses and threats are one of the biggest obstacles for China to implement it. The implementation of this policy requires a great deal of manpower and resources. The national

territorial area of China is about 30 times the figure for Vietnam, the number of vendors is innumerable, it is apparent that training for hawkers is unlikely.

As for the policies in the South Africa, the policy indeed helps the vendors to improve their status so that they might reduce the risk of bullying by the officials. All are equal before the law, when the power of managers is reduced, the business model of vendors becomes free and organized, because they don't have to bear the injustice anymore. But the truth has to be acknowledged is that policies can only restrict people's behaviors, but cannot alter individuals' morality, thinking and opinions. Regardless of whether the government transform the laws, the discrimination against hawkers by managers might be the same as before, which means they may continue to damage the rights of the vendors.

The same situation occurs in China, the officials assault vendors is not a rare event. The personal and material damage which caused by the managers to the vendors do not decrease because of the reform of the policy, it may even be made worse by the managers' dissatisfaction. Therefore, whether the same policy is really suitable for China needs to be seriously considered by the Chinese government.

## 7. Conclusion

In conclusion, the development of street-stalls economy is significant for almost every country in this world, and it is necessary for the governments to reform their policies based on the different political and economic backgrounds in various periods. Every country, even city and region have distinct appropriate policies due to their cultural settings, these international policy experiences have been very instructive for China. For example, Hanoi, Vietnam pays close attention to the development of street food, and from the perspective of consumers, starting from the street vendors to address the issues of food hygiene, while the government in Durban has customized a series of protection measures from the vendors' point of view to give them the confidence, so that they could develop South Africa's street vendor economy better.

For the Chinese government, they can learn from Vietnam's policy of training vendors on consumer rights, they could also learn from South Africa's policy of curtailing the rights of managers on protecting the rights of hawkers. However, on the ground of the differences in culture, policies and historical background of each country, the Chinese government needs to consider the feasibility of applying these policies. Only the use of appropriate policies and laws, the street vendor economy in the China can develop better.

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