Cycle of Informal Traders, a Tradition that does not require a Building from Practice- Research- to Practice

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Abstract

Retail globalization resulting modern building gives an influence to modernize bazaar. Is it appropriate if the government uses the same method when the bazaar cycle consecutively happens in Johar in 1930s and 1970s where modern retail buildings were ineffectively used? There is no theory that can explain this phenomenon. The modern retail building is like a leaky container. Initially the concept of retail in United Kingdom is like a bazaar. The bazaar in Semarang was a tourist destination in 1950 just like bazaar in other countries now. A next collaboration research needs to conduct with United Kingdom and other countries that make the bazaar as a tourist asset.

Keywords: Research; bazaar ; tradisional market; retail; practise

1. Government always modernize traditional market as method for revitalization

Past research about bazaar in 2012 (a) and (b) has raised a question about methods to revitalize the market. Is it appropriate if the government used the same method when symptoms of modernization Johar market in Semarang always forms a bazaar cycles like in 1930 and 1970? Bazaars as the informal sector characterize cities in third world countries. Until now, the study of the bazaar is an endless research field. The government has not given legal status to the existence of the bazaar in urban spaces. On the
contrary, the existence of modern retail has been supported by the municipal government to occupy strategic locations in the city. Indeed, the government’s economic policies in the past focused more on displaying a picture of a modern city. As the result, the government still considers the existence of the bazaar as the symbol of slums.

It is important for researchers to disseminate the results of this research relating to the government’s plans to modernize several traditional markets in some cities, particularly in Semarang. The municipal government will develop the traditional market area in the old city of Semarang next to the Johar. In 2010’s, the result of design competition held by the government about revitalization of Johar did not touch the root of the problem. It is suspected that the result of competition design was not through series of research about phenomena happened in Johar. So the competition produced modern market design (trade center) having many levels to accommodate informal traders. The positive point of view from the competition still results a design providing recommendations for preserving the old market building and restoring the traditional open spaces. The government and some researchers can use this object of study as a research laboratory of the activities of local economic community.

Recently the Johar area is facing some problems. Those problems are to conserve Johar designed by Thomas Karsten in 1930s, to preserve of the traditional square; to renew the expired cooperation between government with investor building Kanjengan in 1970s, to solve flooding problem, and to manage the number of informal traders occupying in traditional open space/ Javanese court.

The investors are interested to transform this area as trade center. Initially appeared in the United Kingdom, retail as modern market was concept for selling (Royan, 2005). But now, the selling concept has evolved from traditional market in the open space to the modern market in a building designed by the architects. Architecture is not only as a building for traders but also as a marketing tool for economic experts. As a result of this the terms such as shopping with entertainment facilities; supermarkets; department stores; malls; plaza; and trade center are the themes brought by those economic experts. Retail globalization has spread to many countries. Similarly, it happened in Indonesia in 1970’s. Since that era, the appearance urban landscapes in many cities have similarities in form with modern retail as landmark. Some of traditional markets in Indonesia and Southeast Asia have transformed into famous trade center, shopping center, and wholesale market. This change occurred in capital cities such as: Jakarta, Bandung, Jogjakarta, Surabaya, etc.

Ironically, the Semarang’s municipal government did the same thing. They revitalized Johar as trade center only just for business profits. They assumed the market area like the Pasar Johar, Pasar Yaik and the Kanjengan shopping department as commodities. Therefore, the government planned to modernize images of them same with other cities. This government actually want to bring the golden era of Johar in 1930’s and 1950’s era.

2. Informal sector and modern retail theory cannot explain symptoms of Bazaar Cycle

Boeke’s study in 1953 found two economic systems (traditional and capitalist) existed in rural Java before World War I and both of them could not be intermingled. In 1963, Geertz’s opinion of Modjokuto-Indonesia stated otherwise. He said, there was a relationship between bazaar sectors and firms. The International Labour Organization (1972) and Hart (1973) raised dualism theme in the sense of formal and informal sectors.

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2 One of the shopping center built in ex-regent office

3 market

4 Market near Johar built at open space
Research on formal-informal sector is more widely studied by economists. Soetomo (1988) examined formal and informal sector as a part of the spatial aspects of the city. He stated that they work as a system. Rukayah (2010) gave an important contribution in aspects of urban design. She suggested to plan a symbiosis both formal and informal sector in urban design and concerned about the government's policies that are still ignorant of the existence of the informal sector. However, the phenomena of bazaar still happen and furthermore there is cycle of bazaar symptoms. In contrary, when the formal sector/modern retail was declined and the law of the jungle happens in economic crisis, the bazaar has more durable than retail. She agrees with economists, De Soto, 1991, who did research in Peru and found that the informal sector was able to rescue the economy of third world countries. This theory was applied in the city of Solo, Central Java by Sardjono (2002) giving a great attention to the existence of the informal sector in the city.

The theories above cannot explain the phenomenon of bazaar cycle. An effort to revitalize traditional markets into modern in many areas is merely the impact of the globalization of retailing. Retail globalization gets easy access to enter Indonesia due to the government's economic policies. An offer from the IMF and the World Bank for Indonesia's economic stability gives requirement that Indonesia must give free access to foreign retailers; and modern retail continues to emerge. Retail now offers not only products but also properties. Investors sell the properties with an expensive price to pay the loan. When the economic crisis comes, it collapses some retails; and some shop tenants cannot continue to pay rent.

In the economic crisis, some retails collapse because government policies tend give license to retail easily. The absence of regulation about the distance of construction time is also one of the factors that led to the law of the jungle in the retail business where big retails / new retails beat existing retails. The informal sectors, in the contrary, continue to survive without doing their activity in a building and claim the rest of the spaces between the buildings. Rukayah, 2010, stated that the claims of these spaces is an attempt to approach pragmatic consumers who want to shop easily by buying stuffs on the transportation path; and an attempt to occupy the space by paying low rents. This phenomenon happens as if the government gives subsidies for bazaar.

2.1. Privilege for retail

According Goronwy in Royan, 2005, Michael Mark was the originator of the idea to sell the goods, to display and allow the consumer to choose their own goods. Mark’s idea is a great work for the next retail generation in the future. In present, Mark & Spencer's Supermarket is the largest supermarket in the UK that have been operating for 120 years, has as many as 240 more branches across the UK. Retail expands into several countries including Indonesia in the 1970s-1990s (Swasta, 2003). Cities in Indonesia almost uniformly display a modern impression by presenting retail as urban landmarks. The past government's economic policies provide opportunities of displaying modern impression to progress. This retails thrive while the informal sector is yet to get a place in the urban space. According Piliang (2005) the government's policy on foreign loans and investment favors investments that support the luxury consumption. Various forms of stimulation and ease the investor are given as credit allocation for consumptive objects (1988-1991) and the development cooperation town centres. Featherson (2001) and Evers (2002). Since then the urban landscape in Indonesia showed uniformity that makes the face of modern retail as its landmark.
2.2. Policy for the informal sector

De Soto, 1991, stated that the informal sector is a common feature of urban third world countries. In Peru, the existence of the informal sector becomes savior of the economic sectors. In the contrary, the policy in Indonesia has not fully accepted the presence of the informal sector. Some government’s policies tend to segregate, to clean, and to limit the existence of the informal sector. Not all cities in Indonesia reject of the informal traders. In Solo, Central Java, Indonesia, retail growth is limited by Joko Widodo, the mayor (who is now Governor of DKI Jakarta). He began to reform the system design city where system on-off road is used for presence culinary for shopping tour. Solo's finally is awarded The Best City Award in Conference Partnership for Democratic Local Governance in Southeast Asia (DELGOSEA). The government's policy in the city of Solo, furthermore, has inspired other countries such as Cambodia and Thailand.

2.3. Empirical phenomenon in other countries: Informal sector as a tourism asset

Researchers visited to other countries such as Bangkok, Thailand in 2012. We found that the existence of traders are integrated in spatial city. When we visited to Singapore in 2007, researchers noticed that the existence of informal traders are displayed as tourism assets such as in China town, Bugis Junction and along Orchard Road. The researcher visited to Cairo in 2012 and found that Khalili Bazaar becomes a tourism asset that is maintained since the beginning of its existence in fourteenth century and grow into a shopping district for foreign tourists.

3. Questions and benefits of research

There is no theory that could explain the problem. Revitalization of traditional markets into modern buildings still causes the phenomenon of the existence of the informal sector. As a result of this, the government is still doing market revitalization methods by doing modernization. Based on the practical symptoms of Johar trade area, is it appropriate if the government will use the same method in the future? The finding method to revitalize the market is very useful for the government to make the right policy for market activities/ informal sector in facing the influence of modern retail globalization.

4. Research methods

There is no theory that can explain/ answer questions about the research methods for the revitalization of traditional markets. Retail modernization leads the government to give privileges for its presence in the urban space. The government, in contrary, limits the existence of the informal sector whereas empirical symptoms in other countries showed the effort to lift the image of the informal sector into a tourist attraction.

Researchers used Johar trade area as a laboratory research. Researchers will uncover the phenomenon of market activity in the past from the local daily news sources (Suara Merdeka) and the history books of Semarang.

In order to answer the research question whether traders in the open space should be accommodated in the building, the researcher, then, will uncover and describe the stages of the cycle phenomena bazaar in the revitalization effort. Researcher tries to capture the phenomenon in the current situation. Researchers will conduct data collection techniques through observation, in-depth interviews and secondary data from relevant department (grounded theory).
Fig. 1. The practical symptoms of a recurring cycle bazaars in different years require mixed research method between historical and naturalistic method. Source: researchers analysis, (2013)

5. Strategic value of Semarang as research locations

The shifting government assets in the 1970’s in around the traditional open space (Kanjengan Shopping, Shopping Center Johar, Metro department stores, parking area) into commercial building did not collapse the informal sector activities / traditional market. In the contrary, this symptom collapse some retails; Some informal sectors, then, rented retail spaces that have been vacant, Rukayah, 2010. A symptom of economic dualism, both formal and informal, proceeds in the same city spatial aspect. Further research of Rukayah, 2012 (a) found that the bazaar activity was the root of tradition market conducted by local community in an open space. Thus the activities of the bazaar and open space are like contents and container. Both of them are unity and always sustain from time to time. Researchers found that the phenomenon in Semarang is a new theory that can be generalized in many places.

6. Cycle Bazaar phenomenon in the market area Johar Semarang.

Semarang in the early growth was on the edge of the river. The river that we call kali Semarang was still function as water transportation. The site supports a traditional town centre so that it grows into a
strategic location. Some traditional markets grow along the river in this area. Liem, 1933, the location of the market was initially in Pedamaran (on the western side of the river bank). Therefore, Pedamaran market was too narrow, so Dutch colonial government built Johar market in 1865; researchers gained this overview of the condition of Johar market from old photograph and at that time the market activity was at stalls. In 1898 the government expanded the market by cutting down trees around Johar at the west side of Javanese courtyard. With this effort, the market Pedamaran and Johar markets were converged.

A little explanation about the location market Pedamaran based on the historical review of the development of structural studies in Ancient Semarang, 1999. Pedamaran market was at the Eastern side and near the river. Sketch map of Semarang during Kyai Ageng Pandan Arang I, study historical review of the development of the structure of Ancient Semarang (1999), illustrates the location of the market Pedamaran is along the western side of the river.

When the Dutch colonial built Johar Market into a modern market in its time (1930s), they still gave some space to the existence of the informal sector. These informal sector traders were on the eastern side and extended to cover the land in the western side of the Javanese courtyard. In the 1950’s, the location of the open market at the west side of the alon-alon became a tourist destination for the people of Semarang and the transiting tourists in Semarang and thus also became a public market. Trade and Tourist Books (1956) described the public market as a tourist destination for visiting people.

Unfortunately the market activities which were once a tourist destination for people of Semarang has lost now. Government in the 1970’s built a permanent market on it (Market Yaik). As a result of this, the development of this market expands the square and eliminates the cultural value of market trading activity as local identity in an open space. Trade and Tourist Books (1956), has predicted that in the future the open space will be lost.

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5 The first market in Semarang located at the edge of Semarang river
6 The founder of Semarang city
7 The Javanese traditional open space
In the 1970’s the tourist area was lost. The government built a modern market (Yaik market) covered the land of the square on the western side. Johar market built in the 1930s consisted of two floors, four building blocks and has a land area of approximately 33,213.25 m². Numbers of traders in 2005 are approximately 5243 people and now there are nearly 8,000 traders including street vendors. Symptoms of revitalization around Johar market occurring in the 1970s was a unique phenomenon. Activities of the informal sectors were growing bigger and tend to beat the modern retail activities in surrounding the square. Governments did not limit the amount, time and distance from the location of the modern retail development. As a result of this among several competing retail stores competed for tenants and visitors. Moreover, Semarang people prefer new things from the old (demenyar- demen sing anyar, the Javanese phrase). Those old modern retails cannot compete with the latest. Some shop tenants are more interested in renting the new retails and finally some modern retail gradually lose their consumers. To maintain the continuity of retail activity, they lowered the price a rental shop so some informal sector can sell in it.

However Pungkasari, 2007, revealed that the Johar has appeal as a shopping attraction. Products such as convection, production consumption, typical food of Semarang, souvenirs, books, antiques and fruits was a commodity expenditure of interest to visitors. Contribution of this research was the notion of market development Johar as shopping attractions in the city of Semarang. Below are some photos as an explanation for the development of the market area Johar Semarang.

Johar market in the right, next the urban open space.

Yaik market covered in western alon-alon

Johar traditional market in 1856, near Johar tree, trader still sold in stall

Johar market in 1930

Informal sector sold in out side building

Fig 3. The growth of traditional market ini Johar area, along riverside, joint together in Johar area until fully covered the aloon-aloon. Sources: from various sources
Based on information from old maps, old books and old photographs above, the researcher tried to sketch to clarify details of cycle symptoms (modernization efforts and repeated occurrences of activities in the informal traders in).

Traditional market along riverside, in eastern *aloon-alon* (according to the sketch map 1480)

Dutch colonial government made some traditional markets and occupied alon-alon and the traders sold their stuffs in shading *Johar* trees. (1860)

**REVITALIZATION PHASE 1, 1930s**

Dutch colonial government built more modern Johar traditional market in 1930


Government built *Yaik* market in west of alon-alon Semarang (1970). Finally all traditional market fully covered all site of alon-alon Semarang.

**REVITALIZATION PHASE 2, 1970s**

The trader were not interested to do their activity in upper building. They prefer selling in yard and claim the rest of site as place for sell.

Fig. 4. The cycle of modernization in Johar area. Both of the era raised same phenomenon. The trader prefer sell in the yard to upper building. Source: researcher analysis, 2013
7. **New knowledge for informal sector.**

7.1. **The Universal Activity.**

Actually there is no different concept about the bazaar concept from UK and local concept. Michael Mark idea for bazaar concepts was to sell the goods, to display and to allow the consumer to choose the product. This concept is like traditional traders in open area, no need of building, using a basket for products, display where people can see, touch and choose products easily.

7.2. **Informal sectors is like water**

Modernization in the area of Johar market still produces informal traders. These symptoms occur repeatedly in different years. It can be concluded that the government's effort to accommodate the informal sector into the building does not work optimally. This effort can be illustrated like pouring water on a leaking container. Informal traders would go back to a lower location. Practically every place in this region transformed back into a traditional market.

Fig. 5. Some retail surrounds the traditional open space. Source: researchers analysis, 2013
7.3. Open spaces such as the lake, where the water flow toward it

The market area started to grow at Javanese’s open space at the edge of Semarang River (1856s). This strategic value of the location made the region continues to grow as a trading area and until now many investors want to develop the area. In Suharto era, in 1970s, the doctrines of development and economic growth were introduced to improve the economy and poverty. The government used development as one of economic policy, but foreign loans and investments tend to be spent for consumption. Featherson (2001) and Evers (2002) stated that the nation’s capital changed its status from the center of nationalism became the centre of modernity with the symbol of modernization is the skyscraper buildings for offices, apartments, hotels and shopping centers. What happened in Semarang is government has changed some government assets to commercial building/ shopping center even the Javanese’s open space as public area is changed into commercial area.

There is no theory that can explain the symptoms above. Market activity in the open space that has strategic value will become booster for the growth of the formal and informal sectors. Those traders only follow instinctively in determining the most strategic location to sell. City open space located at the intersection of a busy street, along the river which at that time the river was major transportation lines, becomes a place for formal and informal sectors flock. This gathering place is like a lake where all of the rivers go toward it.
Fig 7. Two open spaces in Semarang, from traditional to commercial space. Source: researchers analysis, 2013

Fig 8. Open space as a gathering place, like a lake, a gathering place for water to flow into it.

Source: researchers analysis, 2013
8. Practical design in the future: to restore open space as a public asset

Ministry of Commerce should supported public and private to conduct revitalization program of traditional markets. Traders usually disagree if the government involves private sectors to revitalize the market. They worry about not getting back their original the location. They also worry that if they get the place, they have to pay the expensive rent. When the researchers reviewed the theory that modern buildings such as a leaking water container, modernization method is a method that is inappropriate. Similarly, the market modernization in open space is an inappropriate method too. This location is like a lake, informal traders will flow into it and therefore the methods to revitalize Johar market should not follow the old pattern.

Revitalization of markets that are in the open space should not build a multi-storeys building that serves as a trade centre. Although the government gives reasons to accommodate traders, designers should maintain open space as a function of mixture for the community. Moreover, if the government provides the facility to develop it into a shopping destination it should have local characters like in other countries.

It is very important for the government to restore the Javanese courtyard in front of the mosque as a multipurpose space. The mosque will function initially as a landmark of the Javanese courtyard. Elevating open space will slightly covered market activity across the mosque where informal traders occupying the open space on the bottom floor. Researchers, indeed, need further research on the open space size and the existing number of informal traders.

The government needs to reconstruct Kanjengan shopping center as a replica of a regent building, so the image as a Javanese courtyard will reappear. The government should provide space for bazaar tradition that makes the open space will be the destination point of shopping again. The findings of this study reinforce our previous studies in 2012s stating that Bazaar is a historical roots that usually be in the open space as a container.

![Fig. 9. Yaik market finally covered the rest of alon-alon Semarang located between the mosque and the market (1970). Source: researchers' analysis, 2013](image-url)
Fig. 10. Practical design for the development of revitalization Johar market. Designers should conserve the building Johar Market (built in 1930), return the alon-alon Semarang, and should place the market under the open spaces (semi basement). Source: researchers’ analysis, 2013.

Fig. 11. Practical design for the development of revitalization Johar market. The mosque remains one of the landmarks of the city centre. Source: researchers analysis, 2013
9. Conclusions and recommendations

9.1. Conclusions

Based on the theory of the informal sector which has characteristic like water, then the most appropriate method to revitalize traditional market is placing it naturally. Based on the historical root of its activities, the market is always in the open field. They could not be located in the building and it is not compatible for these informal traders living in the modern building.

Based on the findings of practical design, market events in the history of urban development in Indonesia were temporal activities lasting up to ten in the morning and became a tour event for the local community. These characters are culturally different from modern retail. Culturally people will be hard to accept the change of traditional markets into modern market. The high cost of development also makes the condition where only big traders who are able to buy / rent spaces in modern retail and thus make informal traders always reappear and fill the rest of the spaces / open spaces around the building.

Some of the symptoms in the past were a practical research material that can be used as practical recommendations in the future. They are:
- Restoring the west side of alon-alon Semarang as an open space and a place for the activities of the bazaar. The concept of open space as a shopping area will revive market activities in the 1950s.
- Making research based on failed practical symptoms occurred in the past that results a better guidance design.

9.2. Recommendation

The government can use this study as method for revitalizing market space in various regions. The government’s efforts to transform traditional markets to trade center are not appropriate method.

Recommendation to restore the open space plaza is a method that can be used in various places. The case of Semarang city, indeed, is a unique case because it is the only square that is now covered by the buildings market. Symptoms in various city squares in Indonesia, moreover, show a tradition of market activity as an entertainment event for the people. These tradition, until now is always marginalized by the government attempting to show the image of a modern city. Making the square as an open space with a elevated floor is a solution that makes it a multipurpose place.

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