New governance model of street vendors from the perspective of employment security for informal employees

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Abstract. Informal employment is increasingly important in the form of employment in China, and it is fragile and unstable compared with formal employment. With the impact of the COVID-19 pandemic, flexible employment is becoming an irreversible trend, and the employment security of informal employees has become an issue that must be considered. Street vendors are an important part of informal employment. This article takes street vendors as the research object, pays attention to the realistic dilemma of street vendors' governance after the "deregulation" in the post-epidemic era, focuses on the deviation between existing practice and policy objectives, and proposes a new model of "Participatory cooperation" for street vendors' governance from the perspective of employment security based on the public policy process in order to provide feasible policy suggestions for optimizing the employment status of street vendors.

Keywords: Street vendors; Employment security; Informal employment; Participatory cooperation.

1. Preface

Since the outbreak of the COVID-19 pandemic, the international economy has declined and the unemployment rate has risen, which has caused a great impact on China's economy, and the whole society, especially the bottom group, is facing the risk of unemployment. In the face of the impact, the state has put forward the tasks of "six stabilities" and "six guarantees", emphasizing stabilizing employment and ensuring people's livelihood. As an important part of the informal economy, street vendors have played an irreplaceable role in boosting employment, stimulating consumption and restoring people's livelihood under the background of the normalization of epidemic prevention and control, which has triggered a re-examination of the governance model of this special group from all walks of life.

For the research on the governance of street vendors, foreign countries formed a systematic theoretical system and research paradigm earlier than domestic ones, mainly from the three dimensions of the evaluation of street vendors groups, the reasons for the plight of street vendors governance, and the breakthrough path of street vendors governance. The research on street vendors in China is rising with the rapid urbanization. Although the research duration is not long, the management of street vendors has been the focus of our society for many years. However, most of the existing scholarship are from the perspective of urban governance, and there are few academic achievements to explore the employment security of street vendors. This article explores the new governance model of street vendors from the perspective of employment security of informal employees.

Before the COVID-19 epidemic, the management of street vendors in China was mainly based on "Blocking", supplemented by "Dredging", and hot words such as "Chengguan violent law enforcement" and "Chengguan performing 'cat chasing mouse' with street vendors continued to emerge, which caused huge pressure of public opinion. The economy suffered a tremendous impact during the epidemic and then the state's "deregulation" of street vendors' group made the passivity and backwardness of traditional street vendors management more prominent. The exploration of new governance model is gradually put on the agenda.

2. The dilemma of street vendors' governance after the “deregulation”

Under the background of normalized epidemic management, the current domestic street vendors are not illegal as business entities, and their business activities are also recognized. The traditional
rigid law enforcement mode of Chengguan has gradually changed to flexible law enforcement under the dual forces of policy and public opinion. However, the operation behavior and commodity trading of street vendors are often at the gray edge of the law, which also makes a number of "old rascal" among the street vendors. It is a "thorn in the flesh" in urban governance to establish a weak personal image and win the sympathy of Chengguan and the public by means of pretending to be stupid and selling misery and inciting public opinion. For quite some time, the government regarded street vendors as a "stain" in the improvement of urban quality. It believed that the existence of street vendors contradicted the high-speed and high-quality development of the city, and tried every means to squash street vendors. However, with the "people-oriented" concept deeply rooted in the hearts of the people, the vividness of city and the flavor of humanism have become a major dimension of urban development. In some cities, street vendors have even become a unique "city card" which adds luster to urban life. It can be said that the policy of “deregulation” for the stall economy itself is contradictory. If it is to be implemented, it is necessary to bear certain public risks, and the gap between decision-making and decision-enforcing makes many new problems surface.

2.1 Information asymmetry

The understanding of street vendors on the economic policy of street vendors is one-sided, and the communication between street vendors and Chengguan is biased. Chengguan takes maintaining the appearance of the city and maintaining the stability of urban spatial order as the starting point of action, and dredges and manages street vendors according to laws and regulations. However, street vendors only care about the results of allowing stalls, and do not care about the conditions and scope of application of policies, which not only puts Chengguan in a dilemma of discretion, but also brings inconvenience to urban governance and development.

2.2 Directional compression of employment space

Employment space for street vendors is two dimensions: living space and profit space. Outwardly, the "recovery" policy of stall economy has widened the living space of street vendors, but due to its inherent contradiction with urban governance, the neutralization policy is "the combination of dredging and blocking". The most direct way is to establish a dredging area for the centralized management of street vendors, which has significantly reduced the living space of street vendors and curbed their mobility. Some roads have erected signs of "temporary stalls", indicating the time and area of allowing temporary stalls, but the actual management is difficult and the rights and responsibilities are not clear, and the final result is "no stalls allowed". As for the compression of profit space, it is more obvious that the various management fees that the street vendors who enter the dredging area need to pay and the impact of relocation increase the operating costs and reduce the operating income. The street vendors who did not enter the dredging area are hard to settle down, let alone generate business income, because Chengguan has strengthened the law enforcement of the roadside stall business.

2.3 Uncontrollable internal operation of the dredging area

Guiding street vendors to designated areas for standardized management and prohibiting them from entering other important areas of the city are the operational means for the government to implement spatial arrangements for street vendors. However, the first is to pay fixed booth fees, health fees, etc., which increases the operating costs. At the same time, street vendors should accept marketization management, which is more restrictive than liquidity management. Second, the relocation of stalls will lose a large number of customers, which needs to redevelop the source of customers, which is contrary to the needs of street vendors to maximize their interests. Third, the trend of business commercialization is serious, and the income of stalls is declining day by day, so vendors have to take measures such as transfer, acquisition and merger, which provides some groups with the opportunity to make money, making the pure trading transaction eventually become the operation of capital, but raising the threshold of entry, which is contrary to the original intention of the state to
stimulate economic development. Fourth, the strict division of business types within the dredging area has intensified the competition among vendors, leading to the increase of vicious competition and even violent competition. Fifth, the space of dredging area is too limited to meet the actual needs of the booth.

From the perspective of urban order, this approach undoubtedly brings benefits to urban governance, but it ignores the characteristics and advantages of street vendors, and lacks attention to the discourse of street vendors' subjectivity, which inhibits the rational demand of them as economic subjects to maximize profits.

The contradiction between the strict formal control of the government and the living space of street vendors has made them fall into a "business dilemma". The absolute formalization means have actually caused a new crisis of trust and social exclusion. Due to the large squeeze of profit space, many vendors have a rebellious mentality, fight with Chengguan, refuse to enter the counseling point for operation, and develop in the reverse direction of informalization. The interest game between street vendors and Chengguan is essentially the interest game between the government, the market and society.

2.4 Lack of job security

In China, the street vendors are separated from the labor laws and regulations and are not included in the social security system based on labor relations. The main employees of street vendors are mostly urban and rural floating population, with a large number of middle-aged and elderly groups. Besides, the labor relations of street vendors are fuzzy and they lack targeted labor legal mechanism as the basis for rights protection. At the same time, the awareness of street vendors' participation in social security is weak, and the level of domestic social insurance planning is low, so the proportion of street vendors' participation in social insurance is very poor.

The employment environment of street vendors is mostly in public areas outdoor with large traffic. Therefore, their business income is greatly affected by natural factors. Because of relatively poor employment environment, low socio-economic status and high work risk, street vendors lack the sense of employment security.

2.5 Unequal public rights of discourse

The public right of discourse is that the public's speech in a specific field is listened to, the effect of the expression of discourse intention is realized, and a certain social influence is formed. With the advent of the era of wisdom and the reform and development of the government, speaking right of citizens has expanded, and there is also a small "equal right" trend of public discourse. But this trend is only compared with the past, and the degree of "equal rights" in reality is very low.

Due to the unequal public rights of discourse between the street vendors and the government, the subjective initiative of the street vendors has not been fully evaluated and valued. For the government's policies that have been innovated many times, most street vendors cooperate passively, and a few street vendors will try to break the constraints of the formal policy in various ways, challenge the authority, jump out of the regular space, and reverse to the informal. On the one hand, this part of the street vendors group may incite the informal transformation of more street vendors, on the other hand, it will also arouse the government's attention to the street vendors group and re-examine the urban governance policy, and give the corresponding policy adjustment again. From this point of view, the government only holds a tacit attitude towards this cycle.

3. A new governance model from the perspective of employment security: participatory cooperation

With the change of government control, the living space of street vendors has the characteristics of elastic development - it goes back and forth between formal and informal. Every day, the space of street vendors is reversed, normalized by formal forces, and then informalized again due to the
deviation between planning and reality. The reciprocal transformation of regularization and informalization is the epitome of social and economic development conditions. Of course, the regularization of urban management is not an overnight undertaking, but a phased process of wave-like progress and spiral rise. At this stage, the current socio-economic situation, especially the impact of the epidemic, does not constitute the elements of fully regularized management of street vendors.

The government must recognize the rationality and necessity of the existence of street vendors, reserve policy and institutional employment space for street vendors, rationalize and meet the demands of street vendors, consider the specific environmental background of their survival and the impact of social and cultural factors, comprehensively evaluate their daily life from a concrete and micro perspective, and strengthen the construction of the employment security system for street vendors.

Chengguan, the front-line law enforcers at the grass-roots level in cities, should establish a special cooperation with street vendors, seek the fulcrum of interest leverage, and maintain the stability of urban order. The author believes that this special cooperation between Chengguan and street vendors is "participatory cooperation" which means in the street political space, street vendors and Chengguan have equal discourse rights, and both have the qualifications to participate in urban governance. They respect each other, benefit each other, shape the inclusive situation of the harmonious coexistence of formal and informal forces, and reflect the new concept of governance in which multiple subjects participate in Co-governance. At the operational level, it should maintain communication with stakeholders in the whole process of public policy (policy formulation, policy implementation, policy evaluation, policy termination, policy supervision), give them the right to participate in all aspects, and fully consider their sense of social existence.

![Figure 1. Participatory cooperation model](image)

The practical dilemma mentioned above can be interpreted by the public policy process based on participatory cooperation. The government is the core participant in the policy-making. The street vendors have little understanding of the policy before the policy is issued, and the uneven understanding of the vendors leads to information asymmetry. Additionally, the policy implementation is too administrative. In order to achieve the targets of the higher authorities, Chengguan, as a front-line law enforcer at the grass-roots level, must complete the task "across the
board”. On the one hand, it establishes the authority of Chengguan, on the other hand, it creates the illusion of policy implementation. In fact, the process is hard, and the complaints of street vendors are borne out. Because of the output with realistic benefits, the government rarely considers issues from the position of street vendors in policy evaluation. It is more oriented by urban governance dividends and ignores the interest needs of street vendors. Further, the evolution and development process of the policy also maintains the original policy position. So the construction of employment security system and practical exploration are relatively backward, which makes the interest leverage of urban administrators and street vendors more and more inclined. Policy supervision, as a response from the bottom, the governor received little attention because of the street vendors' weak awareness of political participation. street vendors are completely squeezed into the external space of the policy, but the encirclement formed by them outside the policy is a hidden danger, and a slight carelessness may cause an uproar. The formation of "participatory cooperation" mode can well solve many problems in the policy cycle. Through the effective participation of street vendors in each process, this model pulls street vendors into the policy cycle, establishes a reasonable and efficient dialogue mechanism, and makes the policy implementation process take into account the interests of multiple parties, improves policy efficiency, and maintains urban order.

3.1 Strengthen the regulation and guidance of public opinion, and solve the problem of government mass policy information asymmetry

In view of the government and masses policy information asymmetry problem, government should strengthen the regulation and guidance of public opinion, straighten out the chain of policy information transmission, so as to eliminate the asymmetric information to the greatest extent, avoid the people's wrong cognition of the policies related to the orderly development of the stall economy, promote the orderly implementation of the policies, and win the recognition of the street vendors and other citizens. To strengthen the regulation and guidance of public opinion, the key is to mobilize the propaganda function of various media and regulate their propaganda behavior.

3.2 Combining dredging and blocking, increasing income and reducing expenditure, and striving to reduce the scale of street vendors

The government should focus on reducing the size of street vendors from the source. As this group is mainly composed of laid-off workers, unemployed groups and migrant workers, efforts should be made to strengthen vocational training and retraining for the above three groups, which can improve their vocational skills and promote the implementation of their formal reemployment.

In addition, we should appropriately transform the street vendors to promote the standardized employment of them on the basis of respecting the dual wishes of street vendors and employers. The government should strictly control the market carrying capacity of street vendors, and follow the principle of "strict in and lenient out" in the control of quantity and quality, so as to avoid the expansion of the scale of street vendors and protect the legitimate rights and interests of operators and consumers.

3.3 Safeguard the labor rights and interests of street vendors and promote decent work through multi-body collaboration

The government should appropriately change its functions, pay more attention to the legislative and supervisory functions while undertaking the management and implementation functions, and speed up the establishment of laws and regulations related to the employment security of street vendors while fully listening to their own opinions. Call on street vendors to participate in various basic social insurances, and the establishment of specific social insurance projects should be differentiated according to the income, housing, medical treatment and other specific conditions of different vendors. Qualified employers should take the initiative to establish contact with government departments to provide jobs for the employment transformation of street vendors. Social organizations and public welfare organizations should provide laid-off and unemployed people with
labor employment information, legal rights protection consultation, psychological intervention and other labor services, as well as vocational skills retraining, so as to provide protection for the rights of street vendors. Street vendors themselves should also improve their awareness of insurance and rights protection, and improve their ability to resist risks. In the collaborative promotion of multiple subjects, we will effectively protect the basic rights of street vendors in their work, and promote decent work for those in informal employment.

3.4 Build various security networks for special groups (the old, weak, sick and disabled, etc.) and unemployed groups

Although China's social security system for informal employment groups is still not perfect, the existing social welfare system and social assistance system, including minimum living security, can cover the elderly, weak, sick, disabled and other special groups with financial difficulties among street vendors. Strengthen the support of the existing social security and social assistance system for street vendors and other informal employment groups. If the economic situation is really difficult after verification, the subsidy standard should be properly increased to adapt to the characteristics of their employment form with low income stability.

In addition, the proportion of unemployed groups in China's street vendors is relatively high. Due to the economic downturn, economic cycle fluctuations, personal ability and other factors caused by the COVID-19 epidemic, these unemployed groups involuntarily quit or were difficult to enter the formal employment team, and were forced to enter the vendor industry to make ends meet. The unemployed and the elderly, the weak, the sick and the disabled with weak labor ability can be provided with other types of jobs based on their personal wishes by improving the thorough investigation of employment willingness and labor skill information, establishing a talent recruitment information platform for enterprises, institutions and grass-roots governments to ensure their stable employment and primary income.

4. Conclusion

Informal employment is the inevitable product of China's economic and social development and urbanization process, which has deep economic roots. Under the background of COVID-19 epidemic impact and normalized management, street vendors, as an important part of informal employment groups, have been reexamined for their positive role in economic recovery, but they have also triggered a series of new urban governance problems, such as information asymmetry, employment space compression, uncontrollable internal operation of dredging area, lack of employment security, wrong public discourse rights, and so on. From the perspective of employment security, this article attempts to establish a special cooperative governance model -- participatory cooperation, which integrates street vendors into the process of public policy, balances the space of multi-interest game, and expands the institutional space for street vendors' employment. By taking practical measures in the aspects of information sharing, employment transformation, decent work, and caring for special groups, street vendors can obtain strong security of employment.

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