



# Empowering the “Stall Economy”

## A Case Study of an Urban Village in Guangzhou, China

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**Abstract.** China has suffered significant economic losses because to the COVID-19 pandemic. Particularly for the marginalised “country population living in metropolitan areas.” In light of this, Chinese Premier Li Keqiang made a public appeal for the promotion of street vendors as a fresh approach to revitalising China’s outlying urban villages. The concept immediately won support and was put into practise in a number of cities, but there are still issues with sustaining sustainable development through proper and well-organized spatial planning and regulation. This study looks at how the development of urban villages has been impacted by national policy, municipal spatial planning, and community-led initiatives to support street agriculture. The paper examines the manifestation of the “land-agricultural economy” in the context of urban villages through an analysis of local structures and strategies for spatial development using the case of Junhe District in Guangzhou, China. The comparative case study of Ahmedabad, India, also presents concrete and practical success stories of spatial planning, design and governance in the area and examines the national slum improvement policy. The study analyses the elements that made this case study successful and distils the key takeaways for the Junke sub-district going forwards. The findings imply that street kiosks can considerably evolve and rationalize space-use patterns while also being compatible with government spatial interventions for post-renovation urban villages in China. Street kiosks are a vital component of a dynamic and equitable public space.

**Keywords:** Street stalls · Urban villages · Stall economy · Policy and planning · Public spaces · China

## 1 Introduction

A new type of urban settlement, the “urban village,” or literally “village within the city,” has emerged and spread throughout China’s rapid urbanization and modernization since the 1990s, which has been characterized by a massive rural population outflow and radial expansion of urban agglomerations [1–3]. This is especially true in large cities like Guangzhou, Shenzhen, Shanghai, and Beijing. Urban encroachment has caused a rapid contraction of rural territory as China continues its megacity construction and settlement program, while rural-urban migration rises as a result of greater job prospects and living standards in the urban metropolis [4]. The government in China is eradicating

unofficial practices like street vending as part of the gentrification process in the name of cleanliness and aesthetics. However, China has suffered significant economic losses as a result of the COVID-19 outbreak in particular in urban villages. Chinese Premier Li Keqiang has suggested promoting food stands as a fresh approach to repopulating remote urban areas. This article investigates how community-led livelihoods programs, local spatial planning, and national policy might help revitalize urban villages. Urban villages are investigated as useful public places and as distinctive public spaces in cities.

The paper is subdivided into smaller sections. First, a quick overview of the development of policies in Guangzhou’s urban villages is given since this is a case study of that city. Following this introduction, a more in-depth study of the “stalls” in the sample area, the connection between national policies and local stall planning, and the opportunities and limits resulting from the theoretical debate are covered before conclusions are made in the last section. Next, Ahmedabad, India’s street vendors are a comparative case study providing a real-world example of successful spatial planning, design, and management in this area. The elements that contributed to the success of this case study will next be examined, and a few straightforward inferences for the future of the Junkawa sub-region will be made. The conference will provide insight into China’s bold plan to coordinate national policy, local government-led spatial planning, and community-led livelihood planning in order to support “street farming” and aid in the revitalization of China’s urban villages in the post-pandemic period.

## **2 The Empowerment of an Urban Village in Guangzhou**

The majority of urban villages in the metropolitan area have only been retained by Guangzhou, a first-tier city. There were 304 villages in Guangzhou in 2016, with a combined area of 716 km<sup>2</sup> and a population of close to 6 million people [5]. Guangzhou’s rapid urbanisation during the 1990s has led to the development of urban villages there. There have also been requests for a number of suburbs and towns where acreage outside the city was originally intended to house tall structures. These deserted areas have developed into remote islands encircled by urban concrete jungles, or urban communities. Over the past 20 years, they have become gathering places for thousands of migrants from all walks of life, providing a constant labour force for the city’s development.

The transformation of ‘urban villages’ began as a local Guangzhou initiative in Baiyun District in 2009. In 2016, the Guangzhou municipal government officially released the ‘1 + 3’ urban renewal policy document, which included measures to support urban village transformation and decided to promote urban village transformation projects in 2018. In response to the requirements of the “stall economy,” which was severely impacted by COVID-19, local authorities started concentrating on enhancing the livelihoods of local families and put policies aimed at street sellers into place. One of the urban communities that has improved since the pandemic is Junhe Street.

### **2.1 ‘Street Stalls’ in Junhe Street**

Junhe Street is a typical urban village located in the geographical centre of Baiyun District, north of Guangzhou city centre, with a high proportion of migrants and a high

**Table 1.** The proportion of residents in Junhe street. (Table credit: Original)

	Villagers	Citizens	Immigrants
N	15.2%	11.8%	73%

**Table 2.** The proportion of goods in Fire Dragon Square. (Table credit: Original)

	Raw Food	Processed Food	Accessories	Others
N	45%	39%	13%	3%

population density. The district's total number of migrants and registered residents is nearly 100 000, as shown in Table 1. The district committee and association lead in organising and running stalls in line with the national campaign for a 'stall economy'. The Fire Dragon Square in the centre of Zhonghe Street has been designated as a place for night-time stall operations. Other service facilities are also available. To make clear their duties with regard to sanitation and hygiene, stall holders' roles have been clarified. New management practises have also been implemented to guarantee that public concerns are handled quickly. There are currently about 400 stalls in the district, employing about 600 people, as shown in Table 2. The income of booth owners is anticipated to rise by more than 100 ringgit per day, and the congestion of stalls is anticipated to progressively change from dispersed to concentrated.

## 2.2 Policies and Plans for Local 'Stalls'

The government put various plans into action to revitalise Guangzhou's urban villages. The top-down planning of Baiyun District's first two rounds of urban strategic planning concentrated on the reform of the villages' administrative and economic operations as well as the reform of land use and the urban building system [6]. The city centre and the sub-center was connected by the Baiyun District under Guangzhou's 2012 urban strategic plan. Following the introduction of a number of "joint planning, joint management, and joint usage" laws, local governments were encouraged to include informal sector planning in the initial regional local plans. As part of the promotion of the "street stall economy," the Guangzhou Municipal Government announced the creation of 60 temporary authorised peddling zones in the city. At the same time, areas where more residents are likely to need livelihood assistance has also been proposed. Junhe Street has introduced a new model for activating street stalls, including particular areas and fixed opening hours. This new model combines the government-led intervention with cooperative decentralization and community participation. However, private corporations should not be involved in rebuilding initiatives caused the urban village renewal initiative to come to a standstill [7]. Instead, the government should take the lead.

## 2.3 Opportunities and Constraints

The “stall economy” supports a market economy. By supporting and promoting urban village stalls, street spaces can be successfully modernised and used for people empowerment. Partnerships with towns, rural residents, and other possible social places might be sought out and formed during the rehabilitation process. The finance source, however, is the biggest challenge to rehabilitation projects. Regeneration project financing is governed by the adage “who benefits, who invests”. Managing the public realm and transportation is similarly challenging. Hygienic standards could be affected by the quickly expanding number of food booths.

## 3 Learning from Street Vending in Ahmedabad

The commercial and cultural centre of Gujarat, which is regarded as India’s “model state” for economic development and freedom by a development-driven school of thought [9], is Ahmedabad, which has a population of 6.35 million and a 466 km<sup>2</sup> urban area [8]. However, a fall in industry during the 1980s led to a crisis in the formal market and a large unemployment rate. Meanwhile, the city’s informal sector has benefited from the ongoing harm done to the formal sector. The city’s roughly 100,000 street vendors dominate the informal economy, making it the fourth-largest city in India. Street vending has thus had a huge impact on Ahmedabad’s urban culture and helps foster creative urban planning and collaboration amongst diverse players in the growth of the informal sector.

### 3.1 Ensuring Social Equity in Policy and Planning

In Ahmedabad, street vendors are integral to local people’s lives. However, street vendors have been fighting for their rights since the 1970s. Various measures and plans have been repeatedly implemented over the past two decades, as presented in Table 3.

The Ahmedabad Municipal Corporation has created a mechanism to control vending zones. Green zone: between 7 and 9 am when vending is allowed on streets with a maximum width of 15 m in residential neighbourhoods. Yellow zone: In business districts, vending is allowed on highways wider than 15 m from 6 am to 9 am and 6 pm to 9 pm. Red zone: vending is prohibited on roads wider than 30 m, in busy locations, and 200 m or less from significant commercial and historical buildings [10]. 4,000 street sellers lost their jobs due to the scheme’s implementation, and their former locations were taken over by new infrastructure. Another 5,000 street vendors were removed from Ahmedabad’s streets in August 2018 [11].

SEWA, India’s largest primary union, demands and advocates for promoting street vending in informal settlements, as it is vital to the people’s livelihood. Social and economic empowerment can be achieved by strengthening mutual relations between local authorities and traders. Table 4 shows that the petition calls on national and local authorities to strengthen suppliers’ capacity in the informal economy. Both suppliers and government officials need technical support, participatory management and constructive communication to develop and promote these activities.

**Table 3.** The timeline of related policies and planning of street vendors in Ahmedabad. (Table credit: Original)

Time	Provider	Project	Feature	Outcome
2004	The Government of India	Urban Street Vendors (NPUSV)	A national policy aimed at protecting the rights of street vendors.	Failed to solve evictions, confiscation of goods, and exploitation from AMC.
2006	SEWA (Self-employed Women's Association)	Public Interest Litigation (PIL)	Advocating for street vendors rights and protection, petition for allocated spaces, licenses and essential services for vendors.	Achieving cooperation within slum communities and ensuring "self-reliance" to members.
2010	AMC (Ahmedabad Municipal Corporation)	Street Vendor's Scheme 2010	Regulating vending through the provision of three vending zones.	Resulting in large-scale displacement, and the loss of economic opportunity and growth.
2014	The Government of India/SEWA	The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act	Recognising the right to vend as a fundamental right.	Allocating spaces or issuing a license to conduct business for removed vendors.

**Table 4.** The timeline of related policies and planning of street vendors in Ahmedabad (Table Credit: [12]).

Agency	Food			Non-Food		
	Centre	Periphery	Total	Centre	Periphery	Total
National government	1.32	2.56	1.74	5.00	0.00	2.70
Local government	5.26	5.13	5.22	0.00	5.88	2.70
NGOs	25.00	25.64	25.22	25.00	11.76	18.92
MBO(SEWA)	96.05	94.87	95.65	95.00	82.35	89.19
Police	7.89	0.00	5.21	10.00	0.00	5.41
Other workers	68.42	53.85	63.48	65.00	82.35	72.97
Trade union	36.84	33.33	35.65	25.00	25.29	29.73
Workers' co-op	2.63	2.56	2.61	0.00	0.00	0.00
Supermarkets or large retailers	3.95	2.56	3.48	0.00	0.00	0.00
N	76	39	115	20	17	37



**Fig. 1.** Street vendors in and around a residential area in Sabarmati ward [17]. (Photo credit: Bloomberg.com)

### 3.2 ‘The Voice of Street Vendors’

A vertical mix of residential sections on both sides of the roadway makes the Sabarmati neighbourhood unique. However, just 1% of the space is designated as “official” public space [13]. Thus, the streets are the only feasible and preferred public areas in the towns. The combination of fixed and moving vendors offers a variety of interactions with them on the street. Early in the morning, commuters from the neighbourhood fill the streets with “essential activities” [14]. Itinerant traders take the lead in offering services during the day, bringing life and convenience to the otherwise dull streetscape. Vending activities create interaction between residents, and the space becomes socially beneficial. In the evening, the vending space switches from mobile to be fixed. Figure 1 shows they are usually located at road junctions and contribute to the night-time landscape of the area.

These street vendors provide life to an area that would otherwise be largely vacant. Participatory planning procedures, the execution of national policies, and compliance with the National Street Vendors Act are all things that street vendors and their associations should be involved in [15]. At the same time, the opening hours of individual street vendors have been extended, making the slums more vibrant.

### 3.3 ‘More Than a Street’

Bridges, street fairs, pavements, intersections, chowks or public squares and roundabouts are examples of historically significant public spaces in cities that have long been a source of debate [16]. However, compared to the generally accepted standard of 8–10 m<sup>2</sup>, open spaces only make up 2% of urban areas, or 1.1 m<sup>2</sup> per person. It is only allotted to 1 m<sup>2</sup> [13]. This suggests that few formal or informal public spaces belong to these areas’ inhabitants, as shown in Fig. 2. Utilizing existing roads and developing multipurpose social spaces are practical methods to promote community connectedness in slum areas



**Fig. 2.** Street market at C.G. Road [17]. (Photo credit: Bloomberg.com)

because municipalities lack the resources to plan and construct new places in slum districts. Additionally, make an effort to get visitors to engage in interactive activities and socialize there. The ability of slum communities to promote self-improvement and give inhabitants equity and legitimacy can be increased by incorporating street vendor activities into well-designed public areas. This enables them to make use of what they already have and doesn't put a heavy cost or time load on improvement projects.

## 4 Conclusions

The informal economy and public space are both crucially dependent on street stalls. They promote other small enterprises, provide cash for the city, and help inhabitants achieve social equity in informal settlements. They also work for themselves. In particular, these Chinese urban villages might be given the chance to take part in voluntary projects for the reconstruction of their own dwellings with the help of government incentives and sensible legislation. The resurgence of food stalls has quickly helped urban villages' economies revive, as seen by the case of Guangzhou. But the problems with governance and sustainability have not been solved. The example of Ahmedabad shows that innovative site design considers the surrounding land uses, roads and facilities. Besides, the example reexamined the distribution of some particular street stalls related to the empowerment of the area, such as processed food and raw food that can be utilized through existing roads and corners of the residential area to develop multipurpose social spaces and promote community connectedness. It can also encourage more integrated urban and slum development solutions to link government-led development with voluntary development in urban villages. The WRI study suggests three major policy changes to reverse this trend. The first step is to make it easier for people to access public services, facilities, and resources; the second is to examine regulations that have

historically excluded informal workers and establish ones that actively include them. Third, the advice is to include unofficial workers into local government [18].

Involving more non-profit organizations and organized trade unions in informal sector activities is the proper strategy to encourage the long-term growth of street kiosks in metropolitan areas. Engaging with urban inhabitants and addressing their needs and expectations is crucial, with the cooperation of the government. Negotiating and adapting policies and plans in a multi-stakeholder environment can improve future social and economic equity.

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