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Viewpoint

Revisiting policy epistemologies on urban informality: Towards a post-dualist view

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ABSTRACT

The presence of street vending in the urban global South indicates a vibrant economy that is often tagged as informal. When situated in the larger contexts, it persists in an atmosphere of poverty and inequality. Amid the social conditions that produce economic vulnerability, how do state institutions regulate urban informal vending? What policies do they enforce to manage the insecurity, resilience and resistance of street vendors? What are the emerging patterns from these regulations? This paper presents and analyzes a set of policy epistemologies based on state rules on informal vending in selected global South cities.

Building on the structuration theory, the paper draws from secondary data and demonstrates that understanding policy orientations in urban informality requires looking into the structure-agency interaction. It points out the theoretical and empirical implications of this approach to urban studies and planning research. It proffers a post-dualist lens in examining rules, relations, and interests in urban informality.

1. Introduction

The informality literature has tackled two streams of thought on formal and informal economic activities. While the prevalent perspective highlights the contrasting features between formality and informality (Geertz, 1963; Santos, 1979; Sethuraman, 1981; Yatmo, 2008; Rukmana, 2011; Hanser, 2016; Flock & Breitung, 2016), the alternative view contends that these two constitute an interlocking system (Stavenhagen, 1965; McGee, 1973; Portes, 1983; Daniels, 2004; Dovey, 2012; Roever, 2016). These divergent ideas affect, and are manifested in, policies on urban informality, particularly in the context of street hawking in the global South.

Street hawking refers to an activity where individuals offer "goods for sale to the public without having a permanent built-up structure from which to sell" (Bhowmik, 2005, p. 2256).[1] The vendors may be stationary in that they occupy space on the pavements or mobile as they move from place to place by carrying their wares on pushcarts or in baskets (Bhowmik, 2005). While there have been studies on government policies and street hawking, the literature mainly focuses on the nature and purpose of the rules and how they impact on street vendors (Illy, 1986; Peña, 1999; Hlela, 2003; Setšabi & Leduka, 2008; Xue & Huang, 2015; Flock & Breitung, 2016; Batréau & Bonnet, 2016). Beyond policy discourses, the question on how formal state rules on street vending relate to the notions of informality remains unexamined. This paper aims to address this conundrum by revisiting policy approaches to informal vending and analyzing how they adhere to conceptions of urban informality.

The paper used secondary data from academic literature in revisiting the policies on informal vending in various cities. It first touches on how informality discourses have evolved. Then, it presents key findings that analyze state rules on street vending in selected global South cities. While the chosen cases are far from exhaustive and there are complexities surrounding the policies in different contexts, the paper argues that some emerging patterns such as policy models, enforcement mechanisms, agency expressions, and socio-economic conditions demand deeper examination. These patterns have informed the three policy epistemologies[2] discussed in the paper - the hostile orientation, the tolerant atmosphere, and the accommodating environment. In identifying these epistemologies, the paper links the policy orientations to the contrasting perspectives on formal and informal economic activities.

In the final section, the paper tackles the implications of these epistemologies to theorizing informality, city planning, and urban studies. Building on the structuration theory (Giddens, 1984), it argues on the need to go beyond the dualistic conception of urban informality. It proffers a conceptual prism – the post-dualist lens, which links the structure-agency nexus to discourses and policy models on urban informal practices such as street vending.

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[1] In this paper, the words 'hawking' and 'vending' are used interchangeably to refer to the same concept. The paper recognizes how some authors use local terms to explain the nature of street vending activities in different contexts. For instance, Yatmo (2008) classifies informal vendors in Indonesian cities based on the level of mobility and flexibility.

[2] The paper adopts the term policy epistemology from Roy (2005) who argues that policy approaches are not just techniques of implementation but also ways of knowing.

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2. Informality: roots and trajectories

Scholarly attention to the informal sector is attributed in literature to Keith Hart's studies in the 1970s. He described the informal as those urban poor who engaged in petty capitalism, as a substitute for the wage employment, to increase their incomes (Hart, 1973). However, informal economic players were already present long before Hart coined the term as individuals lived on one's wits and survived even without jobs officially recorded by the state (Cooper, 1987). As a result, some authors have regarded the informal economy as an urban poor's survival technique involving economic activities that could not be strictly tagged as modern (Coquery-Vidrovitch, 1991).

These early descriptions indicate the tendency to contrast informal initiatives against formal practices. This is apparent in Hart's allusion to urban poor initiatives as a substitute to wage employment (meaning formal) and in Cooper's assertion of people's ability to survive despite the absence of state-documented jobs. The International Labour Office's (ILO, 1972) explanation also emphasized that the informal sector is outside the formal system, as the former thrives on small-scale operations and relies on skills acquired outside the formal school system and unregulated and competitive markets. This framing represents a dualistic conception, which pervaded the scholarly thinking in the past.

In the last half of the 20th century, a number of scholars came up with labels that reflect a dichotomous picture of economic transactions. Concepts such as firm-centred and bazaar economies (Geertz, 1963), upper and lower circuits of urban economy (Santos, 1979), enumerated and un-enumerated sectors (Sethuraman, 1981) constitute contrasting categorizations. Arguably, these constructs represent the contemporary delineation between formal and informal economies. On the one hand, the firm-centred, upper circuit and enumerated sectors broadly fit in Daniels' (2004, p. 502) formal economy definition as "the employment of waged labour within a framework of rules and regulations, usually devised and implemented by the state". On the other hand, Portes' informal economy description captures key features of bazaar economy, lower circuit, and un-enumerated sector. He defines informal economy as the sum total of income-producing activities (e.g. production and exchange of goods by the self-employed) and the employment in unprotected waged labour (Portes, 1983).

The divergence in contemporary conceptions of formal and informal economic activities hinges on the role of state rules. While the formal economy is assumed to be within government regulations, the informal is placed outside the mantle of state policies. Yet, in developing countries, there is an increasing acceptance of informal institutions as legitimate (Jenkins, 2001). What is not acknowledged, Jenkins (2001) argues, is that the bases of mental models and informal institutions are embedded in the socio-economic and political conditions and are coping with the global North-oriented formal rule of law.

Jenkins' contention draws attention to the structural roots of the usual formal-informal divide. It hints at the co-existence of both practices as they get embedded in the socio-economic, cultural and political relations. Consequently, the dualistic labels appear to be subtle expressions of a complex web of structural relations. In fact, earlier writers also pointed out that the 'formal' and 'informal' sectors are not mutually exclusive. Rather, they are intricately related (Stavenhagen, 1965) and interlaced (McGee, 1973) as the manufacture and flow of goods are generated in both sectors (Stavenhagen, 1965). This view connects to a growing perspective that regards informality not as a separate sector but rather a series of transactions that link different economies, spaces, and relations to one another (Roy, 2005; Donovan, 2008; Dovey, 2012). Informality, Roy and AlSayyad (2004) claim, indicates an organizing logic, a system of norms that governs the process of urban transformation itself. This stance dovetails with the interlocking relations of formal-informal arrangements and actors as evident in the statement below.

> The perceived difference between the formal and informal economy is, in reality, artificial in nature. There exists only one national economy with formal and informal livelihood approaches. Those that are seen as formal economies are capital-intensive and growth based, while those that are seen as informal economies are labour-oriented and people-centred. However, the truth is that these basically interact with one another under a single economy. The perceived difference lies in the fact that there is a lack of awareness and/or understanding of the mutual dependency of these two aspects of the economy (ESCR-Asia, 2002).

Aside from challenging the formal-informal dualistic lens, the enmeshed perspective draws attention to how the structural factors intersect with collective and individual agents, which arguably generate the formal and informal schemes.

Ideas that elaborate on structures and agents have been associated with Giddens (1984), Bourdieu (1990), and Archer (1995), among others. Giddens' (1984) structuration theory[3], in particular, offers a space for analyzing the role of social structures and human agency in informality. For Giddens (Giddens & Pierson,1998, p. 77), society has form and "that form only has effects on people, in so far as structure is produced and reproduced in what people do". This underscores the capacity of humans as reflexive agents[4] to create and recreate social structures even if they are also shaped by the latter. Describing how the structuration framework operates, Stones (2005) claims that.

> Social structures almost always either have agents within them and/or are the product of the past practices of agents. And agents, for their part, have social structures within them, not least in the guise of particular forms of phenomenological and hermeneutic inheritance. (p. 4).

This interlinked view of structure and agency is important to informality as it captures how social structures (e.g. economic policies) and human actions (e.g. resistance) shape the causes, consequences, practices and benefits of informal economic transactions. As the succeeding sections would illustrate, the policy approaches and issues influencing informality stem from a complex interaction of structural forces with organizational and individual agents.

Several interpretations of informality relate to the structure-agency interaction. One is Cooper's (1987) assertion on the ability of informal economic activities to challenge state hegemony and develop social relationships outside the normative principles of commoditization and bureaucratization. This argument offers a vantage point where the informal-formal discourse is treated with attention to the capacity of certain agents to form arrangements that respond to and/or move beyond what is structurally given.

Portes (1983) particularly zeroes in on this agent-structure link when he traces the origin of the informal sector. Noting that the formal versus informal distinction did not exist in the nineteenth-century capitalism, he contends that the "absence was not due to the fact that activities labeled today 'informal' did not exist then, but rather to the lack of a suitable point of contrast" (Portes, 1983, p. 159). The activities regarded today as informal were common during the period of classic capitalism in industrialized countries. The emergence of the formal sector, which

[3] The paper is aware of the debates surrounding the structuration theory. For instance, Archer (2003) argues that an implication of Giddens (1984) view of structure and agency is the question on where the structure begins/ends and where the agency begins/ends. Since the paper never intends to resolve this conceptual issue, it is enough to claim that both Giddens and Archer hold that structure and agency are related – the structure constrains agency that produces it (Parker, 2000). In this sense, the structure and agency are treated in this paper as a heuristic device.

[4] While Giddens and Pierson (1998) refers to agents as human individuals, he recognizes organizations as possible agents depending on the context. In this paper, both individuals and organizations are viewed as actors with capacity to act as agents. Following Ling and Dale (2014), the paper refers to agency as "an individual, an organization, networks or a community that can enact a process that drives change" (p. 4).

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