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Street Vendors' Survival Strategies at Simpang Lima Semarang During the Crisis and After the Monetary Crisis of 1998-2003

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Abstrak

Artikel ini membahas bagaimana serta alasan di balik kemampuan pedagang kaki lima (PKL) di Simpang Lima Semarang untuk terus beroperasi di tengah situasi krisis moneter 1998 dan prosesi pascakrisis hingga tahun 2003. Penelitian ini menerapkan metode sejarah kritis dalam pendekatan sosial-ekonomi. Sejarah kritis dalam kajian ini dipahami sebagai suatu cara historiografi yang tidak sekedar merekontruksi kejadian di masa lalu, tetapi juga memberi analisis mendalam terhadap sumber-sumber sejarah melalui tahap heuristik. Kritik sumber, interpretasi, dan historiografi, untuk lebih memahami dinamika sosial-ekonomi dengan lebih baik. Sumber-sumber penelitian dikumpulkan dari arsip surat kabar dan dokumen pemerintah daerah setempat yang relevan kemudian dianalisis dalam konteks. Hasil penelitian menunjukkan bahwa ketahanan PKL didorong oleh berbagai strategi adaptif, seperti kemampuan fleksibel dalam kegiatan ekonomi, penyesuaian terhadap pola produksi dan distribusi, pemanfaatan jejaring sosial, serta keterampilan bernegosiasi dengan kebijakan pengaturan kota. Temuan ini menempatkan PKL sebagai pelaku ekonomi informal yang berperan aktif dalam merespon tekanan yang diakibatkan oleh krisis ekonomi. Penelitian ini memberikan kontribusi pada kajian sejarah krisis tahun 1998 dengan menekankan pengalaman ekonomi dari kelompok informal dalam konteks sejarah perkotaan di Indonesia.
Kata kunci: simpang lima semarang, krisis moneter 1998, sejarah perkotaan.

Abstract

This article examines how and why street vendors at Simpang Lima in Semarang were able to continue operating amid the 1998 monetary crisis and the post-crisis period through 2003. This study applies critical history within a socio-economic framework. Critical history, in this context, is understood as a historiographical approach that does not merely reconstruct past events but also provides in-depth analysis of historical sources through heuristic stages source criticism, interpretation, and historiography to better understand socio-economic dynamics. Research sources were collected from newspaper archives and relevant local government documents and then analyzed within their respective contexts. The findings indicate that the resilience of street vendors was driven by various adaptive strategies, such as flexibility in economic activities, adjustments to production and distribution patterns, the utilization of social networks, and negotiation skills regarding urban regulatory policies. These findings position street vendors as informal economic actors who play an active role in responding to pressures caused by the economic crisis. This study contributes to the historical analysis of the 1998 crisis by emphasizing the economic experiences of informal groups within the context of urban history in Indonesia.
***Keywords:** simpang lima semarang, 1998 monetary crisis, urban history.*

INTRODUCTION

A global economic crisis is a situation in which all sectors of the global market experience serious failures, which are interconnected and have a widespread impact on countries. The crisis that struck several developed countries, including the United States, had a major impact on developing Asian countries, including Indonesia. In the late 1990s, Indonesia faced a highly vulnerable economic situation due to its heavy reliance on foreign debt, both by the government and the private sector, which further exacerbated the impact of the monetary crisis, while the interest burden on debt continued to soar every year. On the other hand, national income did not grow sufficiently due to the impact of the global economic crisis, which caused Indonesia to face difficulties in meeting its financial obligations (Arafat, 2009).

In this context, research on the 1998 monetary crisis in Indonesia generally still places greater emphasis on the analysis of macroeconomic policies and the formal sector, while micro-level studies particularly those highlighting the experiences of informal economic actors in urban areas remain quite limited. This study selected Simpang Lima in Semarang as its research site because the area serves as a hub of economic activity and a primary public space that intensively connects the informal sector. Through an analysis of the survival strategies of street vendors in Simpang Lima, this study offers a new contribution to the historiography of the 1998 monetary crisis by highlighting the perspective of the informal economy in the city, thereby enriching our understanding of the crisis's impact not only at the national level but also in the economic experiences of the lower strata of society (Breman, 2013).

The monetary crisis that struck Indonesia between 1997 and 1998 was one of the most defining events in the nation's economic history. This crisis not only shook the country's financial stability but also profoundly transformed the socio-economic order of society. The rupiah's exchange rate plummeted, and prices of basic necessities soared. This crisis also impacted all sectors, including companies laying off their employees. According to data from the Ministry of Manpower as of January 25, 1998, 160 companies had carried out layoffs (PHK) (Purnawan Basundoro, 2023).

Economically speaking, layoffs clearly halt a family's income-generating capacity. Employees who have been laid off and their families in this situation are often described as experiencing temporary poverty. The primary challenge faced by families affected by layoffs is the uncertainty of when their unemployment will end. If this situation persists over a long period, there is concern that it will lead to chronic poverty. The impact of this crisis is not only evident through the issue of job terminations but is also directly linked to those dependent on them (their family members). Additionally, this impact is felt indirectly in the informal sector and service industries that serve as key enablers in industrial development (Gunawan & Sugiyanto, 2009).

The informal sector, often referred to as the shadow or informal economy, is a vital component of the economic structure of developing countries, including Indonesia. This sector encompasses various economic activities carried out by individuals or businesses that are not fully registered under formal regulations, such as small and family-run businesses, part-time work, and micro-scale trade. In historical economic and social studies, the informal sector is viewed not merely as an economic category but as a space where society adapts to address structural changes and limitations within the formal economic system.

In the context of Indonesian history, the 1997–1998 monetary crisis marked a pivotal moment that highlighted the growing role of the informal sector as a survival strategy for urban communities. Waves of layoffs and the decline of the formal sector led many people to turn to the informal sector, including becoming street vendors. Thus, the informal sector in this study is viewed as part of the historical dynamics of the economic crisis, with street vendors as historical actors who experienced, responded to, and adapted to the effects of the crisis through the post-crisis period (Powatu 2024, 2).

The Simpang Lima area became a key location for community economic activities during that period. As a bustling hub and primary public space, Simpang Lima has long been recognized as a strategic area for various informal economic activities. The presence of street vendors in this area was not new, but during the monetary crisis, the number of street vendors in the area surged rapidly alongside rising unemployment caused by layoffs in the formal sector. Their presence not only reflects a spirit of survival in the midst of the crisis but also highlights the vital role of the informal sector in supporting the people's economy as the formal economic system was collapsing (Heriyanto, 2012).

Another distinctive feature of Simpang Lima lies in the relatively fluctuating dynamics of the Semarang City government's policies during and after the crisis (1998–2003). On the one hand, the government faced demands to enforce urban order and regulation; on the other hand, post-crisis socioeconomic pressures necessitated tolerance toward the informal sector as a form of social safety net. This situation resulted in a relationship that was not always confrontational, but also adaptive and full of negotiation between street vendors and the local government. Such conditions do not always occur in other locations that tend to implement more repressive regulatory policies (Kusno, 2000).

The Semarang City Government also began implementing public space planning policies, including the relocation and regulation of street vendors, on the grounds of maintaining the city's beauty and order. They need to adapt to policy changes issued by the local government, urban spatial regulations, and the existing socio-economic dynamics in urban areas. Therefore, studying the survival strategies of street vendors during that period not only provides an understanding of the microeconomic conditions of the urban community but also offers insights into the socio-economic resilience of the working class in facing a national crisis (Purnawan Basundoro, 2023).

Subsequently, these enforcement policies created a new dynamic among street vendors. Some of these vendors faced difficulties due to the loss of strategic locations for selling, while others sought ways to keep their businesses running. It was these efforts that gave rise to various survival strategies, such as adjusting operating hours, moving to more secluded locations, switching the types of goods sold, and even forming solidarity networks among vendors. This phenomenon demonstrates how the informal sector possesses a high capacity for adaptation to economic changes and government policies. These street vendors are not merely victims of the crisis but also active agents playing a role in maintaining the economic stability of the lower-income community during difficult times (Idris Patarai, 2020).

Furthermore, this study is significant because it contributes to our understanding of the people's economy and the social history of cities in Indonesia. Previous research has typically focused on monetary crises from a macroeconomic perspective, exploring elements such as government policy, inflation, and the banking sector. However, there is still very little research emphasizing the impact of crises at the micro level, particularly regarding how small communities react and adapt in difficult situations. By studying street vendors in the Simpang Lima area, this research aims to provide a new perspective on the role of the informal sector as a pillar of the community's economy during times of crisis (Powatu, 2024), while also positioning street vendors as historical actors within microhistorical analysis. This makes it possible to uncover survival strategies, social dynamics, and changes in the role of the informal sector within the context of a specific urban space during and after the monetary crisis.

Against this backdrop, this study offers a new contribution to the historiography of the 1998 monetary crisis by shifting the focus of analysis from grand narratives to the individual experiences of those in the informal economy at the local level. By examining the survival strategies of street vendors at Simpang Lima in Semarang during the crisis and post-crisis periods (1998–2003), this study enriches our understanding of the crisis as a historical process experienced differently by specific social groups. This crisis is not only viewed as a nationwide economic event but also as a daily experience that shaped strategies, social networks, and power relations at the local level (Hadiz, 1997).

To date, research on street vendors during the monetary crisis has more often focused on modern economic aspects or public policy from a non-historical social science perspective. Conversely, historical research on the 1998 crisis is still relatively scarce in making the informal sector the primary focus of analysis. This creates a historiographical gap in the form of a lack of research that connects historical approaches with in-depth and contextual analysis of the informal sector. This study seeks to fill this gap by presenting street vendors as active historical actors, not merely as objects of policy (Breman, 2003).

Thus, the central issue of this study is how street vendors at Simpang Lima in Semarang developed and implemented strategies to survive during the economic crisis of 1998 and the post-crisis period through 2003. This inquiry examines changes in business models, the economic strategies employed, the utilization of social networks, and the vendors' interactions with policies implemented by the local government. Additionally, this study examines how these dynamics reflect broader changes in the city's economic structure following the crisis. This analysis employs a historical approach that emphasizes the critical reconstruction of past events through source collection, source criticism, interpretation, and historical writing to understand social dynamics within a broader context (Kuntowijoyo, 2013). Through a micro-scale historical socio-economic approach, this study is expected not only to provide deeper insights into the consequences of the 1998 monetary crisis at the local level but also to contribute to the development of Indonesian historiography by positioning the informal sector as a key element in the historical narrative of the crisis and post-New Order urban transformation (Nordholt, Henk Schulte, 2001).

METHODS

This study employs a socio-economic historical approach within the field of history to explore how street vendors at Simpang Lima in Semarang managed to survive during the monetary crisis and its aftermath, from 1998 to 2003. The historical method was chosen because it allows the researcher to reconstruct past experiences in a sequential and contextual manner by tracing relevant sources from that period, while also understanding the social and economic dynamics underpinning street vendors' activities as part of history (Kuntowijoyo, 1995).

The initial stage of this research is the heuristic phase, which involves collecting historical sources related to the research focus. In the context of urban social history research, newspapers were selected as the primary source because they function not only as news outlets but also as daily records documenting contemporary social, economic, and urban policy dynamics. Therefore, this study utilizes the archives of the Suara Merdeka newspaper, a local publication based in Semarang that holds both geographical and thematic relevance to the Simpang Lima area. Suara Merdeka consistently reported on urban developments, local government policies, and the economic activities of the working class, including street vendors. The archives examined cover editions from 1998 to 2003, spanning the period of the monetary crisis, the Reform era, and the early stages of economic recovery (Perda Kota Semarang, 1998).

In addition to newspaper archives, this study also uses government documents as its primary sources. These documents include policies and regulations from the Semarang City government related to land use planning, public order, and management of the informal sector, particularly regarding street vendors. The primary focus is on city-level government documents, such as local regulations, and reports from relevant agencies such as the Market Department or the Public Order Department released between 1998 and 2003. Sources from the Central Java provincial level are used very sparingly as supplementary material, particularly to gain an understanding of the broader policy framework, while national-level documents serve as the general context regarding post-crisis economic and political policies.

The second stage of this study is source criticism, which includes external and internal criticism of official documents and newspapers, particularly Suara Merdeka. External criticism aims to evaluate the authenticity, credibility, and context of the source material by examining the background, publication date, and the institution that published it, particularly in government documents that reflect the state's stance on managing and regulating the presence of street vendors at Simpang Lima in Semarang. Furthermore, internal criticism is conducted to evaluate the content of the source by analyzing the language, narrative, and underlying interests, in order to uncover the power dynamics between the local government and street vendors. In this context, the reporting by Suara Merdeka is not considered an objective representation of facts, but rather a media product influenced by editorial perspectives, political and economic interests, and urban development ideologies; thus, source criticism is necessary to assess how the media portrays street vendors and the economic challenges they face (Suara Merdeka, 2001). This process of source evaluation is a crucial step to avoid accepting information at face value and to ensure that the historical analysis constructed is grounded in valid sources and deep critical thinking.

The third stage is interpretation, which involves analyzing verified historical data. At this stage, data from newspaper archives and government documents are analyzed thematically to identify patterns in street vendors' survival strategies, such as changes in the types of goods sold, capital management, relationships with authorities, and the utilization of social and economic networks. Interpretation is carried out by linking empirical findings to the conceptual framework of the informal sector and the urban economy, so that street vendors' survival strategies are not understood merely as individual responses, but also as part of the structural dynamics of the post-crisis urban economy (Breman, 2003). The final stage is historiography, namely the compilation of research findings into a structured and analytical historical narrative. In this stage, the research findings are presented by emphasizing the interconnections between the context of the monetary crisis, local government policies, and the concrete experiences of street vendors at Simpang Lima in Semarang. The construction of the historiography is aimed at positioning street vendors as active subjects in the history of the crisis, as well as affirming the contribution of this research to enriching the historiography of the 1998 monetary crisis through a micro and local approach (Nordholt, 2001).

RESULTS AND DISCUSSION

The ongoing economic crisis, coupled with monetary and political instability, has caused a significant decline in Indonesia's overall economy, which had been built up over three decades. The macroeconomy, in this context, refers to the national economic system as a whole, measured through key indicators such as economic growth, exchange rate stability, inflation rates, interest rates, the banking system, and the state's capacity to carry out development. For nearly thirty years during the New Order era, Indonesia's economic growth was based on political stability, relatively rapid economic growth, industrialization, and the strengthening of the financial sector supported by foreign debt. The collapse of the rupiah's exchange rate was accompanied by extremely high bank interest rates and inflation exceeding reasonable limits, forcing the country to face an extremely heavy burden (Sukirno, 2015).

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Comprehensive reforms were implemented to promote economic and political stability. In addition to internal factors, Indonesia's economic conditions were also influenced by external factors, such as economic shocks originating from Asian countries, including Japan, Thailand, South Korea, and Malaysia. Thus, this situation arose due to spillover effects on Indonesia resulting from international cooperation. For example, cooperation between Indonesia and Thailand as well as between Indonesia and the United States (Sunardi et al., 2024) ultimately had a direct impact on the real sector through a decline in production levels, rising unemployment, and a decrease in public purchasing power.

The severity of Indonesia's economic crisis caused by the monetary crisis led to the collapse of many industries reliant on imported components, which ultimately resulted in mass layoffs. Additionally, rising prices of the nine basic necessities (sembako), coupled with rising fuel prices, pushed inflation rates above the threshold. In 1998, the national inflation rate reached 77.63 percent, while in Central Java (Semarang) it stood at 67.19 percent. This inflation rate would continue to rise if Indonesia's economy remained stagnant (BPS Jawa Tengah 1998).

In this context, the informal sector serves as a lifeline for communities directly affected by the crisis. The informal sector is an economic system that lacks clear definition and remains a largely unexplored area. It can be said that the informal sector is a segment of the economy where the majority of operations are not bound by regulations, taxes, or formal requirements. This sector is dynamic, constantly changing, and unstable. It is often spontaneous, emerging rapidly to fill the gaps left by the formal economy, which is difficult to regulate (Pitoyo, 1999).

The Impact of the Monetary Crisis on the Informal Sector

The monetary crisis, which peaked in 1998, had a major impact on Indonesia's economic system, particularly in urban areas. The depreciation of the rupiah, surging prices of basic commodities, and rising unemployment due to layoffs in the formal sector triggered a significant shift of the workforce into the informal sector. The informal sector subsequently served as a social safety net for those affected by the crisis, as it was relatively accessible and did not require substantial investment or complex administrative requirements. This phenomenon was clearly observable in major cities, including Semarang, which witnessed a surge in informal economic activity following the financial crisis (Hill, 2000).

This economic crisis was marked by a grinding halt in economic activity as more and more companies went bankrupt due to the monetary crisis, forcing many employees to be laid off. Many companies were unable to survive the high production costs and weakening public demand. The impact of these mass layoffs led to a rise in Indonesia's unemployment rate and placed significant pressure on urban workers and low-income households whose livelihoods depended on the formal sector (Zaki et al., 2024).

In this context, the informal sector has become the primary alternative for people to sustain their livelihoods. As social and economic conditions worsened, there was a significant increase in the number of workers in the informal sector. According to 1998 BPS data, nearly all regions in Indonesia, particularly in cities such as Central Java and Semarang, experienced a surge in the informal workforce. This occurred because many people lost their formal jobs and turned to activities such as small-scale trading, starting micro-enterprises, working as street vendors, or providing other informal services. The informal sector, previously viewed as a marginal sector, has now become the primary source of livelihood for the lower-middle class during the crisis. This situation demonstrates that the informal sector possesses the flexibility needed to help people survive amid economic instability (BPS Jawa Tengah 1998).

In Semarang, the monetary crisis led to an increase in the number of street vendors in strategic public locations. This situation is linked to Semarang's status as a port city and economic hub in Central Java, which had already been a destination for urbanization even before the crisis. A 1998 article in the Suara Merdeka newspaper noted an increase in the number of seasonal vendors and newcomers in the city center, coinciding with the formal sector's declining capacity to absorb labor. Simpang Lima, as the city's bustling hub, became one of the primary locations for the emergence of new street vendors offering food, beverages, and daily necessities (Suara Merdeka, Semarang, 12 Oktober 1998).

In addition to serving as a means of survival for the community, the informal sector also plays a vital role in sustaining economic activity when the formal sector collapses. Micro-level transactions, such as the sale of basic necessities, food, and low-cost goods, act as the engine of the daily economy when the industrial and financial sectors are not functioning. The 1998 economic crisis demonstrated the structural resilience of the informal sector, which remained intact even as the formal sector collapsed, primarily because its customers come from lower-income groups who continue to require goods and services at affordable prices (Manning, 2000).

The impact of the crisis on the informal sector was evident not only in the growing number of small business owners but also in the decline in the general public's purchasing power. Rising prices of basic commodities and production costs led to shrinking profit margins for street vendors. Reports from Suara Merdeka from late 1998 through 1999 revealed complaints from small vendors about rising prices of raw materials, such as rice, cooking oil, and sugar, which forced them to raise selling prices or reduce the quantity of goods sold. These conditions created multiple layers of economic pressure for street vendors, who had to survive in increasingly fierce competition while facing a decline in consumer purchasing power (Suara Merdeka, 1999).

At the regional level, including in Central Java, this monetary crisis revealed disparities in each region's capacity to cope with the economic impact. The Central Java Statistics Agency reported a significant increase in the number of informal workers in urban areas between 1998 and 1999, coinciding with a decline in formal industrial and commercial activity. As the provincial economic hub, the city of Semarang serves as a magnet for residents from surrounding areas seeking new opportunities in the informal sector (BPS Jawa Tengah 1999).

In addition to economic issues, the monetary crisis has also led to an increase in conflicts between street vendors and local government authorities. The growing number of street vendors in public spaces is often viewed as a threat to public order and the city's aesthetic appeal. However, on the other hand, local governments face a social dilemma because the informal sector serves as a source of livelihood for thousands of families. News archives from Suara Merdeka indicate that the enforcement policies implemented were situational and inconsistent during the period from 1998 to 2000, during which authorities sometimes carried out enforcement actions but at other times showed leniency, citing the still-struggling economic conditions of the community following the crisis (Semarang: Suara Merdeka 20 Juli 1999).

The monetary crisis also affected street vendors' work patterns and operating hours. To compensate for the drop in income, many street vendors extended their selling hours into the evening or moved locations depending on where the crowds were. This trend is evident in a report by Suara Merdeka, which highlights the changing landscape of Simpang Lima at night a scene that has grown increasingly bustling with the presence of street vendors and visitors. These changes indicate that the crisis has had an impact not only on the economy but has also altered social dynamics and the use of public spaces in urban areas (Semarang: Suara Merdeka, 18 Agustus 2000).

From a structural perspective, the growth of the informal sector during the

1998 monetary crisis highlights both its vulnerability and its ability to adapt to economic shocks. Data from the Central Statistics Agency (BPS) show an increase in the proportion of the informal workforce in cities in the late 1990s, which aligns with findings from the field. When combined with archives from local newspapers such as Suara Merdeka, it becomes clear that the informal sector is more than just an economic phenomenon; it is also a historical reality tangibly experienced by small-scale actors at the local level, including street vendors at Simpang Lima in Semarang (BPS: Jakarta, “Keadaan Ketenagakerjaan Indonesia 1998–2000”, 2001).

Socio-Economic Characteristic of Informal Business Actors

The Simpang Lima area in Semarang has played a crucial historical role as a public space and hub of urban activity since the early 1990s. As the intersection of five major thoroughfares, this location was designed and promoted as the modern face of Semarang, serving two primary functions: as a center for commerce, entertainment, and social interaction. During the monetary crisis between 1998 and 2003, Simpang Lima’s strategic position became increasingly important as the area offered alternative economic options for communities affected by the crisis. Therefore, the social and economic characteristics of the street vendors operating in this area cannot be separated from Simpang Lima’s role as a site of negotiation between the formal and informal sectors during the crisis (Abdidin, 2000).

Socially and economically, most street vendors at Simpang Lima come from financially disadvantaged and vulnerable groups. Many of them are migrants from areas surrounding Semarang, such as Kendal, Demak, Grobogan, and Pati, who came to the city in response to dwindling job opportunities in agriculture and industry in their villages following the crisis. This social dynamic is highly relevant in a historical context, as it illustrates that the 1998 monetary crisis not only affected the workforce in urban areas but also spurred rural-to-urban migration, while simultaneously expanding the informal sector as a survival strategy. By the end of 1998, the Suara Merdeka newspaper reported an increase in the number of new vendors in central Semarang, with the majority of them being victims of layoffs as well as newcomers who failed to secure jobs in the formal sector. This was caused by a combination of push factors—including declining agricultural income, the collapse of small-scale industries in rural areas, and limited job opportunities in their home regions—and pull factors—such as increased economic activity in the city and the ease of accessing the informal sector without requiring significant capital or strict formal requirements (Suara Merdeka, 1998).

The limited educational attainment of street vendors who typically have only completed elementary or junior high school has a direct impact on their economic choices. During a crisis, their lack of formal education and skills prevents them from securing employment in the formal sector, making small-scale vending the most viable option. Data from the Central Java Statistics Agency (BPS) in 1998 indicates a significant increase in the proportion of the workforce in the informal sector in urban areas, which aligns with reports from local media regarding the rising number of street vendors at Simpang Lima. From a historical perspective, this situation demonstrates that the informal sector serves as an adaptive mechanism for low-income communities in coping with structural economic shocks (BPS Jawa Tengah, 1999).

From the perspective of business characteristics, the presence of street vendors in the food and beverage sector at Simpang Lima holds significant historical importance. The choice of this type of merchandise is based not only on personal preference but also on the food sector's ability to adapt quickly to changes in public purchasing power during times of crisis. Reports from Suara Merdeka between 1999 and 2001 indicate that food vendors were able to survive better than other business sectors, as food is a basic necessity that remains in demand by visitors, albeit in smaller quantities. Therefore, these business characteristics reflect the economic rationality of street vendors in minimizing potential losses amid the uncertainty caused by the crisis (Semarang: Suara Merdeka, 2000).

The trading equipment used by street vendors—such as carts, portable tents, folding tables, and mats—also reflects their strategy for adapting to urban planning policies. The flexibility of this equipment allows vendors to quickly relocate or evade enforcement actions. News reports from Suara Merdeka and policies from the Semarang City Government indicate that during the crisis, enforcement against street vendors at Simpang Lima was inconsistent; at certain times, the law was strictly enforced, while at other times tolerance was granted due to social and economic considerations. In this context, the characteristics of their business tools are part of street vendors' resilience strategies in the face of regulatory uncertainty (Semarang: Suara Merdeka 2001; Perda Kota Semarang, 1999).

The use of sidewalks as a place to sell goods is another crucial factor that sets the street vendors at Simpang Lima apart from those in other locations. The pedestrian paths around Pancasila Square and the shopping center serve as the main routes for pedestrians, giving them significant economic value for street vendors. Historically, this use of sidewalks reflects the dynamics of the struggle for urban space between official functions and the economic needs of the working class. A policy issued by the Semarang City Government in the late 1990s prohibiting street vendors from leaving their trading equipment at their sales locations indicated an effort to control the space, but on-the-ground realities reveal a compromise that allows street vendors to continue operating during certain times (Widjajanti, 2009).

The pattern of street vendors' activities, which often takes place from the afternoon into the evening, holds historical significance that cannot be overlooked. The choice of these selling hours is not merely a tradition, but also a strategy for adapting to the city's dynamics, regulatory oversight, and post-crisis consumer spending patterns. According to a report by Suara Merdeka, Simpang Lima at night transforms into a vibrant informal economic hub, with hundreds of street vendors serving visitors from all walks of life. The ability to adapt to these operating hours is a key element of street vendors' resilience in facing economic and regulatory challenges during the crisis (Semarang: Suara Merdeka, 2002), while also marking the functional transition of the Simpang Lima area from a city space that was once more focused on formal and symbolic activities into a diverse economic space, where the informal sector takes a leading role at certain times. This transformation reflects how the crisis triggered adjustments in the use of urban space, so that Simpang Lima functions not only as a center for official urban activities, but also as a site of negotiation between the economic interests of the small community and municipal oversight.

Overall, the socioeconomic characteristics of street vendors at Simpang Lima in Semarang demonstrate that the informal sector is not merely a marginal phenomenon, but rather a crucial element of the history of the 1998 economic crisis at the local level. The social structure of street vendors, types of businesses, selling facilities, and the use of space and time reflect adaptation tactics shaped by crisis conditions and city policies. Therefore, understanding these characteristics serves as a crucial foundation for analyzing street vendors' survival strategies in the following chapters, while also highlighting the uniqueness of the Simpang Lima experience within the historiography of the monetary crisis in Indonesia (Breman, 2003).

Street Vendors' Economic Stategies in the Face of Crisis

The monetary crisis that struck Indonesia in mid-1997 and peaked in 1998 had a major impact on the economy of the city of Semarang. The Simpang Lima area, previously known as a hub for informal shopping and trade, faced a sharp decline in economic activity. The August 1998 edition of the Suara Merdeka daily reported that rising prices of basic goods and a decline in people's purchasing power led many small merchants in the city center to complain of a drop in income of more than half compared to previous years. This situation prompted street vendors in Simpang Lima to formulate survival strategies based on direct experience in facing the challenges of the crisis, rather than through formal economic planning (Semarang: Suara Merdeka, 1998:3)

The initial strategy adopted by street vendors was to scale back their business investments. In an article titled "Small Vendors Under Increasing Pressure," the February 1999 edition of Suara Merdeka reported that food and daily-necessities vendors in downtown Semarang had begun reducing the number of products they sold due to the price of basic commodities rising by more than 200 percent since the crisis began. This trend was evident in the activities of street vendors at Simpang Lima, where food vendors reduced menu variety and downsized portion sizes, while clothing and accessory vendors cut back on the number of items displayed. This reduction in inventory is a rational step to minimize the risk of losses from unsold goods amid a sluggish market, as street vendors' limited access to formal capital, uncertainty regarding consumer purchasing power following the crisis, and high fluctuations in raw material prices have forced merchants to adjust the scale of their operations to maintain stable cash flow and ensure business continuity—even with very small profit margins (Suara Merdeka, 1999).

In addition to cutting costs, street vendors also adjusted their use of raw materials in response to the price surge. The April 21, 1999, edition of the Suara Merdeka daily reported changes in the use of food ingredients by small vendors in Semarang, who switched from high-quality ingredients to cheaper alternatives, such as using bulk cooking oil and substituting beef with chicken. Similar practices were also observed among street vendors at Simpang Lima, particularly among food vendors, who began replacing instant seasonings with homemade blends and choosing local suppliers offering lower prices. These changes signify the level of flexibility in production that is a key characteristic of the informal sector, while also demonstrating vendors' efforts to adjust selling prices to match consumers' declining purchasing power (Suara Merdeka, 1999).

When setting selling prices, street vendors at Simpang Lima typically use a gradual price-increase approach. A report in the September 7, 1999, edition of Suara Merdeka noted that small vendors operating in urban areas avoid raising prices too sharply for fear of losing loyal customers. At Simpang Lima, this strategy is implemented by raising prices by small amounts or maintaining old prices by reducing portion sizes. This practice indicates that maintaining relationships with consumers is a primary consideration in street vendors' economic decision-making during times of crisis.

Limited cash resources have forced street vendors to build economic relationships based on trust with suppliers. Data from the 1999 Annual Report of the Semarang City Market Department indicates that cashless transactions are on the rise among small vendors and suppliers, particularly in the form of deferred payments or credit sales. In the Simpang Lima area, long-standing relationships between vendors and suppliers allow for a debt system that does not require formal contracts. This practice demonstrates that trust within the community serves as an economic alternative when access to formal financial institutions is increasingly hampered by the crisis.

Some street vendors also diversify the types of goods they sell to expand their income streams. The November 12, 1999, edition of the Suara Merdeka newspaper reported that many small vendors began selling more than one type of commodity to adapt to changes in public consumption habits. At Simpang Lima, food vendors began adding packaged drinks, cigarettes, and light snacks to their sales as complements to their main products. This tactic helped street vendors maintain their income streams even as sales of their main products declined.

The next adjustment is evident in the change in business hours. According to a report in the January 18, 2000, edition of Suara Merdeka, nighttime economic activity in the Simpang Lima area has actually increased in line with shifting consumption patterns among urban residents. In response to this situation, street vendors have extended their operating hours until late at night to attract more customers during these hours. This tactic reflects the vendors' ability to understand the changing dynamics of time and space within the city during difficult times, as competition with the formal sector is relatively lower at night, official oversight tends to be laxer, and consumers have more free time. Consequently, extending trading hours becomes a rational choice to increase transaction opportunities amid declining purchasing power (Suara Merdeka, Mei 2000).

In addition to individual economic strategies, cooperation and social networks among vendors have become crucial elements in maintaining the economic resilience of street vendors at

Simpang Lima. The March 2000 edition of the Suara Merdeka daily newspaper revealed practices of mutual support among small vendors, such as sharing information about suppliers offering low prices and looking out for one another's selling locations. These social networks function as a collective asset that helps vendors face economic challenges together. From an economic sociology perspective, such social relationships strengthen the resilience of the informal sector when the formal economic system is under pressure.

Overall, the economic strategies employed by street vendors at Simpang Lima during the 1998 monetary crisis demonstrate that the informal sector serves as a pillar of the urban economy. By reducing investment, adjusting to changes in raw materials and prices, leveraging social networks, and maintaining flexibility in both the location and timing of their sales, street vendors were able to survive the prolonged crisis. This research, based on newspaper archives and local government documents, confirms that the resilience of the informal sector is tangible and not merely theoretical.

The Relationship between Street Vendors and Local Government Policies Post-Crisis

Following the 1998 monetary crisis, the presence of street vendors in the Simpang Lima area of Semarang became increasingly prominent as more people relied on the informal sector for their livelihoods. As a public space, a hub of economic activity, and a symbol of the city, Simpang Lima became a strategic location for street vendors to sustain their businesses. In this context, the relationship between street vendors and the Semarang City Government in the post-crisis period cannot be separated from changes in city policy influenced by economic conditions, the political Reform era, and demands for urban planning. This relationship has evolved dynamically, characterized by alternating patterns of tolerance, laissez-faire, and enforcement.

During the early post-crisis phase, particularly between 1998 and the early 2000s, the Semarang City Government tended to be tolerant of street vendors in strategic public areas, including Simpang Lima. This was evident in the weak enforcement of Local Regulation No. 11 of 1990 on Public Order, which explicitly prohibits commercial activities on sidewalks and in public facilities. In practice, local government authorities did not strictly enforce regulations against street vendors, citing the informal sector's role as an employer for those affected by job losses due to the crisis. A report published by Suara Merdeka on October 9, 1999 noted that the Semarang City Government "was still granting some leeway" to street vendors at Simpang Lima, given post-crisis socio-economic considerations (Perda Kota Semarang, 1990; Suara Merdeka, Oktober 1999).

However, this tolerance is temporary and not supported by clear regulations. The city government tends to adopt an informal laissez-faire approach without providing legal safeguards for street vendors. Consequently, the situation of street vendors at Simpang Lima remains precarious, as they can be targeted for enforcement at any time. This situation creates an ambiguous relationship between street vendors and the local government, where the vendors' presence is de facto accepted but de jure still considered a violation of city regulations (Kusono, 2012).

In the early 2000s, as national economic stability improved and there was an increased focus on the city's image, the Semarang City Government began to reinvigorate its agenda for the management and regulation of street vendors. This was reflected in efforts to re-enforce the Local Regulation on Public Order and the issuance of various technical policies by the Market Department and the Civil Service Police Unit (Satpol PP). A report in the May 22, 2001 edition of Suara Merdeka noted enforcement actions against street vendors in the Simpang Lima area, citing disruptions to traffic order and the city's aesthetic appeal. These enforcement actions were not conducted routinely but were situational and depended on the local government's agenda, such as in the lead-up to major holidays or visits by central government officials (Suara Merdeka, Mei 2001).

These enforcement efforts are often accompanied by discussions about relocating street vendors to other locations. The Semarang City Government has provided several relocation options outside the Simpang Lima area, such as neighborhood markets and a street vendor center currently being prepared by the Market Department. However, in reality, many street vendors have refused to relocate or have only stayed temporarily at these new locations. A Suara Merdeka report published on July 17, 2002, documented complaints from street vendors regarding relocation sites that were "deserted by visitors" and insufficient to meet their daily needs. As a result, many street vendors chose to return to Simpang Lima despite facing the risk of being cleared out again (Semarang: Suara Merdeka, Juli 2002).

In this context, the relationship between street vendors and the local government reflects a pattern of back-and-forth in policy, where enforcement efforts have never completely eliminated street vendors from public spaces, nor have they ever granted them official recognition. Local governments find themselves in a dilemma between the need to manage the city and the economic reality of low-income communities that rely on the informal sector. This situation indicates that the policies implemented regarding street vendors at Simpang Lima are more practical in nature than based on long-term planning (Firman, 2009).

Local political dynamics during the Reform era played a role in this relationship. With the ongoing democratization, street vendors gained the opportunity to voice their interests through various means, such as informal organizations, demonstrations, and direct negotiations with the government. In a Suara Merdeka article published on March 4, 2003, there was a report on a meeting between representatives of the Simpang Lima street vendors and the Semarang City Government to discuss trading hours and the arrangement of temporary spaces. Although such meetings demonstrate a more persuasive approach, the results achieved are usually temporary and do not become part of binding official policy (Suara Merdeka, Maret 2003).

In their daily lives, street vendors at Simpang Lima employ various methods to negotiate informally with the government, such as adjusting their operating hours, relocating their stalls during raids, or building personal relationships with field officers. These approaches reflect how street vendors cope with policy uncertainty and exploit loopholes in regulatory enforcement. Such relationships demonstrate that local government policies are not only enforced through official regulations but are also continuously negotiated on the ground (Widodo, 2007).

Overall, the relationship between street vendors and the policies of the Semarang City Government following the 1998 monetary crisis at Simpang Lima reveals uncertainty and ambiguity in policy. The presence of street vendors is considered economically vital for supporting the community's livelihood after the crisis, yet they are also viewed as an urban planning issue that needs to be addressed. This relationship creates a context for street vendors' survival strategies, as government policies affect not only their business locations but also their economic choices and movements in the long term. Thus, the survival of street vendors at Simpang Lima after the crisis is the result of an interaction between the vendors' adaptive strategies and local policy changes that are negotiated and fluid (Breman, 2000).

CONCLUSION

This study reveals that the 1998 monetary crisis did not affect the formal economic sector but has strengthened the presence of the informal sector in the Simpang Lima area of Semarang. During the crisis and post-crisis periods (1998–2003), street vendors successfully ensured the survival of their businesses by implementing various adaptation strategies, such as adjusting capital and business scale, diversifying the products sold, being flexible in their sales schedules, and utilizing existing social networks and public spaces in the city. This ability to adapt demonstrates that street vendors are not merely a marginalized economic group, but also active agents in navigating changing economic conditions.

The results of this study emphasize that the 1998 monetary crisis should be understood not only as a macroeconomic phenomenon, but also as a social experience that influenced the economic practices of small communities at the local level. By making street vendors the focus of analysis, this study contributes to the historiography of the 1998 crisis through a micro approach and urban history, while emphasizing the importance of a bottom-up perspective in understanding the dynamics of the economy and urban space in Indonesia during the transition from the New Order to the Reformation.

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