Evaluating Revitalized Public Markets as Economic and Socio-cultural Places in Indonesia

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ABSTRACT
The public market is a phenomenon that shows how socio-cultural relationships are constructed through economic activities. The modern development of Indonesia has marginalized the public market; lack of proper management caused public markets to turn into slums and dirty places that were unable to compete with modern retail businesses. In the 2000s, however, the Indonesian government started a public market revitalization program, recognizing its important role as ‘a house of economy and culture’ for Indonesian society. This paper evaluates two successfully revitalized public markets and their role as economic and socio-cultural places. Two cities, Surakarta and Bandung, were chosen as cases studies because they use different approaches of revitalization: the one a socio-cultural approach and the other an economic approach. It was found that the role of the public market as an economic place is determined by an intensive and/or extensive increase of its economic activities. Meanwhile, the public market as a socio-cultural place was evaluated by its role as a gathering place and symbolic representation of society. It was found that the role of the public market as an economic place is constituted mutually with its role as a socio-cultural place. The public market is an inclusive economic place because it provides affordable space and goods and is developed by social relationships among traders and consumers. This evaluation can contribute to guiding public market revitalization policy and develop further studies about the mutual relation between built environment and society.

Keywords: Economic place, Pasar Balubur Bandung, Pasar Gede Surakarta, public market, revitalization, socio-cultural place
INTRODUCTION
The public market is an important product of human civilization. It reflects the history and development of a city. In early times, public markets took place in neutral territory, where different social groups could encounter each other peacefully. Several physical signifiers were constructed such as posts, pillars and landmarks. When market activities expanded, the market place developed into a district and even became the central space of the city, such as the agora in Ancient Greece and the forum in the Roman era (Tangires, 2008).

In Indonesia, public market activities already took place in ancient times and are noted in several historical manuscripts and inscriptions. They describe the public market as part of an integrated agricultural production system among villages. Besides as a trading place, the public market was also utilized as a social place where people gathered to watch performances. Many activities shaped public markets in various forms, such as temporary, street and sheltered markets with expansion of their service scope into larger districts with various exchanged commodities (Nastiti, 2003; Wiryomartono, 1995). The social system of the public market still exists until today – even though survival has been difficult for traders at times – because of its essential role as a place of livelihood through informal networks (Prihandana, 2002).

The modern development of Indonesia has marginalized the public market because of a lack of government concern to improve its competitiveness, especially with modern retail facilities. Until the end of the 1990s, the public market was perceived as a slum and a dirty place without proper management. In the 2000s, however, the Indonesian government started a public market revitalization program, while giving more authority to local governments to manage public markets. As a result, some public markets were revitalized successfully but there were also failures.

This paper is intentioned to draw knowledge from two successfully revitalized public markets by evaluating their role as economic and socio-cultural places. Market vitality is determined by the trading activities that take place in these places, but their survival and sustainability depend on the socio-cultural vigor of the community. Urban places are constructed by two kinds of capital: economic and non-economic (cultural, social and symbolic) (Dovey, 2010). The economic activities of a society are certainly not limited to profit-oriented transactional mechanisms but also include the accumulation of cultural and social capital along history (Bourdieu, 1986). This paper evaluates how successfully revitalized public markets produce vital economic places that are supported by society and represent socio-cultural forces within it.

METHODS
This research was conducted in two cities in Indonesia, Surakarta and Bandung, which represent two approaches of public market revitalization policy. The Surakarta government revitalizes its public markets
through a public service, managed by an official agency, Dinas Pengelolaan Pasar. Meanwhile, the Bandung government has formed a municipality-owned enterprise, PD Pasar Bermartabat, on the assumption that public markets can create profit in many ways, for example by entering into partnerships with the private sector. Two successfully revitalized markets, Pasar Gede in Surakarta and Pasar Balubur in Bandung, were evaluated to draw lessons from their role as economic and socio-cultural places that represent the respective city's development, policy and society. This research is organized in three levels: preliminary, mapping, and confirming. Preliminary research uses information from literature, observation, and informal interviews to get description about economic and socio-cultural roles of both observed public markets. These descriptive findings is mapped by asking the traders and consumers through questionnaire, to gain their perception about economic and socio-cultural roles of the markets. The findings are reconfirmed by in-depth interview with the market management decision makers and representative traders.

Public Market Revitalization in Indonesia: An Overview

The existence of a public market is often related to the growth and development of a city. Early cities mostly expanded by virtue of their role as economic node and the city center became a place for intensive economic activities as well as social activity, originating from human personal needs which were transformed into social needs (Golia et al., 2013). The public market was constructed as an institutional place for economic and social activities located in the center of the city. Through these places, the socio-economic network of a city and its surrounding districts can be traced and mapped (Prihandana, 2002).

In Indonesia, public markets are known under the name of ‘traditional markets’. This term is often used contrast them with ‘modern markets’, which refers to supermarkets and another modern retail facilities. Essentially, ‘tradition’ is understood as something that is handed down in an actual transmission from one generation to the next (AlSayyad, 2004). Therefore, ‘traditional’ in relation to public markets also refers to the handing down of trading businesses from generation to generation.

In actual fact, the main difference between a ‘traditional’ and a ‘modern’ market is their price mechanism. There are no fixed prices in a traditional market, so the consumers must bargain with the traders to agree on the appropriate price. Through this bargaining mechanism, a social relationship between traders and buyers is constructed to establish trust. Trading activities construct value-based relationship marketing – not only transactional marketing – to create mutual benefits between traders and consumers (Hidayat et al., 2016). This social relationship involves not only the exchange of goods and services but also of information, knowledge and values (Ekomadyo, 2014).
The emergence of modern retail business in Indonesia since the 1960s has left the traditional market with inadequate competitiveness. Initially, supermarkets were built to take middle-up consumers, so the traditional market could still serve middle-low consumers. But in the course of time, the supermarkets also started to attract middle-low consumers, even in neighborhood areas, and the traditional markets began to be abandoned by their customers who preferred to shop in a more comfortable place (Firmanzah & Halim, 2010). Traditional markets deteriorated and could not attract people anymore, so their role as a social place was feared to become extinct (Cahyono, 2006; Ekomadyo & Hidayatsyah, 2012). However, the main cause of this decline was the decreasing concern from local governments for the traditional market’s role as a socio-economic facility (Prihandana, 2002). Public markets were managed on a ‘business-as-usual’ basis without innovation (Kasali, 2007; Poesoro, 2007).

Responding to the vital role of the traditional market, the Indonesian government decided to start a revitalization program in the 2000s. Experts suggested several interventions to improve traditional markets, such as government involvement, marketing strategy, market management, physical qualities, consumer behavior and demand, locational attributes, the products on offer, the prices of the products, vendor behavior, and other categories of influence (Rahadi et al., 2015). The revitalization program was aimed at increasing local economic competitiveness faced with global challenges. The traditional market was identified as ‘a house of economy and culture’ for Indonesian society to create an equal relationship between the global and the local economy and preserve socio-cultural contents of the local economy (Basri, 2010).

Hence, this program should not only develop physical facilities but also the public market as a socio-economic institution. In some Indonesian traditional communities, the public market is recognized as a place to learn to trade, a place where the entrepreneurial spirit in the community is developed (Hidayatsyah, 2013). Community entrepreneurship is important to create social values to develop community self-dependence and to create optimum benefits of local resources and local potential (Amornpinyo, 2016). The government has the role to empower community entrepreneurship, especially to develop human resources who are capable of organizing, managing and assuming the risks of a business (Mani, 2013; Saleh et al., 2016). Furthermore, community-based economic development plays role in establishing social capital as the prerequisite of the nation’s welfare as indicated by economic growth in harmony (Raja, 2016; Zal, 2012). Therefore, the public market revitalization program is part of community entrepreneurship for national social capital development.

Through Trade Act 2014, Section 7 the term ‘public market’ is legally stated and the national and local government are
obligated to develop, empower and improve the quality of public market management in order to increase its competitiveness. Before this act was passed, some local governments had already started revitalizing public markets. In 1999, the Indonesian government started implementing a national decentralization policy through which larger authority was given to local governments in managing their budgets, including those designated for revitalizing local public markets. However, many revitalized public markets were unsuccessful. The buildings had too many empty trading spaces, which in the end created new slum market places. In other cases, however, public markets were successfully revitalized. These markets created new activities and generated economic increase. Public market vitality also attracts people and stimulates cultural events to be organized in these places. A method to evaluate revitalized public markets is needed to guide policy for further public market development as an economic and socio-cultural place.

RESULT

Public Market Revitalization in Surakarta

Surakarta has been an important Javanese trading city since ancient times. It is a node of traditional clothes trading in Java, connecting production clusters to harbor cities. In the past, traders utilized the great river of Bengawan Solo that passes through the city as their trading route. Surakarta traders were also part of Indonesian modern history because they founded the Islamic Trade Alliance at the beginning of the 20th century (Ekomadyo, 2014).

In Surakarta, public market revitalization started in the 2000s, when Pasar Gede, a central city market, was planned to be rebuilt after having been burnt down. At the time, the city government wanted to establish a new type of market by involving private enterprises to relieve the government budget and increased economic value. However, the existing market trader community preferred to reconstruct the market in its original form, financed solely by the government. After a legal battle, the public of Surakarta through the City Council agreed with the aspiration of the existing trader community and it was decided to reconstruct Pasar Gede in its original form to be managed by a public sector agency (Saputra & Wiharto, 2010). This restoration was important for the local members of society, who believe that Pasar Gede is a cosmologically important element of Surakarta city (Aliyah et al., 2016).

When Joko Widodo (now president of the Republic of Indonesia) was elected as mayor of Surakarta in 2005, the decision was implemented. Pasar Gede was rebuilt and the existing traders got their trading space back. The mayor used an emphatic approach, called ngewongake in Javanese, meaning ‘to respect the personal’ (Widodo, 2010). This generated a sense of belonging to the traders and also to the consumers. Economic activities in Pasar Gede increased, indicated by an increase of the traders’ turnovers and trading activities going on longer in the evening. After Pasar Gede, several other public markets in
Surakarta were also revitalized with the same approach, yielding an increase of the total retribution income from 7.8 billion Rp in 2007 to 9.9 billion Rp in 2008, 11.7 billion Rp in 2009, and 12.5 billion Rp in 2010 (Department of Public Market Management, 2012). Now, Pasar Gede is well-known as an economic place for Surakarta citizens and as a cultural place for Indonesian people. Its socio-cultural contents are able to attract tourism and stimulate various cultural events with a national scope and even gain global attention (Figure 1(a) and 1(b)). Because many cultural values can be learnt through daily economic activities, Pasar Gede is an example of a cultural market place (Ekomadyo, 2014).

Public Market Revitalization in Bandung

In the first half of the 20th century, Bandung was well-known as a colonial city in the Dutch Indies (the colonial name of Indonesia before Independence), even though the majority of the inhabitants were ethnic Sundanese. The Dutch Indies government built the city as a place for leisure, designed in the grand manner of European cities, so Bandung even got the nickname ‘Paris of Java’. Leisure places in Bandung contribute significantly to tourism up until today, stimulated by closeness to the Indonesian capital Jakarta.

When decentralization was introduced in Indonesia, the municipal government of Bandung initiated the revitalization of its public markets by involving private enterprises. A municipality-owned enterprise (PD Pasar Bermartabat) was founded to manage the public markets in Bandung, which has the authority to create partnerships with the private sector. Since the 2000s, nine public markets were revitalized through public private partnerships. Revitalization of Pasar Balubur resulted in a good performance. It managed to raise the district’s economic value significantly and created new brands in response to new demands of local consumers (Ekomadyo, 2013).
Until the end of the 1990s, Pasar Balubur was just a row of one-story street shops and several alley kiosks with a size of less than approximately 500 m². These shops mostly traded stationeries for students from several universities located not far from the market. The kiosks were used by traders to sell daily goods such as vegetables, fruits, rice and kitchen tools, serving the surrounding neighborhood. The revitalization of Pasar Balubur was triggered by the construction of a highway fly-over at the location of the market. The city government demolished the existing market and surrounding houses and then constructed a modern market adjacent to the highway with private-sector investment. The private-sector partner is a local development enterprise with a good reputation and a close relationship to the mayor of that time. The investment to rebuild the public market was compensated by maximizing the buildable area for profitable purposes and managing all the trading spaces for an agreed timeframe.

Pasar Balubur was transformed into a modern shopping center facility by inserting fashion and culinary commodities. The existing traders got their trading space back in the new building, located on the ground floor and in the semi-basement with better physical conditions and accessibility. Before revitalization, vegetable and daily goods traders only traded in the morning and served local neighborhood consumers, but now they trade until late afternoon and get consumers from other districts of the city. In early operation, there was a low occupancy rate (on average 30%) but by continuing intensive investment and strong marketing efforts, the occupancy rate has increased to 80% in recent time. If in the past this market only sold stationeries and daily goods, now Pasar Balubur has become a well-known place to find life-style commodities and fashion goods at affordable prices. Some global/national branded goods are also sold in the market (Figure 2). The character of Bandung as a leisure city is once more confirmed here (Ekomadyo, 2013).

*Figure 2. Lifestyle commodities in Pasar Balubur (Ekomadyo, 2014)*
DISCUSSION
This evaluation was conducted to understand how revitalized public markets work as economic and socio-cultural places in practice. Here, the term ‘place’ is used to underline that the public market is not seen as a physical building only but also as an artifact that provides space for meaningful activities. This evaluation is hoped to mutually connect government policy and the real practice of public market revitalization.

Economic Place Evaluation
Evaluation of the public markets as economic places was done on the basis of the increase in economic activities and economic meaning for traders and consumers. Economic increase can be intensive, when economic activities increase without trading space extension, or can be extensive, when trading space is extended. Economic increase in Pasar Gede was intensive, while in Pasar Balubur it was intensive as well as extensive. Although there was no space extension, the intensive increase of economic activities in Pasar Gede is indicated by its contribution to government income and the increase in daily trading duration after revitalization. Trading space extension in Pasar Balubur was significant, from an average of 500 to 17,300 m² with an impact on economic activities, including from existing traders. New traders attracted new consumers, who indirectly became consumers for existing traders. The economic growth of Pasar Balubur is indicated by its occupancy rate.

From traders and consumers perspective, the most significant economic role of public markets is to provide space to sell and buy commodities at affordable prices. Almost all traders of Pasar Gede and Pasar Balubur mention the affordable space rent as the reason to sell at these markets. Meanwhile, almost all consumers of both markets mention the low price of commodities as buying motive (Figure 3). Affordable prices are related to local government mission in managing public market as public service especially to provide accessibility for societies to get their daily goods. This spirit generates common people to come and shop in public markets, that is why public markets are stated as inclusive economic places.

The social aspect of trading activities determines the economic role of both revitalized public markets. Pasar Gede has a stronger social function as can be seen from the fact that all traders have a social relationship with their regular customers. In Pasar Balubur, only existing traders have a strong relationship with their costumers (Figure 3). The social relationship between traders and consumers still remains a main economic strength of the public markets. It is affected by the history of market development.

This evaluation shows that both markets increased their role as an economic place. An economic approach of revitalization is able to increase the economic activities of the public market extensively and intensively, as happened at Pasar Balubur, while a socio-cultural approach can increase it intensively, as happened at Pasar Gede. The strength
of the public market as an economic place is especially determined by its ability to provide space against affordable prices for inclusive economic activities that involve common people. The social relationships between traders and consumers, which develop over time, also plays a significant role. It is concluded that both revitalized public markets were able to persist as economic places, influenced by their inclusiveness and the social relationships they supported.

**Socio-cultural Place Evaluation**

The revitalized public market as a socio-cultural place was evaluated by tracing its role as a place for social gathering and a symbolic representation of the community. Through social gathering, the public market is a place where information and knowledge are exchanged and community values are constructed. Its role as a symbolic representation is related to the culture of the city.

As gathering places, Pasar Gede and Pasar Balubur are of different types. Pasar Gede is recognized as a place to gather for any kind of cultural event. In this aspect it represents the ancient role of the public market as a place for performances. Meanwhile, the gathering activities in Pasar Balubur take place in the food court and cafes inside the market, which are used by some communities to organize their meetings.
Symbolically, both markets also represent different cultural characters. Pasar Gede strongly represents Javanese culture, while Pasar Balubur presents the image of a modern shopping facility. The difference in cultural character is caused by the difference in approach of the revitalization policies implemented by both cities, which are related to the different modes of city growth and development.

Traders and consumers also recognize different socio-cultural meanings. Pasar Gede traders and consumers have more socio-cultural attachment, represented by its collective memory, cultural events and architecture. Pasar Balubur is used partly by consumers as resting area or recreational place, but this aspect is not so significant because there are many more attractive recreational spaces in Bandung city (Figure 4). Again, the socio-cultural meaning of the public market is related to the revitalization policy chosen by the city government.

Both markets are recognized as a social space by the traders. All Pasar Gede traders and Pasar Balubur existing traders utilize the market to build social relationships with their customers. Both markets are also utilized by many traders to build social relationships among themselves (Figure 4). All existing traders have been provided with a proper space after revitalization and the solidarity between traders since the development process has been maintained up until now.
As socio-cultural places, Pasar Gede and Pasar Balubur have different roles. Pasar Gede provides more socio-cultural attachment to local society, because this market is revitalized with a strongly socio-cultural approach, meanwhile Pasar Balubur adopts urban lifestyle culture as marketing strategy. However, both markets have a significant role as a social space, especially for the traders. The revitalization policy to preserve existing traders in the new buildings has created solidarity among the traders in decision-making about development of the markets by the local government. The existing traders play important role of successful revitalized public markets, because they are the ‘guardian of value’ of the markets. By knowledge from tradition, the existing traders are able to maintain relation to the consumers as permanent customers (Figure 3). These personal relationship is the significant factor how mutual relation between economic and socio-cultural constructed the public market vitality.

CONCLUSION

Learning from Pasar Gede Surakarta and Pasar Balubur Bandung, the success of revitalization of public markets was identified on the basis of the increase of their economic activities. This increase can be extensive, by expansion of active trading spaces, or intensive, by traders’ business growth. Pasar Gede revitalization was done with a socio-cultural approach based on Javanese cultural identity and was successful in enhancing economic vitality as indicated by the emergence of new consumers from tourism, leading to traders’ business growth. Pasar Balubur Bandung revitalization was done with an economic approach and was successful in becoming a part of the leisure and lifestyle culture of Bandung society.

The public market is truly an urban social space. As any other social space, it is a place where actors have control over resources by transforming economic and non-economic capital (cultural, social and symbolic) into strategic action (Bourdieu, 1986; Dovey, 2010). The success of public market revitalization is determined by the capability to govern these economic and non-economic capitals. Although addressed with different approaches, good governance has managed to enhance both public markets as vital economic places and cultural representations for citizens and social groups in both cities.

By evaluating these successfully revitalized markets, the determinant aspects to be implemented can largely be traced. The lack of stakeholder involvement has previously been indicated as the cause of public market revitalization failure (Prastyawan et al., 2016), but it has also been argued that stakeholder involvement can be chosen in various ways depending on the local society’s character and the political choices of each municipality. Surakarta and Bandung have different social characters, so they used different approaches of stakeholder involvement in their public market revitalization. Surakarta by building a sense of belonging to the traders and
Bandung by providing a better space for the traders supported by continuing investment. From a more general perspective, economic parameters can be developed as criteria to assess a public market’s role as an economic place. However, the key to success of public market revitalization is good governance in managing its economic and socio-cultural capital, whatever approach is chosen. Public markets grow and develop in line with a city’s history, so their economic vitality and sustainability are constituted mutually with the city’s cultural representation.

ACKNOWLEDGEMENTS

The authors acknowledge the financial support of this research by the Institute of Technology Bandung (ITB) and the Ministry of Research Technology and Higher Education Republic of Indonesia. The Head of Public Market Management Department of Surakarta City and the former Head of Planning and Investment Division Public Market Company of Bandung City are thanked for giving important information. Also Mr. Sutan Hidayatsyah (RIP), senior lecturer in the Architecture Department of ITB, is thanked for his inspiring discussion about the meaning of public markets in Indonesia.

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