
A STUDY ON IMPACT OF POLITICS AMONG STREET VENDORS

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ABSTRACT

Street vending plays a crucial role in urban economies by providing employment and affordable goods to the public. However, political and regulatory environments significantly influence their business operations. This study examines the economic, social, and political factors affecting street vendors, with a focus on licensing, taxation, access to credit, public perception, law enforcement, and urban planning. The findings highlight key challenges faced by street vendors and propose policy recommendations to improve their working conditions.

Keywords: Street Vending, Political Influence, Regulatory Challenges, Economic Impact, Urban Planning.

1. INTRODUCTION

Street vending is an essential part of urban economies worldwide. It offers livelihood opportunities for many individuals, especially in developing regions, yet remains a highly contested sector due to political and regulatory challenges. This research investigates how political factors impact street vendors, including licensing and permit policies, taxation, access to credit, community relationships, and law enforcement practices. The study aims to provide insights into how street vendors navigate these constraints and what measures can be taken to improve their conditions.

Objectives:

- To analyse how economic factors such as licensing and permits, taxation, and access to credit impact the growth and operational efficiency of businesses.
- To examine how social factors such as public perception, community relationships, and organizational representation affect a business's reputation, consumer trust, and employee engagement.
- To evaluate the impact of political factors such as regulatory frameworks, law enforcement, and urban planning on business operations.

2. REVIEW OF LITERATURE

Street vending is a vital aspect of urban economies, providing employment and affordable goods to millions worldwide. However, vendors often face political, economic, and social challenges, including regulatory restrictions, taxation burdens, and public perception issues. This section reviews existing literature on the impact of these factors on street vendors.

Economic Challenges Faced by Street Vendors

Street vendors often struggle with obtaining licenses and permits due to bureaucratic red tape and high compliance costs. According to Bromley (2000), informal businesses, including street vendors, face significant regulatory barriers, making it difficult for them to operate legally. Additionally, taxation policies can be burdensome for vendors with low profit margins (Roever & Skinner, 2016). Many street vendors operate in the informal economy, which limits their access to financial services such as loans and credit (Chen, 2012).

Social Perception and Community Relationships

Public perception plays a crucial role in shaping the business environment for street vendors. Studies have shown that while vendors provide essential services, they are often viewed as obstructions to urban planning and traffic flow (Anjaria, 2006). However, a positive relationship with the local community can significantly enhance business success (Steel, 2012). Furthermore, participation in street vendor associations can improve their collective bargaining power and provide a support system against regulatory challenges (Lindell, 2010).

Political and Legal Barriers

Street vendors are frequently subject to restrictive policies that limit their ability to work freely. Roever and Skinner (2016) argue that inconsistent enforcement of vending laws leads to harassment by law enforcement officials. In many cases, urban planning policies fail to integrate street vendors into the cityscape, forcing them to operate under constant threat of eviction (Bhowmik, 2005). The lack of clear legal frameworks further exacerbates the insecurity faced by vendors (Cross, 2000).

Urban Planning and Its Influence on Street Vending

Urban planning policies often fail to accommodate informal workers, leading to conflicts between vendors and city authorities. Research by Bhowmik (2005) highlights how poorly designed urban policies contribute to the displacement of vendors, negatively impacting their livelihoods. On the other hand, inclusive planning strategies, such as designated vending zones, have been found to improve both vendor operations and urban aesthetics (Roever, 2014).

3. FINDINGS

Table 1: Demographic Factor

Particular	Number of responses	Percentage
Age		
Under 20	3	6
21 – 30 years	17	34
31 – 40 years	13	26
41 – 50 years	8	16
51 & above	9	18
Total	50	100
Gender		
Male	24	48
Female	23	46
Other	2	4
Not prefer to say	1	2
Total	50	100
Location		
Urban	20	40
Suburban	15	30
Rural	15	30
Total	50	100
How long have you been a street vendor?		
Less than 1 year	13	26
1 – 5 years	6	12
6 – 10 years	17	34
More than 10 years	14	28
Total	50	100
Level of Education		
No formal education	14	28
Primary education	8	16
Secondary education	14	28
University education	7	14
Postgraduate education	7	14
Total	50	100

Source: Primary Data

Interpretation

Age Distribution

The majority (34%) of street vendors are between 21-30 years, indicating that vending is a significant source of livelihood for young adults. However, a notable proportion (26%) falls within the 31-40 age bracket, suggesting that vending remains a long-term profession for many.

Gender Representation

The gender distribution is nearly equal, with 48% male and 46% female, indicating that street vending is an accessible profession for both men and women.

Education Level

A large proportion (28%) have no formal education, while only 14% have a university degree. This suggests that street vending is a viable option for individuals with limited educational qualifications.

Experience in Vending

About 34% have been in the business for 6-10 years, and 28% for over 10 years, demonstrating that vending is a long-term source of income for many individuals.

Table 2: Economic Factor

Particulars	SD	D	N	A	SA	TOTAL
I have faced difficulties in obtaining the necessary licenses or permits for my street vending business.	5	4	14	17	10	50
I need to renew my vending license or permit frequently.	2	4	12	24	8	50
Licensing and permit requirements affect my daily business operations	3	7	20	16	4	50
I pay taxes for my street vending business.	1	13	14	11	11	50
The tax burden on my street vending business is heavy.	1	7	18	19	5	50
Taxation impacts my business profitability.	4	6	18	15	7	50
I can access credit or loans to improve or expand my vending business.	1	4	16	19	10	50
I face challenges in obtaining credit due to high interest rates or lack of collateral.	2	4	14	22	8	50
Access to credit would improve my business operations.	1	5	13	22	9	50

Source: Primary Data

Interpretation

Licensing and Permits

- 54% of vendors agree that obtaining licenses is a challenge, indicating bureaucratic hurdles.
- 64% believe frequent renewals create additional obstacles, making it harder for vendors to maintain their businesses.
- 40% state that licensing requirements disrupt their daily operations, limiting their ability to work efficiently.

Taxation

- 48% believe the tax burden is heavy, reducing their profitability.
- 44% agree that taxation negatively impacts their income, highlighting financial strain.

Access to Credit

- 58% Report Facing Challenges In Obtaining Credit Due To High Interest Rates And Lack Of Collateral.
- 62% Believe That Better Access to Credit Would Improve Business Operations, indicating a need for financial support for growth and sustainability.

Table 3: Social Factor

Particulars	SD	D	N	A	SA	TOTAL
The public views street vendors positively in my area.	-	3	18	17	12	50
I have faced discrimination or prejudice from the public due to being a street vendor	-	6	12	22	10	50
Public perception of street vendors influences my business in a negative way.	2	7	11	20	10	50
My relationship with other street vendors in the area is cooperative.	1	4	12	23	10	50

The relationship between street vendors and the local community impacts my business in a positive way.	-	4	12	24	10	50
I am actively involved in community organizations or groups related to street vending.	-	2	13	25	10	50
I am represented by a union or organization for street vendors.	1	1	12	27	9	50
Being part of an organization or union is important for the success of my business.	-	3	12	24	11	50
Organizational representation helps address my concerns with local authorities.	-	4	14	23	9	50

Source: Primary Data

Interpretation

Public Perception

- 58% of vendors report facing discrimination, suggesting that social stigma negatively impacts their business.
- 60% believe that public perception influences their success, indicating the need for better community engagement.

Community Relationships

- 66% of vendors have positive relationships with other vendors, which fosters cooperation.
- 68% agree that good relationships with the local community positively impact on their business.

Organizational Representation

- 72% of vendors believe that being part of a union helps in addressing their concerns with local authorities.
- 70% agree that organizational representation is important for vendor success.

While community relationships are generally positive, vendors face discrimination and lack strong societal support. Organizational representation plays a key role in improving their business conditions.

Table 4: Political Factor

Particular	SD	D	N	A	SA	TOTAL
There are laws or regulations that significantly affect my street vending business.	2	5	19	17	7	50
The regulations that apply to street vendors in my area are fair.	-	5	15	19	11	50
The regulatory framework for street vending is clear and easy to understand.	2	3	20	17	8	50
I face frequent issues with law enforcement regarding my vending activities.	3	4	16	16	11	50
Law enforcement impacts my ability to conduct business in a significant way.	2	3	16	19	10	50
Law enforcement treats street vendors fairly compared to other businesses.	2	2	16	18	12	50
The urban planning in my area supports street vendors' operations.	2	2	18	19	9	50
Urban planning policies have negatively affected my ability to operate as a street vendor.	1	4	14	25	6	50
Urban planning policies should be adjusted to better accommodate street vendor.	2	3	14	16	15	50

Source: Primary Data

Interpretation

Regulatory Framework

- 52% believe vending laws significantly impact their businesses, implying restrictive regulations.
44% say these regulations are unclear, making compliance difficult.

Law Enforcement 58% report frequent issues with law enforcement, suggesting a tense relationship between vendors and authorities.

58% also believe that law enforcement significantly impacts their ability to operate.

Urban Planning 64% agree that urban planning negatively affects vending, indicating that policies do not accommodate their needs.

62% believe urban planning policies should be adjusted to better support street vendors.

Vendors struggle with unclear and restrictive policies, law enforcement challenges, and urban planning policies that do not support their operations.

4. DISCUSSION

The findings suggest that economic and political barriers are the primary constraints faced by street vendors. Licensing, taxation, and access to credit remain significant hurdles, limiting their business growth. Social factors such as public perception and community relationships play a dual role—while some vendors benefit from community support, others struggle with societal discrimination. Political and regulatory challenges, particularly complex legal frameworks and law enforcement practices, further exacerbate the difficulties faced by vendors.

5. POLICY IMPLICATIONS

To improve the business environment for street vendors, the following measures are recommended:

Simplified Licensing Procedures: Streamlining licensing requirements to reduce bureaucratic delays.

Fair Taxation Policies: Implementing tax structures that do not disproportionately burden small vendors.

Improved Access to Credit: Providing microfinance opportunities with lower interest rates and minimal collateral requirements.

Legal Protection: Establishing clear and fair legal protections to prevent unnecessary harassment from law enforcement agencies.

Inclusive Urban Planning: Designing public spaces that accommodate street vending as an integral part of urban economies.

6. CONCLUSION

Street vending remains a vital source of employment and economic activity, yet it faces numerous political, economic, and social challenges. This study underscores the need for policy reforms to create a more enabling environment for street vendors. Licensing and taxation barriers, difficulties in accessing credit, and unfavourable urban planning policies hinder the growth of the sector. Furthermore, negative public perception and lack of legal protection exacerbate these challenges. To address these issues, policymakers must adopt inclusive urban planning, fair taxation, improved financial access, and legal reforms that support street vendors. Strengthening community relationships and vendor organizations can also help in advocating for vendor rights. A balanced approach that recognizes the contribution of street vendors to the economy while ensuring regulatory compliance is essential for sustainable development. By implementing these changes, cities can foster an environment where street vendors can thrive, contributing to local economies and urban vibrancy.

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