# PROBLEMS AND SOLUTION OF TRADITIONAL MARKET REVITALIZATION: LEARNED FROM A BIG TRADITIONAL MARKET IN MALANG CITY, INDONESIA

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# **ABSTRACT**

Previous dominant studies have discussed that urban regenaration projects around the world involve a series of interdependence phases. These phases are the scoping phase, planning phase, financing phase and implementation phase. Unlike the previous argument, this study shows the need for a Rembugan phase with stakeholders before the financing phase. This is based on the findings of this study that there are internal and external factors that are obstacles in the revitalization of the Blimbing Market, so that the revitalization of the market is hampered for up to 13 years after the cooperation agreement is signed by the government and investors. This qualitative case study exports the case of the stagnation of the development of the Malang City Blimbing Market through in-depth interviews, observations and documentation to parties who know the chronology of the development of the Malang City Blimbing Market. Internal factors include cultural influences on the political participation of traders, lack of communication between the parties involved, differences in interests between each party involved in development. Meanwhile, external factors related to the condition of the two shelter markets that will become temporary shelters for Blimbing Market traders. Based on the findings of this study, policymakers should evaluate traditional market revitalization policies and have more discussions with policy-affected parties regarding expectations in market development before the start of the market revitalization phase.

Keywords: Policy Analisys, Policy Actors, Development Agenda

#### A. INTRODUCTION

Traditional markets are economic institutions where buyers and sellers meet to conduct direct trade transactions [1,2]. Based on data from the Central Statistics Agency in 2019, traditional markets in Indonesia currently amount to 15,657 markets or 88.52% of all markets in Indonesia [3]. The traditional market is even able to support more than 12,625,000 traders [4,5,6]. In the last five years, research related to the revitalization of traditional markets has begun to be widely studied by experts in various fields. In general, the research examines many aspects of government performance in traditional

revitalization [1,7,8,9]. Implementation Aspects of Traditional Market Revitalization [10]. Aspects of Traditional Market Revitalization Strategy and aspects of the impact of traditional market revitalization [11,12,13]. However, very few pay attention to problems and solutions in the construction of traditional markets [14,15,16].

One of the traditional markets that has suffered heavy damage and must be revitalized is the Blimbing Market, but until 13 years after the cooperation agreement was signed between the Malang City Government and investors, the development of this market still cannot be realized. In a study conducted by the World Bank, it is shown that urban regeneration projects that take place around the world involve a series of interdependence phases, namely the scoping phase, the planning phase, the financing phase, and the implementation phase [17,18]. Asante's research completes the phase into six phases, namely phases such as scoping, financing, planning, relocation, construction and allocation [19]. The phases of the construction of the Blimbing Market can also be grouped into these phases.

Therefore, the general purpose of this study is to identify the problems of traditional market revitalization and provide solutions that can be done to overcome these problems. In particular, there are three questions that guide this study, namely (1) What is the chronology of the revitalization of the Blimbing Market and what is the response of traders to the policy?; (2) What are the factors hindering the revitalization of the traditional market? (3) What is the solution to the improvement phase of the urban regeneration project based on the case of Blimbing Market?

#### **B. LITERATURE REVIEW**

States that social relations are reciprocal relationships between individuals and individuals, individuals with groups or groups with groups that influence each other [20]. Some of the stages of social relations occur are as follows: (a) Zero contact, which is a condition where there is no relationship between two people; (b) Awareness i.e. a person has begun to become aware of the presence of another person; (c) Surface contact i.e. the first person to become aware of the same activity by a person in his or her seat; (d) Mutuality, that is, social relations have begun to be established between two people who were strangers to each other [21].

Reveal that forms of social relations consist of associative social relationships and dissociative relationships. Associative relationships are processes of interaction that tend to establish unity and increase group solidity and a process of cooperation, accommodation, assimilation and acculturation [22]. As explained by Ferdinand Tonnies, associative social relations in society manifest from the existence of a rational will between elements of society [23]. Rational will is everything that is mutually agreed upon and does not conflict with prevailing social norms and niai. The associative process is a form of social relations that leads to stronger ties between the parties to which they relate [24].

Dissociative relationships are relationships that are destructive or mutually exhibit negative roles and contributions between interacting parties [25]. Dissociative relationship is a form of social relationship that leads to the division or stretching of social relations between two or more parties, there are three dissociative processes, namely competition, contravention and opposition [22]. Dissociative social relations lead to conflict, this occurs due to differences in character and interests between individuals [24].

States that the internal factors that drive the existence of social relations consist of first, the impulse to pass on offspring through marriage between two people of different types

to attract and complement each other, Second, meet needs, because human beings need others to meet the needs of their lives, Third, human desire to communicate with each other, Fourth, the desire to maintain life especially in the face of any attack [26,27,28].

#### C. METHOD

The type of research used is qualitative research, "with qualitative research, people, texts or events are not necessarily selected as being representative or normal instances. It is more likely than is the case with quantitative approaches that the selection will try to include special instances – ones that are extreme, unusual, best or worse [29]. This research was conducted at the Blimbing Market in Malang City, using a qualitative approach with a case study method. Data collection is carried out by means of in-depth interviews, observations and documentation. The data analysis method used is pattern matching and data explanatory or making explanations.

This study used purposive sampling as a sampling technique. The informants interviewed were 50 people who had a direct understanding of the research problem. Observations were carried out directly at the Blimbing Market in Malang City, the Temporary Shelter Market (Pandanwangi Patok Market and Blimbing Stadium). The documentation used is a decree, appeal letter, online news related to the construction of the Blimbing Market, Data on the Number of traders, Cooperation Agreements, Tripartite Meeting News, Letters from traders and investors, photos related to market revitalization efforts and other relevant data.

#### D. RESULT AND DISCUSSION

Blimbing Traditional Market is one of the people's markets in Malang City which was founded in 1970 by occupying a land area of 2000 m2. Blimbing Market belongs to Class I Market, as it has a number of traders of more than 750 swords. Based on the number of traders this market reaches 2,250 traders operating in the morning, afternoon and evening. This market levy contributes to or supports a fairly high Regional Original Income (PAD), due to the strategic location of the market, the selling value of tax objects, merchant commodities, and the potential of traders.

#### CHRONOLOGY OF BLIMBING MARKET DEVELOPMENT

#### 1. Associative Phase

The revitalization of the Blimbing Traditional Market began with the initiative of the Mayor of Malang who formed a Traditional Market development team with Decree number: 188.45/252/35.73.112.2009 dated June 12, 2009. The issuance of the decision was continued with a letter requesting approval for the implementation of the investment process for the Development of the Blimbing Market with a building mechanism for handover from the Mayor of Malang to the Malang City Parliament and on August 20, 2009 with the number 188.126/26/35.73.200/2009 the Malang City Parliament held a Plenary Meeting as well as approved the application for the implementation of the investment process for the development of the Blimbing Market.

After obtaining the blessing of the Malang City parliament, the Mayor of Malang formed a team to assess regional property, contributions, and profit sharing from the cooperation on November 19, 2009. The Head of the Malang City Market Office issued a decree number: 188.451.1171/35.73.302/2009 on December 29, 2009. The decree contains the determination of the names of traders who will occupy the

temporary shelter location of Blimbing Market and who will occupy Blimbing Market when the redevelopment/renovation of Blimbing Market has been completed, this is in order to ensure the smooth and orderly construction of the Blimbing market. The number of traders per commodity based on their location both talc, los, emper amounted to 2007.

On January 4, 2010, the Mayor of Malang made a decision on the determination of object the Blimbing Market cooperation agreement 188.45/15/35.73.112/2010. The object of the cooperation agreement covers an area of 19,320 m<sup>2</sup> and made a Decree on the determination of a temporary shelter location for Blimbing Market traders, namely on the land of a former landfill covering an area of approximately 7,000 m<sup>2</sup> located in Pandanwangi Village, Blimbing District. In this decree, the Mayor of Malang also ordered the winner of the investment tender to immediately carry out the construction of the temporary shelter market and ordered the Head of the Market Office to relocate the Blimbing Market traders to the temporary shelter location completed and put the traders back to the Blimbing Market after the completion of the construction.

The Public Works Office on February 15, 2010, followed up on the decision of the Mayor of Malang by making directions related to the construction of the Blimbing Market to the Head of the Market Office. The directive is in the form of an order for the provision of parking on its own parcel, building drainage channels on the front, back or side if there is no drainage channel, and prohibiting to reduce or increase the discharge volume of the general suran capacity or close the general channel (drainage). The development process of Blimbing Market continues, the Mayor of Malang on May 04, 2010 determined the value of regional property, namely land and buildings of Blimbing Market. The land and building of Pasar Blimbing amounted to IDR 24,380,848,750 consisting of land covering an area of 19,320 m² and buildings covering an area of 7,895 m².

In the implementation on the ground, the construction of Blimbing Market, encountered various strong rejections from Blimbing Market traders themselves. Until, on May 5, 2010, the National Commission on Human Rights became the mediator in a meeting held by Blimbing Market Traders and the Malang City Government. The three parties agreed to produce several decisions as follows, *First,* the parties agreed to the construction of the Blimbing People's Market in Malang City, *Second,* Blimbing Market Traders are not burdened with costs in the construction of Blimbing Market, *Third,* merchant verification is carried out jointly with the three parties, namely investors, Malang City Government and Blimbing Market Traders.

In the same month, namely, May 11, 2010, the Mayor of Malang determined the winner of the reserve auction for the construction of the Malang City Blimbing Market. The winner of the tender for the construction of Pasar Blimbing is Karya Indah Sukses Ltd. consortium with Fortunindo Ltd. and Raka Utama Ltd. with an estimated investment value of IDR. 249,836,000,000 with a cooperation period of 30 years with a contribution value per year IDR. 787,476,000. After the determination of the winner of the tender for the construction of the Blimbing Market, on June 15, 2010, the Mayor of Malang wrote a letter to the Malang City parliament with the number 500/840/35.73.402/2009 to request consideration and approval of the draft work agreement for the management of the Blimbing Market.

The Malang City parliament made a decision to form a Special Committee to carry out discussions related to the draft cooperation agreement with number 188/26/35/73/200 and on August 30, 2010, Malang City Parliament provided recommendations in the form of points to revise the cooperation agreement made between the Malang City Government and investors with letter number

172/694/35.73/ 200/2010. On October 1, 2010, the Blimbing Market Development Cooperation Agreement was signed by investors with the Malang City Government. Malang City Parliament then approved the Cooperation Agreement for the development of the Blimbing Market through a Plenary Meeting.

On October 03, 2011, a decree was issued by the Head of the Market Office regarding the determination of the results of the verification of the number of Blimbing Market traders, namely 2,250 traders, consisting of powder amounting to 116 traders, los/stalls 489 traders and emper 1,645 traders. On December 13, 2012, there was a circular number: 511.2/2245/35.73/302/2012 signed by the Regional Secretary. The letter contains an appeal for Blimbing Market traders to move to the Pandanwangi temporary shelter market Jl. Simp. Like Adi Sucipto Malang. In response to the appeal letter, traders split into two camps, traders who wanted to move to the shelter market and traders who stayed in the shelter market.

#### 2. Dissociative Phase

On December 17, 2012 the Malang City Government on behalf of the Mayor of Malang made an invitation to traders to attend a coordination meeting to prepare for the emptying of powder/shophouses of the Blimbing Traditional Market located in the Tumapel Meeting Room, Malang City Hall. On that date, there was also a statement from Imron Syahroni regarding the willingness to empty 24 shophouses in Blimbing Market as well as a demonstration of traders who rejected the Malang City Government's plan to fence the market and build a modern market in the place. The demonstrating trader said that the day before there was a circular from the Malang City Government to move to the shelter market, even the market manager also stopped attracting market levies and stopped picking up garbage at Blimbing Market. A circular letter urging traders to move to the shelter market was given back by the Malang City Government, on December 21, 2012.

On February 28, 2013, there was a tripartite meeting that agreed that the market location that was originally in Pandanwangi moved to Blimbing Stadium. In addition, the 3rd floor will be intended for parking spaces/areas and the 1st and 2nd floors are intended for traditional markets and the 3rd, 4th, 5th floors as parking lots and the transfer of relocation places from Pandanwangi to Blimbing stadium. A few days later, there was a warrant for demolition of the shophouse block building from investors with the number 1/ SPK/BO/TK/ 2.2013, with a total price of IDR 125,000,000 after repayment. On May 3, 2013, the Mayor of Malang requested Malang City Parliament approval on the draft Cooperation Agreement addendum between the Malang City Government and investors with letter number 510.12/726/35.73.123/2013 to the Malang City Parliament. Seven days later, there was a tripartite agreement stating that the proposition of the maximum Traditional Market area width was 95 m long and that the area was for the benefit of investors is 94.5 m long. The three sides also agreed to verify the number of traders. On July 9, 2013, an addendum to the new cooperation agreement was passed.

In August 2013, on behalf of the Mayor of Malang, the Regional Secretary, issued a letter regarding assistance in handling letters/permits to investors. The letter was followed by a PT work order. Karya Indah Sukses issued a Work Order with letter number 5/SPK.BO/TK.8/2013 concerning the Demolition of the Physical Building of the Blimbing Traditional Market, decree of the Mayor of Malang on August 26, 2013 with number 188.45/ 292/35.73.112/2013, a letter of appeal from the Market Office number 511.2/660/ 35.73.302 / 2013 to temporarily suspend market activities and be transferred to the Blimbing Stadium shelter starting August 21, 2013, and a letter from the Head of the Market Office number 511.2/7/7/35.73.302/2013 regarding transportation vehicles for the transfer of Blimbing Traditional Market traders to the relocation site.

On March 5, 2015, the Mayor of Malang Cty Parliament requested approval from the Malang City Parliament regarding the second addendum to the cooperation agreement for the development of the management of the Blimbing Integrated Market Area. On March 23, 2015 the Malang City Parliament issued an Agreement to the second Addendum to the cooperation agreement for the development and management of the Blimbing integrated market area. On June 25, 2015, Mayor Anton stated that there were problems that had not been resolved by investors, traders and the Malang City Government so that the construction of the Blimbing Traditional Market could not be realized. According to Mayor Anton, there are a number of agreements contained in the cooperation agreement and have not been fulfilled by investors, among which is that the site plan area of the investor is not in accordance with the agreement.

A few days after this, investors made improvements in the shelter market and the Head of Service issued an appeal for traders to be willing to relocate to the shelter market. However, after the appeal, the transfer of traders to the shelter market failed to be realized, this was because there were various problems that had not been agreed upon, such as blockplan problems, addendums in the cooperation agreement and management timeframe. On March 27, 2017, there was a letter from the Head of the Malang City Trade Office regarding a request to facilitate the signing of an agreement between the Malang City Government, responding to a letter sent by the Head of the Service. Malang City Parliament since the beginning has in principle given approval to the cooperation between the Malang City Government and investors, then the mechanism is fully handed over to the Malang City Government. This deadlock situation implemented is described in a statement that is directly involved in the construction of the Blimbing Market. In the cooperation agreement, the obligation to transfer traders is a government obligation, but the government cannot move because if traders are forced the government will be exposed to human rights problems. Likewise, the traders of Blimbing Market, they stated that in there are points in the Cooperation Agreement that are not agreed, not yet clear, so traders are reluctant to move to the shelter market. Even the National Human Rights Commission has come to Malang City to be a mediator in efforts to resolve this conflict, but the situation is still deadlocked and the development of Blimbing Market has not been realized.

In this deadlock situation, a lot of meetings were held to complete this construction. In the last coordination meeting, there were different wishes among the parties involved in the development of the market, investors for example offered reimbursement when the Blimbing Market was built and the management was in the hands of investors, Blimbing Market Traders wanted all traders to remain placed on the first floor, without the cost of replacing the building and the Malang City Government asked for guarantees from investors before the market was built. After the meeting, there is still no follow-up related to the construction of the Blimbing Market until now.

#### PROBLEMS OF BLIMBING MARKET REVITALIZATION

- 1. Internal Factors of Blimbing Market Development
- a. Cultural Influence on Merchant Political Participation

Based on interviews with traders and market managers, the majority of Blimbing Traditional Market traders are mostly from the Madurese and Javanese tribes. The majority of traders who come from the Madurese tribe trade in fruits. Meanwhile, the majority of Javanese traders come from Batu City, Malang Regency or the area around Blimbing Market. According to Hotman Siahaan, Malang City is incorporated

in Arek Culture. Arek culture has an open and straightforward characteristic (Zuhro et al., 2009). Therefore, in conveying their aspirations, the people of East Java tend to be frank and even seem harsh (Zuhro et al., 2009). The participation of people who are members of the Arek Culture tends to be high, they also have recklessness in doing things (Pratama et al., 2021).

In Blimbing Market Revitalization, traders openly, frankly felt excluded from planning the development until the funding phase. Blimbing Market traders do not want the development to be built by investors. They want development to be financed by the Regional Revenue and Expenditure Budget or the State Budget. If the market is built by investors, the market will be managed by investors, levy rates can go up according to the investor's wishes, in contrast to if the market is managed by the municipality, the tariff increase will follow local regulations.

Traders felt abandoned by the Malang City Government, even though they had previously promised to involve them. Influenced by Arek Culture, until now Blimbing Market traders convey their aspirations frankly and even seem harsh to both the government and investors, this is because traders will not want to move to the shelter market, before everything is completely settled, and there are no problems in the future after traders are moved to the shelter market and after traders are placed back to Blimbing Market. They often hold internal meetings between traders, to coordinate regarding Blimbing Market issues and discuss the steps that must be taken regarding the construction of Blimbing Market.

# b. Lack of communication between parties involved in the Development of Blimbing Market

The lack of communication can be seen in several things as follows, *First*, the lack of the Mayor of Malang and the Malang City Market Office discussed with Blimbing Market traders regarding the construction of the Blimbing Market. According to the author, intensive discussions with traders regarding market development plans as well as traders' expectations regarding market development in accordance with the wishes of market traders need to be carried out first before the government makes decisions in market development. This is because traders will receive a lot of impact from market development. After the old market is built, traders must also adapt to the lack of customers when the new market is completed, the cost of traders moving from the shelter market to the old market, the zoning of the market, if the market is built according to the national standards of the indonesian market and the trader must also adapt to the new trader, if there is such an opportunity.

Second, the Mayor of Malang decided to build with the Bangun Guna Serah mechanism by using investors without involving Blimbing Market traders, traders' concerns if the market is built by investors, development is not in accordance with traders' expectations and levy fees can be increased suddenly according to the wishes of investors who are market managers. Investors can also be worried about being more dominant in determining the siteplan and blockplan for the development of the Blimbing Market. Traders hope that the government will carefully review the development of the Blimbing Market, as well as seek alternative sources of funding from both the Regional Budget and the National Budget.

Third, the Mayor of Malang decided on a temporary shelter at Pandanwangi Market, by not consulting in advance by involving Blimbing Market traders, so that the majority of Blimbing Market traders were not willing to move to the shelter market. The traders who moved to the shelter market numbered 200 people, even though the total number of traders of Blimbing Market was 2,250 traders. Around 2,000 people prefer to stay in Blimbing Market with minimal facilities such as no levy and garbage collection by market managers. Even the electricity and water facilities were shut down for several days, and the market manager's office was also moved to the

shelter market, but the traders still chose to be in Blimbing Market, where they moved to the shelter market. Finally, through mediation conducted by the national Commission on Human Rights on August 02, 2012, traders agreed on the location of the temporary shelter of Blimbing Market traders located in the Blimbing football stadium. However, after learning about the physical condition of the shelter market that has been built, Blimbing Market traders are also unwilling to move to the shelter market, citing various reasons related to these conditions.

Fourth, the lack of coordination between investors and Blimbing Market Traders regarding the construction of shelter markets in Pandanwangi and Blimbing Stadium. The specifications of materials for building the shelter market, the design design of the construction, the size of the tables, stalls and powder of the traders must be coordinated with the traders of Blimbing Market. This coordination is necessary, because the trader knows the size of the goods sold, as well as the area of powder / stall/los in Blimbing Market. This coordination is needed in the context of the construction of Pandanwangi Market and the construction of Blimbing Stadium.

Fifth, the lack of socialization carried out by the team in charge of socializing the construction of the Blimbing Market to Blimbing Market traders. The rise of issues affecting Blimbing Market traders such as traders being burdened with market development costs when they have moved to new markets and traders who have moved cannot return to the blimbing market makes Blimbing Market traders restless and continue to demand clarity. Traders want there to be black on white as a guarantee that they will not be charged in the construction of the market as well as being able to return to Blimbing Market safely.

Sixth, there is an error in understanding the wishes of the trader. There are changes to the siteplan given to traders, there are 26 siteplans that are given in stages to the pedagagng and repeatedly there are points of agreement that state that they will not charge development fees in mediation or tripartite meetings. These two wishes were actually written on July 28, 2010 by traders to the Malang City Government and the DPRD. The trader has already mentioned his desire that traders do not want to be charged in the construction of Blimbing Market and the 1st floor is entirely used for traders of the original Market and the 2nd floor and above can be used for investors. Seventh, the lack of communication between Blimbing Market Traders, Malang City Government and investors, this can be seen from the repeated failures of moving traders to the shelter market. As the sources in the field said, that often the discourse of moving traders and circulars in the form of appeals to move to the shelter market was almost implemented, but suddenly failed, for various reasons.

Eighth, the lack of communication between the parties involved, gives rise to mutual threats and lawsuits between the parties involved in the development. Here are some of those events, *First*, reporting of traders by investors on charges of embezzlement and fraud, *Second*, investors will sue Malang Parliament if it hinders the development process of Blimbing Market, *Third*, traders who have moved to the shelter market in 2016 have reported traders who are still surviving in Blimbing Market to the Malang City District Attorney's Office (Sudiongko, 2016). *Fourth*, on January 8, 2018, the Mayor of Malang threatened to revoke the cooperation agreement if the market development was still convoluted, because it had been too long (Sukarelawati, 2018). *Fifth*, in 2020, traders sued the Malang City Government and investors went to court to cancel the cooperation agreement between the Malang City Government and Karya Indah Sukses Ltd.

- c. Differences of Interest between the parties involved in the Development of Blimbing Market
  - 1. Malang City Government
  - 1.1. Constituents in General Elections

The interest of actors in the body of the Malang City Government and the Malang City Regional People's Representative Council is to protect constituents who are voters in the Malang City general election which will be held in 2024. Based on data obtained in the field, Blimbing Market is a class 1 market inhabited by 2,250 traders, not including formal sector workers, informal sector workers, the community around Blimbing Market which meets the economic needs of Blimbing Market traders. The formal sector workers informal sector workers who work in this market in the 2024 general election will elect the Mayor of Malang and the new Malang City Regional People's Representative Council, so that any policy made by the Malang City Government, will definitely have an impact on candidates who will run in the 2024 general election.

### 1.2. The problem of the cost of building the Blimbing Market

In the 2022 Regional Revenue and Expenditure Budget discussed by Malang Parliament with the Malang City Government, there is no budget for physical projects to be built, so the construction of the Blimbing Market is impossible to implement using the costs of the Regional Revenue and Expenditure Budget in 2022. Malang Parliament also often highlights the absence of a budget allocated for the construction of this market, even the market maintenance budget cannot be budgeted, because it is still bound by cooperation agreements with investors. As a result of this budget that cannot be budgeted, market conditions are severely damaged.

In the 2022 Regional Revenue and Expenditure Budget discussed by Malang Parliament with the Malang City Government, there is no budget for physical projects to be built, so the construction of the Blimbing Market is impossible to implement using the costs of the Regional Revenue and Expenditure Budget in 2022. Malang Parliament also often highlights the absence of a budget allocated for the construction of this market, even the market maintenance budget cannot be budgeted, because it is still bound by cooperation agreements with investors. As a result of this budget that cannot be budgeted, market conditions are severely damaged.

This heavily damaged market condition made traders take care of it, to make repairs to the market road, traders collected self-help funds worth 40 million rupiah to repair the Blimbing Market road. The area of the road repaired by Blimbing Market traders is 64 meters with a width of 4 meters. Spending money together by these traders is a manifestation of solidarity between fellow Blimbing Market swordsmen, in order to repair the damage to market facilities as said by Sungkowati (2019) that the people who are members of the Arek Culture have a high solidarity, egalitarian, open and democratic nature (Sungkowati, 2019).

# 1.3. Loss of non-formal jobs

Non-formal jobs such as parking attendants and hawkers who do not have powder or stalls, with the construction they will lose these jobs. Parking is managed by the private sector and hawkers are usually prohibited from entering the market. Parking has been managed to the private sector by dishub, so that if this market is built they are local residents, and the owners of this land will lose their place of work and food for life.

# PRIVATE ACTOR (INVESTORS)

#### 1. Profit Motive

The private sector's interest is to make a profit from the Blimbing Market Development project, this is because the private sector is involved in the construction of the Blimbing Market and the construction of shelters. The motive for making a profit can be seen from the desire of the private sector to add floors to the site plan in 2013, even though previously there had been an agreement between the three parties, namely the government, private parties and Blimbing Market Traders.

In addition, in the last meeting, after 13 years of the cooperation agreement signed, the private sector also wanted to ask for replacement costs after the market was built, even though based on the mediation meeting with the National Human Rights Commission in the construction of the Blimbing Market, traders would not be charged any fees.

# 2. The Motive of Maintaining Customer Trust

Based on the information of the speakers in the field, there are a lot of shophouses/powders/stalls/foodcourts that have been sold by the private sector to the public. This also makes it difficult for investors to make siteplan changes, because a lot of powder / kiosks / foodcourt / shophouses have been sold to the public. At the last meeting of the Tripartite Meeting between investors, the government and traders. Blimbing Market traders, returning to their main desire, that is, all the original traders of Blimbing Market are on the 1st floor and 2nd floor and above are investors. However, this will certainly make it difficult for investors, because some of the powder / stalls / foodcourt / shophouses have been sold to the public. If there is a change in the siteplan, there will be a change in the location of the powder / kiosk / foodcourt / shophouse that has been sold, this of course affects customer confidence in investors.

# 3. Blimbing Market Trader

#### a. Economic Interests

Blimbing Market traders when responding to the revitalization of Bimbing Market, traders were split into two, namely traders who had moved to the Shelter Market (Patok Pandanwangi Market) and traders who were still surviving in Blimbing Market. If described below the interests of traders who have moved to the shelter market (Pasar Patok Pandanwangi) and traders who are still surviving in Blimbing Market, First, the interest of traders who have moved to the shelter market is so that market traders who are still surviving in Blimbing Market, immediately move to the shelter market (Indo, 2018).

The interest of traders who are still surviving in Blimbing Market, is so that their votes are accommodated in addendums or additional articles in the cooperation agreement such as occupying new market buildings for free and not burdened with operational costs, all original traders are on the 1st floor and market levies are also collected by the Malang City Government not by investors. The trader's wishes must be fulfilled and clearly written before the trader moves to the shelter market. Based on the statement of the source in the field, seeing the Dinoyo Market Case traumatized traders with no clear written agreement, but the traders have moved first to the shelter market so that when they return to the old market, there is a commitment that does not agree.

b. The importance of maintaining the location of the selling place and the size of the stall in the Enforcement of The Indonesia National Standard of Pasar Rakyat 8152:2021

The interests of merchants, including maintaining the location of the powder where they sell that they have been occupying. At first traders rejected the construction of Blimbing Market, because in the siteplan that had been spread the trader was

placed at the back of the market. Blimbing Market traders so traders refused to be renovated. If according to the siteplan of the agreement in the second addendum agreement of the cooperation agreement. The location of their powder will change, because half will be built by investors, not to mention that after it was built, merchants must be classified according to the goods sold and distinguished according to wet and dry according to national standar Pasar. Based on criteria number 4 in the National Standard of Pasar Indonesia Pasar Rakyat 8152:2021, Blimbing Market is a Class I Market which requires a zoning division in the market area in accordance with 4 zonings, namely wet food, dry food, ready-to-eat and non-food food. In the Indonesian National Standard Pasar Rakyat 8152:2021, the size of the kiosk must also be standardized in accordance with the law, which covers a minimum area of 3 to 4 m2 per stall, even though so far there is no market zoning and standards applied in the Blimbing Market.

c. Doubts between the parties involved

This distrust is often heard when the author interviews sources, including First, the Malang City Government is considered to be defending one of the parties, both traders and investors, Second, distrust from various parties regarding the ability of investor funds to build the Blimbing Market, therefore various parties ask investors for guarantees before construction is carried out and move traders to the shelter market, this is due to concerns when traders. It has been moved that investors cannot carry out development due to the lack of availability of budget and resources in carrying out market development. This is feared as in Dinoyo Market, the construction of the promised development period, Thirdly, the doubts of various parties related to traders who want to move to the shelter market, this is because of the many impacts that will be borne by traders when they move to the shelter market and return to the market that has been built.

# EXTERNAL FACTORS INHIBITING THE REVITALIZATION OF THE BLIMBING MARKET

1. The location of the Shelter Market is too quiet and too close to other markets Based on the narrative of the speakers in the field, the location of the shelter market in Pandanwangi Market and Blimbing Stadium is too quiet to be used as a shelter market, not far from the shelter market there is also a Sampoerna Market which is not too far from the market and sells basic necessities and finished foodstuffs at low prices. The following is the source's statement:

"la sopo mbak, sek kate neng pandanwangi, nggone sepi ngono, delok tah seng wes pindah piye nasibe iku yoopo, neng stadion Blimbing iku pisa kan nggone industry jarang pemukiman, dadi yo jarang pastine wong kate blonjo rono, neng kono kan yowes ono pasar sampoerna mbak yang harganya murah (who wants to move to Pandawangi, the place is quiet, let's see the fate of the merchants who have moved, at Blimbing Stadium is also an industrial place and rarely settled, so it must be rare for people to go there, there is also a sampoerna market which is also cheap -pen) (MM, 47 tahun).

### 2. Condition of the shelter market

Based on the narrative of the speakers in the field, the condition of the shelter market is not suitable as a shelter market, both in the Pendanwangi Market, and at the Blimbing Stadium, because the shelter market cannot accommodate all Blimbing Market traders. Based on the observations of researchers, the Pandanwangi Patok Shelter Market has good specifications with a support iron to strengthen the top of the market, the empty middle yard can accommodate many

traders, but not all traders can be accommodated in the market, due to limited space in the location of the shelter market. Based on the narration of the speakers, not all traders were placed in the place, but they were divided into two locations around the Junior High School 24 Malang. The following is a picture of the Pandanwangi Patok Shelter Market:





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Picture 1. Market Shelter Patok Pandanwangi Photo: Qurnia (07/11/2022)

The upper frame is already good and very strong, however, there is a lack of air phenylation and lighting. The temporary shelter is surrounded by roads, but not a residential area, the blimbing stadium is an industrial area and factories. However, some of the things that traders complain about include, based on the results of interviews and observations of researchers, according to traders who are still surviving in Blimbing Market, the shelter market is not enough to accommodate a total of 2,250 traders. Traders will be in line if the market relocation remains in place. Based on the information of traders, when it rains, the Blimbing Stadium will be flooded, due to poor market drainage. The flow of water will enter the shelter market and inundate the feet of traders. In addition to these complaints, according to traders, the shelter market facilities are still inadequate and the size of the powder/stalls and booths is too small, so it is not enough to expose the merchandise. Here's a picture of the Blimbing Stadium shelter market:



Picture 2. Blimbing Stadium Shelter Market Photo: Qurnia (07/11/2022)

#### 3. Data Number of different traders

The number of stalls available in the shelter market is still lacking, based on data provided by investors, the stalls provided are 1,790 units, while the number of traders recorded is 2,250 traders. WS as the Head of the market service, stated that the number of active traders was 1,790, but when the shelter market was finished, the number of traders increased to 2,250 traders (Sukarelawati, 2015). The swelling number of traders of Blimbing Market, caused traders not to be relocated to the shelter market at Blimbing Stadium, because it was feared that when moving the market was not occupied enough by traders.

# 4. It is feared that there is a Rent Search Motive in the body of the Malang City Government and the Malang City Parliament

Blimbing Market is a Class I Market whose levy contributes/supports a fairly high Regional Native Income, judging from the large number of traders in Blimbing Market, which is 2,250 traders, operates for 24 hours non-stop and has a diversity of goods sold. The market is a wetland in the search for rents, such as parking lots, expensive powder or stall prices, large market levies and selling permits are very profitable wetlands for individuals involved in the management of Blimbing Market.

In addition, in terms of the construction of the Blimbing Market, it is feared that there is a motive for seeking rent in individuals in the government, legislative or internal traders in the construction of the Blimbing Market, so that the development of the Blimbing Market has not yet been realized, as said by Prastyawan and Isbandono (2017) the legislature is considered politically motivated to seek profit and rent-seeking as capital to participate in general elections or replace capital that has been issued when election (Prastyawan et al., 2020).

The motive for the rent search is feared to occur during the development decision-making process using investors, the tender process to select investors who will build the Blimbing Market, the licensing process, the process of determining the names of traders who will move and return to the Blimbing Market, the process of implementing the Blimbing Market development process, the process of changing the cooperation agreement, the development socialization process, and the process of transferring traders to the shelter market both to Pandanwangi Patok Market, and to Blimbing Stadium.

# **BLIMBING MARKET REVITALIZATION SOLUTION**

The goal of urban regeneration projects is the sustainable urban growth and development of specific areas in the city through physical, environmental, cultural, industrial, and economic regeneration [30]. In a study conducted by the World Bank, it is shown that urban regeneration projects that take place around the world involve a series of interdependence phases, namely the scoping phase, the planning phase, the financing phase, and the implementation phase [18]. Asante added several phases in urban regeneration projects, including construction and allocation phases [19].

The scoping phase provides a foundation that contains the analysis and rationale of a comprehensive narrative for urban regeneration projects. The phases of the construction of the Blimbing Market can also be grouped into these phases. Here are the phases of the urban regeneration project written by Asante. In the planning phase, it is necessary to have the role and involvement of market associations. The scoping phase includes approval from the local government or parliament [30].

After completing the scoping phase and planning phase, urban regeneration needs to be funded to develop into concrete action [18]. After the funding phase, the next phase is the implementation phase. The implementation phase consists of the relocation phase of market traders to the temporary shelter market, the construction phase and the allocation phase [19].

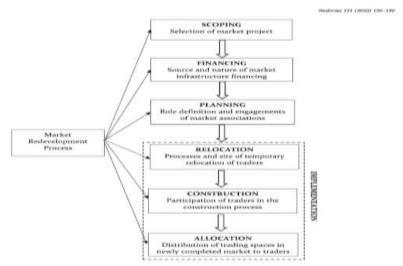


Figure 1. The Market Redevelopment Source: (Asante, 2022)

In the case of Blimbing Market, traders feel that they are not involved in the fund-raising phase, so Blimbing Market Traders are resistant to market development. In the process of finding funds and sources of funding traders feel that they are not invited to participate. According to traders, market funding sources do not only come from investors, there are various other sources of funding such as from the state budget, and regional budgets and merchant arrangements. Blimbing Market traders are worried that when the market development is financed by investors, the management and withdrawal of the levy will be held by investors, so that the levy can be raised suddenly by investors, and the development does not depend on local regulations. Therefore, there should be a Rembugan phase with traders before the funding phase. *Rembugan* is a phase of discussions with traders between the government and traders regarding the search for sources of funding and development that traders expect for the development of Blimbing Market to match the expectations of traders.

In the planning stage, it is very important to do it, discussions with traders related to data on the finalization of the number of traders, the number of stalls, how the market construction is designed, the facilities owned by the market, the specification of the space to the size of the stalls, the placement of traders, the division of zoning, how many floors of the market, for example, more than one floor, who are the traders who are on the upper floors and who are the traders who are on the lower floors. In the implementation stage, the allocation stage according to the author needs to be carried out before relocation, because market development cannot be separated from political and economic problems (powder sharing between individuals) and outside of this stage there must be a supervisory team so that there are no illegal levies and so on.

Here are some additional solutions related to the revitalization of the Blimbing Market according to the author, *First*, more intense discussions between governments, investors and traders, *Secondly*, Investors should change the entire 1st floor siteplan for traders and provide guarantees to the government for the construction, *Thirdly*, The government

must compensate for management losses suffered during the deadlock period or the government must increase the management period to investors, *Fourth*, the investor must guarantee that it will not sue the trader to reimburse the cost of the construction. The division of powder should be distributed first, especially the share owned by the market coordinator/market administrator, comprehensive discussions among the actors involved in the construction of the Blimbing Market, *Fifth*, the Government should prepare a budget to provide compensation funds to traders who are transferred to the shelter market, for several months after the move to the market Shelter, *Sixth*, The government should also prepare a program that makes the shelter market crowded and provide intensive training to traders, *Seventh*, prepare funding options for the construction of the Blimbing Market, apart from investors.

#### E. CONCLUSION

Previous dominant studies have discussed that urban regenaration projects around the world involve a series of interdependence phases. These phases are the scoping phase, planning phase, financing phase and implementation phase. Unlike the previous argument, this study shows the need for a *Rembugan* phase with stakeholders before the financing phase. *Rembugan* phase is a phase of discussions with traders between the government and traders regarding the search for sources of funding and development that traders expect for the development of Blimbing Market to match the expectations of traders. This is based on the findings of this study that there are internal and external factors that are obstacles in the revitalization of the Blimbing Market, so that the revitalization of the market is hampered for up to 13 years after the cooperation agreement is signed by the government and investors.

This qualitative case study exports the case of the stagnation of the development of the Malang City Blimbing Market through in-depth interviews, observations and documentation to parties who know the chronology of the development of the Malang City Blimbing Market. Internal factors include cultural influences on the political participation of traders, lack of communication between the parties involved, differences in interests between each party involved in development. Meanwhile, external factors related to the condition of the two shelter markets that will become temporary shelters for Blimbing Market traders. Based on the findings of this study, policymakers should evaluate traditional market revitalization policies and have more discussions with policy-affected parties regarding expectations in market development before the start of the market revitalization phase.

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