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How does Street Vending Economy Help Rural to Urban Migrants Integrate into Cities?

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ABSTRACT

Street vending is a form of informal economy. The main participants of street vending economy consist of exploited workers, rural-urban migrants who are in low level of socioeconomic households, common workers, and some individual households. Most of the studies and articles have explored how to regulate the street vending economy and how to facilitate the relationship between vendors and city authorities, but the important constitute of street vending economies, rural migrants, has received little attention from scholars and there is little research about it. What role does street vending economy play in the lives of this segment of this population which itself faces a number of challenges in migrating and integrating into the city? We have found out that street vending functions as a platform which helps these people to better integrate into the cities. Through desktop research and case studies, this paper explores how street vending economy helps rural to urban migrants integrate into the city from four perspectives: identity integration, integrating in economic level, integrating in social level, and females' empowerment.

1. Introduction

Street vendors are defined as a historically existing business model in which vendors are easily mobile and sell cheap handicrafts, goods, or food; Liu lingling regards street vendors as unstable practitioner who use the public space of the city to engage in small commodities or small-scale transactions in order to obtain economic income to meet the basic needs of survival^[1]. Street vendors can be divided into the following three categories. Local urban residents who are unemployed or homeless; local farmers mainly sell fruits and vegetables grown by themselves; non-local vendors from rural areas^[2]. Because of the accelerating urbanization process, the demand for

migrant labor rose further after the early 2000s, especially after China's accession to the World Trade Organization, making a great number of people from rural areas emigrate to the cities for job opportunities. According to the National Bureau of Statistics, the number of migrants in China had reached 221 million by 2010, of which 174 million (78.7%) were from the countryside^[3]. However, the majority of the rural population are not well educated, and the job skills they master are not advanced. Obviously, they are at marginal status in the job market. If they cannot find a way to make a living in a short time, they will have no choice but to leave the big cities and go back to the villages or towns where they originally lived.

Through studying different articles and case analysis,

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we found out that prosperous street vending economies does not only provide a platform for people who are in low socioeconomic status to maintain life, but help rural to urban migrants to integrate into urban life. This paper fills the gap by examining how street vending economy helps rural to urban migrants to integrate into urban life through four aspects.

2. Identity Integration

The importance of China's Household Registration System cannot be underestimated in every respect of people's lives, as it has a close relationship with birth status, educational opportunity, housing, and work. Hukou system divides the population into agricultural and non-agricultural households according to geography and family members. Urban hukou and rural hukou can have completely different treatment and the right to engage in activities. Rural migrant, with rural hukou, face a continued lack of access to the social-security benefits, public housing, and urban public education available to those officially classified as 'urban residents' under the Hukou system^[4-6]. Obviously, one of the main rural-urban migrants' goals is to obtain an urban hukou hence getting permanent residency in the cities, integrating into urban life "physically" and in identity. To be eligible for a non-agricultural hukou, a person must meet the conditions specified in the policy control criteria. The conditions include recruitment by state-owned enterprises (zhaogong), admission to higher education institutions (zhaosheng), promotion to senior executive positions (zhaogari), and migration for personal reasons^[7].

However, very few of the migrants are well-educated, and many of them can only do farm work and lack the professional skills that cities want to attract. Moreover, the requirements for applying for urban hukou vary from city to city, but most of them are very demanding. For example, the government of Guangdong Province implemented a program known as the "credit accumulation system" in 2010, requiring migrants to earn 60 points to qualify for hukou in Dongguan, Shenzhen, Huizhou and Zhongshan. Education and skills, years of work, social insurance payments, and even good deeds such as blood donations are all taken into account^[8]. In addition, some cities require migrants to purchase housing to be qualified to obtain an urban hukou, and others may require migrants to reside permanently for five years and pay taxes in order to obtain an urban hukou. Thus, it can be seen that these eligibility criteria are very difficult for migrants to meet, and very few people meet the above criteria, which means that they have little opportunity to settle permanently in urban cities. A study draws on a large sample of migrants from 12 cities in four major urbanizing areas in China

found out that self-employed migrants are more intent than wage-earning migrants on permanent urban settlement. Engaging in street vending is their master key to sustain life and keep preparing for obtaining urban hukou, because street vending activities provide them with job opportunities to bypass potential exclusion from the formal labor market^[9]. It does not require specific training or special skills, and it is easy to get started and operate, which also helps them to get financial resources in a short period of time. It serves as a platform for them to accumulate capital and experience, so that they can find a more decent job afterwards, seeking to purchase an apartment and paying taxes, making them able to fulfill the requirements of urban hukou. In a case study conducted by Chen and Liu, vendor [X1], migrated from a town to Beijing, said, "I have never worked in a supermarket before. In my mind, being an employee in a supermarket is a really great job." However, when she started at the supermarket, she felt very frustrated "My boss always criticizes me, as I cannot recognize the English alphabet and always make mistakes when labeling the food. I also have to recite antifire regulations all the time, as my boss will check every day. Working in a supermarket is also very tiring as employees frequently have to carry heavy boxes. My arms are so sore at night that I cannot fall asleep." Since she works part-time, she only earns 1800 RMB per month, which is far less than her previous street vending business at Nanhmarket. She said if she kept engaging in street vending, the money she earns may be enough for her son to graduate from college, supporting him to find a job and settle in Beijing^[10]. Hence, street vending is not necessarily the most useful way, but it does help migrants "physically" get a step closer to an urban hukou.

3. Integrating into Cities in Economic Level

Street vending economy helps rural-urban migrants to integrate into the cities at economic level, which means making them financially independent enough to survive in the cities, and even making their income close to the income of urban people and their consumption level. In recent years, although the government has made "agriculture, rural areas and farmers" a top priority, and the welfare and subsidies of peasants have been greatly increased, agriculture is still a low-margin business. As a result, many of the younger generation are heading to urban areas to seek higher incomes^[11]. Moreover, with the development of urbanization, rural residents are encouraged to settle down in cities, and the continuous demand for labor also attracts them. Hence, the essential push factor for people who emigrate to the cities is poverty of their hometown and the most significant pull factor for them is

the higher income and broader market in the cities. However, most of the rural to urban migrants are the weak, especially those with low education and low working skills like the above mentioned^[12]. Therefore, it is not realistic for them to be accepted by the units (*danwei*) and obtain stable jobs in the face of competitors such as college graduates with high education or technical school graduates with advanced technology. The high prices and consumption level in cities make them unable to stop looking for jobs. Otherwise they have to go back to their original rural areas. For most street vendors, the cost of buying a house is a bit beyond their budget. So renting a house is the choice of almost all street vendors^[13]. It can be seen that they are suffering huge economic pressure.

Street vending's markets have relatively low barriers to entry and provide a welcoming platform to start a small business and manage a stall^[10]. Due to the low rental fee and cheap products, migrants do not need to invest a lot and do not need to spend obtaining a business license to set up stalls. According to a report by the National Bureau of Statistics and the Digital Finance Center of Peking University, the vast majority of the vendors earned more than 4,000 yuan, excluding those who were unwilling to disclose their income. For example, a *malatang* (small hotpot) vendor could earn 15,000 yuan a month^[11]. The booming vendor economy also shows that this business is profitable and promising. According to the 2020 China Street Vending Economy Industry Research Report, from 2013 to 2018, self-employed occupied 70 percent of the new employment in the country, which is an important part of the job supply. By May 21, Chengdu's 36,000 stalls had created more than 100,000 jobs since March, when the city introduced a policy allowing traders to temporarily occupy the streets. It is estimated that if other cities across the country carry out the policy in an orderly manner, 500,000 booths will be opened, and one to 1.5 million new jobs will be created^[14]. In Chen and Liu's study, one vegetable vendor from a village in Henan province[T1] decided to pursue a more stable and predictable job after working at a private construction company for several years since coming to Beijing in 1992. He explained, "When there was a project, the company would ask me to keep working. I was so busy that I could not even rest for one day. But when there was no project, I had to stay at home waiting for a long period of time, with no earnings." Inspired by a vegetable vendor who vended in his courtyard every day, he decided to become a vendor to obtain stable earnings: "Being a vendor requires hard work, but I persisted, since the threshold is low, the risk is low, and it is also quite flexible. Now, I don't need to worry about how I should earn money if I don't have

a job some days and I don't need to worry about that I may have to leave Beijing and go back to my hometown. Things are getting better."^[10]. It can be seen that street vending economy provides strong economic support for the migrants, making them able to fully pay their daily expenses. Thus, when they have enough funds to live in the cities instead of leaving because of low financial status, it is easier to integrate into urban life.

4. Integrating into Cities in Social Level

Street vending helps migrants to integrate into city life by building social ties. In China, this can also be called *Guanxi*, which has been used to describe the meaning and importance of interpersonal relationships. Its essence is a set of interpersonal ties that facilitate exchange of favors among people on a dyadic basis. Since *Guanxi* involves familiarity or intimacy, trust and reciprocal obligation, in practice, it generally occurs among immediate family members, relatives and friends^[15]. I will then elucidate two cases.

First, it is easy to establish native-place fellows (*Laoxiang*), the most supportive and reliable social relationships considered by rural people in the process of engaging in street vending, which helps them gain warmth, understanding, financial assistance and emotional support. It had been demonstrated that these migrant networks were social resources of great importance for migrants who were seeking jobs, conducting business, exchanging rental information, and acquiring loans with low interest rates in cities^[4,16]. In a report studying the social relations of night market vendors in Yinchuan City, the author conducted fieldwork, questionnaires, observations, interviews towards the lives of many migrants who work as street vendors. ZL is a vendor from Hubei who sold "spicy huhu" in Yinchuan. She was always very busy and had no time to make friends, so in her spare time, she often chatted with the nearby vendors and hence got to know many *Laoxiang*, and soon became friends with them. The son of one of the *Laoxiang* could not continue to work as a construction worker because of his poor health, and he wanted to learn the ingredients of spicy huhu from ZL to make money in other places. ZL did not agree at first, but she considered that she should teach him the technique because they were from the same place. As a result, she charged a small tuition fee and taught him the recipe and production method. Afterwards, ZL and this vendor's family became closer, helping each other more often and introducing customers to each other, which made both of their business become better^[2]. Thus, it can be seen that it is difficult for migrants to establish social ties in big cities because of cultural differences, uneven education levels, busy work

schedules, and even discrimination, but street vending is a great way to help them to construct basic *Laoxiang* relationship, bringing huge convenience and benefit.

On the other hand, developing *Guanxi* with local residents also matters^[17]. In a study interviewing street vending migrants in Beijing, many of them said street vending offers a platform for information exchange that expands their social networks. One cloth retailer told Chen and Liu about her son. After entering middle school, her son became addicted to internet and dropped out of school. This made her very anxious, but she could do nothing as she did not have any child-rearing and educational experience. Also, she did not have relatives in Beijing who could help and gave her some suggestions. However, one of her longtime customers, after hearing about her frustration, introduced her son to a vocational high school to learn skills and kick the bad habit. “Now my son is doing an internship in a repair and service shop!” she said. Thus, *Guanxi* in street vending can yield positive outcomes. Furthermore, aside from tangible support, local customers also provide migrants with emotional support. One tailor [Q1] was welcomed by local residents because of her strong skills and work virtue. Since her husband was at home in Sichuan Province taking care of his parents, and her two children were studying at universities, she stayed in Beijing by herself and she was the only income earner in the family. Having learned about her situation, many customers tried to help her in various ways. She said, “All customers were my friends, and they always took care of me. They often invited me to go to the supermarket with them and hang out together. When I did not feel well, they bought medicine for me. During periods of spring festivals, some of the customers gave me 200 or 300 RMB as a gift.”^[10] Because of the mobility and flexibility of the street vending, it is effective for vendors to make friends with different people and create interactions with them, thus building relationships with *Laoxiang* and residents who may help them to integrate into urban life to a certain extent.

5. Improvement of Females’ Social Status, Economic Status and Discourse

Although in contemporary urban cities, females can fully rely on themselves to achieve economic independence and work outside instead of staying at home, in rural areas, social norms still require females to be responsible only for doing household work and raising children. Their status and discourse are not as equal as urban females. Data indicated that over half of both rural to urban street vendors were female, and nearly 90% were married^[18]. When they are engaged in the street vending economy, fe-

males would gradually get rid of the division of labor they used to believe and get used to. Street vending economy not only proffers them a platform to learn skills and earn income, but also imperceptibly makes them aware of that females can also be the breadwinner of the family, not just playing the role of doing housework and bearing children. This can be explained by socialization and observational learning. Socialization is the process by which society’s values and norms, including those pertaining to gender, are taught and learned. It is a two-fold process through which a person internalizes the culture and develops a sense of self; both are learned in interaction with other people, through words and gestures. Agents of socialization such as family, school, peer, media provide information, feedback, and social supports for role learning. Observational learning, a mechanism of socialization, is a component of social learning theory, involves learning by watching the action and behaviors of others. If those actions and behaviors are considered desirable by the observer, then the observer may imitate observed behavioral patterns for.

When these females set up stalls to sell products, they will observe that many other females are also doing the same things. It is not strange that they bargain and purchase goods by themselves^[19]. During the interaction process with urban customers and other vendors, they will also realize that their role is not limited to staying at home and raising children, but also be going out to make money, working by themselves and supporting their families. Over time, when they get used to such consciousness and behavior pattern, their inherent and banal division of labor consciousness shaped by the countryside will gradually fade and accept the new consciousness of urban people. Moreover, many of them can earn money as tuition through street vending to learn professional skills that do not require a high academic background, such as makeup and haircut, trying to hunt other formal jobs. Consequently, the economic and social status and discourse of rural females would gradually improve, getting ready to integrate into urban life.

6. Discussion and Suggestion

After reading various literature and studies, we also found some noticeable phenomena. Some migrants who are engaged in street vending economy gradually do not care whether they integrate into the city or not after working for a while. For them, they are satisfied as long as they can earn enough money to sustain themselves and have a stable habitat without being evicted by the city administration. It doesn’t matter whether they have friends in the city or not, as well as getting an urban huk-

ou or not. Also, some migrants never really think of any way to get an urban hukou, and building social networks doesn't make much sense to them either. They know that this restriction and distance between themselves and city residents cannot be changed and it is hard to meet, so they are ready to go back to their hometown at any time. Most of these migrants are single, have no family, and living a boring life. It can be understood that they are struggling to "survive" instead of living. When rural migrants are engaged in the street vending economy, they encounter more difficulties and obstacles, but in turn, it is a lucrative platform to help them to integrate into the cities compared to the locals. We believe that the government should adjust its management towards those urban migrants engaged in street vending economy to be more flexible and develop more countermeasures to support and help them. Guangzhou's Designated Vending Zone is restrictive and undesired was implemented in Guangdong province, but this policy failed to satisfy most street vendors^[20]. Due to the limitation of fixed stalls, the advantages of the original mobile customers are reduced. Therefore, some scholars believe that the government should implement some "soft" policies, such as compensatory welfare for land-lost farmers^[21]. Or formalize the informal economy^[22]. But no matter what government policy, the ultimate goal of the government is to cooperate with the street vending economy, not conflict.

7. Conclusions

The role of street vending not only provides a means for laid-off workers and unemployed groups to maintain their livelihood and financial income, but also provides opportunities for rural-urban migrants to integrate into the cities and move upward. As a "qiaomenzhuan", the urban hukou is the first step for migrants to integrate into the city physically. Street vending economy helps migrants who are not accepted by state-owned enterprises, who do not have professional skills, and who are uneducated, to have a temporary platform where they can earn income, gain experience, and prepare for a formal job and an urban hukou. They can maintain their living expenses and get close to urban consumption level through engaging in street vending economy. Moreover, it also helps migrants to build a network with their *Laoxiang* and local residents. As a result, they are more likely to have information exchange, benefits change, emotional support from each other, hence integrating into the cities emotionally and psychologically. Last but not least, street vending to some extent improves females' social status, economic status and discourse.

It is undeniable that the majority of migrants who are

engaged in the street vending economy are still at the bottom of our society. And the definition of so-called urban integration is different for them. Some think that as long as they have permanent residency, they are city residents; some think that as long as they have enough financial resources, they can integrate into wherever they go; and some think that building up connections and bonding means truly integrating into a city. Nonetheless, as long as the street vending economy can play its role in helping migrants to integrate into the cities in whatever way, it is worth being encouraged.

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