RETHINKING DECENTRALIZED MANAGERIALISM IN THE TAIPEI SHILIN NIGHT MARKET

Chihsin CHIU
Department of Landscape Architecture, Fu Jen Catholic University, Taiwan
083946@mail.fju.edu.tw

Abstract
This paper develops the concept of "decentralized managerialism" to examine the municipal policies regulating the Taipei Shilin Night Market. The concept highlights the roles of managerial autonomy and political-economic structures previously overlooked by urban managerialism. The process of decentralization evolves mainly over two stages - self-management and private management. By organizing self-managed alliances, street vendors appropriated public and private property by dealing with the municipality and local community in legal and extralegal situations in ways that supported their operations. The municipality compromised vendors' self-management by demanding that they be licensed and registered and by building a new market. The stage of private management begins when the municipality officially permits vending in a district by requiring vendors to rent storefront arcades from a community alliance made of local property owners that allocate vending units. In the name of reallocating pre-existing extralegal street vendors, the project privileges property owners' profits over street vendors' needs for space. Field research has found that most unlicensed vendors continue occupying streets even after they are provided with legitimate vending units; five retailers in the business improvement district have rejected the arcade allocation plan by mobilizing their own social network. Shoppers continue trading with vendors outside of the district. These results suggest that self-management as a decentralization strategy is more effective than private management in terms of governing urban informality. In the case of private management, community activism sugarcoats pro-development, business-centered place-making, as the proprietors dominate neighborhood affairs management and rule the streets. Proprietors' private control replaces administrative management to the extent that a democratic, effective, and fair vending space allocation is unrealized. The findings help redefine urban managerialism as something more than a resource allocation strategy, as a philosophy for managing peoples' rights to the city and their shared urban experience, which sustains an all-inclusive city.

Keywords: Street vendors, urban managerialism, decentralization, self-management, private management

1. INTRODUCTION

Insofar as many Asian cities leaned toward entrepreneurial or neoliberal urban policies in the 2000s (Ong, 2006; Jiang, S.-S., Jou, S.-C., & Wu, 2010), empirical studies suggest that most local governments simultaneously choose to, or must, manage their cities instead of eradicating the urban poor (most of whom work in the informal sector). Pahl (1970) and others following his research (William, 1978; McGill, 1998; Sharma, 1998) develop "urban managerialism" as an analytical framework...
explaining, from the perspectives of managers and gatekeepers responsible for allocating resources, how scarce urban resources and services are distributed in a society. Drawing upon field research conducted in Taipei Shilin Night Market, this paper proposes decentralized managerialism as a theory on governing street vending in Taiwan.

Street vendors in the Shilin Night Market have historically appropriated public and private property by dealing legally and extra-legally with the municipality and local community to support their operations. Specifically, extralegal street vendors have appropriated arcades and streets by mobilizing their social alliances. In the face of a shift toward a tourist economy in the 2000s, evident in a series of pro-tourism programs that the Tourism Bureau created to attract Mainlanders and other foreign tourists, the Taipei City Government began redeveloping the Shilin Night Market into a prime tourist destination. The government's first strategy was building a new interior market to accommodate licensed street vendors. The government's other strategy was relocating some pre-existing street vendors into a district managed by local property owners. The Market Administration implemented an arcade vending allocation plan to handle the unlicensed street vendors who had been occupying the streets and arcades since the early 1990s. In preparation for relocating them, the municipality legalized vending in storefront arcades within a designated area in the northern part of the Shilin Night Market. The city required vendors to rent arcades from the property owners there, while providing public policing to keep vendors off of the streets. Fifty-seven out of sixty-two property owners along these streets agreed to turn their arcades into vending units by organizing a private management organization, the Shilin Old Streets Business Improvement Association, to deal with street vendors.

Advocated by the municipality as an innovative system through which unlicensed street vendors could be legally relocated, the arcade vending allocation actually privileges the interests of local property owners and shop owners over those of street vendors. I interviewed the local retailers, street vendors and association members to study how each of them reacted to the plan. Field investigations found that the total number of arcades in the association district and on the other streets that may comprise the next business improvement district are much fewer than the number of unlicensed vendors. The primary purposes of the arcade vending allocation, then, are to create opportunities for property owners to collect rents from vendors and to benefit shop owners by increasing the number of shoppers. As a result, five small business owners refused to join the association that allocated the number of street vendors in the district (the association functioned as a step toward potentially increased rent). The possible rent increases stimulated by the influx of customers are likely to displace long operating, neighborhood-oriented businesses, making way for the faceless shop fronts of clothing retailers and
restaurants that can afford high rent due to their business profiles and global clientele. As for the street vendors, the arcade allocation plan does not successfully solve their problem of not owning permanent space, as the plan is unresponsive to the social nature of the vending community, which values trust, solidarity and cooperation. The limited arcades and undesirable locations have forced unlicensed street vendors to continue using unauthorized streets, even after the provision of the vending arcades. The resistance of the street vendors and five business owners constitutes a force that defies the bottom-up private management structure and allows an alternative landscape to coexist with the proprietor-governed shopping district.

Studies suggest that decentralization enhances civic participation and efficiency in urban management (Xue and Huang, 2008; Morrell, Tuerah, and Sumarto, 2011). However, this paper uncovers the under-studied downsides of decentralization. I develop the concept of "decentralized managerialism" to think through the ways in which decentralization characterizes the way the Taipei City Government regulates street vending space. Research suggests that managers and the nature of the managerial role influence results that vary between self-management and private management. Community activism sugarcoats pro-development and business-centered local development when private proprietors dominate a community's decision-making processes. Street vendors benefit little from unfair resource allocation processes. In light of decentralized managerialism, this case study shows effective ways in which a city can govern informally without excluding most street vendors. Theoretically, the case also reorients urban managerialism as a solution to inclusive urban policies.

2. STREET VENDORS AND URBAN MARKETPLACES

Street vending, as a form of informal economy, escapes state regulations and takes place at flexible locations (Castells and Portes, 1989). Scholars studying street businesses in Asia, including those in Hong Kong and Taiwan (see Smart 1989; Yu, 1995, 1997, 2005), have agreed that this is not merely a condition pertaining to socially marginal populations or Third World countries, but a universal phenomenon produced by the political and economic system of any capitalist society (Castells and Portes, 1989, Sassen, 1991). The state regards the existence of an informal economy as creating a survival system for the urban poor, thus ensuring the social order (Chen, 1984; Tai, 1994). Another paradigm celebrates the agency and aspiration evident in the vendors’ abandonment of normal wage employment for the higher income potential, greater autonomy, higher degree of social and economic mobility, and opportunity to establish family enterprises (Smart, 1989). The street vending population in
Taiwan has historically included those rejected by the formal economic sector, as well as those who volunteer to participate in street businesses in their search for alternative employment opportunities.1

Spatially and geographically speaking, the changing marketplace landscapes embody principles of modernization of street vending. In Taiwan, modernization started in the Japanese colonial period (1895-1945) when Japanese colony regulated Taiwanese vendors by building city-run marketplaces. After the Chinese Nationalist Party regained sovereignty over Taiwan in 1945, it took over Japanese-built public marketplaces while constructing additional ones to incorporate existing, non-regulated vendors. The city, then, built additional markets to replace deteriorated markets built in the colonial period (Wu, 2004).

Insofar as modern marketplaces began as city-provided accommodations seeking to formalize street economy, there has been a tradition of tolerating street vending in Taiwan as well as in the other East and Southeast Asian countries. The rapid modernization of Taiwan between the early 1960s and the 1990s challenged urban authorities to apply modern urban planning principles to allocate booming urban population's demand for space and services within a limited land area (Miao, 2001; Daniere and Douglass, 2009). Such a background prevented Taiwan from becoming suburbanized at the stage of transition to modern industrialization, and so it preserved city-run, downtown marketplaces around which street vendors congregated. We, then, need a theoretical framework beyond modernity-related perspectives to inform complex relationships between state interventions and street economy in Taiwan.

3. GOVERNING INFORMALITY FROM THE PERSPECTIVES OF URBAN MANAGERIALISM

Pahl (1970) emphasized the role of the manager in his studies of the housing provision in the U.K. in the 1970s. His followers add to a growing body of literature on urban resources management of other services, facilities, and infrastructures, contributing to the growth of urban managerialism as a formal theoretical framework (William, 1978; McGill, 1998). This framework suggests that it is necessary for the manager or gatekeepers to allocate resources so that the majority of citizens have access to them because such urban resources and services are scarce (Pahl, 1970; Kujwa, 2006). Practically speaking, urban management as an administrative tool involves "a set of activities which together shape and guide the social, physical, and economic development of urban areas" (Sharma, 1989, p. 48). In

---

1 Especially in the past two decades, Taiwan has witnessed an increasing number of young people working in night markets to pursue alternative employment opportunity. Night markets began as the niches where early immigrants maintained basic livelihoods. A couple of decades later, street vendors found opportunity for social mobility as the market gained popularity among the citizens and the tourists.
short, urban managerialism directs the resource allocation principles mostly used by local governments to promote economic development and civic well-being.

Harvey (1989) suggests that contemporary urban policies evolve from "managerialism" to "entrepreneurialism". This implies that urban policies are enacted under the guidance of capitalist production principles. Entrepreneurial urban policies redeveloped cities into profitable facilities, inviting private developers to speculate on property values (see Harvey, 2001; Crossa, 2004). Entrepreneurial cities are, therefore, the badlands of punitive policies and harsh social exclusion (Smith, 1996; Swanson, 2006). Insofar as many Asian capitals lean towards Western entrepreneurial or neoliberal urban polices (Ong, 2006; Jiang, S.-S., Jou, S.-C., & Wu, 2010), empirical studies suggest that the governments in Asia mostly manage, rather than exclude, the urban poor or urban informality while pursuing development (Xue & Huang, 2008; Yeo, Hee, and Heng, 2012). Modern Asian city governments include street economies in their urban management domains instead of ignoring them. The methods for governing street vendors include designating a single area (Chai, Qin, Pan, Deng, and Zhou, 2011) for vending activity, requiring licensure (Chiu, 2010), and banning street vending (Lincoln, 2008). As a result, there has been a rise in community participation. A decentralized management system enhances democracy and empowers communities. In Indonesia, for example, the local authorities value street traders' participatory practices in order to integrate street trades into local economies. Street traders' own representative organizations negotiate with the municipality on relocation options and demand changes if necessary (Morrell, Tuerah, and Sumarto, 2011).

Community activism compromises the local states' management of street vendors. The local states often lack political will, administrative expertise, and innovative management strategies for handling urban informality (Morrell, Tuerah, and Sumarto, 2011). The local states find it economic and efficient to allow local communities to develop self-governed entities to manage street workers (Xue and Huang 2008). Flexibility in the municipal management of informality also exists in advanced cities (DeVerteuil, May, & von Mahs, 2009; Devlin, 2011). For example, the Singapore government permits unlicensed, ethnic vendor stands at night in specific outdoor locations (Yeo, Hee & Heng 2012). In general, methods or forms of managing informality in developed and underdeveloped Asian cities benefit from a prevailing "decentralized management" in which local communities share the government's duties. This decentralization shapes postmodern policies governing urban informality.

Although self-management or community-based management enhances civic participation, recent studies have demonstrated complicated problems and under-researched downsides of decentralization. Petak (2011) identifies centrally controlled decentralization that neglects the influence of alternative
proposals made by diverse, horizontal policy actors as a cause for the failure of decentralization. Becerra's study of the provision of public education (2012) finds different degrees of managerial autonomy in different institutional contexts that affect cost and production efficiency. Most studies on decentralization examine local policy institutions rather than local communities. Additionally, studies on community-based management (Xue and Huang 2008; Morrell, Tuerah, and Sumarto, 2011) overlook the class power embedded in governance structures when socio-economic differences among community members exist. Various agents, such as street vendors, business owners, residents, and grassroots power holders, do not form harmonious communities. An examination of urban management from diverse users’ perspectives may suggest how various agents think about and react to the same policies. I will use the case of the Shilin Night Market to examine such inconsistencies.

4. RESEARCH METHODS

I use qualitative research methods combining semi-structured interviews and archival analysis. A total of twenty-five in-depth, semi-structured interviews of key informants were collected. They include legal and unlicensed street vendors, members of the business improvement association and the retailers excluded from it, a city official and an architect. The number of interviewees is determined by the quality of the data (typical of qualitative research). When the interviewees’ answers began repeating or cohesive patterns emerged, the quota for that category of interviewees was reached and analysis of the transcripts began.

<table>
<thead>
<tr>
<th>Interviewees</th>
<th>Locations/Profiles</th>
<th>Themes of questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street vendors #1-#4 (N=4)</td>
<td>In the new interior market</td>
<td>Opinions about self-management management rules</td>
</tr>
<tr>
<td>Street vendors #5-#7 (N=3)</td>
<td>In the arcade vending district</td>
<td>Opinions about Shilin Old Street business improvement association</td>
</tr>
<tr>
<td>Unlicensed street vendors A-E (N=5)</td>
<td>Dadong Road; Wenlin Road</td>
<td>Experiences of street vending, and reasons for not renting legitimate arcades</td>
</tr>
<tr>
<td>Members A-F (N=6)</td>
<td>The Shilin Old Street business improvement association</td>
<td>Experiences of participating in the arcade vending allocation plan</td>
</tr>
<tr>
<td>Retailers A-E (N=5)</td>
<td>Operate inside the district, but do not join the association</td>
<td>Opinion on the arcade vending allocation plan</td>
</tr>
<tr>
<td>The Market Administration representative</td>
<td>The official in charge of street vending affairs in the Shilin Night Market</td>
<td>Background of the arcade vending allocation plan Relationship to and ideas about the arcade vending district</td>
</tr>
<tr>
<td>The architect</td>
<td>Designs the new interior market</td>
<td>Explains the floor plans and design goals</td>
</tr>
</tbody>
</table>
Interviews were conducted during three months in 2009, after the enactment of the arcade vending allocation (from December 2012—one year after the new interior market opened to the public—through March 2013). Research archives include locally produced documents, marketplace building codes, architectural layouts and documents provided by the association, architect and local authorities.

I conduct thematic content analyses of interview transcripts and archival data to develop taxonomic schemata, in which I identify "retailers who reject the allocation" and "street vendors who persist outside of the district" as two major types of excluded community members resisting private management. Their resistance is approached from spatial and social perspectives, explained in detail in later in this paper. An interview management Table 1.

5. SELF-MANAGEMENT: CITY-APPROVED STREET VENDING LOCATIONS

The historical context

Shilin District, located on the north side of Taipei, is one of the sixteen wards of Taipei City and one of the earliest destinations in Taiwan where Chinese migrants arrived. The first wave of Han migration to Shilin happened in 1800. In 1859 (the mid-Ching Dynasty), a fight primarily for real property between two major Chinese immigrant groups from Zhangzhou and Quanzhou in Mainland China broke out near the early settlements in North Shilin. The arson caused by this fight ruined a great part of their settlement, forcing residents relocate to the south side of Shilin District, where the current Shilin Night Market is. These two immigrant groups built Zichen Temple located at the center of their community surrounded by four main streets, Dadong Road, Danan Road, Daxi Road, and Dabei Road. The temple and the plaza outside it gradually became a religious and community center where local residents practiced and socialized with their neighbors (Shih, 1990).

As South Shilin was located on Taipei Basin surrounded by Yangming Mountain and the Keelung River, both of which afford abundant food resources, it gradually became a wholesale center of fish and agricultural produce, attracting farmers from the northern region of Taipei City who gathered there to sell their products. As the number of produce vendors increased, the Japanese colonial government built two indoor markets in the Early Twentieth Century at a site across from Zichen Temple to allocate vending stands (Shih, 1990). In the early 1960s, the number of nighttime food vendors had increased significantly because of the increasing university students in Shilin District. Street vendors gradually took over space outside two wholesale markets, which, in the mean time, began slowly declining. A
non-planned night market had, then, taken its preliminary shape by 1970 in Shilin District. Shilin Night Market has since evolved in its spatial forms and governance systems, discussed as below.

Evolving governance systems

Street vendors organize themselves locally around different locations to operate business. Their organizations negotiate accesses to plazas, alleyways and street corners with local community members. The starting vendors occupied only the temple plaza, but then some encroached onto the temple's property. The Municipality started regulating nighttime vendors when their business became a problem for the local community and for the Temple Administrator. As requested, the Municipality demarcated an open lot behind the temple as vending locations, providing utilities and charging rent. However, many vendors kept congregating in front of the temple, pushing the Municipality to build a roof covering the open lot outside two wholesale markets, designating vending stands under the roof, and opened the two wholesale markets for vendors to use at night (Yu, 1995). The Municipality asked vendors to draw lots for space, issuing 538 vending licenses eventually. Those persistently lining the temple fences were not included in this recruitment but instead registered by the Market Administration. The registration was an alternative to licensing street vendors.

The growing business opportunity also attracted more vendors, leading to a continual expansion of vendors’ stalls onto nearby open space. City officials acknowledge the facts that most retail businesses depend on the crowd drawn by street vendors to thrive. Given the economic interdependence as well as the cultural flavors, my interviews with the Market Administration representative suggests that the Municipality found it necessary to manage, but not eradicate unlicensed vending. As the licensed vendors gathered here kept bring relatives into this already overcrowded place to start business, the city in 1990 removed the roof attempting to reduce the number of vendors. Street vendors have then persisted in this area by building rooftops and canopies on their own to continue business under difficult conditions with the Municipality’s tolerance.

Self-management structures facilitated by a new interior market

There was a growth in tourism-based policies in the 2000s Taiwan, evident in a series of pro-tourism projects that Tourism Bureau created to attract Mainlanders and other foreign tourists. Based on the city's expectation of developing a tourist-friendly market, the Market Administration in 2002 relocated licensed vendors temporarily to a site across from Jiangtan Subway Station so that it could demolish the original structures on the job site for new construction. The new interior market began its construction in
2007 on the original site across from Zichen Temple and was completed in December 2011. It accommodates 538 licensed vendors, the earliest group of vendors to be granted vending rights.

The new market pattern allows the city to manage street vendors politically and economically. An interview with the architect, Tan Wang, suggests that the new market form aims to discipline vendors by employing the idiom of modernist architecture. The Market Administration representative suggests that the authorities can also conduct inspections of food production and sanitation to manage the products and services provided by vendors to ensure the overall quality of the market. Organized floor plans with coded vending units allow the Municipality to regulate vendors economically by charging them standardized rent, cleaning fees, and business taxes. Coded, divided units, as opposed to the originally undivided open space, give no opportunity for licensed vendors to negotiate extra space for relatives, family members, and friends, precluding the entry of unlicensed vendors that leads to nontaxable income and deregulated services.

Yet, it is the street vendors’ own association that manages street vendors. The association makes its regulations, and is charge of vending units transfer and sublet, as well as collecting fees on behalf of the Market Administration.

Interviews with street vendors #1 and #2 in the new market point out an increase of rent for each vending unit space from NT$ 2000-3000 to NT$ 7000-9000 per month. In terms of new regulations, vendor #3 makes such comments:

"Our self-management association is more organized and stricter on rules now. [As members] we also demand ourselves. It is all about enhancing the image different from that of a traditional market or a [former] night market that simply gets dirtier and dirtier." (Street vendor #3, interview, 2013)

Vendor #4 comment on self-management:

"I think we always live as groups in this society, not only on our own. I consider myself a team player. I do what I am asked [by the leader] to do." (Street vendor #4, interview, 2013)

These interviewed vendors, operating different street snack business, generally responded positively to the change in the new, reorganized space and to its enhanced image (although Vendor #2 pointed out that she had less space in the new location). Given that vendor communities are reshaped by relocation and redesign, their self-management alliance remains a legitimate entity operating in response to

---

2 In the open plazas across from Zichen Temple back in the days, vendors found availability where they could, often through introduction of known vendors. Interviews with senior vendors suggest that licensed vendors negotiated space for relatives and friends, producing quite a few additional irregular arrangements of stands and residual corners that complicated the circulation.
municipal oversight. A total of 538 units were preserved. The city employed a different means of restructuring the space of unlicensed vendors.

6. PRIVATE MANAGEMENT: RELOCATING EXTRALEGAL VENDORS INTO STOREFRONT ARCADES

Although the city stopped licensing and registering vendors after 1990, the extralegal vendors, either unlicensed or unregistered ones, have formed communities for renting private property from local retailers and appropriating non-designated streets. In the Shilin Night Market, the majority of extralegal vendors occupy Dadong Road and Wenlin Road. Dadong Road, a central pathway outside of city-authorized zones, is the most walked-through in the contemporary Shilin Night Market. This street was also the municipality’s first target for clearance when the city began remaking itself into a tourist-friendly area in the 2000s.

In 2008, The Market Administration implemented an "arcade vending allocation plan" to address the unlicensed vendors who had been occupying Dadong Road since the late 1990s. In preparation for relocating these vendors to unused arcades, the municipality legalized vending in storefront arcades within a designated area on the north of the Shilin Night Market. The newly legal status of arcade vending included sections of Dadong Road, Daxi Road, and Danan Road, as shown in the map (Figure 1). Here, arcades are legitimate vending units. Within this area, vendors rent space from the property owners, who have formed an organization for allocating space to vendors. Although arcades along Wenlin Road are currently occupied by street vendors, they are not included in this plan. A local government in Taiwan has, for the first time, officially authorized street vending in arcades after decades of this practice.

Fifty-seven out of sixty-two property owners along the above-mentioned streets agreed to turn their arcades into vending units by forming the "Shilin Old Streets Business Improvement Association," as required by the Market Administration. Interviews with the association’s members suggest that they expect to reclaim order on the streets. As one member puts it,

“We have come a long way from giving no seats for vendors to this point when we actually designate seats for them. How nice is it to have a very neat vending street now? Otherwise there were a bunch on

---

3 However, there are critiques about the new space and the built environment in general from the public, as reported in the media. In this paper, I focus on the governance policies regarding street vendors. I discuss visitors’ experiences in the Shilin Night Market in another work (Chiu, 2010).
one side, a bunch on the other, and perhaps another in the middle of the street. That’s just a mess.”
(Member A, interview, 2009)

Responding to these association members’ requests, city officials marked designated arcades with paint, defining 107 vending units in sum (see Figure 2 for the layouts of vending units). Those property owners who joined the association, after paying annual membership fees (higher than those levied on the vendors), became primary members who can lease their arcades legally and have a say in the association’s decisions. With fee payments, including vendor and property owner memberships, and sanitation fees, vendors are accorded certain rights of access to the district, and property owners have the prerogative to recruit vendors. These membership fees support the association’s operational costs and street maintenance (Shilin Old Streets Business Improvement District, 2008).

![Figure 1 - Arched Vending Allocation District (Red Lines)](image)

The organization produces manuals to state rules, including the vendors’ qualification and business regulations (ibid.). The qualification excludes vendors with unfinished imprisonment and punishments, and individuals under interdiction or in declared bankruptcy. Business regulations require clothing vendors to wear licenses around their necks and food vendors to place licenses where the police can inspect them. Food vendors are required to wear uniforms and aprons. The stand’s name and a serial code are printed on vendors’ licenses. Members A, D, and E suggest that these impositions, in addition
to assisting extralegal vendors to properly relocate, create a nice, clean environment for the local residents, shaping a refined image for tourists. 4

![Diagram of arcaded vending units](image)

**FIGURE 2 - LAYOUTS OF ARCADED VENDING UNITS**

The association held a two-day event combining cultural tours, outdoor concerts, and street fairs, sponsored by the municipal government, to publicize the association and the arcades within the district. Field works found that the local police officers increased the hours of nightly policing on Dadong Road to interrupt street vending. Meanwhile, the police patrol street corners within the arcades vending district to keep vendors in designated arcades. The association members monitor this district extensively to direct unlicensed vendors into the provided arcades.

Permitting vendors inside arcades seemingly authorizes property owners to "license" vendors, allowing owners to advise vendors about hours of operation, the placement of merchandise, and housekeeping standards. The private management saves the Municipality the time and cost invested in governing street vendors. This system substitutes not only for municipal licensing, but also for purposely-constructed market space. As such, the Market Administration is willing to support this proposal. As the representative says,

"Nowadays, we would support most of what the community wants to do, especially those things that do not require us to pay." (A Market Administration representative, interview, 2009)

---

4 This ostensible discourse will be later challenged by different interviewees.
The divided arcades resemble rental units in the interior market and have the same expediency for controlling the number of vendors and preventing unpermitted entry. More ideally, the semi-covered arcades share the open-air quality and flavor of bustling streets, giving shoppers a sense of publicness instead of feeling bounded indoors.

As my interviews with association members proceed, I identify direct and indirect profit opportunities for property owners. First, the rent that vendors pay to retailers serves as an alternative form of taxation. For retailers, each arcade unit pay for approximately one quarter of the retailer's rent.

As a member puts it,

“The greatest influence and the most rewarding thing for me is having fixed, legitimate vending space in front of my store, and it comes with rules for vendors to follow.” (Member C, interview, 2009)

Aside from the rent that retailers receive from vendors, six members that were interviewed all said that vendors attract customers for retailers. Members C, D, E, and F said such benefits were particularly useful for retailers located in the north of the Shilin Night Market, where pedestrian flows have been declining since 1997 when the completion of a subway line forced people to enter the market from the south instead of the north. If vendors start appearing in arcades on the north side of the market, shoppers are likely to approach those streets, thus improving the business of the shops there. Member F makes this particularly clear by saying:

“Vendors in Shilin Night Market are mobile, and mostly not the local here. Their priority is simply making their own profits. They make enough money and leave. Our vision, however, is to plan ‘our’ streets well, make it clean and neat, and bring that kind of prosperity to us, too. This is what the local want. The organization is based on this goal.” (Member F, interview, 2009)

Given the above benefits, the plan failed to garner complete support from the community. The following objections to and critiques on this new management scheme prompt us to rethink the exclusive nature of a private management structure.

7. THE EXCLUDED COMMUNITY MEMBERS

The number of arcades in the Shilin Night Market, including those in the association district and on the streets that may comprise the next business improvement district, is not enough to accommodate the unlicensed vendors. The space created by the association’s plan accommodates no more than half of the vendors on Dadong Road. Although local property owners benefit from the shoppers that the
vendors attract, the association has failed to provide enough usable space (in the form of vending arcades) to street vendors. The association’s plan also failed to consider various retailers’ needs and their expectations for their neighborhood.

**Retailers who reject the vending arcades**

The allocation of vendor arcades, albeit accepted by the vast majority of the landowners within the business improvement district, drew mixed reactions from those against the arrangement. Five property owners refused to join the plan. Although those five property owners comprise a small proportion of the fifty-seven total owners, their objection to the relocation indicates that local community members do not necessarily concur on what makes the ideal night market. Different businesses have responded to the relocation policy differently.

Retailers perceive vendors differently and thus want to nurture different types of relationships with different vendors in order to guarantee their long-term interest, not just short-term prosperity. Retailers’ decisions of having or not having vendors on their properties are influenced by the types of business in which they engage, and the relationships they have with their landlords. The vending arcades were primarily provided for the benefit of property owners and retailers: property owners could collect rent from vendors, and retailers could attract more shoppers due to the vendors’ presence outside their businesses. Clothing stores, cafes, and restaurants depend on vendors to attract customers and revitalize their struggling or declining businesses. Those retailers who have not capitalized on the expanded pool of customers have focused only on the downsides of the relocation, such as the rent increase and the traffic congestion caused by the vendors, including the five shops that did not give their arcades to vendors. These five shops include a grocer on Dadong Road and a Buddhist altar provider, a Chinese medicine store, a dental clinic, and a fortunetelling book publisher, all on Daxi Street. In addition to concerns over increased rent, one of these retailers said,

“Arcades are for walking, not for vending. Arcaded vendors cause traffic congestion, interfere with my business, as well as the living quality of residents upstairs. I would say it is the legal covers the illegal in this arcade vending plan. It (the Business Improvement Association) is kind of like a ‘entrepreneurial mafia’...There used to be mafia in here, as we all know. Nowadays, mafias have become formalized.

They simply replaced the formerly known "royalty" with a legitimate title. Isn't $2000 monthly cleaning fee paid by each store outrageous to you?" (Retailer A, interview, 2009)

These five retailers share two features in common: they are tenants instead of landlords, and they are small businesses with a local clientele. The arrival of vendors allocated by the association was received
by these five small business owners as one step toward a possible rent increase. Once the local retail economy within the district improves, they suggest that their traditional, yet unique businesses within the district are likely to be replaced by new clothing retailers and restaurants that can usually afford high rent due to their business profile and clientele traveling from elsewhere. The possible rent increases stimulated by the influx of customers -- not necessarily new tourists, but simply customers coming from other sections of the market -- will displace these long operating, neighborhood-oriented businesses, making way for faceless shops.

The five retailers in traditional businesses, therefore, reject the arcade vending allocation plan since their business revenues hardly reach the level needed to match the potential rent increase stimulated by increasing typical night market goers in search of restaurants and clothing stores. Most of these shop keepers along Daxi Street, one of the oldest streets in Shilin Night Market, have developed strong social ties with their landlords over a period as long as fifteen to twenty years of operating business here. They are more likely to convince their landlords not to join the association to turn arcades into vending units than new retailers with shorter histories in the market and weaker social ties with landlords. Landowners of these old businesses, as these shop keepers described, are in general sympathetic to their tenants, valuing the stability of long-term, business with their tenants over an opportunity to speculate in arcade rents. Retailers, in other words, deploy the social capital they have accumulated with landlords to resist the association’s proposal of allocating street vendors within their business premises. Another retailer also criticizes this as uneven, economic development of Shilin Night Market doing no good for the neighborhood overall.

“This street used to be the busiest street in Shilin Night Market, but fangshui has changed. Now it is the south part that is more prosperous.... If you revive this area [of Shilin Night Market], another area will decline, as the total visitors remain about the same.” (Retailer B, interview, 2009)

These retailers and their landlords did not prevent the entry of vendors since most of their neighbors like to have vendors. Their refusal to participate in the arcade vending allocation, however, indirectly limits the scope of the newly formed vending district. At least for Retailers C, D, E, they found that their refusal eventually kept that street as one mainly without vendors, in contrast to other streets where vendors proliferate. Even though most of the arcades on Daxi were assigned as legitimate units, street vendors saw little vending activity nearby and as a result most declined to rent those arcades.
**Vendors who persist outside the district**

The other type of resistance that I focus on in this paper is that of street vendors outside of the district who choose to continue occupying streets. The limited arcades and undesirable locations, far from Jiangtan Subway Station, induced unlicensed vendors to continue using the south section of Dadong Road, and unauthorized arcades on Wenlin Road, even after legitimate vending arcades were provided under a series of propagandistic events. Most of all, the allocation is unresponsive to the social nature of the vending community, which values trust, solidarity, and cooperation.

Getting permission to rent retail space in the arcades often requires social connections. In most situations, retailers allow relatives and close personal acquaintances, such as siblings, other family members, and close friends, to set up stands in front of their stores. The main concern for retailers in leasing storefront arcades to unknown vendors is the possibility of their not being able to collect rent because they have no legal grounds for resolving shop-vendor disputes. Furthermore, retailers prefer leasing space to personal acquaintances because acquaintances are more likely to agree not to sell goods that compete with the retailers’ own offerings. Retailers also tend to help their own relatives (both temporarily and over the long term) who have difficulty establishing businesses elsewhere due to high rent or low availability of space, either temporarily or for the long term.

Street vendor #5, a college sophomore, rents from her uncle a half-arcade with her friend on the north end of Dadong Road to sell male t-shirts:

“It would not have been so easy for me to have a place if not for my uncle.” (Street vendor #5, interview, 2009)

Street vendors #6 and # 7 told me that they spent more than two months locating their vending units among retailers in the arcade vending district, and eventually obtained less desirable locations from retailers with whom they previously worked. An unlicensed street vendor A, selling at the center of Dadong Road for over ten years, said would rather continue his business outside that district because he does not want to encroach on the social cliques, turfs, and strong sense of territory of the district’s vendors.

“Sometimes young people don’t know anything and just come in [to our territory] to sell clothes, and then we will also explain to him that it is not the way we do business here.” (Street vendor A, interview, 2009)
Street vendor B, also an unlicensed and in her late forties, sells women’s jewelry by placing a briefcase against the exterior side of the wall of a friend’s clothing store. Back in the 1980s, this vendor was a saleswoman in one of the mini department stores on Dadong Road. As most of the mini department stores closed due to declining sales, she sought opportunities in street commerce. Similar to her fellow street vendors, she considers vending from a familiar location in Shilin a more viable long-term choice:

“I know this street, and I know people around here. Things get easier.” (Street vendor B, interview, 2009)

Therefore, unlicensed vendors’ mobile, informal occupancy, sustained by the transaction between vendors and retailers whom they have known, or by the deals between vendors and local gangs, is favorable to the arcade vending allocation. Unlike vendors allocated in the district, unlicensed vendors are subject to regular policing. As one vendor said:

“They give tickets, or confiscate our stands. Very often they even chase us all the way to the warehouses in the alleys far from the main street.” (Street vendor C, interview, 2009)

In line with the previously mentioned five retailers excluded from the association, these unlicensed vendors suggest that the arcade allocation favors property owners over retailers and vendors because it does not solve the unlicensed vendors’ problem of not owning permanent space. I also learned from the association’s documents that over half of the fifty-seven members of the association do not actually occupy their properties, but lease them for commercial use. Nevertheless, they can approve critical decisions, including vendor allocations and street renewal, in community meetings. I reviewed the manual published by the association to confirm that these property owners, as the predominant group spatially and economically in charge of vendors, enjoy a presumptive right of excluding unwanted vendors from the arcades and streets within the district, as well as raising vending rents and fees, all by authority of their association membership. Any municipal intervention with street vendors -- policing, for example -- is subject to these proprietors’ (association members’) demands and expectations, rather than to the reactions of residential or commercial tenants, who live and work in the district every day.

The allocation project silences other everyday users of the market who are equally qualified as community members. As a result, these unlicensed vendors (who I interviewed) decide to stay outside the district, doing business in more difficult, yet more autonomous, ways. Street vendors A, D and E all said that they preferred running from the police than moving into an unfamiliar and highly controlled territory.
8. DECENTRALIZED MANAGERIALISM

It can be said that the five retailers and the vendors who have stayed outside of the district have socially and discursively constructed a different landscape of Shilin Night Market, one that allows free appropriation of space and variety in vending settings. They directly and indirectly sustain a less controlled and programmed, but more fluid streetscape, as opposed to a market where vendors are relocated by the municipality and property owners into standardized units.

Drawing upon the theories of urban managerialism, I develop the concept of decentralized managerialism to characterize the evolving strategies of governing Shilin street vendors. Decentralized managerialism suggests how the city relies on local communities to manage vending issues. In terms of the subject of the managers or the gatekeepers, it includes self-management and private management. The first implies that the street vendors’ self-management entities negotiated (and cooperated) with the Market Administration in a way that eventually created a market enriched by its multiplicity, both spatially and temporally. The market, in turn, became a destination actively promoted by the city for tourism and city branding (Chiu, 2010). I identify the arcade vending allocation plan as a private management project. However, it is hardly a successful system: unlicensed vendors continue their occupancy of the streets even after the provision of legitimate vending sites. A few retailers in the business improvement district have rejected the arcade plan by mobilizing their own social networks. Shoppers, in fact, continue to trade with vendors outside of the district. Although decentralization in urban governance is often praised for its democracy and efficiency, this paper offers alternative viewpoints. I conclude this paper by examining the downsides of proprietorship-based decentralization (as private management) from the spatial and social perspectives.

There are different power relationships embedded in the self-management and private management schemes. In so far as vendors have formed self-management organizations, local governments supervise vendors’ food security and ensure that they follow basic rent standards. On the practical level, the government entitles the vending community to negotiate with one another on how it expects their units to be occupied, used, and even shared with their fellow vendors. The entitlement takes advantage of street vendors’ understanding of their well-established rules of locating and occupying space. The self-management allows for freedom in decision-making, and a certain degree of violation of official regulations, as the basis for market business management. We see that the governing power, in the case of self-management, is partially shifted toward the vendors themselves. We see that street vendors have taken pride in what they do after being empowered by the authorities. The Market
Administration still oversees vendors' business operations and has the power to intervene when vendors' spatial practices go beyond regulatory boundaries.

In the Shilin Old Streets District, the city gave a group of property owners the right to manage street vendors because vendors occupy property owners' arcades. We have found that property owners privilege their property values over vendors' equal rights to these locations. The Market Administration fails to mediate between property owners and street vendors in order to create a well-functioning market. The project's detachment from the vendors' lived experience makes this private management scheme an unsuccessful model. As most property owners focus on the rents and profits that accrue to them instead of the nature and ecology of street business, they exploit their rights to select those vendors who can benefit storefront businesses or pay high rents. Therefore, decentralization may not be the right solution to managing informality if the right to manage is not given to those who need the resources, or to those who can ensure a fair allocation to prevent social or geographical exclusion exercised by the new power holders.

9. CONCLUSIONS

We have come to a point where we can consider the pros and cons of decentralized urban management. Spatially speaking, when private property owners begin managing vendors, the municipality saves time and money invested in providing additional space for them. Nevertheless, my interviews find that most owners tend to assign arcades to their friends and relatives. Thus, this project does not help unlicensed vendors relocate successfully. In terms of the local residents' needs, the private management of street vendors hardly considers the experiences of residents living directly above arcades, or the livelihoods of old shop business owners. The arcade vending allocation plan also rejects pedestrian rights to the arcades, creating more traffic congestion.

The allocation plan ignores the social ecology of street vending. A night market community is unique in its social structure, which is comprised of self-governed alliances and interdependent users within specific territories. In the newly formed district, proprietary regulations and monetary exchanges among property owners, retailers, and street vendors reshape the social structures of a marketplace. In other words, a blended shopping regime replaces a historically contingent urban setting in which users compromise one another's rights to the city (Mitchell, 2003) through social and spatial practices. Although new social networks will likely emerge in the new districts, they do so at the expense of the original Shilin Night Market communities.
The image of a modern, somewhat generic spectacle represented by the standardized units contradicts the market’s growth as a historically contingent, grounded place filled with the lived reality of the locals’ everyday negotiations. One may argue that a standardized pedestrian street appeals to those who desire order and have a more sophisticated taste for “culture.” Nevertheless, there are many orderly shopping venues in Taiwan and around the world. Would a night market be more enduring and culturally thrilling than proprietorship-based, profit-centered placemaking (especially when Shilin Night Market was shaped and reshaped by those practices) if it continued evolving out of street vendors’ socially contingent spatial practices?

The formation of these privately governed streets (in contrast to self-governed vending locations) destroys the Taipei City officials’ vision of remaking the Shilin Night Market into a lively destination. Instead, officials focus only on achieving short-term economic goals. Without more nuance in the compulsion to brand Taipei City as modern, the government’s vision will remain elusive due to the disconnection between forced relocation and lived reality. As it stands, proprietorship-based community activism sugarcoats pro-development, business-centered placemaking because the proprietors dominate neighborhood governance and rule the streets. Their private control replaces administrative management to the extent that a democratic, effective, and fair vending space allocation is impossible.

This paper proposes decentralized managerialism as a concept for theorizing the governing of street vending in Taiwan. This analytic framework allows us to rethink the meaning of decentralization. The advantages of decentralization lie in its capacity to deal with specific urban affairs more effectively, and not just more economically from either the Municipality’s or the private sector’s perspective. Decentralization is worthy of investment when it truly addresses the needs of various community members, such as street vendors, property owners, retailers, residents, and even visitors, all of whom enjoy their rights to and have a say in placemaking decisions. The city should provide oversight and assistance to the community and its placemaking activities that include the interests of multiple agents. When a community-based governing entity acts in response to municipal interventions, the benefits of decentralization become more pronounced as both positive and negative influences of any resource allocation procedures are managed.

We find more of the above requirements in a self-management organization than in a private management organization. The differences between self-management and private management allow us to reorient urban managerialism as a theoretical concept that informs and is informed by governing informality in the development context. Governing informality is more than allocating resources; it is also
about managing a community and its social ecology. The management of peoples’ rights to a city and their shared urban experiences sustains the all-inclusive city.

REFERENCES


Chai, Qin, Pan, Deng, and Zhou ( 2011). Research on the management of urban unlicensed mobile street vendors --- taking public satisfied degree as value orientation. Asian Social Science, 7 (12).


Shilin Old Streets Business Improvement Association (2009). Manual of Shilin Old Streets Business Improvement Association Regulation

Smart, J. (1989). The political economy of street hawkers in Hong Kong. Hong Kong: Centre of Asian Studies, The University of Hong Kong.


Xue, D.S & Huang, G. Z. (2008), 'Regulation beyond formal regulation: spatial gathering and surviving situation of the informal sector in the urban village case study of Xiadu, Guangzhou', Geographical Research, 27, pp. 1390-97. [Chinese]


