ARTICLE
Impacts of COVID-19 on Informal Workers and National Policies in China

Kadiriya Kaimaier\textsuperscript{1*} Yejia Zhang\textsuperscript{2}

1. Insurance, Southwestern University of Finance and Economics, Chengdu, Sichuan, 611100, China
2. Accounting, Tianfu college of Southwestern University of Finance and Economics, Chengdu, Sichuan, 610052, China

ARTICLE INFO

Article history
Received: 31 August 2021
Revised: 8 October 2021
Accepted: 14 October 2021
Published: 28 October 2021

Keywords:
Stall economy
Post epidemic period
Reasonable control
Permitted-vending-place

ABSTRACT

The impact of the epidemic on China's economy is huge. By analyzing the impact of the epidemic on the informal economy and consulting the measures taken by local governments in Sichuan to restore the stall economy in the post epidemic period, this paper classifies and refines the measures made by urban governments of different sizes of cities, puts forward relevant laws, and puts forward opinions and forecasts on the future trend of the stall economy and stall economy in the post epidemic period. Due to the impact of the epidemic, people's awareness of self-protection has increased, local governments have also strengthened prevention and control, and the business of vendors has been seriously affected. The Sichuan case shows that the government's encouragement is an important guarantee for the rapid recovery of the stall economy. At the same time, reasonable control is a necessary means to prevent the recurrence of the epidemic. For the future trend of the stall, it is a trend to set up permitted-vending-places (shudaoqu). Selecting an address according to the nature of the commodity is the guarantee of sales.

1. Introduction

Since 1970, one of the most striking features of urbanization in developing countries is the continuous expansion of informal economy \cite{1-3}. Due to the incoordination between urbanization and industrialization, a large part of the rural surplus labor force did not enter the modern urban sector from the agricultural sector in the rural-urban transfer process, but entered the informal sector outside the government control \cite{4,5}. It is estimated that there are 1.8 billion people in the world engaged in various kinds of informal economic activities, generating an economic output value of 10 trillion US dollars \cite{6}, among which, there are about 114 million urban informal workers in China \cite{7}. Informal economy is no longer a phased product of...
Informal employment, as a form of employment that can absorb a large number of labor force, has been adopted by more and more people since the reform and opening up. In both developed and developing countries, it is on the rise, accounting for 25% and 45% respectively. Informal employment groups have become an important force in China’s labor market and have made great contributions to the economic growth of cities and the convenience of people’s lives. Now, in the backdrop of the outbreak of the new champions league, informal workers were undoubtedly into another war, many governments recommend residents in isolation in the home, home work, at home study become the norm in people, so avoid overlapping infection of social isolation for a formal employees not too big effect. However, informal workers are cut off from their source of basic income and no longer have the market and activity space to participate in. At the same time, profound changes have taken place in the labor market, with the working-age population and the total employed population decreasing continuously, structural problems arising from employment, and the national economic structure being adjusted under the new situation.

2.2 Market Perspective - Informal Workers Face a Dilemma

The outbreak of COVID-19 has further intensified the pressure on employment, and the employment situation is grim. Many companies are cutting back on hiring, laying off workers of varying sizes, and are more cautious about hiring both regular and informal workers. Social unrest is increasing, crime rate is rising, although the community grid, but the security management is more difficult, too many informal workers cannot find something to do, not conducive to the construction of a harmonious society.

3. Problems and Challenges of the Epidemic for Informal Workers

The level of people’s education, the differences of personal values and the nature of commodities will not disappear, which determines that this form of informal employment is destined not to disappear. Although the instability of informal employment may lead to low wages and lack of effective security due to the instability of labor relations, the state has been exploring to solve the security problem of informal employment.

As the largest developing country, China has more informal employment than developed countries. At the same time, due to the large population base and uneven education level, China’s informal employment is still a difficult problem.
3.1 Challenge of the Combination of Internet and Rising Commodity Costs

After the outbreak of the epidemic, due to the large number of people in the market, it was difficult to detect and control it. In order to better control the epidemic, the government took measures to temporarily ban the market and close the village, which made it less convenient for people to buy goods, and the purchase and sale of goods lagged behind to varying degrees. Under such circumstances, online selling and shopping came into people’s view.

The widespread use of smartphones in the countryside has laid the foundation for online sales and shopping, and the Internet has become the first choice for people at home during quarantine when there is nothing else to do. The temporary cancellation of the market has a great impact on those who usually rely on the stalls to go to the market, especially those who sell fruits and vegetables feel the pressure, because these things are not easy to store for a long time and easily go bad, so the retail way of online selling goods and offline delivery came into being.

Labor costs rose due to a shortage of workers during the epidemic, and procurement prices rose due to supply instability. The increase in the transportation cost of materials and the consumption of disinfection protective equipment led to the increase in the cost of commodities and the decrease in profits.

3.2 Impacts on Traffic and the Environment

Street economy is an employment model that can help the unemployed people. Office workers can earn some part-time money by setting up stalls at night markets. The recovery of the local economy can promote economic development after the epidemic. But more importantly, street economy is enriching the market and facilitating the life of citizens, but night markets also bring a certain impact on the traffic and environment. The unorganized distribution of street stalls has affected the normal traffic order, caused some traffic accidents and hindered the construction of urban civilization.

At the same time, we should also pay attention to the problem of environmental health protection. Because the street economy can be placed everywhere, and then some garbage will be produced, which will affect the living environment of residents living nearby, and it is easy to create some contradictions. So, it’s important to keep street economy in order.

For garbage piles, serious pollution phenomenon, should be standardized management. After the opening of the stall economy throughout China, the health situation is worrying, on June 1, 2020, the Dalian Municipal People’s Government issued a “Notice on determining the first batch of commercial outreach out of our city and strengthening management”, which requires operators must clear the garbage at any time, if the rectification is still invalid stalls will be banned. Therefore, the enlightenment of local competition should strengthen the management of the space environment through administrative means, balance the opening and control, so that the city has more “temperature” and “grace”.

For stalls to increase urban traffic congestion, the relevant department managers should be controlled: city managers should clearly inform the stall operators can set up stalls in the area, rather than casually set up stalls on the roadside, the stall economy is not and occupied road management, strengthen inspection management, to hinder the operation of traffic stalls management; At the same time, the operators of stalls should obey the management norms, start from their own, take the initiative to avoid the situation of stalls, to contribute to the better development of the city.

3.3 Negative Impact on Society

Because the vendors have no fixed business place and the low quality of goods, products and services are not supervised by the relevant departments, some illegal vendors in order to seek greater immediate interests and deceive consumers, resulting in people’s dissatisfaction.

The competition between vendors, the growing conflicts between vendors and managers, and the hostility and helplessness of the surrounding shops to vendors have all caused certain social conflicts. Violence broke out in some cities.

Compared with shopping malls and shops, the costs and risks of street stalls are smaller and the profits are more guaranteed. The normal shops have already had a very difficult time due to the epidemic. Under the influence of the epidemic, many restaurants are on the verge of closing down, and other industries are doing worse and worse. In addition, with the impact of the local market economy, some regulated shopping malls and shops should be worse. The street stall economy has an absolute advantage over those shopping malls with more free hours, wider coverage and lower prices. In a word, in the context of rising urbanization rate and increasingly standardized and civilized social development, and the development of local economy encouraged by the state will certainly bring challenges to urban management and bring unstable factors to social development.

4. The Government’s Assistance Policies for Mobile Vendors in Large, Medium and Small
Cities of Sichuan

4.1 Big Cities: Focus on Law Popularization Education, and Combine Peak Staggering Management with Daily Inspection

Taking Chengdu as an example, after the epidemic, in order to speed up the pace of restoring normal life and recovering the economy, different units in Chengdu have made corresponding measures: the Judicial Bureau has strengthened legal publicity and Legal Popularization Education for vendors and provided timely legal assistance; The market supervision and Administration Bureau effectively ensures the safety of food (especially cold chain food); Sanitation workers actively carry out virus elimination work... Among them, the Justice Bureau has established a stall rule of law publicity team to carry out counterpart laws and regulations publicity for different groups, mainly publicize the food safety law for food stalls, and publicize the consumer rights and interests protection law for consumers, so as to create a good rule of law environment. Let the stall economy develop continuously and healthily under the protection of law; If vendors or consumers who meet the requirements of legal aid are found, they will be guided into the assistance procedures in time, simplify the application procedures, give priority to acceptance and rapid handling, minimize the time consumed in safeguarding rights, and implement the people’s livelihood security. Since the strengthening of the service, the Justice Bureau has received more than 20 consultations recently, which has played a good role in guiding the rule of law. According to the time and regulation of the distribution of mobile stalls, law enforcement agencies should strengthen inspections in key areas to improve supervision efficiency; At the same time, the law enforcement personnel shall implement humanized law enforcement for the mobile vendors found in the process of inspection, focusing on education and supplemented by punishment. Those who do not listen to advice and persist in teaching shall be resolutely banned, so as to effectively solve the problem of road occupation and maintain the street order in their jurisdiction. At the same time, the “Chengdu Model” allows vendors to temporarily occupy roads, which is also an innovative move made by Chengdu to restore the vendor economy since the epidemic.

In addition, Chengdu has issued the” Five permits and one adherence” policy. Among them, “five permits” refers to: allowing the establishment of temporary road occupation stalls and stalls, allowing temporary door crossing operation of street shops, allowing mobile vendors to sell, allowing large shopping malls to carry out road occupation promotion, and allowing Internet bicycle rental enter-
prises to expand the parking area” “One insistence” refers to “adhering to flexible law enforcement and prudent and inclusive supervision”, trying to create a relaxed environment and no punishment if possible. In 2017, the State Council promulgated <the measures for the investigation and punishment of unlicensed and unlicensed operations>, which came into force on October 1 of that year. <The measures> stipulates that selling agricultural and sideline products and daily necessities at the places and times designated by the local people’s governments at or above the county level, or individuals using their own skills to engage in convenient labor activities that do not require a license according to law, is no longer an unlicensed business. Chengdu’s move seems relaxed, but it actually has a higher level of basis. At the same time, for the challenges brought by the possible rebound of the epidemic, the Chengdu government took the lead in recovering the stall economy in the country while strictly preventing and controlling it and adhering to the bottom line.

4.2 Small and Medium-sized Cities: Meticulous Management of Vendors

Panzhihua City first unified planning and layout. Delimit municipal convenient centralized stalls within the jurisdiction, and integrate the stall economy for centralized management. Second, guide and standardize operation. Change the traditional “drive out” management of mobile vendors, adopt more humanized management measures, set up temporary business sites for mobile vendors, and guide mobile vendors to standardize their operation. Third, assist in urban management. Help to solve the problems existing in vendors, such as road occupation, oil smoke disturbing residents and poor sanitation, integrate the “citizen spirit” of the stall economy with the modernization of urban construction, actively unite the “stall economy”, dredge the “capillaries” of urban economic development, so as to revitalize the “stall economy” and boost consumer confidence. The East District of Panzhihua City has also established a unified standard for vendors. According to the relevant implementation measures, 10 selling points of sunshine breakfast vehicles are set up in bingcao-gang area of the East District, guiding 57 mobile breakfast vehicles to operate in centralized selling points, and unifying clothing, vehicles, logo and management.

Ya’an City set up a duty point in each night temporary convenience stall area, which is composed of law enforce-
ment personnel of relevant departments. They worked togeth-
er to maintain the order of the night market, ensure smooth traffic in the night market area, and strengthen the follow-up sanitation and cleaning work of the stall and night market economy, so as to achieve the effect of “stall economy”, night market economy and normal epidemic prevention and
control. The stall owner is required to set up a stall at a fixed time, usually from 6 p.m. to 11 p.m. The urban management and law enforcement officers registered the details of each stall owner one by one and took their temperature. On the premise of encouraging the healthy and orderly development of “stall economy”, relevant departments require vendors to standardize their operation, not to sell unsealed food, and not to occupy blind roads and sidewalks; The booth is required to implement the “five guarantees in front of the door” system and consciously maintain the sanitation of the booth and the surrounding environment; At the same time, establish a stall night market management account, register and manage the name, address, contact information and physical condition of the owners of temporary stalls, and urge them to wear masks and consciously accept temperature detection, so as to ensure that the stall night market is controllable and traceable; Carry out responsibility education for stall owners, hoping that stall owners can consciously maintain the sanitation of public space.

Mianyang City defines the business scope. The business items of night markets and stalls comply with relevant management regulations. They are mainly temporary stalls for daily necessities, fruits and vegetables, food (off-site processing), cultural products, etc.; At the same time, the service management shall be standardized. The people’s governments (management committees) of counties (cities, districts) and parks shall strictly manage the designated night markets and stalls, guide and urge operators to carry out business activities in strict accordance with the specified time, scope and content, and tourist stalls shall enter the market and return to the district.

Bazhong City has established an evaluation system to supervise the standardized operation of catering operators. Businesses with health and safety problems and failing to clean up garbage in time are disqualified. The night market implements the scoring system and the last elimination system. An evaluation team composed of two owner representatives and two urban management personnel shall be formed every week to score all stalls according to the requirements of “ten unification”, and a unified score evaluation shall be conducted once a month. Unqualified stalls will be disqualified from setting up stalls.

5. New Development of Street Economy in the Context of Post-epidemic

“Ground Stalls and the Internet” Fusion Development Structure Framework

In recent years, Internet shopping has been well received, but there have been quality problems and cannot effectively access the lack of goods, and the distribution economy in the sale of goods are mostly through the Internet, and then on the stalls for physical sales, and its cost is only a more fixed sales materials and mobile business premises, profit margin is larger. And its sales method for offline stall economy, direct ordering from the Internet required items, both convenient and cheap, not only that, for online shop owners, during the outbreak due to some logistics restrictions, resulting in the online store stopped operating for a period of time, the hot development of the local stall economy is also for the online shop to provide development opportunities, in a certain degree to ensure product quality at the same time, There will be land stall operators to carry out quantitative purchase, so as to open up the effective operation of the online and offline, the formation of a “land stall economy and the Internet” integrated development of the structural framework, conducive to the new development model of street economy virtuous circle. At the same time, the various online stores and offline stalls to open up the economy, the major e-commerce giants also for the local distribution economy: after the opening of the stall economy, Alibaba for more than 30 million stall operators to provide all-round support; With the strong support of e-commerce enterprises, the land stall economy started very smoothly and achieved remarkable results.

6. Countermeasures against Epidemic Impact

6.1 “Ground Stalls and the Internet” Fusion Development Structure Framework

During the epidemic period, the stall business was seriously affected, and many villagers’ agricultural and sideline products could not be sold by setting up stalls. Therefore, on May 20, 2020, the 2020 public welfare action briefing for the heads of provinces, cities, prefectures, counties (cities, districts) of Sichuan Province were held in Chengdu, it marks the official launch of the first officially designated brand agricultural products and “Sichuan poverty alleviation” products live broadcast e-commerce network base platform in Sichuan Province. In terms of public welfare brand promotion, Sichuan poverty alleviation and Development Bureau, together with several industry departments, has actively carried out online and offline production and marketing docking actions to solve the problem of unsalable agricultural products in poor areas. So far, the cumulative sales of “Sichuan poverty alleviation” products such as livestock and poultry meat, vegetables and fruits have reached 406 million yuan, benefiting 123000 poor people. This kind of live broadcasting and delivery of goods led by district heads and mayors has attracted countless praise, and nearly 10000 agricultural
products have been sold in an hour.

In recent years, Internet shopping has been well received, but there have been quality problems and cannot effectively access the lack of goods, and the distribution economy in the sale of goods are mostly through the Internet, and then on the stalls for physical sales, and its cost is only a more fixed sales materials and mobile business premises, profit margin is larger. And its sales method for offline stall economy, direct ordering from the Internet required items, both convenient and cheap, not only that, for online shop owners, during the outbreak due to some logistics restrictions, resulting in the online store stopped operating for a period of time, the hot development of the local stall economy is also for the online shop to provide development opportunities, in a certain degree to ensure product quality at the same time, There will be land stall operators to carry out quantitative purchase, so as to open up the effective operation of the online and offline, the formation of a “land stall economy and the Internet” integrated development of the structural framework, conducive to the new development model of street economy virtuous circle. At the same time, the various online stores and offline stalls to open up the economy, the major e-commerce giants also for the local distribution economy: after the opening of the stall economy, Alibaba for more than 30 million stall operators to provide all-round support; With the strong support of e-commerce enterprises, the land stall economy started very smoothly and achieved remarkable results.

6.2 Create a “Multi Environment”

The recovery of the land-sharing economy will inevitably increase the cost of urban management, so city managers should allocate urban law enforcement resources reasonably, and grade and classify the land-sharing economy through the sharding area and time-phased way, forming a multi-governance pattern of “divide and rule”. At the same time, we should mobilize the resources of community governance, the government’s urban management department and the grass-roots government, community organizations should do a good job of cooperation, the standard management of the land distribution economy is not only the responsibility of the city management department, but also should do the multi-governance of the regulatory department, the grass-roots government and the neighborhood committee, through the introduction of community grid management and adopt a reasonable cooperative governance model, give full play to the advantages of the city street office and neighborhood committee familiar with local information, the local stall economy into the scope of urban planning and scientific management, the hands of all people to regulate the governance of urban space. In addition, government regulators can use the power of big data, artificial intelligence, etc., through APP research and development and related web page production, so that the city management and other responsible departments can timely grasp the local traffic management and vendors operating dynamics, improve the efficiency of scientific supervision.

The recovery of the land-sharing economy will inevitably increase the cost of urban management, so city managers should allocate urban law enforcement resources reasonably, and grade and classify the land-sharing economy through the sharding area and time-phased way, forming a multi-governance pattern of “divide and rule”. At the same time, we should mobilize the resources of community governance, the government’s urban management department and the grass-roots government, community organizations should do a good job of cooperation, the standard management of the land distribution economy is not only the responsibility of the city management department, but also should do the multi-governance of the regulatory department, the grass-roots government and the neighborhood committee, through the introduction of community grid management and adopt a reasonable cooperative governance model, give full play to the advantages of the city street office and neighborhood committee familiar with local information, the local stall economy into the scope of urban planning and scientific management, the hands of all people to regulate the governance of urban space. In addition, government regulators can use the power of big data, artificial intelligence, etc., through APP research and development and related web page production, so that the city management and other responsible departments can timely grasp the local traffic management and vendors operating dynamics, improve the efficiency of scientific supervision.

7. Conclusions

The impact of the epidemic on China’s economy is huge. Large, medium and small enterprises in China have stopped work, and the stall economy, as a kind of informal economy, has also been hit to a certain extent. Although there are many disadvantages in the operation of informal economy, its role in economic recovery and life restart cannot be underestimated.

Based on the policies issued by Sichuan Province to deal with the economic downturn in the post epidemic period, this paper summarizes and puts forward the prediction of the future trend of the informal economy. From the comparison between Chengdu and the surrounding small and medium-sized cities, it can be concluded that in the period when the epidemic has just improved, the gov-
Government supports temporary mobile vendors to stimulate the economy and restore life in order to encourage the employment of vendors; After the epidemic prevention and control has become the norm, it is to establish a dredging area and carry out classified centralized management according to the characteristics of commodities; In large cities, due to the large population base, it is difficult to track the mobile vendors one by one, so the government prefers to take sampling inspection to protect the rights and interests of consumers and maintain the appearance of the city; The governments of small and medium-sized cities take the accurate way to each vendor to control the epidemic prevention and control together with ensuring commodity safety.

For the future trend of stall economy, this paper believes that residential areas have great location advantages and potential. Although the subway station has a large passenger flow, people’s residence time is also very short, and the development potential is relatively small.

Author Contributions

This paper was jointly completed by Kadiriya Kaimaier and Yejia Zhang. Everyone has made equal efforts in the research of this topic, and their contribution to the paper is average. It is hereby explained.

References

[22] Panzhihua Serves “Big People’s Livelihood” based on “Small Stalls” - People’s Government of Sichuan