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# THE IMPACT OF GOVERNMENT PSBB POLICY ON TRADISONAL MARKETS IN THE CITY OF SURAKARTA

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## **ABSTRACT**

Since the outbreak of the Covid-19 virus in Indonesia, which began in March 2020, began to spread. The Covid-19 virus has had a significant impact on global conditions, not only in terms of the number of people who have died as a result of contracting the virus but also on the global economy. One of the affected nations, especially economically, is Indonesia. The Large-Scale Social Restrictions (PSBB) policy is one of the government's efforts to reduce the number of people who have become infected with the Covid-19 virus, and its effects are already being felt. The MSME sector of traditional market traders is included in the issued policies. In order to get input and evaluate the government's PSBB policy program or strategy in improving quality and sustainable PSBB regulatory policies, this study aims to analyze the implementation of the PSBB policy that is enforced on Traditional Market traders, including UMKM, during the Covid-19 pandemic. The SWOT (Strength, Weakness, Opportunity, Threat) matrix analysis was used in this study. In Surakarta, the SWOT matrix analysis is used to evaluate opportunities and threats as well as the advantages and disadvantages of government policies toward traditional markets. The research results show the impact that has occurred from the PSBB policy in Traditional Markets during Covid-19 is the decreased purchasing power of consumers resulting in traditional market traders closing their businesses, many are confused about policies that have not been consistent so that the income of traditional market traders has decreased. In overcoming this, the government is working on consistency, better dissemination of Government Policy (PSBB) so that traditional market traders do not experience many losses due to decreased income, as well as training human resources in the field of digital marketing so they are able to work to meet needs. The government is also trying to keep open access to traditional market sales for the economic stability of traditional market traders in the city of Surakarta.

Keywords: PSBB, Traditional Market, Human Resources

## **INTRODUCTION**

The spread of Corona virus Disease (Covid-19), which first appeared in the Wuhan area, (Shi Han H, 2020) and was declared a pandemic virus by the World Health Organization (Sohrabi C, 2020), is an example of the virus's global spread. As a result, governments in a variety of nations have taken a variety of measures to prevent the virus from spreading, including isolating people who exhibit Covid-19 symptoms and separating sick individuals (Wilder-Smith, 2020).

Corona virus is zoonotic, which means that it can spread from animals to humans. Examples of zoonotic diseases include malaria and rabies. In like manner with MERS which sent from camels to people. Scientists have discovered that the corona virus can infect cattle, dogs, cats, turkeys, horses, and pigs over the past 70 years. These animals may occasionally infect humans with the coronavirus. The Middle East Respiratory Syndrome (MERS)

outbreak in South Korea in 2015 and the Severe Acute Respiratory Syndrome (SARS) pandemic in 2002-2003 are two examples of global outbreaks caused by the coronavirus. In addition, a brandnew corona virus, now known as COVID-19, first appeared in China in December 2019 and quickly spread to other nations, prompting the World Health Organization to declare it a global pandemic (Fathoni, 2020).

Based on data from (Kemenkes, 2020) as of February 22, 2021, confirmed Positive 1,288,833 Recovered 1,096,994 Died 34,691. Positive cases of covid-19 continue to rise while the recovery rate continues to rise, resulting in a slowdown in Indonesia's economy. One of the effects of the spread of the infection in Indonesia is that the government provided a legitimate strategy through (PP, 2020) concerning Huge Scope Social Limitations (PSBB) and Official concerning Laying out a General Wellbeing Crisis. The reason for this strategy is to build up friendly separating

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with the goal that it can train general society with regards to speeding up the treatment of Coronavirus.

The Indonesian economy has been impacted by this regulation in that people's incomes have dropped significantly since the Covid-19 outbreak, which has had a significant impact on demand for goods and services, particularly in traditional market activities. A policy that restricts people's social interaction on a large and comprehensive scale is known as largescale social restrictions (PSBB). PSBB is a restriction on certain activities that residents who live in an area that is suspected to be infected with a disease and/or contaminated can do to stop the spread of the disease or contamination (Fathoni, 2020). At the very least, these restrictions are enforced by prohibiting religious activities, closing schools (online) and workplaces (work from home), and prohibiting activities in public places or facilities, such as selling at traditional markets (Pakpahan, 2020).

According to a study conducted by the Ministry of Finance, the COVID-19 pandemic has negative effects on the domestic economy, including a decline in company performance, threats to the banking and financial sector, and the existence of micro, small, and medium-sized enterprises (UMKM). This reduces or even eliminates the income of many workers, which has an impact on their level of consumption and purchasing power, particularly among informal and daily workers. Due to the uncertainty regarding when this pandemic will end, the majority of people are very careful about managing their financial spending. People's purchasing power for consumer goods decreased as a result, putting pressure on manufacturers and sellers. Concerning businesses, this pandemic has hampered their performance, particularly in the transportation, tourism, and trade sectors. The policy of social distancing, which was later changed to physical distancing and working from home or remotely, had an effect on the company's performance, which led to job terminations. There were even a few businesses that declared bankruptcy and decided to shut down (Pakpahan, 2020).

According to the findings of the aforementioned study conducted by the Ministry of Finance, it is feared that the PSBB policy will cause economic activity, particularly production, distribution, and sales, to slow down to a decline. Market is one of the activities trade that can not be separated from the daily activities of human life.Information gathered by the Ministry of Cooperatives and Small and Medium-Sized

Enterprises during this pandemic, approximately 37,000 UMKM reported being severely affected, as evidenced by: Around 56% of respondents mentioned a decrease in sales, 22% mentioned issues with financing, 15% mentioned issues with goods distribution, and 4% mentioned difficulties obtaining raw materials. These issues are also becoming more prevalent as a result of the Large-Scale Social Restrictions (PSBB) policy that has been implemented in a number of regions in Indonesia. This policy places restrictions on certain activities that residents of an area that is suspected to be infected with COVID-19, as well as restrictions on the movement of people and goods for a specific province, district, or city, in order to stop the spread of COVID19.

The rapid development of population, so the need of market both in quantity and quality (Yosephien Angelina Y, 2018). This, in turn, will ultimately have a greater impact on the performance of UMKM in Traditional Markets and the national economy. When you consider the large number of UMKM, traditional markets, and workers absorbed by UKM in Indonesia, you can understand why there is concern. UMKM contributed 61.41% of Indonesia's GDP in 2018, according to data from the Central Statistics Agency (BPS) for the year 2020. Naturally, this contribution demonstrates the significance of UMKM as the nation's economic foundation.

After the emergence of Covid-19, the number of business actors in micro, small, and medium-sized businesses traders has drastically decreased, particularly in traditional markets, which typically have high incomes. This is because the market's demand has also gone down, it's hard to get goods to sell, and people are going back to traditional markets since the Covid-19 outbreak in Indonesia, which was accompanied by the government's PSBB regulatory policy. Restrictions on traders' ability to sell in traditional markets, and generally, micro traders in these traditional markets are supported by their own funds rather than those of investors in shares.

During the Covid-19 outbreak, the role of micro traders in traditional markets is very important, especially if you want to continue meeting the needs of people who buy raw materials from the market to meet their daily needs.

## RESEARCH METHODS

The SWOT matrix analysis method is combined with a qualitative research approach in this study. The SWOT matrix is the most straightforward and typically subjective-qualitative method. The

SWOT matrix, according to (Rangkuti, 2006), can clearly explain how a company's strengths and weaknesses can be matched with external opportunities and threats to develop a strategy.

The SWOT matrix approach was used to process and analyze the obtained data. The first step in processing the data is to identify the responses provided by respondents and group them into each SWOT (strengths, weaknesses, opportunities, and threats) category. After that, the identification results are incorporated into the SWOT matrix for the purpose of analysis.

### **RESULTS AND DISCUSSION**

The following are the conclusions of the SWOT analysis:

## 1. Strengths

- a. Large-Scale Social Restrictions (PSBB) Policy One of the effects of the virus's spread throughout Indonesia was the government's implementation of a legal policy through Government Regulation Number 21 of 2020 and Presidential Decree Number 11 of 2020. The reason for this strategy is to build up friendly separating with the goal that it can train general society with regards to speeding up treatment of Coronavirus. Indonesian economy has been impacted by this regulation in that people's incomes have dropped significantly since the Covid-19 outbreak, which has had a significant impact on demand for goods and services, particularly in traditional market activities.
- b. Traditional Market According to data from the Central Statistics Agency (BPS) for 2020, in 2018, UMKM contributed 61,41 percent to Indonesia's GDP. Naturally, this contribution demonstrates the significance of MSMEs as the nation's economic foundation. In traditional market containers, where a variety of products can satisfy people's day-to-day requirements, many UMKM expand and develop.
- c. Human Resources A person who is an asset whose capabilities must be trained and developed and serves as a driving force for an institution or business. Considering the large number of UMKM, traditional markets, and labor or human resources absorbed by UMKM, the economic cycle that begins with sales, financing, distribution, and so on. can increment and create.

#### 2. Weakness

Business entertainers in miniature, little medium endeavors and brokers. particularly in customary business sectors, which ordinarily have big league salary, after the rise of Coronavirus have now diminished radically. This is because the market's demand has also gone down, it's hard to get goods to sell, and people are going back to traditional markets since the Covid-19 outbreak in Indonesia, which was accompanied by the government's PSBB regulatory policy. Restrictions on traders' ability to sell in traditional markets, and generally, micro traders in these traditional markets are supported by their own funds rather than those of investors in shares.

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## 3. Opportunities

These restrictions, at the very least, are enforced by closing schools (online) and places of employment (work from home), banning religious activities, and/or banning activities in public places or facilities, such as selling at traditional markets. With this policy, new digital marketing activities can be undertaken to contribute to the digital age.

## 4. Threats

According to data from the Ministry of Cooperatives and Small and Medium-Sized Enterprises, approximately 37,000 UMKM reported being very seriously affected by the pandemic, as evidenced by: Around 56% of respondents mentioned a decrease in sales, 22% mentioned issues with financing, 15% mentioned issues with goods distribution, and 4% mentioned difficulties obtaining raw materials. These issues are also becoming more prevalent as a result of the Large-Scale Social Restrictions (PSBB) policy that has been implemented in a number of regions in Indonesia. This policy places restrictions on certain activities that residents of an area that is suspected to be infected with COVID-19, as well as restrictions on the movement of people and/or goods for a specific province, district, or city, in order to stop the spread of COVID19.

**Analysis SWOT Matrixs** 

Table. SWOT Analysis

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		Table. SWOT Analysis
1.	Strengths	<ul> <li>A new government policy to lower the death rate from the Covid-19 virus;</li> <li>Economic shifts toward digital marketing, particularly for UMKM and Traditional Markets;</li> <li>Making human resources more creative, independent, and advanced by adapting to the era of economic change;</li> <li>The PSBB government policy program can work well;</li> <li>Increasing Indonesian citizens' health awareness;</li> <li>Reducing the Covid-19 virus outbreak in Indonesia.</li> </ul>
2	Weaknesses	<ul> <li>The declining income of Traditional Market traders and UMKM</li> <li>A large number of human resources workers have been laid off, and many traders have stopped selling</li> <li>A large number of companies have closed due to shortages of raw materials and demand</li> <li>Education for the community, which is closed, makes learning less than ideal for school children</li> <li>Community needs continue to run, but income/income is constrained by PSBB policies</li> <li>PSBB government regulatory policies that are not yet consistent in Indonesian territory, policies only apply to certain areas, - Inconsistent socialization and punishment; the public is only made aware of the policy at the beginning</li> </ul>
3	Opportunuties	<ul> <li>The increasing digitalization of marketing for traditional markets and UMKM</li> <li>The rise of working people's creativity and independence in response to digital developments</li> <li>The outbreak's impact on Indonesia's economy - Growing public awareness of health issues</li> <li>The PSBB policy's expansion of regional autonomy</li> </ul>
4	Threats	<ul> <li>The PSBB government policy in Indonesia has the potential to reduce income and the economy, which is supported by UMKM.</li> <li>Changes or shifts in economic stability that occur as a result of the Covid-19 virus outbreak.</li> <li>Community needs that cannot be adequately met.</li> <li>Difficulties in raw materials, buyers, or target markets both in traditional markets and in companies.</li> <li>Community non-compliance with PSBB because it only applies to certain areas.</li> <li>Education is lagging behind due to not</li> </ul>

The following are the methods used to overcome threats and weaknesses:

- a. Periodically evaluate PSBB policies by looking at various supporting factors;
- b. Consistency of PSBB regulatory policies to ensure that they function properly
- without causing harm to traders and the community;
- c. Dissemination of policies to all levels of society;

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- d. Providing access to selling for UMKM traditional market traders and companies with access to raw materials:
- e. Tightening the health protocol for each traditional market to ensure that it can continue to function to support the economy;
- f. Assistance for people

## **CONCLUSION**

This study expects to dissect the execution of the Public authority's PSBB strategy that was implemented on Conventional Market merchants including UMKM during the Coronavirus pandemic time, to get input and assess the Public authority's PSBB strategy program or procedure in working on quality and maintainable PSBB administrative approaches.

- 1. During COVID-19, the PSBB policy had an effect on traditional markets in the form of a decrease in consumers' purchasing power, leading to the closure of businesses by traders and a rise in income for those traders due to confusion over inconsistent policies.
- 2. In order to overcome this obstacle, the government is focusing on consistency, improving the socialization of the PSBB Policy to ensure that traders do not suffer significant losses as a result of lower income, and Human Resources are able to meet customer requirements. In order to ensure the economic stability of UMKM in the Surakarta city area, the government is also attempting to maintain open access to traditional market sales.
- 3. To avoid restricting access to online sales, every Traditional Market trader must possess in-depth knowledge of digital marketing.
- 4. Government support and special budgets can be given to those who have an impact if the PSBB policy is implemented in a sustainable manner.

## **SUGGESTIONS**

1. In practice, the Government's PSBB policy program should be implemented with continuous improvement quality (continuous quality improvement) in terms outreach, quantity, and development. In order to prevent traditional market traders from feeling disadvantageous, quality improvement ought to be given top priority in the

- socialization planning and solutions for the subsequent PSBB program.
- 2. Multiple efforts can be used to increase socialization and solutions. Socialization and instruction in digital marketing programs that are appealing, user-friendly, and responsive to user feedback are among them. In addition, compliance has increased as a result of an improvement in the quality of the components that support the government's PSBB policy implementation.
- 3. Academically, the SWOT analysis's findings can be used to guide and inform policy evaluations of the government's PSBB program and other areas of expertise.

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