

The Contribution of Micro Small Enterprises in Building Community Economic Independence in Makassar

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DOI: <https://doi.org/10.56293/IJMSSSR.2025.5747>

IJMSSSR 2025

VOLUME 7

ISSUE 4 JULY – AUGUST

ISSN: 2582 – 0265

Abstract: The results showed that Makassar City, as an economic center in Eastern Indonesia, has great potential in the development of SMEs that can improve people's welfare. SMEs play an important role in providing employment, reducing unemployment, and increasing people's purchasing power. To contribute to economic development, SMEs need to improve product quality, utilize digital technology, collaborate with government and educational institutions, and develop human resources. In addition, effective financial management, utilization of local resources, improved access to financing, and strong marketing are important strategies. Thus, SMEs can become the backbone of the local economy, create jobs, and drive sustainable economic growth in Makassar.

Keywords: sustainable partnership, leadership, collaborative management, innovation, SDG

CHAPTER 1 INTRODUCTION

Small and Medium Enterprises (SMEs) play a crucial role in the Indonesian economy, including in Makassar City. SMEs form the backbone of the local economy, contributing significantly to gross domestic product (GDP) and job creation. In Makassar, the SME sector encompasses diverse fields such as trade, services, and creative industries, each making a unique contribution to the economic independence of the community.

SMEs in Makassar serve as a key pillar in strengthening the local economic structure. The existence of SMEs allows for a more equitable distribution of income, while providing a source of income for many families. SMEs, with their flexibility, are able to adapt to market dynamics and local consumer needs, making them a resilient economic buffer against change.

SMEs in Makassar contribute greatly to building the economic independence of the community. By providing business opportunities, SMEs help people reduce dependence on formal employment, which is often limited. The existence of SMEs encourages people to engage directly in economic activities, both as entrepreneurs and workers. This contributes to an increase in people's income and purchasing power, which in turn fuels local economic growth.

SMEs also play an important role in maintaining the circulation of money within the community. Products and services produced by SMEs are generally more affordable and suited to local needs, so people tend to choose to buy local products over products from outside. This helps maintain the stability of the local economy and strengthens the community's economic resilience to global economic fluctuations.

Despite the important role of SMEs, the sector also faces a number of challenges. Access to capital is one of the main constraints faced by SMEs. Many SMEs find it difficult to obtain financing from formal financial institutions due to strict requirements. In addition, managerial skills and access to broader markets are also challenges.

However, behind these challenges, there are many opportunities that can be utilised. Advances in digital technology and the internet open up opportunities for SMEs to market their products more widely through e-commerce platforms. The adoption of digital technology allows SMEs to optimise their operations, improve efficiency, and expand market reach without geographical restrictions.

The Makassar City Government has implemented various programmes and policies to support SME development. Training and capacity-building programmes are one of the government's focuses to improve product quality and competitiveness of SMEs. In addition, the government also provides facilities and incentives to help SMEs overcome various obstacles, such as access to capital and markets.

Cooperation between the government, private sector, and financial institutions is also key in supporting the development of SMEs. With good synergy, various parties can provide comprehensive support to empower SMEs, whether in the form of mentoring, training, or market access.

The existence of SMEs in Makassar also has a significant social impact. In addition to creating jobs, SMEs also play a role in improving people's quality of life. The increased income earned from SME activities enables people to improve their access to health and education services. In addition, SMEs also encourage the development of community skills and capabilities, which in turn improves the competitiveness of the local labour force.

SMEs in Makassar City play an important role in supporting the economic independence of the community. By contributing to job creation, income generation, and strengthening the local economy, SMEs are a key pillar in sustainable economic development. With the right support from the government, private sector, and the community, SMEs can continue to grow and make a greater contribution to the welfare of the people of Makassar.

B. Problem Formulation

1. how is the behavior of SMEs towards the economic activities of the people in the city of Makassar
2. how is the strategy of SMEs in building the economy of the community in the city of Makassar
3. how are government policies related to SMEs in the city of Makassar

LITERATURE REVIEW

A. Small and Medium Enterprises (SMEs)

The definition of small businesses in Indonesia is still very diverse. According to the Department of Industry and Bank Indonesia (1990), a small business is defined based on its asset value, i.e. a business whose assets (excluding land and buildings) are worth less than Rp.600 million. Meanwhile, the Department of Trade defines a small business as one whose working capital is less than Rp.25 million. According to the Central Bureau of Statistics (BPS), a small industry is an industrial business involving a workforce of between 5 and 19 people. Meanwhile, a household industry is an industrial business that employs less than 5 people.

What is meant by medium-sized enterprises according to Presidential Instruction No. 5 of 1998, is a productive business that meets the criteria of net business assets greater than Rp.200,000,000.00 (two hundred million rupiah) up to a maximum of Rp.10,000,000,000.00 (ten billion rupiah) not including the land and building of the place of business and can receive credit from banks of Rp.500,000,000.00 (five hundred million rupiah) up to Rp.5,000,000,000.00 (five billion rupiah).

Another criterion, the type of business seen from the number of employees (labour) employed according to the Central Bureau of Statistics (BPS) is as follows a business that employs no more than 4 (four) people is a household business or micro business, if it employs between 5 (five) people up to 19 (nineteen) people is a small business, if it employs between 20 (twenty) people up to 99 employees is a medium business, and those who employ 100 employees or more are large companies.

The objectives of small business empowerment are (Law of the Republic of Indonesia Number 9 of 1995): a. Grow and improve the ability of small businesses to become strong and independent businesses and can develop into Medium Enterprises, b. Increase the role of Small Businesses in the formation of national products, expansion of employment and business opportunities, increased exports, as well as increased and equitable distribution of income to realise itself as the backbone and strengthen the structure of the national economy.

The government endeavours to foster a business climate for Small Enterprises through the stipulation of laws and policies in the aspects of: Funding, Competition, Infrastructure, Information, Partnership, Licensing, and Protection.

From the aspect of funding, the government sets policies to expand funding sources, improve access to funding sources, and provide convenience in funding. From the aspect of competition, the government stipulates policies to increase cooperation among Small Enterprises in the form of cooperatives, associations, and business group associations to strengthen the bargaining position of Small Enterprises, prevent market structures that may give birth to unfair competition in the form of monopolies, oligopolies, and monopsonies that are detrimental to Small Enterprises, and prevent market control and concentration of business by certain individuals or groups that are detrimental to Small Enterprises.

From the aspect of infrastructure, the government stipulates policies to provide public infrastructure that can encourage and develop small businesses, and to provide tariff relief for certain infrastructure for small businesses. From the aspect of information, the government sets policies to establish and utilise data banks and business information networks as well as procure and disseminate information on markets, technology, design and quality. From the aspect of partnerships, the government sets policies to realise partnerships and prevent the occurrence of things that harm small businesses with medium and large businesses. From the aspect of business licensing, the government sets a policy to simplify the procedures and types of licensing by striving for the realisation of a one-stop service system and providing ease of requirements for obtaining licences.

From the aspect of protection, the government sets policies to determine the allocation of business premises which include providing locations in markets, shopping spaces, industrial centres, smallholder agricultural locations, mining locations; the people, and reasonable locations for street vendors as well as other locations, reserving fields and types of business activities that have specific processes, are labour-intensive, and have special and hereditary cultural values, prioritising the use of products produced by small businesses through direct procurement from small businesses, regulating the procurement of goods and services and government work contracting, and providing legal consultation and defence assistance.

Efforts to foster and develop Small Enterprises are directed at the fields of production and processing, marketing, human resources and technology. Efforts to foster and develop Small Enterprises from the field of production and processing, by improving management capabilities as well as production and processing techniques to improve design and engineering and provide convenience in the procurement of production and processing facilities and infrastructure, raw materials, auxiliary materials and packaging. Efforts to foster and develop Small Enterprises from the field of production and processing, by improving management capabilities as well as production and processing techniques; improving design and engineering; and providing convenience in the procurement of production and processing facilities and infrastructure, raw materials, auxiliary materials, and packaging. Efforts to foster and develop Small Enterprises from the field of marketing, by conducting marketing research and studies to improve management capabilities and marketing techniques; providing facilities and support for promotions and market trials; developing marketing institutions and distribution networks; and marketing Small Enterprise products.

Efforts to foster and develop small enterprises in the field of human resources, by socialising and cultivating entrepreneurship, improving technical and managerial skills, establishing and developing small business education, training and consulting institutions, and providing extension workers and small business consultants.

Efforts to foster and develop Small Enterprises from the field of technology, by increasing capacity in the field of production technology research and quality control, increasing capacity in the field of research to develop new designs and technology, providing incentives to Small Enterprises that apply new technology and preserve the environment, increasing cooperation and technology transfer, fostering and developing research and development institutions in the field of design and technology for Small Enterprises. To improve business capabilities, medium and large enterprises are expected to implement partnerships with small enterprises, both with and without business linkages. Partnerships are implemented with the patterns of core-plasma, subcontracting, general trading, franchising, agency and other forms, accompanied by efforts to foster and develop Small Enterprises. Small enterprises, which are an integral part of the business world in general in Indonesia, have a very important and

strategic position, potential, and role in realising the objectives of national development in general and economic development in particular.

B. Economic Independence

The term 'independence' comes from the root word 'self' which gets the prefix "to" and the suffix 'an', then forms a state word or noun. Because independence comes from the word 'self', the discussion of independence cannot be separated from the discussion of the development of the self itself, which in the concept of Carl Rogers is called the term self, because the self is the core of independence.

The term independence shows confidence in a person's ability to solve problems without help from others. Individuals who are independent as individuals who can solve the problems they face, are able to make their own decisions, have initiative and are creative, without ignoring the environment around them. According to some experts, 'independence' refers to psychosocial abilities that include freedom of action, not depending on the abilities of others, not being influenced by the environment, and being free to manage their own needs.

There are many definitions of independence, all people are born with a helpless condition or need the help of others and depend on the people who are around them. The word independence comes from Autonomy which means something that is independent or stands alone with courage in carrying out obligations to fulfil its life needs. Independence is the freedom of an individual to be able to stand alone, be able to make plans for the future and be free from the influence of others and even parents. According to Havingurts (in the book Desmita, 2010: 186) argues that independence includes several things, including social, intellectual and economic aspects.

Economic independence is a person's ability to manage the economy independently and not depend on others. Economic independence means that a person is able to take the initiative, is able to solve problems on their own without the help of others, and has good self-confidence. It can be said that independence is the state of a person who is able to make decisions and overcome the problems faced without depending on others, and has confidence and a sense of responsibility.

Independence can be interpreted as a person's effort to maintain his survival by breaking away from parents or other people to do something on his own impetus and self-confidence without any influence from the environment and dependence on others, the freedom to take the initiative to manage his own needs and be able to solve problems and obstacles faced without the help of others. Such an ability is only possible if a person has the ability to think carefully about something he does or decides, both in terms of benefits and in terms of negatives and losses that he will experience.

According to Masrun, independence is shown in several forms, namely:

- a. Responsibility, which is the ability to assume responsibility, the ability to complete a task, being able to be accountable for the results of their work, the ability to explain new roles, having principles about what is right and wrong in thinking and acting.
- b. Autonomy, shown by doing one's own tasks, which is a condition shown by actions carried out of one's own will and not the will of others and does not depend on others and has self-confidence and the ability to take care of oneself.
- c. Initiative, shown by the ability to think and act creatively.
- d. Self-Control, strong self-control is shown by controlling actions and emotions, being able to overcome problems and the ability to see other people's points of view.

Independence is the ability to act on one's own judgement and take responsibility for those actions. Independence is also defined as the ability to make decisions and manage one's own life without excessive dependence on others. Independence cannot be completed at one stage of life, but will continue to develop within the individual Benny Susetyo explained that someone is said to be economically independent if they have 5 aspects:

- a. Consumptive debt free

There are two types of debt in terms of its usefulness. First, productive debt, which is debt that is spent on needs that can increase one's income. For example, to start a business, to buy land, for school and the like.

Second, consumptive debt, which is debt that is spent on needs that do not increase income, for example buying a mobile phone or car to follow a lifestyle.

b. Having confidence in business A person who has confidence means that he is not easily provoked to turn around in his business, either when his business is slumping or is quiet. He will continue to look for ways to fill the ravine and then build a hill. He will always monitor his business so that he does not buy items that are considered less important.

c. Having an Investment Investment is investing a capital with the hope that it will grow, any biased capital including money, energy, thoughts and so on. Someone who has an investment is considered to have a far-sighted view, namely seeing how the final result of the process of a business from how the business has been running. Even the failure of an investment will still provide benefits, namely making an investor's view sharper.

d. Able to Manage Cash Flow Cash flow is a person's inflow of funds and outflow of funds. The inflow of funds is usually called income and the outflow of funds is called expenditure or spending. A cash flow is considered good if a person's expenses are smaller than his income so that the rest can be saved or invested. A cash flow is considered bad if a person's expenses are greater than his income so that to meet these expenses, he will seek loans or sell his assets.

e. Mental Readiness for Financial Disruption One's physical readiness in business such as having capital, experience, savings, or insurance is important. But the mental aspect proves to be more dominating in one's success in economic independence. Falling and getting up in business will be a certainty in life, those who have the mentality to get up from every fall will make someone succeed faster than people who don't have it, because such as a crisis or being left by someone you love has proven to be able to bring down an already strong business.

The factors that can affect a person's independence include:

a) Parenting in the family b) The system of life in the community c) The education system

Parameters of Economic Independence Success include: a) Economic independence in a person is characterised by the existence of a business that is carried out economically or has a profit. b) Economic independence is characterised by a person being able to progress and develop. c) A person must also have confidence in carrying out economic activities. d) Have a brave attitude

Community economic empowerment is a necessary step in building a strong state economy and this should be a priority for the government, because if the community's economy is high then the country's economy will also increase. To obtain prosperity for the people in a country requires community economic empowerment which is a programme from the government in improving life skills so that people can meet their needs and make people's living conditions better with entrepreneurship. Economic independence is an attitude where a person can manage and fulfil their own and not depend on others in an activity that aims to obtain the goods and services they need.

C. Community

The word society comes from the Arabic 'syaraka' which means participating or 'musyaraka' which means getting along. According to the KBBI, society is a number of people in the broadest sense and is bound by a culture that they consider the same. The various units of human life in a national state have various forms. The diversity of this form is not because there are different ethnic groups but horizontally there are different layers of social layers. The diversity that occurs attracts humans to be able to interact with each other to cause good communication and create a human association called society. According to Koentjaraningrat in the 2009 revised edition of Introduction to Anthropology, 'Society is a group of people who get along with each other, or in scientific terms interact with each other'. Along with the definition of society according to Koentjaraningrat who characterises society through inter-group interactions, according to the Big Indonesian Dictionary (KBBI) society is a number of humans in the broadest sense and bound by a culture that they consider the same.

Society is a human being who always relates (interacts) with other humans in a group. The ever-changing (dynamic) life of society is something that cannot be avoided. Humans as social creatures always need other humans to fulfill their needs; a human necessity can live individually in their environment. Selo Soemardjan defines society as people who live together and produce culture.

Emile Durkheim defines society as the objective reality of individuals who are its members. The life of a society is a social system in which the parts that exist in it are interconnected with one another and make these parts into an integrated whole. From some of the above definitions of society, it can be concluded that society is groups of people who interact so as to cause communication and have a culture that is considered the same. According to Koentjaraningrat in the 2009 revised edition of Introduction to Anthropology, the elements of society can be divided into six concepts, namely “society, social categories, social groups, groups and associations, an overview of the various forms of human unity, and interactions between individuals in society”.

CHAPTER III RESEARCH METHODS.

Qualitative research type through phenomenological approach

CHAPTER IV. DISCUSSION

A. SMEs' behaviour towards economic activity in Makassar city

The existence of SMEs and Co-operatives as the largest part of all national business entities is a tangible manifestation of the economic life of the Indonesian people. Such a position should place the role of SMEs and Cooperatives as one of the main pillars in developing a populist economic system, but until now its development is still far behind compared to other economic actors. Therefore, the development of SMEs and Cooperatives must be one of the main strategies of national development, the implementation of which is realised seriously with a strong joint commitment and supported by systematic and conceptual efforts consistently and continuously by involving all interested parties (both government, private, and community at the national, regional and local levels).

Small and Medium Enterprises (SMEs) play an important role in the economic dynamics in Makassar City. As the centre of trade and economy in South Sulawesi, SMEs in Makassar not only serve as the main driver of economic growth, but also as an important pillar in social and cultural development. The following are some aspects of SME behaviour and its influence on the economic activities of the community in Makassar:

Contribution to Economic Growth

SMEs in Makassar contribute significantly to the city's gross regional domestic product (GRDP). They operate in various sectors, including trade, services, manufacturing, and culinary. This role creates jobs and supports local economic growth. By creating employment opportunities, SMEs help reduce the unemployment rate and improve the welfare of local communities. In addition, by absorbing local labour, SMEs also play a role in increasing people's income, thereby increasing their purchasing power and consumption.

Innovation and Adaptation

SMEs in Makassar demonstrate a high ability to adapt to changing market and consumer trends. They are often quick to adopt new technologies, such as the use of social media for online marketing and sales. This not only expands their market reach but also helps in improving competitiveness. Innovation in products and services also characterises SMEs in Makassar, making them more relevant in a dynamic market. Examples of such innovations could be Makassar's culinary specialities in modern packaging, or unique and highly marketable handicraft products.

Social Impact

Socially, SMEs play an important role in strengthening community networks. Many SMEs operate as family

businesses, which helps strengthen social ties in the community. In addition, SMEs are often involved in social and community activities, such as skills training for local people or corporate social responsibility (CSR) programmes. This creates a positive effect on social welfare and community solidarity in Makassar. This involvement in social activities not only improves the SMEs' image in the eyes of the community, but also builds customer trust and loyalty.

Despite contributing significantly to the economy, SMEs in Makassar also face various challenges. Access to capital, fierce competition, and changing regulations are the main obstacles. Many SMEs find it difficult to obtain financing from formal financial institutions due to strict requirements. On the other hand, opportunities continue to open up especially with government support in the form of pro-SME policies and capital assistance. Advances in infrastructure and improved access to technology are also opening up new opportunities for SME development. In addition, initiatives such as entrepreneurship training and support for business digitalisation are opportunities that SMEs can take advantage of.

SMEs' business behaviour affects various aspects of society's economic activity. Through interactions with consumers, suppliers, and other business partners, SMEs create value chains that support various economic sectors. SMEs engaged in the culinary sector, for example, not only impact the tourism sector but also influence the agriculture and fisheries sectors through the demand for local raw materials. This impact increases integration between sectors and creates a mutually supportive economic ecosystem in Makassar.

SMEs in Makassar are the backbone of the city's economy, playing an important role in job creation, innovation, and strengthening social networks. Despite facing various challenges, the potential and opportunities for growth remain great. With government support and adaptation to technology, SMEs can continue to contribute to inclusive and sustainable economic growth in Makassar. Their behaviour not only affects the local economy, but also shapes the social and cultural dynamics of local communities. SMEs provide a strong foundation for Makassar's economic future, helping to create a more prosperous and highly competitive city.

B. SME strategies in building. Community economy in Makassar city

Makassar City, as one of the economic centres in Eastern Indonesia, has an important role in the development of the small and medium enterprise (SME) sector. SMEs not only serve as a driver of local economic growth but also as a pillar of community welfare. In this context, SMEs play an important role in providing employment, reducing the unemployment rate, and increasing people's purchasing power.

Amidst global economic dynamics and local challenges, SMEs in Makassar need to develop effective and sustainable strategies to ensure their contribution to economic development. Some of the factors to consider include the utilisation of technology, access to markets, improving product quality, as well as strengthening cooperation networks between business actors. With the right strategy, SMEs can become the backbone of the local economy and contribute significantly to improving the quality of life of people in Makassar City.

Small and Medium Enterprises (SMEs) are the main pillar of economic development in Makassar city. As the economic centre of Eastern Indonesia, Makassar has great potential in developing the SME sector that can improve the welfare of the community. Here are some strategies that can be adopted by SMEs to contribute to economic development in Makassar:

1. Product Quality Improvement

Improving product quality is an important first step. SMEs can focus on developing local products such as speciality foods or handicrafts, ensuring the products meet quality standards. Training and certification for local artisans help improve quality and give consumers confidence, making products more competitive in the market.

2. Use of Digital Technology

Utilisation of digital technology is key for SMEs to expand their market reach. E-commerce platforms and social media can be used to promote products and reach a wider range of consumers, both within and outside Makassar.

An effective digital marketing strategy helps increase visibility and sales, and opens access to international markets.

3. Collaboration with Government and Educational Institutions

Collaboration between SMEs, governments, and educational institutions can yield significant benefits. Governments can support through favourable policies, such as tax incentives and easy licensing. Educational institutions can contribute to research, product development, and labour training, helping SMEs innovate and improve competitiveness.

4. Human Resource Development

Human resource development is critical to the long-term success of SMEs. Training and workshops that focus on upskilling employees will improve productivity and service quality. A skilled and knowledgeable workforce can drive SMEs' innovation and competitiveness in an increasingly competitive market.

5. Effective Financial Management

Good financial management is the foundation of SME success. SMEs need to manage their finances carefully, including cash flow management, debt management, and investment in business development. Financial training for SME owners can help them make better decisions in business management, optimise resources, and ensure business continuity.

6. Utilising Local Resources

Makassar has many local resources that can be utilised by SMEs. By using local raw materials, SMEs can reduce production costs and increase the added value of products. This not only supports environmental sustainability but also strengthens the local economy, creating a mutually beneficial relationship between producers and the local community.

7. Improved Access to Finance

Access to finance is often a challenge for SMEs. Governments and financial institutions can work together to provide affordable and accessible financing schemes. Microfinance programmes or low-interest loans can be a solution for SMEs that need capital to grow their businesses, helping them expand operations and increase production capacity.

8. Marketing and Branding

Effective marketing and strong branding can help SMEs attract more customers. SMEs in Makassar can invest in creative marketing strategies, such as creating attractive logos and product packaging. Strong branding differentiates SME products in a competitive market, builds customer loyalty, and strengthens the company's image.

By adopting these strategies, SMEs in Makassar can play a greater role in the economic development of the community. SME development will not only improve the welfare of business owners, but also positively impact the local economy as a whole, create new jobs, and foster sustainable economic growth in Makassar city.

C. Government policies related to SMEs in Makassar city

Makassar City, as one of the economic centres in eastern Indonesia, has a strategic role in driving national economic growth. Small and Medium Enterprises (SMEs) in Makassar are the backbone of the local economy, contributing significantly to employment and economic equity. In this context, local government policies are crucial to support the development of SMEs to be more competitive and sustainable.

The policies designed by the government focus on various aspects, ranging from providing capital assistance, training, to accessing wider markets. One important initiative is the provision of easier and more affordable access to capital through partnership programmes with banks and other financial institutions. In addition, the government is also endeavouring to improve the capacity of SMEs through various entrepreneurship, management, and technology trainings that are relevant to current market developments.

In the midst of increasingly fierce global competition, the Makassar city government is trying to encourage the digitalisation of SMEs as one of the strategies to improve competitiveness. Through various digitalisation programs, SMEs are expected to be able to more easily market their products, both in local and international markets. In addition, the government also supports the implementation of various exhibitions and expos to introduce Makassar's SME products to a wider audience.

In the long run, the success of government policies in supporting SMEs in Makassar will not only be measured by the number of SMEs that survive, but also by how far these SMEs can grow and compete in a wider market. With these efforts and support, it is hoped that SMEs in Makassar can continue to grow and contribute more to the regional and national economy. Next, let's delve deeper into the specific policies that have been implemented and their impact on the development of SMEs in the city.

Based on the Ministry of Cooperatives and SMEs of the Republic of Indonesia, the Ministry is currently developing a strategic plan (Renstra) for Cooperatives and SMEs 2020-2024. In the Strategic Plan (Renstra) of the Ministry of Cooperatives and SMEs for 2020-2024, there are 5 (Five) main policies, namely:

Based on the Ministry of Cooperatives and SMEs of the Republic of Indonesia is preparing a strategic plan (Renstra) of Cooperatives and SMEs 2020-2024. In the Strategic Plan (Renstra) of the Ministry of Cooperatives and SMEs for 2020-2024 there are 5 (Five) main policies, namely:

1. Improve the quality of human resources through increased entrepreneurship, vocational training and business development services
2. Improve access to financing through the provision of People's Business Credit (KUR), revolving funds and various non-banking alternative financial services;
3. Improving product added value and marketing access through the application of quality standard technology and product certification, improved facilities and promotion;
4. Increasing business scale through cooperative promotion of cluster development and business networks;
5. Improving the business climate through simplifying business registration producers;
6. Improving the utilisation of cooperative health index for incentive and disincentive purposes;
7. Increasing the role of cooperatives in national development (production, infrastructure and exports);

Makassar City Government has implemented various policies to support Small and Medium Enterprises (SMEs) which are the backbone of the local economy. Here are some of the main policies implemented:

1. **Access to Capital:** The government is working with banks and financial institutions to facilitate easier access to capital for SMEs. These programmes include low-interest loans and microfinance to help SMEs start or expand their businesses.
2. **Training and Development:** Various training programmes are organised to enhance the capacity and skills of SMEs. The training covers business management, marketing, finance, and the use of digital technology to improve efficiency and competitiveness.
3. **Digitalisation of SMEs:** In the face of the digital age, the government is encouraging SMEs to move to digital platforms. The programme involves e-commerce training, the use of social media for marketing, and support for building online stores, so that SME products can reach a wider market, both domestic and international.
4. **Promotion and Marketing:** The government supports the promotion of SME products through regularly held exhibitions and expos. These events not only increase the visibility of SME products but also help in establishing new business networks and opening up export opportunities.

5. **Regulatory and Licensing Support:** The government endeavours to simplify the licensing and regulatory processes that are often an obstacle for SMEs. With this policy, it is expected that administrative processes will become more efficient and transparent.

These policies aim to create a business ecosystem that is conducive to the growth of SMEs in Makassar. The impact is expected to not only improve the competitiveness of SMEs locally, but also boost their contribution to the national economy. With the right support, SMEs in Makassar can grow more rapidly and sustainably

Conclusion

SMEs in Makassar City play an important role in local economic growth, contributing to GRDP through the trade, service, and culinary sectors. They create jobs, reduce unemployment, and improve community welfare. With high adaptability, SMEs adopt digital technology and undertake product innovation. Socially, they strengthen communities and engage in social activities. Despite capital and competitive challenges, development opportunities remain great with government support. SMEs form an inclusive and sustainable economic ecosystem, providing a strong foundation for Makassar's economic future.

Makassar City, as the economic centre of Eastern Indonesia, has great potential in developing SMEs that can improve people's welfare. SMEs play an important role in providing employment, reducing unemployment, and increasing people's purchasing power. To contribute to economic development, SMEs need to improve product quality, utilise digital technology, collaborate with government and educational institutions, and develop human resources. In addition, effective financial management, utilisation of local resources, improved access to financing, and strong marketing are important strategies. Thus, SMEs can become the backbone of the local economy, create jobs, and drive sustainable economic growth in Makassar.

Makassar City, as the economic centre of Eastern Indonesia, plays an important role in national economic growth with SMEs as its backbone. The government supports SMEs through policies on capital, training, digitalisation, and promotion. These initiatives include easy access to financing, entrepreneurship training, digitalisation for competitiveness, and promotion through exhibitions and expos. These policies aim to create a conducive business ecosystem, improve competitiveness, and contribute to the national economy. With such support, SMEs in Makassar are expected to grow sustainably.

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