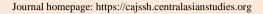
CENTRAL ASIAN JOURNAL OF SOCIAL SCIENCES AND HISTORY

VOLUME: 04 ISSUE: 12 | DEC 2023 (ISSN: 2660-6836)



CENTRAL ASIAN JOURNAL OF SOCIAL SCIENCES AND HISTORY





The Role of Sambal Pecel and Tempe Chips Businesses in Encouraging the Growth of Umkm in Kanigoro Village, Kartoharjo Sub-District, Madiun City

Sunarso, Amrih Yuwono, Ester Kristanti Setyaningtyas

University of Merdeka Malang, Indonesia

Abstract:

Micro, Small and Medium Enterprises play an important role in improving the welfare of the community in various regions, including in Kanigoro Village, Kartoharjo District, Madiun City. The chili pecel and tempe chips business is a type of culinary business that is popular in Indonesia and the research has the aim of knowing and analyzing the role of the chili pecel and tempe chips business in encouraging the growth of MSMEs in Kanigoro Village, Kartoharjo District, Madiun City. The method of data collection is observation and in-depth interviews, while the analysis is by reviewing the data that has been obtained and then making a reduction. The results and discussion explain the existence of successful local or regional MSMEs such as the tempe chips and sambal pecel businesses in the Kanigoro area has resulted in increased demand for local raw materials, products and services, thereby encouraging local economic growth. This can lead to a multiplier effect where the growth of one MSME will encourage the growth of other MSMEs and support related economic sectors. The existence of the tempe chips and sambel pecel industry revives the demand for soybean and peanut raw materials. In addition, it also revives other business actors engaged in marketing, such as souvenir shops, stalls, itinerant traders, food stalls and so on. The large number of MSMEs creates a conducive environment for the growth and development of MSMEs in this region.

ARTICLEINFO

Article history:
Received 09-Oct-23

Received in revised form 15-Oct-23 Accepted 30-Nov-23

Available online 31-Dec-2023

Key word: Tempe chips, growth, Sambal Pecel, MSMEs.

INTRODUCTION

Micro, Small and Medium Enterprises play an important role in advancing the socio-economy of communities in various regions in Indonesia. Some of the added values that MSMEs have are a large number spread in various parts of the region, a variety of diverse business fields and a large absorption of labor. In 2022, according to the Ministry of Cooperatives, Small and Medium Enterprises (Kemenkop UKM), the number of MSMEs in Indonesia was 8.71 million business units. Java Island has the largest number, with 1.49 million in West Java, 1.45 million in Central Java, and 1.15 million in East Java. The three provinces with the smallest number are West Papua with 4.6 thousand units, North Maluku with 4.1 thousand units and Papua with 3.9 thousand units. The business sector covers almost all community needs ranging from food consumption (culinary), clothing, and recreational needs such as souvenirs, household appliances and so on. Meanwhile, the labor absorbed in each MSME is 1 to 4 people. By looking at the large role of MSMEs, it is only natural that the government consistently implements an optimal MSME empowerment program.

According to Bapenas, MSMEs contribute significantly to expanding employment opportunities, absorbing labor, building gross domestic product (GDP), and providing a safety net for productive economic activities, especially for low-income groups. The role of MSMEs is not only felt in developing countries, but also in developed countries and their contribution to GDP can be seen. Previously, during the COVID-19 pandemic, MSMEs became one of the important options for economic recovery by the government, due to their characteristics that are very simple, small, and easy to run independently. The low access to banking among MSMEs also has a positive impact because the majority of MSMEs do not take capital loans from banks but from their own capital through personal savings so that the downturn in the banking sector and rising interest rates have little effect on the existence of MSMEs (Kristiyanti, 2015).

Empirical experience shows that MSMEs are the backbone of the national economy. A press release from the Coordinating Ministry for Economic Affairs of the Republic of Indonesia dated October 1, 2022 stated that MSMEs have a very large role in Indonesia's economic growth, and the number reaches 99% of all business entities. The contribution of small and medium enterprises to GDP reaches 60.5% and their labor absorption reaches 96.9% of the total national labor absorption. So it is no exaggeration if MSMEs are called the critical engine for our economy to progress. In difficult economic situations, the lower class can still survive because of their existence. MSMEs are one of the industries that are able to develop and survive in the national economy. As the name suggests, this business is usually run by people who do not have large funds to start their business. Starting this business does not require large capital, nor does it require a special level of education or special skills and abilities. The types of MSMEs also vary from catering, clothing, household appliances, agricultural products, and others. (Mane, 2022)

In the future, the existence of MSMEs is increasingly needed as an alternative to the business world. This cannot be separated from future employment trends, as stated by (Adha, 2020) who showed his concern about the explosion of unemployment in the future. Entering the Industrial Era 4.0 has a significant impact on the state of employment in Indonesia. Smart factories require little human labor, except for a few high-skilled workers. Therefore, it is expected that many workers will become unemployed due to limited job opportunities and high skill levels. Without Industry 4.0, many countries, including Indonesia, would face unemployment problems. In addition, the implementation of Industry 4.0 adds to the burden of countries to address issues such as labor skill upgrading, rising unemployment, and social inequality.

Without diminishing the importance of a competent and digitally talented workforce, labor conditions in the Industrial Age 4.0 leave workers who are not absorbed by the market. Then where are they accommodated? Of course, the answer is towards entrepreneurship and MSMEs. This is where the importance of this research is to show the role of MSMEs in supporting the national economy. MSMEs are labor-intensive businesses, do not require certain requirements such as a high level of education, the most important thing is to have a fighting spirit, pragmatic skills and the foresight to take advantage of opportunities. In addition, MSMEs also do not require large capital, making them a realistic option for solving the unemployment problem.

MSMEs play an important role in improving the welfare of communities in various regions, including in Kanigoro village, Kartoharjo sub-district, Madiun city. Based on (Madiun, 2022) there are activities such as Matching Domestic Product Procurement (PDN) and MSMEs also show a commitment to supporting MSMEs, which can have an impact on community welfare. Several previous studies have shown the contribution of MSMEs in improving community welfare. A study on the role of MSMEs in improving community welfare in Palangkaraya city found that the presence of MSMEs significantly improved community welfare (Ahmad Fauzi Nurhidayat, 2023). In addition, a case study in Karawang also highlighted efforts to empower MSMEs to improve the welfare of the local community. (Mochammad Rouf, 2023). In addition, the policy of increasing the Regency / City Minimum Wage (UMK) can also have an impact on community welfare, as happened in the city of Depok, which increased the UMK by 7.25 percent (Depok, 2022).

Kanigoro Village is one of the villages in Kartoharjo Subdistrict, Madiun City. The area of Kelurahan Kanigoro is 162.194 Ha or 2.95724 km2. The total population at the end of 2022 was 9,105 people consisting of 3,126 families, detailed in the male population of 4,494 people and 4,611 women, the age group 0 to 15 was 2,214 people and the age group 15 to 65 years was 6,397 people and the age group 65 years and over was 483 people.

The empowerment of MSMEs has been mandated in Law Number 20 of 2008, namely in article 1 paragraph (10), stating that its development is aimed at strengthening the capacity and competitiveness of small and medium enterprises, as well as the business world and is a community initiative. Small and medium enterprises. and junior high schools. Furthermore, the obligation to strengthen and develop MSMEs, especially in local governments, is also regulated in Law No. 23/2014 on Local Government. Article 12(2)(k) stipulates that there are government obligations that are not related to essential services, including cooperatives and small businesses. This means that each region needs a cooperative and small business management unit. This company is expected to be the driving force for the growth and development of small and medium enterprises.

According to Agus Saminu (Kanigoro Village Official), the famous products from Kanigoro are tempe kripik and sambel pecel. This business has good prospects as a supporter of Madiun Kota Pecel, where there are many pecel stalls in Madiun City. To accommodate and sell MSME products, the Mayor of Madiun requires the construction of stalls in each village. For this reason, the Kanigoro Village Government established Lapak Kampir, in addition there are also other stalls owned by individuals such as Endhes, Omah Jujugan and craft shops and souvenir centers which further enliven the economic stretch of Kanigoro Village.

The sambal pecel and tempe chips business is a popular type of culinary business in Indonesia. Sambal Pecel is a typical chili sauce made from peanuts, chili, brown sugar, and other spices, often served with vegetables such as bean sprouts and kale. Meanwhile, tempe chips are a snack made from tempe that is

thinly sliced and fried until crispy. Both products have great market potential and can be promising business opportunities in various regions, including in Madiun and Blitar. (Maksindo, n.d.)

In relation to MSMEs in the Kanigoro urban village area, the problem is formulated how the role of chili pecel and tempe chips in encouraging the growth of MSMEs in Kanigoro Village, Kartoharjo District, Madiun City. Meanwhile, the purpose of the study was to determine and analyze the role of chili pecel and tempe chips in encouraging the growth of MSMEs in Kanigoro Village, Kartoharjo District, Madiun City.

RESEARCH METHODS

In this research, a descriptive qualitative method is used, which is commonly used to study social, historical, and behavioral problems. One of the reasons for using a qualitative approach is the researcher's experience that the method can explain what social phenomena are. According to (Nazir, 2014), the descriptive method is a method for examining the current state of people, objects, situations, systems of thought, or series of events. The purpose of this descriptive research is to describe, illustrate, or explain the relationship between the facts, characteristics, and phenomena studied systematically, objectively, and accurately.

Data was collected through interviews with informants, particularly Kanigoro village officials, business owners, and community leaders. This was also done through observation and documentation of many MSMEs. Data analysis then began by considering all data obtained from various sources: interviews, observations recorded in field notes, personal documents, official documents, drawings, photographs, and others (Moleong, 2002). The next step is a data reduction or selection process that focuses on simplifying, abstracting, and transforming the rough data obtained from written notes in the field. Data reduction is a form of data analysis that sharpens, categorizes, directs, eliminates unnecessary things, and organizes data so that final conclusions can be drawn and verified (Moleong, 2002).

RESULTS AND DISCUSSION

The sambal pecel and tempe chips business can play a role in stimulating the growth of MSMEs in Kanigoro Village, Kartoharjo District, Madiun City. There are several reasons why the chili pecel and tempe chips business can help the growth of MSMEs in this area, namely: 1). Products that have great market potential: Sambal pecel and tempe chips are popular food products in Indonesia, so they have great market potential in the region. 2) Easily available raw materials: Raw materials for making sambal pecel and tempeh chips are easily available in the region, so they can help MSMEs in reducing production costs. 3) Opportunities to increase product added value: MSMEs can increase the added value of products by providing a variety of flavors and attractive packaging for consumers. 4) Increase employment: With the growth of MSMEs in this region, employment opportunities will be created for the local community. 5) Improving the local economy: The growth of MSMEs can help improve the local economy by increasing community income and reducing unemployment. Thus, the sambal pecel and tempe chips businesses can play an important role in encouraging the growth of surrounding MSMEs.

Several government programs aimed at improving the welfare of the community in this region include: Development of tourism potential: There are efforts to develop tourism potential that is expected to improve the economy of the community in the kelurahan, Village/Kelurahan Competition and PKK Core Program: The village competition program and the assessment of the 10 main PKK programs can also be part of the government's efforts to improve community welfare in Kanigoro Village,

Infrastructure Development: The Madiun City government continues to be active in infrastructure development to spur economic growth, reduce unemployment, and improve community welfare. Infrastructure development is considered a strategic step in supporting economic development at the national and regional levels.

Kanigoro Village is located in Kartoharjo Subdistrict, Madiun City. It has a vision of realizing a more advanced and prosperous Kanigoro Village. While the mission of Kanigoro Village is to serve quickly and precisely, provide accurate information, have dedicated and ready to serve employees, provide swift, polite, greeting and greeting services.

The area of Kelurahan Kanigoro is 162.194 hectares or 2.95724 km2. The total population at the end of 2022 is 9,105 people consisting of 3,126 households, detailed in male population of 4,494 people and female population of 4,611 people, age group 0 to 15 as many as 2,214 people and age group 15 to 65 years as many as 6,397 people and 65 years and over as many as 483 people.

The composition of the population by livelihood is as follows:

Table 1: Composition of the Population by Livelihoods

No	Livelihood	Male	Female	Total
1	Public servant	184	188	372
2	Honorary employees	14	16	30
3	Private employees	1.145	544	1.689
4	BUMN employees	98	32	130
5	BUMD employees	8	4	12
6	MILITARY	57	1	58
7	Police	47	2	49
8	Other regional officials	6	2	8
9	Retirees	185	136	321
10	Traders	31	19	50
11	Farmers	31	15	46
12	Teacher	18	59	77
13	Lecturer	17	15	32
14	Doctor	8	9	17
15	Midwife	-	8	8
16	Nurse	9	9	18
17	Industry	5	1	6
18	Housemaid	-	28	28
19	Student / college student	982	899	1.881
20	Unemployed	848	820	1.668
21	Casual laborer	123	30	153
22	Farm laborer	15	10	25
23	Self-employed	537	314	851
24	Handyman	40	-	40
25	Driver	11	-	11

Source: Kanigoro Village, 2023

Table 1 shows that there are 1,668 people who are unemployed, 178 casual laborers and farm laborers. Meanwhile, 851 people work as entrepreneurs, while 6 people work in the industrial sector.

According to Kanigoro Village Head Dyah Ayu Nawangwulan, there are several MSMEs whose businesses exist and show development, namely sambel pecel, tempe chips, batik cloth, crackers and various crafts. For those who have similar businesses, they are incorporated in a Joint Business Group (KUB), such as the tempe chips KUB and the sambel pecel KUB. The Government of Madiun City is seriously fostering MSMEs through training programs such as business management training, production techniques, packaging, digital marketing and also capital assistance.

The income or profit obtained from MSME actors is as follows:

1. Tempe chips

Table 2: Cost of One Tempe Chips Production

NO	DESCRIPTION	AMOUNT	PRICE Rp	COST Rp
1	Soybeans	10 Kg	15.000	150.000
2	Gas	1 Tube 3 Kg	20.000	20.000
3	Cooking oil	15 kg	15.000	225.000
4	Rose Brand	2 boxes	13.000	26.000
5	Yeast	1 Plastic	13.000	13.000
6	Plastic	1 kg	40.000	40.000
7	Seasoning		15.000	15.000
		TOTAL		489.000

Source: UMKM Kripik Tempe Kurnia Kanigoro, 2023

Table 2 above shows the cost of one-time production at Kurnia Kanigoro's tempe kripik business is Rp.489,000 which consists of the cost of purchasing soybeans, gas, cooking oil and seasonings. In one production process, it can produce 130 packs of tempeh chips which are sold per pack for IDR 8,000. The production process every 2 (two) days if multiplied in one month, the total cost is around Rp 7,335,000. While for sales 130 packs X Rp 8,000 X 15 so that the total is Rp 15,600,000. So the profit that can be obtained in one month is IDR 15,600,000-Rp7,335,000 = IDR 8,265,000.

2. Sambel Pecel

Table 3: Cost of One Time Production of Sambel Pecel

NO	DESCRIPTION	QUANTITY	PRICE Rp	COST Rp
1	Groundnut	1 Kg	34.000	34.000
2	Red chili	100 grams	2.000	2.000
3	Cayenne pepper	150 grams	5.000	5.000
4	Brown Sugar	250 grams	4.500	4.500
5	White Sugar	100 grams	1.500	1.500
6	Orange leaf	10 grams	4.000	3.000
7	Spices (garlic,		10.000	5.000
	tamarind, salt)			
		Total		55.000

Source: UMKM Sambel Pecel Girly Kanigoro

The data in Table 3 shows that the cost of one-time production of sambel pecel is Rp.55,000 which consists of the cost of peanuts, chili, sugar and other spices. In one production process, it can produce 1.5 kg which is then packaged into 6 packs (@ 250 grams) sold at a price of IDR 15,000 per pack. The production process in 1 week is 20 kg, if summed up for one month the total production cost is around Rp 4,400,000 and produces 120 packs. As for sales of 120 packs X Rp 15,000 X 4 = Rp. 7,200,000. So the profit that can be obtained in one month is Rp.7,200,000-Rp. 4,400,000 = Rp. 2,800,000.

3. Smock Fabric

Smock is a technique of sewing skills by pulling threads and interspersed with sewing following a certain pattern repeatedly and regularly so as to produce wrinkles of artistic value. The smock technique can be applied to clothing, seat cushions, handbags, hats, shoes, sandals and so on. According to Eny Toha, a resident of Kanigoro Village who started a business as a craftsman in 2020, she can earn around Rp 1,000,000 per month.

4. Batik Cloth

There are 2 (two) batik craftsmen in Kanigoro Village, namely Batik Lia Lio and Batik Aruny. Batik Lia Lio departs from local wisdom with the theme Batik Pendekar, but in the development process it follows the feysen trend and market demand. According to the business owner of Lia Lio, this MSME was established in 2019 (during the pandemic) and until now employs 3 employees each as nyanthing, tailor and model designer. On average, in one month they are able to earn a gross income of 10,000,000. Meanwhile, Batik Aruny has the theme of Sekar Kenikir handmade batik, which is claimed to be a batik that represents the characteristics of Kanigoro Village. According to business owner Eny Mujayanah, in one month she is able to obtain a gross income of 5,000,000.

5. Krupuk Sunar

Krupuk Sunar is an MSME that produces various kinds of crackers which have been a hereditary business since 1978. During the covid 19 pandemic, many people experienced a socio-economic impact where business actors were affected because they had to close their businesses and did not earn income like before this pandemic occurred (Amrih Yuwono, 2023). Krupuk Sunar survived the pandemic and can support the surrounding community.

This cracker factory employs 8 employees and has the ability to make profits in a day up to 3 million or 90 million in a month. Krupuk Sunar in its production uses appropriate technology, namely garangan as a solution to replace sunlight to dry raw crackers in the rainy season.

Based on the data above, MSMEs have the following roles:

1) Reducing poverty and social inequality

Basically, the existence of MSMEs opens up opportunities for someone from a group that is less economically disadvantaged to get a better life. Based on the history of the establishment of several MSMEs, some are hereditary legacies from families that still exist and develop, and there are also MSMEs that have just been born from the younger generation. Both have a role in reducing poverty and social inequality, namely by employing the surrounding population, especially women and marginalized groups.

From the results of observations and interviews with several MSME actors in Kelurahan Kanigoro, data was obtained that the average absorption of labor is as follows:

No **Type of Business** Number Labor force 1 Catering/depot 258 546 2 Mracang 289 289 5 Tempe chips 75 150 6 Sambel pecel 125 250 7 Salon 5 10 9 Tailor 15 15 10 5 Salted egg 10 2 11 Batik cloth 6 12 Crackers factory 2 12 13 1 Tofu factory 10 **TOTAL** 777 1.298

Table 4: MSME Labor Absorption

Source: Kanigoro Village, 2023

From table 4, it can be said that the number of labor absorption is 1,298 people. This number plays an important role in the absorption of labor from the laboring population and those who are not yet working. In general, employees come from their own family members, neighbors, and also community members from outside Kanigoro Village.

2) Economic empowerment

This role is very important because MSMEs provide opportunities for community members to become entrepreneurs and start their own businesses. By becoming an entrepreneur, it means that someone has succeeded in managing their skills to be used professionally as a livelihood. All of this can encourage community economic empowerment. Owning one's own business allows a person to control their income, increase financial independence, and reduce dependence on formal employment. According to Emi Soeprihatin (sambel pecel entrepreneur) starting a business requires determination and belief to achieve success. In addition, it is also disciplined in managing finances and observant of market needs and willingness to listen to customer complaints. During the covid 19 pandemic, it was a difficult time but brought wisdom, namely the start of online sales. And finally, after the pandemic passed, sales were carried out online and offline. The situation in Kanigoro Village, where there are many MSMEs, stimulates local residents to be creative in utilizing business opportunities. Once the entrepreneurial spirit is imprinted in an individual, it turns out to be able to increase creativity to add economic value to an object. As done by Mrs. Emi's husband, whose business activities have stagnated due to the pandemic requiring him to be more at home, which actually gave birth to the idea of utilizing used mineral water bottle packaging into craft products, including sofas or lounge chairs.

3) Local economic growth

MSMEs often operate in local or regional areas. The presence of successful MSMEs such as tempeh chips and sambal pecel in the Kanigoro area can increase the demand for local raw materials, products and services and encourage local economic growth. This can lead to a multiplier effect where the growth of one MSME can stimulate the growth of other MSMEs and encourage the growth of related economic sectors. The existence of tempeh chips, sambel pecel, and tofu factories stimulates demand for soybean and peanut raw materials. In addition, it also revives other businesses engaged in marketing, such as souvenir shops, stalls, street vendors, food stalls and so on.

According to Agus Saminu (Kanigoro Village Official), the famous products from Kanigoro are tempe kripik and sambel pecel. This business has good prospects as a supporter of Madiun Kota Pecel, where there are many pecel stalls in Madiun City. To accommodate and sell MSME products, the Mayor of Madiun requires the construction of stalls in each village. For this reason, the Kanigoro Village Government established Lapak Kampir, in addition there are also other stalls owned by individuals such as Endhes, Omah Jujugan and craft shops and souvenir centers which further enliven the economic stretch of Kanigoro Village.

4) Increased income and purchasing power

Successful MSME actors can ultimately increase their income and ability to consume. In addition to meeting the need to strengthen their business capital, they are also able to finance daily expenses, not only basic needs but also other needs such as children's education to college level, repairing houses, buying motor vehicles and so on. With increasing income and consumption, it means that there is an increase in the fulfillment of needs for the better.

(Herdiansyah, 2019) conveyed that community empowerment is an effort to solve the problem of poverty is actually bottom-up, where the community is positioned as the main actor who must be self-help and independent. Based on this, the human factor is positioned as the subject of development, not the object of development. Because in essence empowerment has the aim of making people independent of their own accord without coercion from other parties.

The basic principle of MSMEs is that they are micro-enterprises owned and operated by individuals or small groups. They often produce locally and their outputs and services consist of both traditional manufacturing and advanced technology. The appeal of MSMEs is in their flexibility, creativity and adaptability to meet market demands. With this uniqueness, MSMEs have the resilience to face the economic crisis that hit the large-scale business world. (Surva, 2015.) said that according to its development. MSMEs are classified into four groups. 1) Livelyhood Activity. They are known as informal sector business groups whose businesses are considered as employment and are used to generate daily income to meet livelihood needs. An example is street vendors. 2) Micro Enterprise, which is a group of businesses engaged in craft activities. They have the ability to produce products, but do not have an entrepreneurial spirit in developing their products. 3) Small Dynamic Enterprise, which is a group of companies that operate businesses, have an entrepreneurial spirit and can subcontract and export. 4) Fast Moving Enterprise. In addition to being entrepreneurial, this group of companies aims to become a large company and develop its business. Based on this development phase, in general, MSMEs that thrive in remote areas of Indonesia are the Livelyhood Activity and Micro Enterprise groups. However, with partnerships and government support, MSMEs can also grow into Small Dynamic Enterprise and Fast Moving Enterprise.

Then how does the role of MSMEs improve community welfare? (Vinatra, 2023) said that there are 4 (four) roles of MSMEs, namely: 1) Reduction of poverty and social inequality; 2) Economic empowerment; 3) Local economic growth; 4) Increased community income and consumption. Although the four roles are indicators of welfare from the material aspect, they are at least an entry point to real welfare, namely the material and spiritual aspects. According to (Gunartin, 2017) MSMEs have a role and strategy in the country's economic development. Apart from playing a role in economic growth and employment, MSMEs also play a role in socializing development results. Meanwhile, according to (Arsyi Anistia Safari dkk, 2023) The most obvious role of MSMEs is in absorbing labor,

and because the characteristics of the workforce in this sector do not require as many requirements as large companies, MSMEs can contribute to improving the local economy.

Particularly in the Madiun City area, the City Government has provided facilities and infrastructure for the development of MSMEs, namely by picking up the ball in managing the Business Identification Number (NIB), processing halal certification, building stalls in each village, providing souvenir center outlets, and business management training. These efforts are carried out intensively to all urban villages, including Kanigoro Village, Kartoharjo Subdistrict. All of this was done due to the fact that MSMEs have a big role in supporting the community's economy. However, this role often does not appear prominent because in general, the community believes that MSMEs are only for fulfilling basic needs, so they are less interested in pursuing entrepreneurship through MSMEs.

CONCLUSION

The dominant role of MSMEs in an area can also stimulate the existence of other sectors such as agriculture as a provider of raw materials, transportation and marketing sectors. In addition, dominant MSMEs also play a role in improving the quality of life of the community, such as the level of education, health, housing and security. The presence of successful local or regional MSMEs, such as tempe chips and sambal pecel in the Kanigoro area, has the effect of increasing demand for local raw materials, products and services, thereby encouraging local economic growth. This can lead to a multiplier effect where the growth of one MSME can stimulate the growth of other MSMEs and encourage the growth of related economic sectors. The existence of tempeh chips, sambel pecel, and tofu factories stimulates demand for soybean and peanut raw materials. It also stimulates other businesses engaged in marketing, such as souvenir shops, stalls, street vendors, food stalls and so on. The large number of MSMEs creates a conducive environment for the growth and development of MSMEs. Business actors make fellow MSMEs as partners as well as competitors. The role of MSMEs is not only to fulfill basic needs, but also to absorb the labor of the surrounding environment without requiring high educational requirements. This is very instrumental in reducing poverty and social inequality.

Bibliography

- 1. (n.d.). (Retrieved from Maksindo: https://www.tokomesin.com/peluang-usaha-sambel-pecel-kacang-tanah-dan-analisa-usahanya.html
- 2. Adha, L. H. (2020, December). Industrial Digitalization and its Effect on Employment and Work Relations in Indonesia, . Journal of Legal Compilation, Volume 5, (No. 2). Retrieved from http://jkh.unram.ac.id
- 3. Ahmad Fauzi Nurhidayat, E. I. (2023, April). The Role of Micro, Small and Medium Enterprises in Improving Community Welfare in Palangkaraya City. Imagine Journal, 3(1). Retrieved from https://jurnal.std-bali.ac.id/index.php/imagine
- 4. Amrih Yuwono, S. C. (2023, February). Patterns of Credit Installment Delays in Increasing Business Capacity during the Covid-19 Pandemic for Revolving Fund Customers of MSME Actors. JIIP (Scientific Journal of Education Science), 6(2), 931-937. doi:https://doi.org/10.54371/jiip.v6i2.1636
- 5. Arsyi Anistia Safari et al. (2023). The Role of Tofu Micro, Small and Medium Enterprises (MSMEs) in Improving Community Welfare (Study of Tofu MSMEs in Mendis Village, Musi

- Banyuasin Regency). MUQADDIMAH: Journal of Economics, Management, Accounting and Business, Vol. 1, (No. 4). doi:DOI: https://doi.org/10.59246/muqaddimah.v1i4.430
- 6. Depok, P. K. (2022, December). Legal, Depok City Minimum Wage in 2023 Increases by 7.25 Percent. Retrieved from Depok News: https://berita.depok.go.id/sah-upah-minimum-kota-depok-tahun-2023-naik-sebesar-725-persen
- 7. Gunartin. (2017). Strengthening MSMEs as a Pillar of Building the Nation's Economy. Journal of Education, Law and Business, Vol.2 (Number 2). Retrieved from http://www.openjournal.unpam.ac.id/index.php/Eduka/article/view/3764
- 8. Herdiansyah, I. (2019). Empowerment in the Perspective of Sustainable Development Case Study of the Sokokembang Forest Community Empowerment Strategy of NGO swaraOwa in Pekalongan Regency. E-Jornal UNDIP. Retrieved from https://ejournal3.undip.ac.id/index.php/jpgs/article/download/24082/21840
- 9. Kristiyanti, M. d. (2015, June). Website as a Marketing Media for MSME Featured Products in Semarang City, . Journal of Management Applications, Volume 13 (Number 2,).
- Madiun, P. K. (2022). DEPUTY REGENT OF MADISON BUSINESS ATTENDS MATCHING PROCUREMENT OF DOMESTIC PRODUCTS (PDN) AND MICRO SMALL MEDIUM ENTERPRISES (UMKM) IN 2022. Retrieved from https://madiunkab.go.id/wakil-bupati-madiunbusiness-hadiri-matching-pengadaan-produk-dalam-negeri-pdn-dan-usaha-mikro-kecil-menengahumkm-tahun-2022/
- 11. Mane, A. A. (2022). The Role of MSMEs in Increasing Community Income in Kaloling Village. Journal of Management (YUME), Volume 5(Issue 3), Pages 341 346,.
- 12. Miles, M. B. (2019). Qualitative Data Analysis. Jakarta: University of Indonesia.
- 13. Mochammad Rouf, D. Y. (2023, August). THE ROLE OF SMES IN EFFORTS TO IMPROVE THE WELFARE DEVELOPMENT OF THE KARAWANG COMMUNITY (CASE STUDY AT THE KARAWANG SME COOPERATIVE OFFICE). Economina Journal, 2(8). doi:doi.org/10.55681/economina.v2i8.696
- 14. Moleong, L. J. (2002). Qualitative Research Methods. Bandung: Teenage Workshop.
- 15. Nazir, M. (2014). Research Methods. Jakarta: Ghalia Indonesia.
- 16. Surya, D. (2015). Management of Cooperatives and SMEs. . Serang: Untirta Press.
- 17. Vinatra, S. (2023, September). The Role of Micro, Small, and Medium Enterprises (MSMEs) in the Economic Welfare of the State and Society, . Journal of Public Accountants, Vol. 1, (No. 3), pp. 01-08. doi:DOI: https://doi.org/10.59581/

Law

- 18. Law of the Republic of Indonesia Number 20 of 2008 concerning MSMEs (Micro, Small and Medium Enterprises)
- 19. Law Number 23 of 2014 concerning Regional Government

Report

- 20. https://madiunkab.go.id/wakil-bupati-madiun-business-hadiri-matching-pengadaan-produk-dalam-negeri-pdn-dan-usaha-mikro-kecil-menengah-umkm-tahun-2022/
- 21. https://kominfo.jatimprov.go.id/berita/dpmd-jatim-gelar-lomba-desa-kelurahan-dan-pelaksana-terbaik-10-program-pokok-pkk
- 22. https://sippn.menpan.go.id/instansi/138685/pemerintah-kota-madiun/kecamatan-kartoharjo
- 23. https://madiunkab.go.id/pemerintah-kabupaten-madiun-terus-giatkan-pembangunan-infrastruktur-demi-kesejahteraan-rakyat/