Economic Growth, Gaps and Poverty of the Development in Makassar City During the Covid-19 Pandemic

Mustari
Faculty of Economics, Makassar State University, Indonesia

Corresponding Author: Mustari mustari7105@ unm.ac.id

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ABSTRACT
This research was designed to determine the effect of COVID-19 on economic growth, inequality and poverty in Makassar. This research was conducted qualitatively before being described descriptively. Researchers use phenomenological methods in their investigations. The input pooling approach used in this research is interviews. The resource persons in this research were housewives affected by COVID-19 in the Makassar area. The technique for determining informants in this study uses the purposive sampling method. The validity test technique in this research uses a data triangulation validity test, namely method triangulation and source triangulation. After conducting qualitative exploration, it was found that (1) The impact of COVID-19 greatly affected the economy or small business income; (2) As for the decline in customers, layoffs have caused unemployment to rise drastically; (3) Uneven growth and poverty.
INTRODUCTION

At the beginning of 2020, global economic growth stopped, especially in Indonesia. This happened as a result of the outbreak in Indonesia, especially the Corona virus. Coronavirus is a genus of virus that can produce a variety of symptoms ranging from mild to severe. The coronavirus has infected every country on the planet, with another 200 countries on the verge of infection. As a result, on January 30, 2020, the World Health Organization designated it a global public health emergency. The World Health Organization (WHO) classified the corona virus outbreak as a global pandemic on March 11 2020. The corona virus, which is a type of virus that infects humans (COVID-19), has a detrimental impact on economic growth because it reduces the level of the world economy, especially in Indonesia.

The coronavirus outbreak has hampered Indonesia's economic progress. This is due to the government's efforts to stop the spread of the corona virus. These government policies include PSBB (Large-Scale Social Restriction Policy) and lockdown. As a result, various economic activities were affected (Indayani & Hartono, 2020).

In this era of globalization, human resources are the most valuable asset. A country with a comparative advantage in natural resources will struggle to compete in the global economy without the support of a strong human capital base. Only countries with high levels of human resources can participate and understand knowledge and its application in the real world to solve problems affected (Hasan, 2018). The decline in community socio-economic activity is largely caused by these social obstacles, which cannot be overcome with fiscal stimuli, which of course have many limited resources and methods. Maryanti et al., (2019), the government stimulus injection of IDR 405.1 trillion had a less significant effect on slowing the rate of decline in growth.

Long-term economic growth is a country’s problem. The term "economic growth" refers to how far a country's economy has advanced over time. The regional autonomy policy which came into effect on January 1 2001 paved the way for the emergence of a more equitable and balanced development paradigm. Because the government structure of the Republic of Indonesia applies the concepts of decentralization, deconcentration and joint work tasks, this method is considered very democratic (Gafur & Rochaida, 2022). Economic development in a region is simply a series of operations carried out from time to time to improve conditions.

Economic growth is a prominent and well-known indicator of the success of societal development because it is easy to measure statistically. In many developing countries, such as Indonesia, large income gaps or economic disparities are a big problem. The process of economic development in Indonesia is expected to continue at the beginning of the new order, according to Indonesian policy makers and development planners.

Regional economic growth also encourages equitable development in each region, which improves economic performance and the welfare of local residents. To achieve this goal, local governments use a number of strategies and policies. Development policy is seen in the delegation of power or affairs to carry out
development in the context of interaction between the central government and regional governments (Tjondro et al., 2022).

The importance of the rule of law in a country’s economic development cannot be emphasized enough. Consequently, it is proven that if the legal conditions of a country are good, achieving economic development is simple. However, if the law fails to play an effective role, Indonesia's economic progress will be harmed (Economy & Indonesia, n.d.).

Economic progress leading to increased wealth is one of the most important factors for escaping poverty. The income gap between developed and developing regions is a major problem. The higher the income gap, the greater the divergence in income distribution, resulting in income inequality (Tungka et al., 2022).

According to Siagian, "a conscious effort or series of deliberate efforts by a nation, state or government to modernize the nation in the context of development." According to Siagian, the basic concept of development has the following connotations: (a) that development is a continuous process; (b) that development is a sustainable effort; (c) that development is planned and directed towards growth and change; (d) that development leads to modernity; (e) multidimensional development to achieve modernity; development processes and activities are directed at efforts to advance the nation in order to achieve development goals; development processes and activities are directed at efforts to advance the nation in order to achieve.

Despite the global crisis, Indonesia's economy remains solid. At that time, Indonesia, which was part of the Asian circle, experienced rapid economic growth (Administration & Brawijaya, 2022). The impact of Covid-19 on the quality of human resources (HR) is quite worrying, considering the pandemic which has resulted in an increase in the number of unemployed, especially in the productive age group. On the other hand, having a working age population can help agricultural businesses develop more rapidly. The government must invest in human resources to realize this promise (Abidin, 2021).

The government should work to provide a safety net income for people who do not have a steady source of income to cover their basic needs, such as social security, which is an important part of the welfare state system (Yusuf et al., 2020). The introduction of capitalism and globalization into developing countries creates another reason for major and rapid changes in all aspects of life, possibly leading to severe social inequality (Rosyadi, 2021).

The inability to meet one's basic needs is defined as poverty (basic needs approach). The poverty line defines poverty as the inability to meet basic food and non-food (GK) needs. As a result, income, which determines purchasing power and prices of consumer goods, is an important determinant in determining the number of poor people and where they live (Tarigan et al., 2020).

Poverty can be characterized as a lack of access to power from a political position. In Friedman's political context, poverty is defined as inequality in the ability to accumulate a social power base, which includes: a) capital or productive assets (land, housing, means of production, health), b) financial resources (employment and credit), c) organizational social and political means that can be
used to achieve common interests (cooperatives, political parties, social organizations), d) social networks to obtain jobs, goods and services, and e) knowledge and skepticism.

Economic growth should result in an increase in people's welfare, but in reality there are still many poor people, inequality is increasing, income distribution is unequal, and budget deficits remain. Economic growth in South Sulawesi Province is based on GRDP growth, which is 7.23 percent higher than national growth, according to BPS statistics, although the number of poor people increased by more than 807,000 people to 813,100 in 2017 (Gustang, 2020). The availability of employment is high, and the provision of basic services and infrastructure for the community is high as a measure of economic development.

Inadequate development activities and strategies to ensure the prosperity of the state and country. In addition, various development sectors have failed to adapt and meet community needs. Poverty is still a problem, as can be seen. Indeed, growing poverty in the country is making matters worse.

METHODOLOGY

In this work, phenomenological methods are used to conduct qualitative research. The goal of phenomenological investigation is to provide a complete explanation of the phenomenon being seen. Researchers also serve as tools in this research, planning, collecting, analyzing, and reporting data. Interview guides, observation guides, and documentation guides are some of the other tools that have been used to support research validity.

In this research, data collection methods include observation and interviews. Observation is the first data collection method, and involves observing around the source house. Next, by using the second data collection approach, namely interviews, researchers tried to obtain information from identified informants, especially Makassar housewives.

Purposive sampling was used to identify informants in this research by establishing criteria or conditions. The parameters used to select informants include (1) housewives and (2) domiciled in Makassar.

The informants in this study are listed in the table below, based on the criteria listed above.

<table>
<thead>
<tr>
<th>Name</th>
<th>Gender</th>
<th>Age</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artati Arsyad</td>
<td>W</td>
<td>41</td>
<td>Jl. Sunu</td>
</tr>
<tr>
<td>A. Widiawati</td>
<td>W</td>
<td>40</td>
<td>Jl. Pettarani</td>
</tr>
<tr>
<td>Nike Ratnadilla</td>
<td>W</td>
<td>43</td>
<td>Jl. Abdullah dg.sirua</td>
</tr>
</tbody>
</table>

Source: Data Processing Results (2023)

Data triangulation is a technique for verifying the validity of the findings in this research, which includes (1) source triangulation, which involves comparing all opinions about the current situation; and (2) triangulation method, namely verification of data obtained through interviews and observation.

RESULTS
This research looks at the behavior of people who live in Makassar, especially how they respond to the Covid-19 pandemic. Based on this research, it was designed to collect responses to (1) responses regarding the Covid-19 case in Makassar, (2) responses to the impact of Covid-19 on daily life, and (3) solutions in dealing with cases of economic growth and poverty in Makassar City, all of which are based on research focus. The answers of informants who have gone through the coding process regarding the three focuses of the study can be seen in the following table.

### Table 1. Summary of Interview Results

<table>
<thead>
<tr>
<th>Question</th>
<th>Informant's Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response regarding the Covid-19 case in Makassar City. Coding A1</td>
<td>The first Covid-19 case appeared in Makassar City. At first I didn't believe that this virus existed, but day by day the government issued lockdown letters, especially in South Sulawesi province, ordering people to work from home, which had a big impact on my business (Nike Ratnadilla, interview dated March 13, 2022). (Coding A1.1)</td>
</tr>
<tr>
<td>At the beginning of the emergence of Covid-19, the entire city was locked down, and people who usually do activities outdoors had to do activities indoors because they had to maintain distance, which made the streets in the city of Makassar very quiet (Artati Arsyad, interview 11 March 2022). (Coding A1.2)</td>
<td></td>
</tr>
<tr>
<td>Response to the impact of Covid-19 on daily life. Coding A2</td>
<td>For me, the impact that was really affected was the decline in my income since the government issued the lockdown letter or PPKM, which made me have to think hard about my daily life (Artati Arsyad, interview on March 11 2022). (Coding A2.1)</td>
</tr>
<tr>
<td>The decline in customers was very drastic and almost made me go bankrupt due to restrictions from the government which made us small traders a little depressed. Initially our customers could reach more than 50 since the government implemented ppkm our</td>
<td></td>
</tr>
</tbody>
</table>
customers did not reach 50. (Nike Ratnadilla, interview on March 13 2022). (Coding A2.2)

For my husband, who works in a small office, it has a big impact on his daily life, I am very worried because there is a lot of news on TV about it many companies and their employees have gone bankrupt.

Solutions in dealing with cases of growth and poverty in Makassar City

For me, the solution is to maintain health protocols such as vaccines provided by the government and it is better to just revoke the PPkm and focus more on maintaining health protocols. So that small traders can sell as usual and offices open job vacancies (A. Widiawati, interview 11 March 2022).

(Coding A3.1)

Source of Data Processing Results (2023)

DISCUSSION

Covid-19 Cases in Makassar City

Covid-19 has been circulating in South Sulawesi since March 20 2020, and is growing rapidly. As part of the social distancing policy, the government urges the public to be more aware of the spread of Covid-19 by limiting people's freedom to leave the house. In Makassar City, the South Sulawesi Provincial Government implemented Large-Scale Social Restrictions (PSBB), which resulted in the temporary suspension of activities in schools, offices, religious activities, socio-cultural activities, public activities and transportation services. (South Sulawesi Response to Covid-19, 2020).

On March 19 2020, the Government Spokesperson for Handling the Corona Virus revealed the first Corona case in South Sulawesi at Graha BNPB, East Jakarta, which at that time was controlled by Achmad Yurianto. President Joko Widodo revealed many cases starting March 2 2020 (Jokowi). The two positive cases of Corona were proven to be the first in South Sulawesi, according to Health Minister Terawan Agus Putranto, Minister of State Secretary Pratikno, and Cabinet Secretary Pramono Anung. Nurdin Abdullah, Governor of South Sulawesi held a meeting of the South Sulawesi Corona Virus Acceleration Task Force at Wahidin Hospital in Makassar at that time. The South Sulawesi Health Service (Dinkes) then claimed that 17 people had undergone the Corona procedure.

(www.detik.com) 2,439 people died in South Sulawesi due to the Corona virus.
This figure is 1.72 percent. Meanwhile, total tests reached 2,264,440, with a positive rate of 16.19 percent. There were 10,886 positive cases of Covid-19 on August 15 2020, Covid-19 Monitoring Data from the South Sulawesi Health Service. Makassar reported 5,837 cases, Gowa reported 1,013 cases, East Luwu reported 862 cases, and Covid-19 reported 885 cases. Jeneponto numbered 139 people, Maros 322 people, Bulukumba 213 people, Sinjai 226 people, and Soppeng 131 people. (Ministry of Health, 2020).

Figure 1. Covid-19 Development Graph (As of March 2023)

Nike Ratnadilla said, "When the Covid-19 case first appeared in Makassar City, I did not believe that this virus existed," but "day after day, the government issued lockdown letters, especially in South Sulawesi Province, ordering people to work in their homes, which has a significant impact on my business." Meanwhile, according to Artati Arsyad, the emergence of Covid-19 meant that the entire city had to be quarantined, and people who regularly do activities outside were forced to do their activities indoors because they needed to maintain a safe distance, making the streets of Makassar very quiet.

Implementing masks, washing hands, social distancing, physical distancing and self-isolation to avoid the spread of Covid-19 is very difficult for people who usually work and worship together while adhering to God Almighty. To achieve the highest level of public health, the government's efforts to ensure the fulfillment of people's basic rights to professional, effective and efficient health services are called health development (Hasma et al., 2021).

The Impact of Covid-19 on Daily Life

Indonesia is a densely populated country, with a population of 267.7 million people. As a result, Indonesians fear this disease will spread further. A total of 8211 people were diagnosed with the condition, with 1002 of them recovering and 689 dying. Many people worry that if the pandemic spreads further, it will have an economic and social impact on them. To prevent the spread of this social epidemic, many businesses, including factories, supermarkets and MSMEs, have to close.

As a result, the economy will suffer millions of dollars in losses. One of the reasons for the rapid growth of the Corona virus is the growing tourism industry. The open unemployment rate in August 2019 was 7.05 million people or 5.28 percent of the total workforce, according to the latest data from the Central Statistics Agency (BPS). According to the Indonesian Center for Economic Reform (CORE), open unemployment in the second quarter of 2020 will increase by 4.25 million people.
Economic development will almost certainly be hampered by high unemployment rates (PH et al., 2020). Facing global economic uncertainty, Bank Indonesia is trying to keep the Indonesian economy afloat. The Covid scandal caused a decline in Indonesia's GDP by 5% or almost 5%. This year, the stock market index plummeted, and state-owned enterprises suffered losses. Moreover, the Minister of Finance has not been able to produce reliable economic growth predictions for this year. If Covid-19 lasts more than three months, economic growth could approach 2.5 percent (Hanoatubun, 2020).

Economy is one of the pillars of human life. Economic issues are almost always present in people's daily lives. Food, drink, clothing, shelter, and a host of other necessities can all be purchased with the help of economic aid. Citizens, especially those in Indonesia who value welfare, believe that the government has the right to intervene in all aspects of life, including the economy and economic growth, because the government is responsible for determining economic policies and ensuring the community's economy. This is one of the factors influencing the development of the country. A country's development will benefit from rapid economic expansion (Kogoya et al., 2022).

According to Artati Arsyad, based on the results of the interview. The most important impact for me is the decline in my income since the government issued the lockdown letter, also known as PPKM, which prompted me to examine my daily life more seriously. Meanwhile, due to government laws that "make us small traders a little uncomfortable", Nike Ratnadilla and A. Widiawati claimed that the decline in customers was "dramatic" and "almost made me go bankrupt." Our readers under 50 are concerned about constant news reports on television about many companies going bankrupt and their employees being laid off, resulting in fewer jobs and increased poverty in Indonesia.

The economic impact of the Covid-19 outbreak has been devastating. Companies as well as employees, for example, are affected. During a downturn, businesses lose a lot of money, but they still have to pay their employees' salaries. As a result, the company must work to reduce its current staff. To achieve this reduction, employees were transferred to other company branches or had their contracts terminated (PHK). Layoffs, for example, had a major impact on the workforce, especially among the technicians studied (Auliyah & Legowo, 2022).

The Case for Growth and Poverty

Poverty is still a major problem in Indonesia. Poverty is rampant in Indonesia. According to data from the Central Statistics Agency (BPS), the percentage of Indonesia's population living in poverty increased from 2019 to 2020, reaching 10.14 percent in 2020. The Covid-19 outbreak caused a large spike after a period of reduction from 2015 to 2019. Regardless of what caused it The Covid-19 pandemic is spreading throughout the world, including Indonesia, the government must begin to understand the economic burden it causes. One approach to do this is to estimate the level of poverty in Indonesia in the future (Suwanan et al., 2022).

One of the methods used to achieve the desired economic situation and development goals is fiscal policy. In a macroeconomic context, fiscal policy refers
to taxation and government budgetary actions. The pandemic has had a positive and significant impact on poverty because the higher the number of people infected with Covid-19, the higher the quantity of poverty in the country. The economic impact of Covid-19 is significant (Sumiyarti, 2022).

As a result, people's income is harmed. Lack of health care, hygiene, and overcrowding are factors that contribute to the development of infectious diseases, putting millions of people in danger of falling into poverty. The COVID-19 outbreak in Indonesia has devastated the country's investment, tourism and trade industries. The Indonesian government has the potential to have quite a big impact, especially on aspects of trade value and overall output, as well as on several individuals who will be affected by layoffs related to Covid-19 (Termination of Employment Relations) (Maulana et al., 2020).

According to A. Widiawati, maintaining health protocols such as vaccines provided by the government is a solution to increasing Covid-19 leading to poverty in Indonesia, and it would be better to just revoke PPKM and focus more on maintaining health protocols. So small business owners can continue selling and offices can fill job positions.

Figure 2. JCI Movement Graph January 2023

The Composite Stock Price Index (IHSG) rose 1.5 percent to 6,726.37 on Friday 21 January 2022. According to RTI Infokom, the average daily stock trading volume was 1.2 million transactions. The stock market transacted 18.6 billion lots. Stock trading worth Rp. 11.5 trillion at that time. The majority of stocks rose during the day. There were 257 shares that rose in value, 253 shares that fell in value, and 167 shares that remained stable. The biggest gainer today was the issuer MSKY, which rose 17.97 percent. After that, PAMG and BBHI shares rose 13.98% and 10.41% respectively (Ministry of Manpower 2020).

According to analysts, the Composite Stock Price Index (IHSG) will be able to penetrate levels above 7,000 in 2022. It is estimated that it will grow to 7,325 people by the end of the year. Until the end of the year, Edwin Sebayar, advisor to the Indonesian Securities Analysts Association (AAEI), believes that the JCI will be able to penetrate the 7,325 barrier. In general, Indonesia's economic fundamentals are estimated to grow by 5%. The budget deficit will fall to 4.85 percent if inflation increases to 2.2 percent. However, I predict that Bank Indonesia will only raise interest rates twice, to 4%.
Figure 3. Projection Of The Number Of People Vulnerable To Poverty

According to Figure 3, the number of poor people will increase to 106.9 million as a result of the pandemic. In other words, 82 million Indonesians, or more than 30% of the population, are on the verge of poverty (TNP2K, 2020).

Indonesia's economic growth is expected to be as low as 2.1 percent, and as low as -3.5 percent in other cases (World Bank 2020). This sends a message to the government to respond quickly to support job-creating industries and people experiencing financial hardship due to COVID-19.

CONCLUSIONS AND RECOMMENDATIONS

Coronavirus disease (COVID-19) is a global public health emergency that requires a coordinated international response, according to the World Health Organization. Older people, whose immune systems deteriorate with age and are exacerbated by medical conditions, and children, whose immune systems are still developing, are most vulnerable to this virus. This virus has resulted in a high global death rate, as well as an economic downturn that is "killing" countries around the world. Since epidemics, disease has impacted a more interconnected and integrated world, beyond death and morbidity.

Economic disparities between places, the study found, have a negative impact on economic development that is based solely on growth. Because inequality is a structural aspect that is difficult to change, the government must think long and hard about how to respond to it. Indonesia, according to the proposal, needs a new program or master plan to support or develop growth patterns. The new master plan must cover Indonesia's economic development, with a focus on inclusive economic planning that can lead to equal distribution of income.

FURTHER STUDY

Panic among consumers and businesses has disrupted typical purchasing patterns, causing market vagaries. Many people worry that if the virus spreads further, it will have a negative impact on their financial and social lives. The unemployment rate in Indonesia, which has been slowly decreasing over the last five years, is expected to increase. As a result, all Indonesians expect government policies and actions to influence their lives. Despite the obstacles that prevent people from living their daily lives as usual, one of the government's current priorities is to provide various types of social support in the hope of meeting people's needs.
REFERENCE


