The role of local governments in traditional market revitalization

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Abstract. This paper presents the discussion the role of local government in traditional market revitalization. It is obvious that traditional market contributes economically into a certain region. However, the existence of the traditional market is decreasing since there are modern markets that are fully facilitated by the government. In order to increase the economic standard of the traders, the government and the legislative revitalized the improper traditional market, without the participation of the society and the stakeholders. Government's intention to revitalize the market is to increase local revenue. While the Legislative Council considered politically motivated by profit, rent-seeking. Restrictions on the aspirations of the traders in the revitalization cause resistance to the government. The traders wished to be recognized as part of the stakeholder. In the future, the market revitalization activities should involve the traders as the main actors who have received services from the government. Government as policy makers should consider as it partners in developing business traders and increase local revenues.

1. Introduction

The essence of development is basically to improve the welfare of society, but contrary with the fact. Where the distribution of income has clearly become more unbalanced in the last decade and it is worth noting when formulating a growth policy[1]. Therefore, a new paradigm of economic policy is needed based on local economic capacity by recognizing the potential, economic, social and physical character of each region, including its interaction with other regions. The synergy of local economic capability is expected to strengthen national economic competitiveness [2].

The Indonesian economy showed remarkable performance for a decade after the Asian Crisis, as a result of prudent macroeconomic policy and effective policy reforms at the time so that the Indonesian people could enjoy progress over the past few years. However, the growth rate has declined slightly in recent years, as reflected in weakening international demand and slowing investment growth due to lower commodity prices and increased uncertainty over government regulations and infrastructure bottleneck[1]; [2]; [3].

In terms of the role and service of the government in the field of economy, so far incoming and developing investment in the area less encourage the growth of local investment, where superior products are still experiencing obstacles in the field of marketing, capital, utilization of technology and information, so that economic cooperation between regions and among local economic actors have not shown synergicly, consequently many regional superior products that have not been known in the international world, even now threatened its existence in the traditional market.

Traditional market is one of the cultural centers in Indonesia, where in it is manifested expression of behavior and value inherent in society materialized therein. The hubbub The intensity of bargaining interaction, the joke in traditional markets will not be found in modern markets. Traditional market as
one cultural center is seen when the traditional market is not only a buying space but more than that the traditional market becomes a space of expression of art and culture. Traditional markets have an important role in an effort to build national insight to help build a future culture that can not be separated from the roots of tradition.

Traditional market is still the main container of sales of staple goods produced by small and micro medium-scale economic actors. They are farmers, fishermen, craftsmen and home industries (folk industries). Their number is tens of millions and is very reliant on the traditional market. Traditional market is a container to get the various needs and basic needs of the majority of the population in the country. They can get it at an affordable price. These are some of the advantages of using the plants [4], place to improve the economy[5], and site to earn livelihood [6].

Traditional markets have always been national indicators in relation to price stability or domestic inflation. In calculating inflation, the price of basic needs of the population sold in traditional markets such as rice, sugar, and nine other basic needs become the object of monitoring of statisticians each month. Given the importance of traditional market, the role of traders and government in increasing the competitiveness of traditional markets in order to compete globally. This is where the role of government is needed in improving the competitiveness of economic actors.

Along with the rapid flow of globalization, many economic actors in other countries struggle to win the competition for technology, markets, skills, and investments. The government should not let go of letting local economic actors to fight alone, a policy that can be done by local governments in the face of it is through high savings rates, low interest for investment, controlling the inflation rate of goods and services, copyright protection, and good governance. In addition, the government also needs to encourage the creation of skilled, motivated, and technological know-how, and care in managing regional potency in accordance with the mandate of Law Number 23 Year 2014 on Regional Government [2].

2. Methods
This study used a qualitative approach with a phenomenological research design. In accordance with the flexible nature of qualitative approach, following the pattern of thought that is empirical inductive, everything in this research was determined from the final results of data collection that reflects the real situation in the field. The use of phenomenology design is expected to reveal aspects studied, especially regarding the relationship between the government and private.

Investors as a representation business. Traders as a representation of civil society in the revitalization of traditional Market. Proposed models are based on empirical data research reality. The model proposed as a recommendation which could be a reference for policy makers (government) to revitalize traditional markets effectively and efficiently.

3. Results and Discussion
The presence of the state (local government) is absolutely necessary in the face of the rapid growth of the modern market. But the facts say the opposite, the policy of boosting the existence of modern markets by the government both in urban as well as in the countryside has a devastating effect on the lives of lower middle class society. One consequence is the decline in visitor levels in traditional markets which will eventually negate the existence of traditional markets far from comfortable and safe when compared to the presence of modern markets (including online sales pages) slowly but surely has made the existence of traditional markets worse off the period of 2008 - 2014[7].

On the other hand, the revitalization of traditional markets that have been done so far only relates to the physical market problem, the management arrangement has not been touched. Increasing public awareness and the need for public infrastructure and good public services should consequently be accompanied by an increase in the prices of these public services, while the facts say otherwise. As stated by[8] that: "The community’s expectations of its public sector have never been higher”. In this context is the existence of a traditional market whose existence is currently quite apprehensive, as has been experienced by traditional market traders in Bangkok.

Traders in traditional markets in Bangkok for the past 3 or 4 decades have experienced a bitter globalization era, with local governments giving freedom to transnational corporations of large foreign
investors entering the world of commerce with a more modern and innovative, high-tech management system that has an impact on business closures [9]. On the other hand, the lack of information and knowledge owned traders and market managers will change the tastes of society, changes in consumer lifestyles are always changing according to time, lack of ability of merchants in providing services and how to display merchandise that is still conventional and less promote merchandise participate in decreasing their income.

Along with the increasing needs of the community, the involvement of government in the framework of governance and public service tend not to decrease. Development activities that prioritize the livelihood of the people will involve government organizations and this is done because there are some products or services that cannot be obtained by the community through market mechanisms. The involvement of the government in the implementation of the service function has grown in line with the emergence of views on the philosophy of the welfare state.

The function of services run by modern governments today is closely related to the purpose of the formation of the government itself. The modern government is essentially a service to the community. The government is not held to serve itself, but serves the community, creating conditions that allow every member of the community to develop their ability and creativity in achieving common progress. If referring to this opinion, then the role of government will be very big influence in the life of society therefore government officials should be able to provide the best service to the community.

This concept should be the basis of motivation for the apparatus in working to serve the community. The role of government can be regarded as something positive if it can be achieved a better and efficient public services, in addition to freedom, justice and balance. Thus, it has become a duty for the government to provide the best service to the community and this should be made a commitment for all government officials. Increasing community life, the demand for services provided by the government to the community is increasing as well, even the public makes the service as one indicator of the success of the government.

The public demand for the best service should be balanced by the application of quality public management by the government. The occurrence of shifts in values in the management of public services requires adequate management in service to the community. To develop the creation in an effort to develop one of the elements that need to be observed is the extent to which the journey takes place. So far there has been a tendency from the central government to give greater authority to autonomous regions, so that public services become ineffective, efficient and economical.

Even services tend to have no responsiveness, responsiveness and no representation in accordance with the demands of society, such as services in education, health, transportation, and various services managed by the government do not satisfy the needs of the community, even less compete with services managed by private parties. This is in line with what[10] argues that public services administered by governments in a hierarchical manner tend to be characterized by over bureaucratic, bloated, wasteful and under performing.

The existence of shifting role of local government toward democracy model obviously demands existence of quality public service. The involvement of local communities on their own initiative becomes very strategic and decisive in improving the quality of service they receive. Things that need to be understood is possible the existence of different services in accordance with the condition of the people of Indonesia are pluralistic both from the aspects of religion, race, language, geography and culture. As expressed [11]:

Given the conditions of the local community is diverse, then local government and local autonomy will be diverse as well. Thus the function of decentralization (devolution) to accommodate the plurality of local people's aspirations will also be diverse. Decentralization (devolution) gave birth to political variety and structural variety to channel local voice and local choice.

The objective of decentralization is to improve the quality of public services and in democratic models must truly uphold the values of democracy and self-reliance rooted in the local community, so that the community can determine the criteria of service faced in the fields of education, health, transportation, economic, social culture and others. What areas need to be prioritized, how to determine
priorities, by whom and where services are delivered, how they can be effective and efficient and more importantly can present the interests and needs of the community itself.

Over the last few decades there is a strong tendency in many developing countries to carry out government duties in the public service is decentralized, where these developments are supported by developed countries and international donor agencies. The role of local government in providing public services can be reflected in the use of policy instruments and how the character of the local government when compared with other elements on the outside.

To distinguish the role of local government in three categories, namely: 1). mandatory instruments (compulsory instruments), which are instruments that direct the actions of citizens and private institutions so that the use of this instrument is often precisely limit the movement of other parties such as individuals, groups or organizations outside the government 2). voluntary instrument (Voluntary instruments), this instrument has a characteristic form of the lack of government involvement because the instrument used is more based on the volunteerism. 3). instrument mix (mixed instruments), the incorporation of several characters from the instrument obligatory and voluntary instruments. These instruments allow some degree of government involvement in shaping the decisions of non-governmental actors, as well as the decision to let non-governmental actors [11].

Selection of the use of policy instruments is determined by several factors that influence in local governance, which are identified in three dimensions, namely: the economic dimension, the dimension of the government and political dimensions associated with a form of local democracy. Economic dimension relating to the sources of supply of public services, both concerning the production and distribution of commodities and services at the local level.

The second dimension is the dimension of governance is distinguished on the role of local governments. there is a strong role and there is a weak role. Weak role of local governments is characterized by several indicators, namely the range of responsibilities that narrow function or authority, for the organization of local governments which are reactive, low economic level of the functions carried and the high degree of external control. The third dimension is associated with a form of local democracy that reflects how local governments make decisions. In this case there are two different points. At one point there was an emphasis on representative democracy, which is a system that reflects the preferences of the people expressed through the local electoral system. At another point, there is an emphasis on participatory democracy that reflects the participation of local communities.

Referring to the three dimensions were then drafted some role models of local government. The first model of the longest and most widely adopted by many countries in the world, especially developing countries, namely the traditional bureaucratic model (traditional bureaucratic authority). Characteristic of this model is the local government is engaged in a combination of three factors, namely; 1). The provision of public goods and services is mostly done by the public sector (strong public sector), 2). The role of local governments is very strong (strong local government) because it has a great breadth of functionality, operational model that is direct, a very high degree of autonomy and a low level of external control, 3). decision-making in local government more emphasis on representative democracy (representative democracy).

At the level of local government[12] also has revealed an alternative change of government towards governance. Traditional model of bureaucratic authority which is a solid representation of the government in using the hierarchy of the proposed mechanism is converted into the three alternative models were considered more ideal in terms of governance, namely: residual authority (the mechanism used is anarchy, a combination of strong market with weak government role and standing on a neutral form of democracy by embracing business value: commercialism, economy, and efficiency. Market-oriented enabler (the mechanism used is the market, which is a combination of a strong emphasis on the market, with a strong role of local government, with an emphasis on democracy Customer participatory values: responsiveness, accountability, efficiency, effectiveness, and communication with the people) and community-oriented enabler (the mechanism used is altruism, which is a combination of an emphasis on participatory democracy is strong and there were at least in a central position in conjunction with weak or strong local governance, as well as the tension between the public sector and the market with citizenship values: equality, accountability, fairness, and communication with the people).
All three models are basically a part of the enabling authority. This concept is very focused on the separation between production and service provision. This concept is also related to efforts to find new ways of service delivery through agencies outside the local government. The core of the content of the concept of enabling disclosed [11] are: the strengthening the capacity for self-governance within a local community, using whatever resources and channels (internal or external) seem most appropriate. The starting point of the concept is enabling the identification of community needs, and the local government to use its power (including leadership, networking, influence) to meet those needs. For more details below will be presented models of local government in figure 1 below.

![Regional Governance Model](image_url)

The conclusion is that many policy options that can be done by local governments in an effort to improve the quality of public services and to improve the welfare of people in the regions concerned. Of course, very dependent on the political will (political will) and the ability of local governments to realize the democratic process in setting the priorities for public services. Followed by the willingness and ability of local governments to take care of / implement by providing services that satisfy the interests of the community.

In epistemology revitalization means the process, how, or intensified action to turn back. In general, the traditional market in Indonesia is likely to concern both from the physical side of the building or its management. This revitalization efforts regarding changes and improvement made by PD Pasar Surya Surabaya in managing and organizing traditional markets under its management.

The desired change is to restore the normal function of the actual market as a buying and selling, because at that moment some of the traditional markets in the city of Surabaya in slum conditions, muddy, dirty, prone to criminality and some corners were occupied several homeless. Revitalization can indeed be positive, both for the old merchants, new merchant (there will be new employment opportunities) as well as for local municipalities. Revitalization of the market is a response to the demands of the changing times that to face of the rapid development of modern market, improving market conditions that are not feasible as well as meet the demands of consumers.

4. Conclusion
Problems traditional market revitalization actually covers the main issues, namely the lack of involvement of merchants as a stakeholder in the planning, implementation and supervision. Although
there are some local laws that suggest the involvement of traders but in reality their involvement only as a complement to mere objects.

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