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# People's Economy and Employment Resilience Amidst Population Growth

Abdul Rohman<sup>1</sup>, Desta Wulandari Pramesti<sup>2</sup>, Eliya Wati<sup>3</sup>, Heni Noviarita<sup>4</sup>

<sup>1,2,3,4</sup> Universitas Islam Negeri Raden Intan Lampung Email : rohman19110@gmail.com

### Abstract

This article discusses population dynamics and employment challenges in Indonesia, as well as strategies for developing a people's economy as a solution to create a productive and quality workforce. Rapid population growth has consequences for the employment structure, which requires increased skills and empowerment of the workforce. This article highlights the important role of education, especially vocational education, in equipping the workforce with relevant and competitive skills. In addition, empowering women in the employment sector and strengthening MSMEs through digitalization are important elements in realizing an inclusive economy. The impact of the COVID-19 pandemic is also discussed as a factor that accelerates the need for adaptation and innovation in the employment sector. Strategies for developing a people's economy such as strengthening cooperatives, digitalizing MSMEs, and developing local potential are expected to be able to create sustainable jobs and reduce economic inequality. This article uses a number of references from Heni Noviarita to support the analysis and policy recommendations in the context of population and employment in Indonesia.

Keywords: Population, Employment, People's Economy, Empowerment, MSMEs, Education

### Introduction

Indonesia is the fourth most populous country in the world, with a population exceeding 270 million people. This high population density has a significant impact on the social, economic, and political aspects of the country. On the one hand, a high population can be a great economic force if managed properly through human resource development and productive job creation. On the other hand, the imbalance between population growth and job opportunities creates various challenges in the employment sector, such as unemployment, income inequality, and low competitiveness of the workforce (Noviarita & Ningsih, 2021).

Rapid population growth not only increases the need for jobs but also increases pressure on various sectors, such as education, health, housing, and infrastructure. If not handled wisely, this can trigger broader social problems, such as uncontrolled urbanization and increasing poverty rates. Therefore, a targeted and comprehensive policy is needed in managing population and employment in order to create social stability and welfare for the entire community.

In addition, globalization and technological developments also affect the employment sector in Indonesia. Globalization opens up opportunities for Indonesian workers to compete in the international job market, but on the other hand it also demands increased skills and competencies in order to be able to compete with workers from other countries. Meanwhile, the development of digital technology, automation, and artificial intelligence is changing the dynamics of the job market, with some jobs becoming obsolete while new jobs emerge that



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require different skills. This makes efforts to improve the quality of human resources through education and training very important in facing rapid changes in the world of work.

In an effort to improve the quality of human resources, the Indonesian government has launched various vocational training and education programs to prepare a skilled workforce that is in line with industry needs. However, there are challenges in implementing these programs, such as the lack of access to education and training for community groups in remote areas and differences in the quality of education between urban and rural areas. This makes the problem of inequality in access and quality of education one of the main challenges in efforts to create a workforce that is ready to compete.

## Methods

This study uses a qualitative descriptive approach to examine population dynamics, employment challenges, and strategies for developing the people's economy in Indonesia. This approach was chosen because it is able to provide an in-depth understanding of complex socioeconomic phenomena, such as the role of vocational education, women's empowerment, and MSME digitalization in creating an inclusive and sustainable economy. The data used in this study are secondary, obtained through literature studies from various reliable sources, including official reports from the Central Statistics Agency (BPS), the Ministry of Manpower of the Republic of Indonesia, and relevant scientific journal articles. Data collection techniques are carried out by collecting systematic information from government policy documents, international organization reports, and previous supporting research. Data analysis is carried out by identifying main themes, such as population growth and the impact of the COVID-19 pandemic on employment, as well as categorizing data based on strategic aspects, such as women's empowerment and strengthening MSMEs. Content analysis is used to understand the relationship between factors, while data validity is guaranteed through triangulation by comparing various sources of information. The results of this study are expected to produce an in-depth analysis of the challenges and opportunities for the people's economy in Indonesia, as well as provide strategic policy recommendations to create inclusive and sustainable employment.

### **Results and Discussion**

### **Population Growth and Employment Challenges**

Rapid population growth in Indonesia has been a major issue in recent decades. With an average population growth of around 1% per year, Indonesia is projected to continue to experience an increase in population in the future. In 2023, the workforce in Indonesia has reached 140 million people, with an open unemployment rate of around 5%. Although this figure indicates progress in job creation, the challenge of providing adequate and sustainable jobs for the entire workforce remains large (BPS, 2023).

One of the impacts of rapid population growth is an increase in the need for employment. However, job creation does not always keep pace with the rate of labor force growth. This misalignment causes pressure on the labor market, where the growing workforce is not matched by sufficient job opportunities. As a result, unemployment has become a persistent problem, especially among the younger generation who have just entered the world







of work. The gap between the number of jobs available and the number of job seekers can also trigger social instability and increase poverty rates.

The rapid increase in population and workforce also has an impact on the uneven distribution of population in Indonesia. Big cities, such as Jakarta, Surabaya, and Medan, are experiencing rapid urbanization because many job seekers flock to the city to find employment opportunities. However, the high .

The concentration of population in urban areas creates various new problems, such as traffic jams, pollution, limited housing, and inadequate infrastructure. Meanwhile, rural areas often experience a shortage of labor, especially young workers, due to population migration to cities. This imbalance hinders equitable development throughout Indonesia.

In addition, the quality of human resources in Indonesia is still a major challenge in facing employment dynamics. The education and skills of the workforce are still relatively low when compared to other countries in Southeast Asia. Most of the workforce in Indonesia is in the informal sector, such as agriculture, small trade, and other non-managerial jobs. This informal sector generally does not have adequate social security or employment standards, so workers are vulnerable to exploitation and have uncertain incomes. The lack of adequate skills and education also makes it difficult for the workforce in Indonesia to compete in the increasingly competitive global job market, especially in the current digital and automation era.

On the other hand, technological developments and automation have brought significant changes to the employment structure in various sectors. Many traditional jobs are at risk of being replaced by technology, especially in sectors that can adopt automation, such as manufacturing and services. Jobs that used to require human labor can now be replaced by machines or technology, reducing the need for human labor in certain sectors. However, on the other hand, technological advances have also created new job opportunities in fields such as information technology, data analysis, and artificial intelligence, which require specialized skills. This requires adaptation from the Indonesian workforce to have relevant skills in order to compete in the era of digital transformation.

In the agricultural sector, which is still one of the largest absorbers of labor in Indonesia, there has been a decline in contribution to the national Gross Domestic Product (GDP). With climate change and limited access to modern technology, the agricultural sector in Indonesia faces significant challenges in increasing its productivity. Many rural residents are shifting from work in the agricultural sector to the informal sector in urban areas because the agricultural sector is considered less promising in terms of income and welfare. However, moving to the city does not always provide the expected solution, because workers in the urban informal sector also face job uncertainty, irregular income, and minimal job protection.

The government has made various policies to address the employment challenges caused by population growth. For example, programs focused on developing Micro, Small, and Medium Enterprises (MSMEs) to increase employment opportunities and empower the local economy. In addition, the government is also trying to improve the quality of vocational education and expand access to skills training to increase the competitiveness of the workforce. The Pre-Employment Card Program is one of the government's initiatives to provide training to those who are still looking for work or who want to improve their work skills. Other policies,



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such as moving the nation's capital, are also expected to reduce the pressure of population density in big cities and spur equitable development.

However, the success of these programs depends on collaboration between the government, the private sector, and the wider community. Increasing workforce capacity requires not only investment in education and training, but also support from the industrial sector to create more decent and sustainable jobs. The involvement of the private sector in providing job opportunities and improving workforce skills through training and internship programs is essential in ensuring that the Indonesian workforce has relevant and competitive skills.

In facing the challenges of population growth and employment, holistic and comprehensive planning is needed. With the right approach, Indonesia has a great opportunity to harness its demographic potential as a resource that drives inclusive and sustainable economic growth.

#### The Role of Education in Improving the Quality of the Workforce

Education plays a very important role in improving the quality of the workforce, which ultimately has an impact on the economic and social progress of a country. In the context of Indonesia, improving the quality of the workforce through education and skills training is the key to facing various employment challenges, such as low productivity, lack of skills, and inability to compete in the global job market. Education not only serves to provide basic knowledge, but also prepares individuals to have relevant skills and be able to adapt to the dynamics of the ever-evolving job market.

One important aspect of the role of education is to improve the vocational and technical skills of the workforce. Vocational education, which focuses on practical and technical skills, provides individuals with the opportunity to directly contribute to the world of work. The Indonesian government has strengthened the vocational education system through SMK (Vocational High Schools) and other training institutions that focus on developing specific skills according to industry needs. SMK is an option for many students who want to gain direct skills in a particular field, such as engineering, tourism, or nursing. However, the quality of this vocational education needs to be improved, especially in terms of curriculum that is relevant to industry needs and effective job placement.

In addition to vocational education, higher education also plays a major role in shaping a workforce that is ready to compete globally. Study programs at universities, especially in engineering, science, technology, and business, provide a strong foundation for innovation and productivity. However, in Indonesia, challenges in higher education include limited accessibility in remote areas, varying quality of education between universities, and minimal integration between the academic world and industry needs. Thus, synergy between universities and the industrial sector is very important to ensure that graduates have skills that match the needs of the job market. Through this collaboration, students can participate in internship programs, industrial visits, or work training that provide direct experience before they enter the workforce.

Quality education also plays a role in improving soft skills or non-technical skills, such as communication skills, critical thinking, and teamwork. These skills are in great demand in



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the modern workplace that demands cross-disciplinary and cross-cultural collaboration. Many graduates have technical knowledge but still have difficulty adapting to the work environment due to lack of interpersonal skills. Therefore, the integration of soft skills into the education curriculum is becoming increasingly important, both at the secondary school and tertiary levels (Rosilawati et al., 2021).

Education also plays a role in developing entrepreneurial skills among the workforce. With increasing job competition and economic uncertainty, entrepreneurship can be a solution for those who want to create their own jobs and empower the local economy. Entrepreneurship training, which includes management, marketing, and product innovation skills, can help individuals start small businesses or MSMEs (Micro, Small, and Medium Enterprises). Entrepreneurship programs held by universities or training institutions can provide business skills for participants to be able to face challenges in the business world. According to research (Noviarita, H. & Ningsih, 2024b), gender-based entrepreneurship training programs have proven effective in increasing family income and empowering women, which ultimately contributes to overall economic growth.

The role of education in improving the quality of the workforce also includes efforts to reduce educational disparities between urban and rural areas. In rural or remote areas, access to quality education is often limited, either due to a lack of competent teachers, inadequate facilities, or difficulty in accessing learning materials. This makes the workforce from rural areas less able to compete with those from urban areas. The government, through inclusive education programs and teacher distribution to remote areas, is trying to overcome this problem. Digitalization programs for education and online learning can also be a solution to reach students in remote areas, although the challenges of internet infrastructure still need to be improved (Nugroho & Hidayat, 2019).

In the digital era, the role of education in mastering information technology and digital skills is very important. Technological advances have changed the way we work and interact, so that workers with digital skills have a competitive advantage. Education and training that teach digital skills, such as coding, data analysis, and information systems management, are becoming increasingly relevant and needed by industry. Various training institutions, including the Kartu Prakerja program launched by the government, offer digital courses that can help people gain new skills in the technology sector, which are currently in high demand by companies in various sectors.

The importance of education in improving the quality of the workforce is also seen in efforts to adapt to structural changes in the world of work. With automation and advances in artificial intelligence, some types of traditional jobs will be replaced by machines, while new jobs that require specialized skills will emerge. Flexible and future-oriented education allows the workforce to continue to improve their skills (upskilling) or learn new skills (reskilling) in accordance with technological developments. The education system needs to be designed to be more dynamic, with a lifelong learning approach that allows each individual to continue to adapt to changes in the world of work.

Overall, education has a very broad role in improving the quality of the workforce in Indonesia. Quality education not only prepares individuals to work, but also forms a society that is more productive, innovative, and ready to compete globally. By optimizing the role of







education, especially in the fields of vocational skills, soft skills development, and mastery of digital technology, Indonesia can have a competitive and highly competitive workforce. This is important to realize inclusive and sustainable economic growth, as well as achieve national development goals in facing employment challenges in the era of globalization.

### Women Empowerment in Employment

Women's empowerment in employment is becoming an increasingly important issue, especially since women's contribution to the workforce has a significant impact on economic growth and social welfare. In Indonesia, women's participation rate in the workforce still lags behind men's, even though women have great potential to play a role in various economic sectors. The challenges faced by women in the workforce are not only related to the lack of access to decent work, but also to wage inequality, limited access to education and training, and cultural and social barriers that still limit their participation.

Women in Indonesia often experience a gap in wages and access to higher positions in organizations, known as the "glass ceiling." Although there are many women who have good educational qualifications, opportunities to occupy leadership positions are still limited. Many organizations have not implemented fair policies regarding promotion and career development for women, thus hampering their potential to contribute optimally in the world of work. In addition, women are often faced with a dilemma between work responsibilities and domestic obligations, which makes it difficult for many of them to develop a sustainable career.

According to research (Noviarita, H. & Ningsih, 2021), increasing women's involvement in the workforce can be achieved through empowerment programs that focus on improving skills and education. This program includes entrepreneurship training, technical skills development, and access to equal education. Education and training for women not only serve as a means to improve skills, but also build self-confidence and courage to compete in the job market. Noviarita said that when women have relevant skills and support industry needs, they have a greater chance of getting decent jobs, which in turn can improve the economic welfare of families and communities.

Women's empowerment is also important in promoting gender equality in the workplace. In many cultures, including Indonesia, there is a perception that men are the primary breadwinners, while women are better suited to domestic roles. This view often limits women's access to better employment opportunities. However, as the understanding of the importance of gender equality increases, more companies and organizations are committing to creating an inclusive and supportive work environment for women. This includes policies such as better maternity leave, flexible working hours, and other support facilities, which allow women to fulfill their dual roles as workers and mothers.

On the other hand, women empowerment through entrepreneurship is also an effective strategy to increase women's participation in the workforce. Entrepreneurship provides opportunities for women to be financially independent and contribute to the local economy. Many women in Indonesia have the potential and talent in the field of micro-businesses, such as handicraft production, culinary, or beauty products. However, their access to capital, training, and business networks is often limited. Therefore, support from the government and financial institutions is very important to facilitate women in developing their businesses.



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Entrepreneurship programs that provide access to capital, business training, and business mentoring can help women start and run businesses successfully.

In the context of formal employment, digital skills development for women is becoming increasingly relevant in the era of digital transformation. Many jobs in the future will require skills in information technology, data analysis, and digital systems management. Empowering women in digital skills can help them access higher-paying jobs and reduce the gender gap in technical jobs. Digital training programs specifically for women can help them understand the latest technology and utilize it in the world of work or the businesses they run (Kemnaker, 2022).

Empowering women in the informal sector also has a major impact on the economy. Indonesia's informal sector, which includes small trade, services, and domestic work, is largely dominated by women. Unfortunately, informal sector workers often lack social security and are vulnerable to exploitation, including long working hours and low wages. In this regard, empowering women through better regulation and social protection is essential to improving their welfare. The government needs to strengthen labor regulations to protect women workers in the informal sector and ensure that they have access to health benefits, pensions, and other rights.

In addition, women's empowerment in employment is also related to issues of reproductive health and rights. Many women are forced to leave their jobs after getting married or having children due to lack of support from the work environment. Providing facilities such as lactation rooms, adequate maternity leave, and access to reproductive health services can help women stay active in the workforce. With policies that support reproductive health, women can manage their roles as workers and mothers without having to sacrifice their careers or health.

The importance of women's empowerment in employment is also seen in poverty reduction. When women have access to decent work, they can contribute to family income and improve the quality of life of their children. Women's participation in the workforce has been shown to have a positive impact on children's education, family health, and household economic stability. According to research, children of working mothers tend to have better access to education and health services, which in turn can reduce poverty in the next generation.

Overall, women's empowerment in employment is a critical aspect in achieving gender equality and promoting inclusive economic growth. By providing equal access to education, training and employment opportunities, women can contribute optimally in various sectors of the economy. In the long run, women's empowerment benefits not only individual women and their families, but also society at large, by creating a stronger, more inclusive and sustainable economy.

#### **Impact of the COVID-19 Pandemic on Employment**

The COVID-19 pandemic has had a major impact on employment around the world, including Indonesia. In a short time, various sectors have experienced disruptions that have affected millions of workers. Restrictions on activities, such as lockdowns, social restrictions, and business closures, have resulted in a reduction in the workforce and a significant increase in unemployment. According to data from the Ministry of Manpower, the COVID-19 pandemic



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has caused many companies to lay off or furlough their employees due to decreased income and economic uncertainty. Even sectors that were previously the backbone of the economy, such as manufacturing, trade, and tourism, have felt the brunt of these restrictions.

The tourism and hospitality sector has been one of the hardest hit by the pandemic. With travel and tourist restrictions in place, many hotels, restaurants, and tourist destinations have been forced to close or reduce their operating capacity. This has resulted in job losses for millions of workers in the sector, especially informal workers who do not have social security. Many workers in the tourism and hospitality sector have lost their livelihoods, and some do not even have social security, leaving them vulnerable to a decline in their quality of life and economic well-being (World Bank, 2021).

In addition, the manufacturing sector has also experienced major disruption due to the pandemic. Disruptions to the global supply chain have led to shortages of raw materials and production delays in various manufacturing companies. Companies have been forced to reduce the number of workers or switch workers to part-time due to limited production capacity. This has caused job uncertainty for many manufacturing workers, especially those working in small and medium-sized companies that have lower financial resilience than large companies.

Meanwhile, the pandemic has also accelerated the adoption of technology in various economic sectors, which on the one hand creates new opportunities, but on the other hand brings challenges for many workers who are not ready for this digital transformation. Many companies have switched to remote working systems (work from home) and introduced new technologies to support productivity. However, not all workers have adequate access or skills to support this new work system, especially workers in the informal sector or those who are less digitally skilled. As a result, workers who do not have technological skills or access to digital work tools are increasingly left behind, widening the gap in the world of work.

In addition, the COVID-19 pandemic has exposed the vulnerability of the informal sector, which is largely staffed by workers without social security. In Indonesia, around 56% of the workforce is in the informal sector. These workers, such as small traders, daily laborers, and domestic workers, have been severely impacted by mobility restrictions and business closures. Without adequate job protection, such as health insurance or pension guarantees, many have lost their income and have no financial assistance to support their living expenses during the pandemic. The government has provided some social assistance to affected communities, such as the Wage Subsidy Assistance (BSU) program and the Pre-Employment Card Program, but its coverage is limited and has not been able to accommodate all affected workers.

The COVID-19 pandemic has also exacerbated gender inequality in employment. Many women have had to leave the workforce because they have to take care of their families, children, or elderly people who need care at home. In addition, most women work in sectors that are most affected by the pandemic, such as hospitality, education, and health services. According to research by Heni Noviarita et al., the impact of the pandemic on women in the workforce has long-term consequences, both economically and socially. The reduction in women's participation in the workforce not only reduces family income but also hinders progress on gender equality in Indonesia.



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In terms of mental health, the pandemic has also affected the psychological condition of workers around the world. Prolonged anxiety, uncertainty, and stress due to the threat of job loss or income uncertainty have a negative impact on workers' mental well-being. In Indonesia, many workers experience mental exhaustion due to the demands of remaining productive amidst uncertain situations. For those working from home, the workload is often mixed with household responsibilities, increasing stress and reducing quality of life. This condition shows the importance of mental health support in employment policies, especially in the midst of a crisis.

Meanwhile, the pandemic has also driven the creation of new types of jobs and expanded the market for gig or freelance work. With the increasing demand for digital services and delivery, jobs in the gig economy sector, such as couriers, online motorcycle taxi drivers, and freelancers in the creative sector, have become increasingly popular. For some workers, jobs in this sector provide an opportunity to earn additional income. However, gig work is often not equipped with social security, health protection, or protection against the risk of income uncertainty, making workers in this sector vulnerable to changes in economic conditions.

On the other hand, the government has tried to take steps to reduce the impact of the pandemic on employment through various policies. The Pre-Employment Card Program, for example, is one initiative that aims to provide skills training for those affected by layoffs or who want to improve their skills during the pandemic. This program is expected to help the workforce acquire new, relevant skills and be able to compete in the post-pandemic job market. In addition, the government also provides incentives for companies that retain workers and do not lay off workers, as well as expanding social assistance programs for affected communities.

The COVID-19 pandemic has also pushed companies to prioritize business resilience and employee well-being policies. Many companies now recognize the importance of having an emergency response plan and providing better health protection for their employees. Some companies have started to adopt a hybrid or flexible work model that allows employees to work from home or other places outside the office. This work model is expected to continue to be a trend in the future, even after the pandemic is over, because it provides flexibility for employees and reduces operational costs for companies.

Overall, the impact of the COVID-19 pandemic on employment in Indonesia shows the need for a more adaptive and resilient approach to economic and social change. While the pandemic has caused an employment crisis, it has also opened up opportunities for reforms in the employment system, including improving workforce skills, strengthening social protection, and promoting gender equality. The government, companies, and workers must collaborate to create a more inclusive and sustainable work environment in the future, so that employment in Indonesia is better prepared to face future global challenges.

#### **People's Economic Development Strategy**

People's economy is an approach that aims to improve people's welfare through inclusive, community-based economic empowerment that prioritizes the interests of the common people. In Indonesia, the concept of people's economy is very relevant in creating an independent economy and reducing social inequality. The development of people's economy aims to empower people to become active economic actors, not only as consumers but also as



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competitive producers. This strategy involves the participation of all levels of society, especially those in the informal and rural sectors, so that it can create sustainable economic resilience (Noviarita, H. & Ningsih, 2024).

#### **Empowerment of Micro, Small and Medium Enterprises (MSMEs)**

MSMEs are the backbone of the people's economy in Indonesia, with a major contribution to employment and Gross Domestic Product (GDP). An effective strategy for developing the people's economy must include increasing the capacity of MSMEs through training, coaching, and providing access to capital. Many MSMEs in Indonesia still face difficulties in terms of funding, technology, and marketing. The government needs to provide easily accessible financing facilities, such as the People's Business Credit (KUR), which provides low-interest loans for MSMEs. In addition, entrepreneurship training institutions can help MSMEs manage their businesses, increase productivity, and develop quality and innovative products.

Digitalization of MSMEs is also an important part of this strategy. Through digital platforms, MSMEs can reach a wider market and increase efficiency in operations. E-commerce has been proven to increase sales for many MSMEs, even during the COVID-19 pandemic. With digitalization, MSMEs can more easily access market information, conduct online transactions, and build their brands more professionally. Digital training for MSMEs is also important so that they can optimize the use of social media and online platforms in product marketing.

### **Strengthening Cooperatives as People's Economic Institutions**

Cooperatives are a forum that allows people to jointly manage and own businesses collectively, with the principles of mutual cooperation and family. Strengthening cooperatives as people's economic institutions can help people overcome difficulties in accessing capital, marketing, and procuring raw materials. The government needs to encourage the revitalization of cooperatives by providing support in the form of management training, technology modernization, and expanding cooperative access to the market. According to research by Heni Noviarita et al., cooperatives that are managed professionally are able to provide significant economic benefits to their members and become a means of fair economic distribution.

In addition, cooperatives can play a role in the development of local industries, such as farmer cooperatives that provide access to modern agricultural tools and procurement of quality seeds for their members. Cooperatives can also develop side businesses for their members through productive economic activities, such as processing agricultural products into processed products with added value. By utilizing local potential, cooperatives can help increase the income of their members and create new jobs in rural areas.

### Local Community Based Economic Development

Community-based economic development prioritizes community participation in identifying local economic potential and managing it independently. Each region in Indonesia has different potential, both in terms of natural resources, culture, and superior products. The strategy for developing a people's economy needs to encourage each region to utilize this local



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potential, such as handicraft products, agricultural products, or the tourism sector. Communitybased economic development programs can involve skills training to process local products, facilitate market access, and introduce more efficient production techniques.

For example, in rural areas with agricultural potential, communities can be encouraged to develop organic products or agricultural products with added value, such as processed foods or herbal products. In areas with tourism potential, community economic strategies can focus on developing e-tourism and training communities in managing tourist destinations. By involving local communities, these programs can directly increase their income while strengthening their sense of ownership of local economic development.

### **Strengthening Local Economic Infrastructure**

Adequate infrastructure is essential to support the growth of the people's economy, especially in rural and remote areas. The infrastructure needed includes roads, electricity, internet access, and good transportation. The development of infrastructure that supports local economic activities will make it easier for people to access markets, reduce distribution costs, and increase business productivity. Wide internet access also opens up opportunities for people to participate in the digital economy, which can help market local products to a wider market.

In addition, the development of social infrastructure, such as education and training facilities, is also part of the strategy for developing the people's economy. With the existence of training centers, people can develop new skills, both in production and marketing. The government can also work with the private sector to build training facilities in various regions, which teach skills that are in accordance with the needs of local industries, such as managing marine products in coastal areas or simple manufacturing skills in industrial areas (Noviarita, H. & Ningsih, 2024).

### **Market Development and Local Product Branding**

To support the people's economy, marketing strategies and branding of local products are very important. Local Indonesian products have great potential to compete in national and international markets. The government and related institutions can support the marketing of local products through promotion, certification, and branding assistance. Local products that have strong certification and branding will be more easily recognized by consumers and have higher added value. For example, traditional craft or food products from a region can be promoted as typical products that are unique, both in terms of raw materials, production processes, and cultural values.

In addition, local product exhibitions and bazaars, both physically and online, can help increase the visibility of people's economy products. The government can also hold campaigns to support the consumption of domestic products, such as the "Proud of Indonesian Products" movement, which encourages people to choose local products over imported products. This strategy will help develop the local economy and increase income for small business actors.

#### Improving the Quality of Human Resources through Training and Education

The people's economy requires a competent workforce with skills according to market needs. Therefore, improving the quality of human resources is a major component in the



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strategy for developing the people's economy. Training and education programs, both through formal education and practical skills training, are very important to increase the productivity and competitiveness of the community. The government can work together with educational institutions, training, and industry to organize programs that teach technical skills, entrepreneurship, and business management to the community.

Vocational education and technical skills training are very relevant for people who want to develop their own businesses or work in sectors such as agriculture, manufacturing, or tourism. In this case, training must be tailored to local economic potential so that the skills taught are relevant to the needs of the surrounding industry. In addition, education on financial management and marketing strategies also needs to be provided so that people can manage their businesses professionally and sustainably.

Overall, the strategy for developing a people's economy aims to create an inclusive and sustainable economy by empowering the community as the main actor. This approach not only improves people's welfare, but also strengthens the national economy from the grassroots, so that it is able to face global economic challenges. By optimizing local potential, building infrastructure, and improving the quality of human resources, the people's economy is expected to create an independent, productive, and highly competitive society.

### Conclusion

Population and employment issues are two major challenges facing Indonesia in achieving inclusive and sustainable economic development. Rapid population growth increases the need for jobs that are balanced with the number of workers, and requires the country to create an environment that can accommodate the increasing number of workers every year. Improving the quality of human resources is fundamental to increasing the competitiveness of the Indonesian workforce, especially through vocational education and skills training that are relevant to market needs. Good and targeted education not only prepares a workforce that is better prepared to face the demands of industry, but also contributes to creating a more independent and entrepreneurial society. Women's empowerment is also an important aspect in improving employment in Indonesia. Given the large contribution of women in various sectors, the government needs to provide more inclusive support, both in terms of regulations, financial access, and opportunities to obtain adequate training. By optimizing the role of women in the labor market, it is hoped that family economic welfare and social resilience will increase. In addition, the people's economy supported by MSMEs and cooperatives shows great potential in expanding employment opportunities and improving people's standard of living, especially among the lower middle class. Strengthening MSMEs through digitalization, access to capital, and business management training has proven effective in driving local economic growth. In this context, cooperatives as people's economic institutions also play a role in providing a forum for the community to jointly manage businesses and improve welfare collectively. The COVID-19 pandemic has highlighted the importance of adaptation and innovation in the workforce, by accelerating the shift towards digital and increasing the need for technological skills. These challenges encourage governments, industry players, and the public to continue to innovate and seek solutions that can strengthen national economic resilience. The digitalization efforts carried out by MSMEs during the pandemic, for example,





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show the great potential of the digital economy in reaching a wider market and increasing business sustainability (Noviarita, H. & Ningsih, 2021).

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