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# Make Trade Illegal Urban of Metropolitan City to Entrepreneurship-Cooperation Residents

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#### **Abstract**

In Indonesia there are 58 million businesses at the level of SMEs, 6.8 million of them were in East Java, and as many as 2640 have become a 'hero Economy' in the city of Surabaya as well as between them ever urban status (arrivals) illegal businesses (businesses place not designation). As many as 75% of them are foreigners, of which 45% came from the village, and 30% comes from the city, and only 15% comes from the city of Surabaya, and 10% of their commuter status (roundtrip from out of town to Surabaya home- away). There are a classification of institutions (parties) giving guidance to them (the business actors who have illegality) such that: (i) the Department of Trade and Industry, the city of Surabaya, (ii) the Department of Cooperatives and SMEs, (iii) Social Services, and (iv) Private / Individual. Based on preliminary research, there are classifications of commodity on the work they perform, namely: (i) Crafts (20%); (ii) intake (15%); (iii) Snack (55%); and (iv) Drink Vitamins / Health (10%). From the well-developed, they generally accumulate in the Centre of SME, Centre of Culinary, Business Group, and Kampong Small Industries. Willingness to participate in education and training (training) is quite high (55%) even in businesses that have 5 or more years in the business, otherwise businesses are still two years or less are less interested (with a level of humility 50%). Then the businesses that have a high entrepreneurial knowledge (80%) lie in those who gathered in the center of the target offices. Judging from the area of origin, businesses that have a high motivation for entrepreneurship is a commuter status (shuttle), ie 65%. While the absorption of the material of the highest training participants (60%) achieved by the business comes from the center of the target agencies and generally they are seasoned received training and has been a member of the cooperative

**Keywords:** urbanization, entrepreneurship-cooperative.

### 1. Introduction

In 2013, the number of poor had been reduced to 28.1 million (11.4 percent), lower than in 2004 which was 36.1 million (16.7 percent). This decrease occurs when the global and domestic economic slowdown. Therefore, the government will streamline back pro-people programs that already exist. In the National Medium Term Development Plan (RPJMN) 2015-2019, transformation is done on poverty reduction programs and one of the strategies announced by the government (Cabinet Work) is enhance national community empowerment program (PNPM) independently. If PNPM enforced in the countryside then a similar program was implemented in urban poverty reduction programs in urban areas (P2KP). Substantially P2KP seeks to reduce poverty through community empowerment concept that rests on the noble values and principles of universal (Handbook for General P2KP-3, October 2005 edition). Meaning of empowerment key rests on the noble values is to increase the ability of community-based social-economic to the philosophy of the nation (Pancasila).

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Waking economy is adequate for this purpose is cooperative. But in the last decade of innovative cooperative applications must be entrepreneurship. Or vice versa practice of market-oriented economy must be moral Pancasila which means sit cooperative as ruler in the marketplace, so comes the term cooperative-entrepreneurship. 'Entrepreneurship is a positive mental attitude in comparative business by taking the initiative, innovative and courage to take risks and sticking to the principle of cooperative identity in realizing the fulfillment of the real needs and improving the common welfare' (https://sukasukadwi. Wordpress.com/2014/01/03 / wirakoperasi. Completion of the national community empowerment program (urban) into the right-therapy, when Cooperation-Entrepreneurship realized carefully at all the fairy-efforts to improve the welfare of society. No exception for the immigrant population (urban) in each city.

Sukarno et al (2012) told that urban became progress of the city when its presence is required at the level of high precision or maximum and vice versa their presence be inhibiting the progress or development of the city if the city needs is contrary to their needs (urban), especially if their presence is very rapid and irregular. As well as the city of Surabaya ideal number of residents in this city 75 people per hectare. But the reality in the year 2010 the volume of Surabaya's population has reached 87 people per hectare. Precisely the population of Surabaya has reached nearly 2.9 million people (2,821,929 to be exact in 2013) with an area of the city of about 29,000 ha. The population was already over capacity for Surabaya ideal population was only 2.1 million people, or there is an excess of 800 thousand inhabitants. City Government (City Government) found it difficult to counteract the current urban daily average reached 30 newcomers (getter blank Letter Moving Being a / SPMP to the department of population and civil registration (Dispendukcapil) in Surabaya.

Sukarno et al (2012, 2103 and 2014) also have examined the problem of urban illegal habitation and illegal businesses in the city of Surabaya with the result, among others, that they (the urban illegal habitation and illegal business): (i) general (80%) do not know the regulations (policy government) relating to the illegality of occupancy and the business they do, (ii) almost all (92%) experienced enforcement officers (Satpol pp) were sporadic and 75% of them feel treated non persuasive even policing is judged to be impartial to the urbanit, and (iii) most (85%) felt they did not obtain a satisfactory solution after demolition. Dissatisfaction in handling is also experienced by the authorities, because most (over 75%) mainly urban illegal business back to a place that banned the case of these two last things that the search for solutions proper, thorough, and is fundamental to urban mainly urban illegal attempt to be achieved through this research

#### 2. Literature Review

Ramlan Surbakti see the poverty of their community or city is not distributed economic resources are relatively evenly distributed to all residents in the region (mainly edges) of the city, as a result of: (i) the party that controls the economic resources do not have the social solidarity to help the poor out winding poverty, (ii) the poor less compact fighting both the government and the party that controls the economic resources so that they are treated the same as other human dignity, and (iii) the local government does not have a strong political commitment to redistribute economic resources ( Ramlan Surbakti in Bagong Suyanto, 1995: 74).

Dede Sharif (2010) states that urbanization due to two factors. First, the driving factors (push factors). The driving factor is derived from the political and economic problem. Second, the pull factors (pull factors). Most people who move from one city to another for reasons of interest to the city in question, for example, because the weather is good, beautiful nature, and others. Both of these factors contributed to the movement of people from one area to another or city. Urbanization and the various consequences is the other side of the growth of the city. Government and society, so far, more focused on the effect of the population problem. In fact, the problem is the axis of urbanization earlier. (Mind folk, September 18, 2010 in Sukarno, 2012). Hendar and Kusnandi (1990) states that Cooperation-Entrepreneurship is a positive mental attitude in trying to be cooperative, to take innovative initiatives and the courage to take risks and sticking to the principle of cooperative identity. People who do Cooperation-Entrepreneur called Cooperation-Entrepreneurship. The special feature is a must-have Cooperation-Entrepreneurship more appreciative attitude togetherness than on individual success and profit. A Cooperation-Entrepreneurship expected to be more motivated and be more creative work in togetherness. (Module-Based Enterprise Cooperative, 2013: 69). Cooperation-Entrepreneurship main task is to take innovative initiatives that means trying to find, discover and take advantage of opportunities of mutual interest. Wirakoperasi must have the courage to take risks because the world is full of uncertainty. Cooperation-Entrepreneurship have to accept things that sometimes do not fit between the expectations with the reality on the ground. (Module-Based Enterprise Cooperative, 2013: 39).

Meredith in Sudarmiatin (2009) states that everyone has the character as an entrepreneur, the innovative and creative. But not everyone is called innovative and creative entrepreneurship. Entrepreneur is someone who has a strong will to produce something different, which have added value and not simply a repetition of what other people have created. Witjaksono in Sudarmiatin (2009) states that the attitude and entrepreneurial insights described in the trilogy is the unity between the idea, feeling, and intention to give birth to works. If inventiveness and sense only produces initiation, then creativity and initiative only produce self-regulator, than initiative and sense only produce greget only, and then a blend of creativity, taste, and the initiative will produce work. The work in question is a good product or service.

## 3. Research Methods

Based on the research object of illegal urban policing efforts that have been obtained by and based on the government program (apparatus), then there is a special way of collecting data in accordance with the stages of this research, namely as follows .: (1) Data concerning the identity and the identity of the illegal urban businesses the results of policing the city government (hereinafter referred to potential respondents), tracked through the official information (website and or agenda / record apparatus in this case the municipal police of Surabaya), (2) Data on residential addresses of potential respondents tracked through records municipal police and if incomplete then tracked through the coordinator of the group businesses in one place / location policing. For the urban city government built directly traced to a shelter and or through the Office as instructor, (3) Data on the results of the coaching process (from the beginning until the development is required) recorded / log in with other research instruments such as questionnaires, interview guides, guidelines or lattice observation, etc., both assigned to the respondents as well as the institutions concerned, and (4) Data support obtained through the study of documentaries that examine the documents comprising the draft regulation / legislation / decree, reports, photographs, drawings, maps spatial and or urban planning (land use),

The data have been collected from the field and the results of education and training (Training) are presented in the form of charts, tables and other illustrations and includes: (1) Inventory and Identification of Respondents; (2) Level of Enterprise Respondents; (3) The level of readiness / willingness as potential participants Training; (4) Achievement in following the training; and (5) Reputation post training follow Data analysis controlling performed based on the stages and objectives to be achieved, namely as follows:

(1) To analyze the extent of achievement in following the Training Cooperation-Entrepreneurship used the principle of One-group pretest-posttest design that compares the results before and after treatment (socialization) with the formula:

O1 = the value pretest

O2 = value posttest

The influence of the experimental reduced O1 - O2

- (2) Analysis / measurement of the level of willingness to compiled / readiness to follow the training / seriousness of respondents in follow coaching, done by scoring based on the lattice observation.
- (3) Analysis / measurement of achievement / reputation / sustainability / dissemination / regeneration as citizens Cooperation-Entrepreneurship mainstay metropolis done using a scale Lickert.
- (4) In order to measure the significance of the difference in performance coaching model test results with the new (post-trial that has got improvement) with statistical test t-test coaching correlated.
- (5) Testing hypotheses using t-test correlated test hand right, because hypotesis alternative (Ha) reads better (Sugiyono, 2007: 309).
- (6) Furthermore, when the 'prototype social engineering coaching' is applied, is always done Matching to obtain information about the progression of the achievement of the objectives precisely whether the urban (target group) had characteristics as citizens Cooperation-Entrepreneurship mainstay metropolis.
- (7) in order to get the significance of the research, the analysis of data in the matching process, using hypothesis Testing Different Two Mean to Observation Couples and conclusion on whether hypothesis accepted or rejected, obtained by comparing the price of the test statistic to the critical value t t  $\alpha$  / 2: df n-1. (Djarwanto, 2001: 143-147)

## 4. Result and Explanation

Surabaya is the capital city of East Java Province. Surabaya city as the second largest city in Indonesia after Jakarta. Surabaya as a metropolitan city with one of its missions is to be 'best in South East Asia Service City'. Surabaya city lies between 07021 'south latitude and 112 036' to 112 054 'East Longitude height average of 2 m above sea level with an area of 355 km2. Surabaya City has 31 districts and 163 villages. There are nine of the 23 districts in the city of Surabaya as 'pockets of poor families' namely: Semampir (10 787 inhabitants), Tambaksari (9.804 inhabitants), Sawahan (8,572 inhabitants), Simokerto (7716 inhabitants), Wonokromo (6588 inhabitants), Gubeng (5,301 inhabitants), Kenjeran (5,290 inhabitants), Bubutan (5,255 inhabitants), and Krembangan (5,301 inhabitants) (Jawa Pos, 1-9-2011: 26 in Sukarno et al 2014). The population of the city of Surabaya in 2011 reached 3,024,321 inhabitants with a population density condition -2.9 (2007), -0.27 (2008) and -0.5 (2009) is very much different to the achievement of Kota Probolinggo for example by 7.16 in 2007.

Until the end of 2013 the number of micro, small, and medium enterprises (SMEs) in Indonesia stood at 57,895,721, up 2.41% from 56,534,592 in 2012. The Minister of Cooperatives and SMEs Syarifuddin Hasan hope, this year, the numbers swell back up over 58 million (http://www.neraca.co.id/article/39432/koperasi-dan-umkm-dalam-angka). While in East Java Number of Micro, Small and Medium Enterprises (SMEs) in East Java, based on a survey conducted the Central Statistics Agency (BPS) of East Java Province until the end of 2012, reaching no less than 6.8 million MSMEs Its composition, SMEs engaged in the sector agriculture amounted to 60.25 per cent with the number of business units as much as 4,112,443 businesses and non-agricultural sector amounted to 39.75 per cent with the number of business units as much as 2,713,488 businesses (http://Surabaya.tribunnews.com/2013/05 / 31 / number-SME-in-jatim-reach-6.8-million). In 2015 there are 2,640 SMEs that are members of the heroes of the economy (PE) Surabaya. This number has increased significantly from the previous year (2014), which is as much as 1,976 SMEs or by 74.85%. (Http://surabayapost.net/ news-as-2640-ukm-joined-at-the hero-ekonomi.html).

There are three (3) coaches the SMEs in the level of the Surabaya City Government Social Services, Department of Industry and Trade, and the Department of Cooperatives and SMEs. There are 10 centers or villages SMEs (the so-called featured kampong) who claimed to be assisted Social Services, although the business actors are largely also a target client departments and work units (SKPD) others. Ten of the village, among others: (1) Kampung bag in Gadukan - Morokrembangan, sub Krembangan; (2) Kampung embroidery on Kedung Baruk, sub Rungkut; (3) The wet cake in Penjaringan Kampung Sari, sub Rungkut; (4) village Sewing in Pucangan - Kertajaya, sub Gubeng; (5) Kampung Tambak Anyar crackers Mount, Mount Anyar; (6) Kampung Tambak shoes Osowilangon, sub Benowo; (7) Kampung tempe Tenggilis, sub Tenggilis Mejoyo; (8) Kampung handicraft in Wonorejo, Kecamtan Tegal Sari; (9) Kampung tempe chips in Sukomanunggal, sub Sukomanunggal; and (10) Kampung paving in Pakal Pakal districts. Further, he said that for the success of the program featured villages, each village equipped with various facilities of Power companion in each seed. Assistants act as a facilitator, motivator, as well as a liaison between the seed with IKM village Disperindag. The comparative study / internship in the industrial centers of small and medium enterprises (SMEs) which has been developed to improve SME skills featured hometown. Tools to assist the production process. To involve the village featured in trade show exhibits, both held by the government or private parties. (http://www.surabaya.go.id/berita/8225-kampung-unggulan) Associated with coaching at the Department of Trade and Industry, Chief Wildwood Suryantoro Disperindag Surabaya City Government and the Coordinating Center for SMEs Merr Sasangka Widya Dwi said that the Center of SMEs in Surabaya 4 (four) places and according to its inauguration is as follows .:

(i) Merr SME Center was inaugurated on December 16, 2014; (Ii) the SME Centers Sewing JI Bukit Barisan (iii) SMEs in the ICT Center were inaugurated on February 1, 2015; (Iv) Sentra SMEs in Tunjungan Centre was inaugurated on 16 September 2015. Turnover of SMEs Merr could reach more than 40 million per month, any valuable products such as handycraft imposed cost price is only Rp 5,000. Instead there are high-priced products such as Batik products costing \$ 7 million. Furthermore it is said that the SME centers Merr began opening hours of 08:00 to 20:00 hrs. However, especially on the day Saturday and Sunday, the center is closed over the afternoon starting at 8:00 a.m. to 17:00 am. Until now, the number of businesses that are included in this center there are about 175 SMEs across Surabaya. For SME products are on display at MERR SME centers, will be made turns of 31 districts in Surabaya. Currently, of the 63 SMEs selected, the new came from 21 districts. While sewing SME centers in 'Jalan Bukit Barisan' filled by 35 tailors. Initially there are approximately 54 seamstresses were previously active in 'Jalan Patua'.

Of that amount, the air-KTP Surabaya there were 35 tailors the role of the Department of Cooperatives and SMEs Surabaya. In order to increase the SMEs in the city of Surabaya, the Department of Cooperatives and SMEs Surabaya has, has composed a work plan with details and order as follows: (1) The strategic plan entitled, among others: (i) The strategy for improving independence productive businesses; and (ii) strategy for improving accessibility of productive resources for businesses. (2) Development Program hawkers and peddlers, (3) organizational development activities street merchants and hawkers, and (4) Arrangement of business places for street merchants and hawkers.

Business actors assisted the Department of Cooperatives and SMEs Surabaya recorded 100 units consisting of: (1) Craft / Accessories amount of 21 units; (2) intake and side-Pauk there are 16 units; (3) Snacks number of 54 units; and (4) Health Drink a number of 9 units. Besides, there are dozens of street vendors and hawkers are still in the early stages of the process of coaching. Based on the results of the inventory and identification of respondent businessmen who allegedly never experienced illegality place in business and is the result of Surabaya City Government guidance is as follows: Seniors in the range 26 to 65 years of age, sex, the majority (almost 85%) are women, especially for those who are willing and have been trained through the program Cooperation-Entrepreneurship in this study.

There are 60% of the respondents are Patronage Government (Department) that comprised 40% collected in the Center, the remaining 20% Non-Center. Then there is a 40% Non Government Patronage comprise 25% collected in the Center and 15% are non-Center. Based commodity businesses, then there are 20% are Craft / Accessories / Apparel, and then 15% in the form of intake (rice and side dishes) where most of them gathered in the Centre of Culinary, there are 55% Snack (various types), and 10% Refreshments form / Health Prior to Training Cooperation-Entrepreneurship, the research team selected them how much the level of entrepreneurship that is seen from the business experience before attempting this time and place of business conditions and the wishes keep trying in the future. Then, in order to collect the Cooperation-Entrepreneurship Training candidates, the selection of the respondents with the results of a number of 20 (twenty) participants were ranked based on the level of readiness. Knowledge about entrepreneurship is highest in those who gathered in the center and are partners of the government in this case is the service (80%). While the lowest entrepreneurial knowledge is achieved by those who are classified as businesses that instructors is non-governmental and not included in the set of centers, where humility rate reached 50%. Apparently the Department's role in fostering significant effect on knowledge about entrepreneurial businesses.

Cooperation-Entrepreneurship training participants who had the highest absorption is on those who have completed the training Cooperation-Entrepreneurship or something similar, and they have become members of the cooperative reaching 60%. Instead participants with low value lie in those who have never followed the same training and have become members of the cooperative (50%). But when businesses were given the offer to participate in training Cooperation-Entrepreneurship turns on those when experience it worth the effort recently started low as 50%, while those who had experienced attempted 5 years and over high to follow the training Cooperation-Entrepreneurship turns out he results of mobilization or recruitment of businesses to follow training Cooperation-Entrepreneurship turns out that high motivation to follow is that they are not incorporated in both centers assisted the Department (government) or Non Office which amounted to 40%. Pointed out that the businesses in the center has been repeatedly followed the training activities despite not Cooperation-Entrepreneurship training. Their contention training is always given but no real follow up measures that can provide a real solution of the problems of their latest. The businesses who plays as a commuter or a shuttle from the origin to the city of Surabaya proved to have the most powerful motivation (65%) when compared to other businesses especially those from villages where the weakness of his motivation level reached 50%.

#### 5. Conclusion

In Indonesia there are 58 million businesses at the level of SMEs, 6.8 million of them were in East Java, and as many as 2640 have become a 'hero Economy' in the city of Surabaya as well as between them ever urban status (arrivals) illegal businesses (businesses place not designation. As many as 75% of them are foreigners, of which 45% came from the village, and 30% comes from the city, and only 15% comes from the city of Surabaya, and 10% of their commuter status (roundtrip from out of town to Surabaya home- away).

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