Examining The Competitiveness of The Tourism Sector in Improving The Regional Economy in Malang City and Surabaya City

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Abstract. The tourism sector is one of the strategic sectors that is increasing regional original revenue (PAD). In this study, the tourism objects that will be studied are the city of Malang and the city of Surabaya, two of the areas with tourism potential and high selling value. In this study, the competitiveness of the tourism sector was analyzed using eight indicators used by the World Tourism Organization (WTO), namely, Human Tourism Indicator (HTI), Price Competitiveness Indicator (PCI), Infrastructure Development Indicator (IDI), Environment Indicator (EI), Technology Advancement Indicator (TAI), Human Resources Indicator (HRI), Openess Indicator (OI), and Social Development Indicator (SDI). The results of this study show that after calculations on each parameter, the Human Tourism Indicator (HTI) of Malang City has a higher competitiveness value than the City of Surabaya. Then, the city of Surabaya's higher competitiveness was also found in the Infrastructure Development Indicator (IDI), Price Competitiveness Indicator (PCI), and Openness Indicator (OI). Malang has a higher competitiveness advantage than Surabaya in the Environment Indicator (EI), Technology Advancement Indicator (TAI), Human Resources Indicator (HRI), Openess Indicator (OI), and Social Development Indicator (SDI).

Keywords: Tourism Competitiveness, Tourism Index, Composite Index, Tourism Competitiveness Index

1. Introduction

Tourism industrial areas can be created as a source of regional income. The travel industry is seen as a movement with various perspectives on development and improvement. Upgrading travel industrial estates combines socio-social, monetary, and political perspectives and involves many stakeholders, including local governments [3]. It is one of the sectors that has excellent potential to improve the regional economy in Malang City and Surabaya City.

Tourism industrial estates are the main drivers of the regional economy because they combine specializations and businesses to support this industry [12]. The tourism industry attracts tourists and creates a conducive business environment for various other sectors. According to [12],

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effective management of the tourism industry directly affects the interest of both foreign and local tourists, which in turn influences supporting industries such as restaurants and travel agencies. The tourism sector in Malang and Surabaya plays a vital role in improving the regional economy through job creation and has a positive impact on other supporting industries. Strong commitment and proper management of this sector are the primary keys to maximizing the contribution of the tourism economy [2].

Indonesia has many tourist attractions that attract local and foreign tourists, including Malang and Surabaya. Malang is one of the tourist attractions in Indonesia that is rich in culture and can attract tourists to visit. Malang is also nicknamed "Swiss van Java" because exciting mountains surround it, and the cityscape of Malang is almost similar to Switzerland. In addition, Surabaya is no less attractive, with various tourist attractions that invite many tourists. Surabaya is a city rich in history and ancient relics. The many tourist attractions in Malang and Surabaya make many tourists stay annually. Foreign tourist visits to Malang and Surabaya can add significance to the country's foreign exchange due to their trade activities. The following is a table of the emergence of foreign tourists to Malang and Surabaya in 2017-2021.

Table 1. Number of Foreign Tourist Visits in Malang and Surabaya

No	Year	Area	
		Malang	**Surabaya**
1	2017	108.485	780.378
2	2018	100.234	930.678
3	2019	70.184	801.231
4	2020	50.724	40.737
5	2021	20.233	20.103

Data source: BPS Malang City; BPS kota Surabaya

It can be seen from the table above that tourist visits over the past three years have experienced a considerable decline. The decay occurred from 2019-2020 due to an episode of an infectious and dangerous disease that began in 2019, namely the coronavirus Virus, which caused lockdowns and closed the travel industry in various places and even countries and caused foreign tourist visits to drop drastically [5]. The number of foreign tourists consistently must be supported by satisfactory facilities from these tourist attractions, such as lodging and eating places that tourists can use in Malang and Surabaya.

Table 2. Number of Hotels in Malang and Surabaya

No	Year	Area	
		Malang	**Surabaya**
1	2017	158	239
2	2018	158	254

No	Year	Area	
		Malang	Surabaya
3	2019	160	276
4	2020	201	301
5	2021	219	319

Data Source: BPS Malang City; BPS kota Surabaya

The table below shows the number of restaurants in Malang and Surabaya cities based on data from the Central Statistics Agency.

Table 3. Number of restaurants in Malang and Surabaya

No	Year	Area	
		Malang	Surabaya
1	2017	222	1083
2	2018	222	1341
3	2019	312	1512
4	2020	350	1547
5	2021	443	1765

Data Source: BPS Malang City; BPS Surabaya City (from various publications)

Table 3 shows the development of restaurants in Malang City and Surabaya from 2017 to 2021. In 2017, Malang City had 222 restaurants, while Surabaya City had a much higher number of restaurants, with 1083. Although the number of restaurants in Malang remained stable at 222 in 2018, Surabaya experienced a significant increase to 1341 restaurants. Furthermore, from 2019 to 2021, both Malang and Surabaya experienced a consistent rise in the number of restaurants. In 2021, Malang City recorded the highest number with 443 restaurants, while Surabaya also experienced a considerable increase with 1765 restaurants. This shows significant growth in the culinary sector in both cities over the past five years. Regional economic revenues can be increased through hotel and restaurant taxes. In addition, the tourism industry also contributes to regional income through entertainment and service levies [4].

According to [5], financial inclusion is a global issue because it affects the economy, and access to financial services in developing countries remains limited. The Indonesian Ministry of Finance defines financial inclusion as a condition in which citizens have access to quality financial services that are timely, easy, secure, and affordable, according to their needs and capabilities, to improve public welfare [1]. Financial inclusion can also be understood as the distribution of financial services to low-income groups to improve living standards and generate better income [1].

2. Literature Review

Tourism industrial areas are tourism industrial areas that can be created as a source of regional income. The program to increase the assets and potential of the travel industry can increase financial turnover and improve the Provincial Unique Salary (Bantal). The travel industry is seen as a movement with various perspectives on development and improvement. The increase in travel industrial areas combines social-social, monetary, and political perspectives. The tourism industrial area is the primary driver of the surrounding economy, which combines specialization and home businesses to support regional economic growth. One of the critical factors in improving the regional economy in Malang City and Surabaya City is the tourism sector. Malang and Surabaya have great potential in the tourism sector, which can be a source of regional income and support economic growth. One of the critical factors in improving the regional economy in Malang City and Surabaya City is the tourism sector.

Industrial tourism areas play an essential role in driving the regional economy. The tourism industrial estate combines specialization and business activities to support this industry and stimulate regional development [12]. This sector contributes directly through tourism revenue and facilitates economic growth by creating jobs and increasing economic activity in the surrounding areas. The commitment of the tourism industry significantly impacts economic growth and employment levels [14]. Such commitment can take the form of providing direct and indirect job opportunities. Direct employment includes sectors directly related to tourism services, such as hotels, restaurants, and travel agencies, while indirect employment includes supporting sectors such as suppliers of goods and services required by the tourism industry [14].

3. Research Methods

This study uses secondary data from 2017-2021 to analyze the development of the tourism sector in Malang City and Surabaya City in improving the regional economy. The research was conducted on tourist attractions in both cities, involving literature studies to obtain information about tourism potential [21].

This research will investigate the tourism industry in Malang City and Surabaya City as an effort to expand the local economy through the development of the travel sector. Both cities have shown significant growth in tourism infrastructure, such as hotels and the number of rooms, over the past five years. This reflects the great potential that Malang and Surabaya have as the main tourist destinations in East Java, with diverse cultural and natural attractions. The increase in tourists is expected to positively contribute to the Regional Original Revenue (PAD) in the two cities. The research will use a qualitative approach by conducting a literature study to explore the impact of the tourism sector on the local economy, focusing on indicators such as foreign direct investment (IDI), per capita income (PCI), and others set by the World Travel & Tourism Council (WTTC).

The Human Tourism Indicator (HTI) is an indicator that shows the success of regional financial improvement with the emergence of tourists in travel destination areas. In the literature study, the Human Tourism Indicator will be used to show the success of regional financial improvement through the tourism sector in Malang City and Surabaya City. (Shieldsquare Block Page, 2018) (Decision support system for selecting tourist attractions using fuzzy analytic hierarchy process, 2021) (Improving the Community Economy Through the Development of Tourist Areas (Case Study of Alun-Alun Contong Village, Surabaya City), 2022) (Determinant Factors in Managing Tourism Village, 2023; Runtunuwu, 2020) [7];[8]; [9]

Human Tourism Indicator (HTI)

This parameter shows the recognition of the increase in regional finances due to the emergence of tourists nearby. This HTI pointer examines how much the local area supports the travel industry. Support is a proportion of the travel industry's actions to the entire destination population. In this review, the action used is THI, with the formula THI = (Total et al. / Total Regional Revenue) x 100% [10];[11]. In this case, HTI can be an important indicator in evaluating the tourism sector's competitiveness in Malang City and Surabaya City.

Infrastructure Development Indicator (IDI)

This parameter indicates the entry of an expanded population into the construction of roads, further developing sterilizers and drinking water offices. Because the IDI is challenging to measure, the Intensity Screen (CM) replaces the IDI with the per capita salary of the population (the proportion of the absolute execution rate and purchase rate to the population). We can use all current Bearings to change the frame appropriately. In this case, IDI can be an important indicator in evaluating the tourism sector's competitiveness in Malang City and Surabaya City. The formula to obtain IDI is IDI = (Total et al. / Total Population) x 100% [15], [16]. In improving the regional economy in Malang City and Surabaya City, factors that affect the tourism sector's competitiveness include the uniqueness of the location and the involvement of tourism actors.

Environment Indicator (EI)

This parameter reflects the individual's familiarity with ecological qualities and natural guarantees. CO_2 emission records and population thickness lists (proportion of population and Region) are markers. The information is excluded from the estimated CO_2 outflow records; however, the population thickness used to ensure IE is a list of population thicknesses. The larger the population, the less harmful it is to a country's ecosystem. Ei indicated the extent of environmental sustainability in Malang City and Surabaya City, which is an essential factor in increasing the tourism sector's competitiveness. The formula for obtaining EI is EI = (Total Area of Green Open Space / Total Area Area) x 100%. [17] [18] [19].

Technology Advancement Indicator (TAI)

The index showcases the development of current foundations and innovations, including mobile phones, the Web, and other advanced items. TAI indicated that the cities of Malang and Surabaya have adopted modern technology in the development of the tourism sector, which can support increased competitiveness. The impact of the large TAI is that it creates easy access to information and operational efficiency in the tourism sector [13].

Human Resources Indicator (HRI)

The Human Resources Indicator (HRI) is a parameter used to measure the quality of the workforce in the tourism industry, focusing on their ability to serve tourists effectively. These parameters help evaluate how well a destination or tourism company can meet the needs and expectations of tourists. Using a combination of these indicators, HRI provides an overview of the qualifications and readiness of the workforce in the tourism industry to face the challenges and demands that exist [19]. Regular HRI evaluations can help identify areas where investment in human resource training and development is needed to improve the tourist experience and increase the competitiveness of a destination or tourism company [20].

$$\text{HRI} = (\text{Literacy rate})/(\text{Number of pupils and students})$$

Openness Indicator (OI)

Openness Indicator (OI) is a parameter used to measure the level of openness of a destination to international trade and tourist visits. OI provides an overview of how friendly a destination is to foreign tourists and how much foreign tourists contribute to the local economy [17];[18]. The OI measurement uses the ratio between the number of foreign tourists staying at hotels and a destination's total Regional Original Income (PAD). The formula for calculating the Openness Indicator (OI) is as follows:

$$\text{OI} = (\text{Number of foreign tourists staying in hotels}) / (\text{Total PAD})$$

Using this formula, OI compares foreign tourists' direct economic contribution and the destination's total income. The higher the OI value, the more open a destination is to international tourist visits and international trade. OI analysis can routinely assist local governments or tourism operators in understanding how effective promotional efforts and openness policies have attracted foreign tourists and expanded their economic contribution to the destination. In addition, OI can also help in comparing the openness performance of one destination with another and identify areas where improvements or adjustments are needed to increase attractiveness and competitiveness [17].

Social Development Indicator (SDI)

The Social Development Indicator (SDI) is a parameter used to measure the level of comfort and safety for tourists visiting a destination. SDI reflects the extent to which the destination has succeeded in building a welcoming and safe tourist environment. One method to measure SDI is to consider the average length of stay of tourists in a destination [15]; [16]. The formula for calculating the Social Development Indicator (SDI) is as follows:

$$SDI = (\text{Total length of stay of tourists})/(\text{Number of tourists})$$

In this formula, "Total length of stay of tourists" is the total number of days or time spent by all travelers visiting a destination in a given period. In contrast, the "Number of tourists" is the total number of tourists visiting during the same period. The higher the SDI score, the longer the average tourist stays in the destination. This can indicate that the destination offers a variety of exciting activities and attractions, as well as providing a safe and comfortable environment for visitors. Regular SDI analysis can assist local governments or tourism operators in monitoring the level of comfort and safety in their destinations and assessing the effectiveness of efforts to improve the tourist experience. In addition, SDI can also help compare the social and safety performance of the destination with other destinations and identify areas where improvements are needed to increase the attractiveness and competitiveness of the destination.

4. Results and Discussion

This study produced a tourist competitiveness index using eight WTTC parameters, focusing on Malang City and comparing its competitiveness with the Surabaya City area from 2017 to 2021. Tourism competitiveness is a reflection of the indicators that compile it. The stronger the performance of the constituent indicators, the more competitive a region's tourism will be. Conversely, tourism competitiveness will also decrease if the shaping indicators perform poorly. The weight of the factors that determine tourism competitiveness is first used to determine tourism competitiveness.

It is essential to study the factors that affect competitiveness better to understand the state of tourist competitiveness in Malang City and compare the area's competitiveness with the city of Surabaya. Because the strengths and weaknesses of regions can be studied in developing the tourism industry as a potential source of PAD by paying attention to the indicators that determine competitiveness, the results of this analysis have implications for the policies that the government must implement to develop them—the tourism sector. The results of the analysis of the position of tourism competitiveness in Malang City can be summarized as follows: the development of tourism competitiveness indicators in Malang City and Surabaya City during 2017-2021The main text should be written using Times New Roman, 10pt, entirely justified. Italics can be used for emphasis, and bold typesets should be avoided.

Human Tourism Indicator (HTI)

This indicator shows how the number of foreign and domestic tourist visits impacts a region's economic development. The results of the calculation of this indicator are shown in the following table 4

Table 4. Human Tourism Indicator (HTI) Malang and Surabaya

Year	Malang Area		HTI	Surabaya Area		HTI
	Number of Tourists	Population		Number of Tourists	Population	
2017	4.335.975	861.414	5.033	24.283.022	2.874.699	8.447
2018	4.809.386	866.118	5.552	29.283.022	2.885.555	10.148
2019	5.170.523	870.682	5.938	28.827.160	2.896.195	9.953
2020	662.570	843.810	0.785	10.681.318	2.874.314	3.716
2021	771.670	844.933	0.913	20.016.799	2.880.284	6.949

Source: processed from (BPS Malangi City, BPS Surabaya City

In Malang, the positive trend of tourist visits from year to year, as reflected in the Human Tourism Indicator (HTI) data, has illustrated solid growth in the tourism industry. The surge in the number of tourists generates additional revenue for local businesses and creates new job opportunities for locals. These visitors' support is more comprehensive than the accommodation and food sectors. However, it can also be seen in the development of tourism infrastructure, which has become a focal point in strengthening the attractiveness of Malang as a significant tourist destination.

In Surabaya, the decline in the number of tourists in 2020 and 2021 has exerted significant economic pressure. The decline in tourism revenue has a direct impact on the purchasing power of local people and the contribution to tax revenue. The decline in tourism activity also affects job creation and infrastructure development, leading to short-term economic challenges and a sustainable expansion of the long-term economic agenda.

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Infrastructure Development Indicator (IDI)

This indicator shows how developing a region's infrastructure supports the smooth development of the tourism industry. Generally, infrastructure has many fields, but in this indicator, it is seen from the condition and length of the road. The results of the calculation by dividing the length of paved roads and the quality of the roads are shown in the following Table 5.

Table 5. Infrastructure Development Indicator

Year	Malang Area		IDI	Surabaya Area		IDI
	Length of Paved Road	Road Quality		Road length Beraspal	Road Quality	
2017	1,221,290	511,196	2.389083639	1,689,290	584.7	2889.156833
2018	1,221,290	511,196	2.389083639	1,692,530	584.7	2894.698136
2019	1,221,290	511,196	2.389083639	1,693,040	584.7	2895.570378
2020	1,221,290	940	1299.327617	1,698,161	671.63	2528.417432
2021	1,221,290	1147.22	1064.564774	1,699,162	1421	1195.75088

Source: processed from (BPS Malang City, BPS Surabaya City

This infrastructure is an important factor in tourism because proper infrastructure can attract visitors. The arrival of tourists can increase local government revenues, allowing them to improve the quality of infrastructure. This indication is proxied by the length and quality of the paved road. In 2017, the growth of infrastructure in Surabaya in terms of road quality was better than in Bali; this is shown in the difference in road quality value where Surabaya has a road quality value of 584.7 while Malang is only 511,196 so Surabaya road quality is superior to Malang until 2021. However, the length of asphalt roads experienced a slight difference. Malang still needs to catch up with Surabaya's infrastructure; this can be seen by comparing the length of paved roads in Malang and Surabaya. Why is Malang's infrastructure lagging behind Surabaya due to the lack of maintenance and large-scale road additions? The length and quality of roads in these two cities are very different, as shown in the table above, sourced from BPS.

Environment Indicator (EI)

This indicator is related to the quality of the environment, which is directly related to the ability and awareness of residents to protect the environment as one of the tourist attractions. Here, the indicator is measured by dividing the population of an area by the area and is presented in the following table 6.

Table 6. *Environment Indicator*

Year	Malang Area		EI	Surabaya Area		EI
	Population	Area Km^2		Population	Area km^2	
2017	861,414	111	7753.501	2,874,699	350.5	8201.708
2018	866,118	111	7795.841	2,885,555	350.5	8232.681
2019	870,682	111	7836.921	2,896,195	350.5	8263.038
2020	843,810	111	7595.049	2,904,751	350.5	8287.449
2021	844,933	111	7605.157	2,880,284	350.5	8217.643

Source: processed from (BPS Malangi City, BPS Surabaya City

This indicator illustrates the state of the environment and the population's knowledge of the importance of environmental conservation. Natural tourism dominates Malang and Surabaya. One of the most attractive reasons for tourists to visit tourist attractions today is the quality of the environment. The number of inhabitants and the territory's area are used to measure this parameter. The population of Surabaya is much higher than Malang. On the other hand, Malang also has a lower score than Surabaya, according to the results of EI calculations. From the population and area of the population, it is clear that Surabaya has a more significant EI.

This indicator shows that if a destination area has a low population density, it is believed that the quality of the destination environment will also be low, affecting the comfort of visiting tourists. The comfort of tourists who visit the location will be affected by the quality of the surrounding environment. They crave a clean, healthy, and safe destination, as well as a refreshing natural environment. When compared to Surabaya, the environmental indicator (EI) of Malang City is lower.

Technology Advancement Indicator (TAI)

This indicator describes the technological development of a region that many aspects can present. Generally, this measurement is carried out by the resident's ownership or subscription of a landline phone. However, due to the development of mobile phone trends and internet networks, mobile dominance over the population is shown in the following Table 7.

Table 7. Technology Advancement Indicator (TAI)

Year	Malang Area		TAI	Surabaya Area		TAI
	Mobile Mastery	Population		Mobile Mastery	Population	
2017	643.04	861,414	0.64	1.073.683	2,874,699	0.70
2018	654.497	866,118	0.65	1.185.792	2,885,555	0.71
2019	674.164	870,682	0.67	1.245.402	2,896,195	0.72
2020	699.874	843,810	0.69	1.251.866	2,904,751	0.73
2021	708.186	844,933	0.70	1.420.357	2,880,284	0.73

Source: processed from (BPS Malangi City, BPS Surabaya City

The Technology Advancement Indicator (TAI) measures the advancement of modern infrastructure and technology, as seen in the extensive use of the internet, mobile phones, and high-tech exports. The mobile phone index is the metric used (the ratio of phone usage to population). Because phone usage data is challenging to obtain in this situation, mainly because of the increasing importance of technological innovation in the internet, telephone use is proxied with mobile ownership and management. It can be seen in Table 7 that the city of Surabaya, both in terms of the number of mobile ownership and the results of the TAI calculation, is in a

higher position than Malang. This condition is none other than due to the population ratio between the city of Malang and the city of Surabaya, where we can see in the table above that the population of Surabaya is more than that of Malang; in addition, this condition can also refer to TAI statistics, both cities tend to increase consistently.

Human Resources Indicator (HRI)

The Human Resources Indicator, in its purpose, can encourage the provision of high-quality services and various products for tourists. This indicator shows the extent to which a region has the capacity for the development of its tourism industry by examining the value of AMH distribution to the number of students.

Table 8. Human Resources Indicator

Year	Malang Area		HRI	Surabaya Area		HRI
	Literacy Numbers %	Total Elementary Students - S1 %		Literacy Rate %	Total Elementary Students - S1 %	
2017	97.96 %	29%	337.79	98.74%	28%	352.64
2018	98.56%	28%	352	98.82%	28%	352.92
2019	98.31%	28%	351.10	98.44%	28%	351.57
2020	98%	26%	376.92	98.47%	27%	364.70
2021	98.49&	26%	378.80	98.27%	26%	377.96

Source: processed from (BPS Malang City,; BPS Surabaya City,

The Human Resources Indicator (HRI) measures the quality of human resources in an area so that tourists can get good service. HRI is calculated using an index that includes literacy numbers with the number of students from SD-S1. In all dimensions of society, the quality of human resources is essential; the higher the quality of human resources in an area, the better the results of what is done. This metric measures the quality of human resources in the area, allowing them to provide good service to visitors. The index is used as a proxy in this measurement. The literacy rate and the number of people educated in elementary, junior high, high school, diploma, and bachelor's degrees are used for this. From 2017 to 2021, HRI in Malang is almost the same as in Surabaya if you look at its development. However, in terms of the number of literacy and the number of students, Malang has a higher status than Surabaya.

Openness Indicator (OI)

The Openness Indicator (OI) shows the level of openness of destinations to international trade and tourists.

Table 9. Openness Indicator (OI)

Year	Malang Area		OI	Surabaya Area		OI
	Total PAD (millions)	Foreign Tourists Stay in Hotels		Total PAD (million)	Foreign Tourists Stay in Hotels	
2017	1.97192E+11	397,951	495517.4526	3595670492734	597,739	6015452.384
2018	2.04028E+11	416,373	490013.5794	3817402592324	670,473	5693596.3
2019	2.24777E+11	433,027	519082.9704	4018722311948	675,210	5951811.01
2020	2.13168E+11	69,968	3046652.921	3276840036302	106,473	30776253.48
2021	1.91119E+14	44	4.34361E+12	3649785333433	50	72995706669

Source: processed from (BPS Malang City, BPS Surabaya City

This metric measures how open a destination is to international trade and tourists. The ratio of foreign receipts and tourists to the total original income of the Region is used in the calculation (PAD). This statistic shows that the influx of foreign tourists (foreign tourists) results in trade between two countries, namely the origin of foreign tourists and the destination country. This is a lucrative endeavor, primarily when local products can be sold globally. The Malang OI Index is lower than Surabaya. This is due to a fundamental difference in the city's PAD, which is lower than that of Surabaya, which may affect the OI index.

Social Development Indicator (SDI)

This indicator shows tourists' comfort and safety in the destination area. In the calculation, it is shown by the average length of stay of tourists in a tourist destination.

Table 10. Social Development Indicator

Year	Average Tourist Stay (SDI)	
	Malang Area	Surabaya Area
2017	1.49	1.96
2018	1.48	2.08
2019	1.69	2.03
2020	1.35	1.78
2021	1.51	1.89

Source: processed from (BPS Malang City, BPS Surabaya City

This metric describes the ease and safety travelers can use to travel in the destination area. The average length of stay of tourists in the destination area is used to calculate SDI. This index shows that the longer tourists stay in a target area, the more money they spend on shopping or consumption there. From a macroeconomic point of view, the more tourists consume products or spend their money and time in the destination area, the higher the income of the destination area. The average stay for tourists in Surabaya is more extended than in Malang.

5. Conclusion

Based on the analysis of data and the discussion of the results of the research on the analysis of the impact of economic growth, poverty, unemployment, income inequality, and domestic investment on financial inclusion in Indonesia, it can be concluded that there is a negative relationship between the variables of economic growth, poverty, unemployment, and income inequality on financial inclusion. Meanwhile, the PMDN variable has a positive influence on financial inclusion. Based on these results, the recommendations given are in the form of understanding the importance of education and knowledge about financial aspects (financial education and financial literacy). Regarding income inequality, the government must distribute income evenly in urban and rural areas. Meanwhile, in terms of PMDN, it can be done by investors, the government, and banks can work together to improve all aspects of financial inclusion, for example, through distribution/intermediation mechanisms, cheap loans, and ease of access for small entrepreneurs who need capital which will later have an impact on increasing domestic capital income.

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