# Encouraging Community Empowerment and Local Economic Independence in Villages through Sustainable Economic Development Techniques

#### Nazeri<sup>1</sup>, Rahmat Hidayat<sup>2</sup>, Rina El Maza<sup>3</sup>

<sup>1</sup> Institut Agama Islam Tulang Bawang
<sup>2</sup> Universitas Islam An Nur Lampung
<sup>3</sup> Institut Agama Islam Negeri Jurai Siwo Metro Lampung

ABSTRACT

#### Article Info

#### Article history:

Received Dec, 2024 Revised Dec, 2024 Accepted Dec, 2024

#### Keywords:

Community Empowerment Local Economic Independence Sustainable Economic Development With an emphasis on local economic independence and community empowerment, this publication examines sustainable economic development tactics in villages. The purpose of this study is to present an integrated and comprehensive picture of sustainable village economic development. The researchers assessed economic development initiatives in several community areas in Indonesia, using qualitative descriptive methods. The study findings suggest that a comprehensive and integrated approach that considers the economic, social, cultural, and environmental demands of the local population is necessary for sustainable economic development in villages. To achieve local economic independence, community empowerment through active community involvement in the formulation and implementation of economic development programs is essential. The authors of this article suggest a sustainable economic development plan for villages that is based on the ideas of community empowerment and participation. Leveraging local resources, strengthening organizations and cooperatives, empowering women and youth, developing small and medium enterprises and the agricultural sector, and implementing sustainable environmental management are all part of this plan. In conclusion, a comprehensive and integrated approach that emphasizes local economic independence and community empowerment can lead to sustainable economic development in villages. Such a plan can improve the welfare of village communities and encourage sustainable economic growth.

This is an open access article under the <u>CC BY-SA</u> license.



#### Corresponding Author:

Name: Rahmat Hidayat Institution: Universitas Islam An Nur Lampung Email: <u>hidayatrahmat677@gmail.com</u>

#### 1. INTRODUCTION

In Indonesia, the topic of sustainable village economic development has become increasingly important in the overall economic development of the country [1]-[2]. Around 70% of Indonesians live in rural areas and most rely on agriculture as their main source of income, according to data from the Central Statistics Agency (BPS) [3]. Inequality in social and economic growth, as well as challenges in promoting local economic independence, still exist in many communities. Therefore, sustainable

**D** 240

economic development strategies in villages can community that encourage empowerment and local economic independence are verv important to implement. Several recent studies have been conducted to discuss sustainable economic development strategies in villages.

For example, research by Komalasari, and Pradipta Wijaya that discusses community empowerment through sustainable agriculture. The study found that community empowerment can be achieved through sustainable agriculture programs that actively involve the community in decision making and program implementation [4]. With an emphasis on agriculture and poverty reduction, Rizkiani and Hidayat also studied sustainable economic development tactics in villages. According to the study, local economic diversification and sustainable agricultural development can be useful tactics to improve village economic independence. A more indepth examination of sustainable economic development tactics in villages that promote local economic independence and community empowerment is still needed, although some studies have been conducted in this area. Thus, this study aims to conduct a more indepth examination of sustainable economic development tactics in villages.

There are significant benefits of this study for sustainable village economic development in Indonesia. Policy makers and other stakeholders involved in sustainable village economic development may find the findings of this study useful [5]. In addition, this study can help in formulating ideas related to sustainable economic growth in rural communities. To get a more complete picture of sustainable economic development strategies in villages, a literature review of previous studies on this subject will be conducted in an effort to achieve the objectives of this study. To examine sustainable economic development options in villages in more detail, this project will also include case studies from a number of communities in Indonesia.

The main objective of this study is to determine how sustainable economic

development tactics in rural areas can promote local economic independence and community empowerment. Providing communities with the ability to actively decision-making and engage in implementation of village economic development initiatives is what is meant by community empowerment in this context [6]. other hand. local On the economic independence refers to increasing the capacity of communities to build their own local economies without relying on outside assistance [7]. This study is significant because it can help address the problem of inequality in economic and social development in Indonesia by promoting sustainable economic growth in rural areas. In addition to economic considerations, social and environmental factors must also be taken account in sustainable economic into development. In this case, sustainable rural economic growth can reduce poverty in the village and improve community welfare in general [8].

The author will discuss a number of ideas and theories related to sustainable economic development tactics in villages to meet the objectives of this study. To present a more comprehensive picture of sustainable economic development in villages, the author will also discuss several previous studies that are relevant to this subject. In addition, the author will explain the research design, data sources, and analysis methods that will be used as part of the research process. It is hoped that this study will produce sustainable economic development strategies for villages that can promote local economic independence and community empowerment. The results of this study will provide significant contributions to the sustainable development of the village economy in Indonesia, as well as provide input for policy makers and related parties in the development of a sustainable village economy. In addition, the results of this study can also be used as a reference for future studies on sustainable economic development in villages.

This study combines case study methodology with a qualitative approach [9]. Since this study focuses primarily on an indepth understanding of sustainable economic development in villages, particularly related to community empowerment and local economic independence, a qualitative method is used. Since this study aims to gather a comprehensive picture of sustainable economic development strategies in villages involving various communities in Indonesia, a case study technique is chosen.

This study will be conducted in a number of villages that have prioritized the principles of sustainable economic development and have succeeded in developing their local economies. The communities that will be the focus of this study were intentionally selected based on a number of factors, including the level of active community participation, effective sustainable economic development, and local government support. Both primary and secondary data sources were used in this study. Interviews with various stakeholders involved in village economic development, including village leaders, local business owners, and community members, generated primary data.[10]. To get a more complete picture of the conditions and circumstances in the village related to sustainable economic growth, direct observation also was conducted.

# 3. RESULTS AND DISCUSSION

This study identified a number of sustainable economic development tactics that promote local economic independence and community empowerment in villages. Increasing community involvement in decisions related to local economic development is one of the most important components of sustainable economic development in villages. According to Hermawan, this is very important to ensure sustainable economic development in villages [11].

In villages, the public and private sectors can work together to promote

sustainable economic growth. Partnerships between the public and private sectors can improve access to resources and markets and encourage the growth of local products in village economic development [12]. However, the principles of sustainable economic development, which include taking into account social, economic and environmental factors, must be applied [13]. The concept of sustainable economic development can improve environmental sustainability and local economic independence.

Establishing small and micro, medium enterprises (MSMEs) can help boost the local economy and encourage empowerment of rural communities. According to a study by Prayogo [14], the growth of MSMEs can boost the local economy and increase market accessibility. In villages, having strong human resource (HR) capacity can play a significant role in longterm economic growth. A study found that increasing human resource capacity can increase local economic productivity and the community's ability to run a business [15].

The local village economy has the potential to be a very valuable resource in improving the local economy [16]. According to a study, boosting local economic potential can reduce dependence on the main economic sector and increase local economic independence [17]. However, there are also a number of barriers to sustainable economic development in villages, including lack of government policy support and limited access to resources and markets. Therefore, to achieve sustainable economic development in villages, efforts must be made to address these challenges.

Another example is the Kasepuhan Banten Kidul community in Indonesia [18], which has improved its local economy by implementing sustainable economic development principles. The Kasepuhan Banten Kidul Business Partner Cooperative (KMUBK), founded by the community, offers assistance and training to farmers and business owners in the area. The community has been able to improve their standard of living and income through this cooperative, which has also helped promote sustainable practices such as:

- 1) Using environmentally friendly agricultural technologies to reduce chemical use and increase crop production.
- 2) Use local products and support local creative businesses.
- Increase market accessibility by collaborating with regional and local businesses.
- 4) Creating ecotourism that attracts visitors while preserving local culture and wildlife.

In addition, there is a study that shows that the success and effectiveness of development initiatives can be increased through active community involvement in decision-making and program implementation [19]-[20]. This is seen in Tampahan Village, North Sulawesi, where a program sustainable for economic development being implemented. is However, the initiative has succeeded in improving the economic welfare of local communities through active community involvement in mangrove planting, production and processing of marine products, and tourism promotion. The use of appropriate technology can help rural communities become more economically sustainable. In the study, appropriate technology such as solar water pumps and the use of modern agricultural machinery helped improve the productivity and efficiency of agricultural production, which in turn can increase farmers' incomes [21]-[22].

As shown by the development of cocoa agribusiness in Kolaka Regency, Southeast Sulawesi, sustainable economic development initiatives may face obstacles [23]-[24]. Efforts by the cocoa agribusiness development program to increase farmer income and improve cocoa quality are hampered by a lack of support from companies and the government, as well as technical problems in processing and storing cocoa beans [25]-[26]. The significance of involving multiple stakeholders in sustainable economic development initiatives is further demonstrated by research

conducted by Aspinall and Warburton [27][28]. They see how governments, businesses and communities actively participate in development initiatives.

Human resource development is an important component that needs to be taken into account so that villages can experience sustainable economic development. The study findings show that education and skills development can increase the capacity of local residents to run their businesses [29]-[30]. Thus, villagers can become more independent and less dependent on assistance from the government or other parties. This is consistent with the findings of studies showing the positive effects of education and skills development in increasing income and economic independence of rural communities [31]. In addition. improving local organizations such as farmer associations and micro-enterprise associations can improve member cooperation and coordination while strengthening local economic independence. This is consistent with a study showing that improving local institutions can increase economic independence and village community involvement [32].

A key component of the village's sustainable economic development plan is the growth of small and medium enterprises [33]. (SMEs). MSMEs help close the economic gap between rural and urban areas by providing more money and job opportunities to the community. The growth of MSMEs in rural areas can increase the competitiveness of local products and the economic independence of rural communities. Sustainable economic development in villages also depends heavily on the use of environmentally friendly technology. Environmentally friendly technology can reduce adverse environmental increase impacts and production efficiency. A study shows that the use of environmentally friendly technology increase productivity can the and sustainability of rural community businesses [34]-[35].

However, there are still a number of obstacles that must be overcome before sustainable economic development plans can be implemented in communities. Lack of access to markets and capital is one of the difficulties. One of the most important factors in local economic growth in villages is access to finance and markets [36]. To improve finance and markets, access to the government and other stakeholders must provide support and assistance. Sustainable economic development in villages is also hampered by a lack of interest and support from the government. Lack of government assistance can impact how well local institutions operate and hinder the growth of local businesses in the village [37].

## 4. CONCLUSION

Sustainable economic development in villages in Indonesia shows that a comprehensive and integrated approach is essential to achieving local economic independence and community empowerment. This study emphasizes the importance of active community participation in the formulation and implementation of economic development programs, which can increase the effectiveness of development initiatives. By involving communities in decision-making, these programs will not only be more relevant to local needs but will also increase community ownership and responsibility for the results achieved. This finding is in line with previous research showing that community involvement in agriculture sustainable programs can significantly improve economic and social outcomes in villages.

Furthermore, by identifying several tactics that can be applied to support

sustainable economic development, including the development of micro, small and medium enterprises (MSMEs), and the application of environmentally friendly technologies. MSMEs play an important role in creating jobs and increasing community incomes, while reducing economic disparities between rural and urban areas. In addition, the use of environmentally friendly technologies not only increases productivity but also reduces negative impacts on the environment. By utilizing local resources and strengthening community organizations, villages can build a strong foundation for sustainable economic growth. However, challenges such as lack of government policy support and limited access to markets must be overcome for these initiatives to succeed.

As an effort to provide important insights for policy makers and other stakeholders on sustainable economic development strategies in Indonesian community villages. With a focus on empowerment and local economic independence, the proposed approach can help reduce poverty and improve the welfare of communities as a whole. Cooperation between the public and private sectors and support from the government are needed to create an environment conducive to local economic growth. Thus, a sustainable economic development plan based on active community participation, MSME development, and the application of environmentally friendly technologies can be the key to achieving more inclusive and sustainable development goals in Indonesia.

## REFERENCES

- S. Masruroh, Eduardus Nanggur, and Ulrianus Aristo Ngamal, "Peran Wakaf dalam Pengembangan Ekonomi Berkelanjutan: Studi Kasus di Indonesia," *Indo-Fintech Intellectuals J. Econ. Bus.*, vol. 4, no. 2, pp. 490–500, 2024, doi: 10.54373/ifijeb.v4i2.1297.
- F. M. Maghfiroh, S. A. Natalina, and R. Efendi, "Transformasi Ekonomi Digital: Connection Integration E-Commerce Dan S-Commerce Dalam Upaya Perkembangan Ekonomi Berkelanjutan," *Proc. Islam. Econ. Business, Philanthr.*, vol. 2, no. 1, pp. 01–10, 2023.
- [3] F. Rohman, A. Ghofar, and W. S. Saputra, "Partisipasi Masyarakat Dalam Pengembangan Kawasan Ekowisata Di Desa Bedono Kecamatan Sayung Kabupaten Demak," *Manag. Aquat. Resour.*, vol. 5, no. 2, pp. 61–69, 2016.
- [4] A. Krisnawati and M. Farid Ma'ruf, "Model Pemberdayaan Masyarakat Melalui Konsep Pertanian Perkotaan (Urban Farming) (Studi Pada Kelompok Tani Elok Mekar Sari Kelurahan Semolowaru Kota Surabaya)," Publika, vol. 4, no. 4, pp. 1–11, 2016.
- [5] H. Oktavia, N. Hanani, and S. Suhartini, "Peran Sektor Pertanian dalam Pembangunan Ekonomi di Provinsi Jawa Timur (Pendekatan Input-Output)," *Habitat*, vol. 27, no. 2, pp. 72–84, 2016, doi: 10.21776/ub.habitat.2016.027.2.9.
- [6] I. N. Hadi Suroso, Abdul Hakim, "Faktor-Faktor Yang Mempengaruhi Partisipasi Masyarakat Dalam Gresik,

- [7] W. Windari, "\*\*\*\*PMD Model Pemberdayaan Masyarakat Dalam Upaya Pembangunan Ekonomi Lokal Berbasis Produksi Di Pedesaan Community Empowerment Model In Production-Based Local Economic Development Effort in Rural Areas," J. Agirekstensia, vol. 20, no. 1, pp. 90–106, 2021.
- [8] Jack Mangowal, "Pemberdayaan Masyarakat Petani Dalam Meningkatkan Pengembangan Ekonomi Pedesaan Di Desa Tumani Kecamatan Maesaan Kabupaten Minahasa Selatan.," Governance, vol. 5, no. 1, 2013.
- [9] D. Assyakurrohim, D. Ikhram, R. A. Sirodj, and M. W. Afgani, "Case Study Method in Qualitative Research," J. *Pendidik. Sains dan Komput.*, vol. 3, no. 01, pp. 1–9, 2022.
- [10] J. Sirait and K. U. Noer, "Implementasi kebijakan keolahragaan dan peran pemangku kepentingan dalam peningkatan prestasi atlet The implementation of sports policies and the role of stakeholders in improving athlete achievement," *JORPRES (Jurnal Olahraga Prestasi)*, vol. 17, no. 1, pp. 1–10, 2021.
- [11] H. Hermawan, "Dampak Pengembangan Desa Wisata Nglanggeran Terhadap Ekonomi Masyarakat Lokal," J. *Pariwisata*, vol. 3, no. 2, pp. 105–117, 2016.
- [12] P. O. Rebecha Prananta, Pramesi Lokaprasidha, Margaretta Andini Nugroho, Pandu Satriya Hutama, "Analysis of Potency and Strategy Identification of Wuluhan Subdistrict As a Super Priority Destination Area in Jember Regency," J. Sos. Ekon. Pertan., vol. 17, no. 1, pp. 115–128, 2024, doi: 10.19184/jsep.v17i1.43872.
- [13] E. Ningrum, "Pendayagunaan Lingkungan Bagi Pemberdayaan Masyarakat," J. Geogr. Gea, vol. 7, no. 1, 2016, doi: 10.17509/gea.v7i1.1711.
- [14] D. I. Prayogo and A. R. Syamsuri, "The Influence of Human Capital and Relational Capital on the Entrepreneurs Performance of Micro, Small and Medium Enterprises (MSMEs) in Sidodadi Ramunia Village, Deli Serdang, North Sumatra Pengaruh Human Capital dan Relational Capital terhadap Kinerja P," *Manag. Stud. Entrep. J.*, vol. 4, no. 5, pp. 7198–7209, 2023.
- [15] A. Azhari, M. . Mustofa, E. D. Meisari, and E. T. Setia Anggarista, "Pengembangan Badan Usaha Milik Desa Melalui Peningkatan Kualitas Sumber Daya Manusia," J. Ilm. Ekon. Glob. Masa Kini, vol. 14, no. 2, pp. 82–92, 2023, doi: 10.36982/jiegmk.v14i2.3392.
- [16] L. V. Wihartanti, D. N. Andriani, A. R. Saputra, and N. F. C. Sari, "Pemberdayaan Masyarakat Melalui Inovasi Produk Asam Jawa Berbasis Ekonomi Lokal di Desa Nglopang Kecamatan Parang Kabupaten Magetan," J. Abdimas Madani dan Lestari, vol. 3, no. 1, pp. 40–45, 2021, doi: 10.20885/jamali.vol3.iss1.art6.
- [17] Z. Chikmawati, "Peran BUMDES Dalam Meningkatkan Pertumbuhan Ekonomi Pedesaan Melalui Penguatan Sumber Daya Manusia," J. Istiqro, vol. 5, no. 1, p. 101, 2019, doi: 10.30739/istiqro.v5i1.345.
- [18] A. Malik, "Cultural Identity and Social Interaction of Indigenous Peoples in the Middle of Modernization (Case Study of Indigenous Peoples of Kasepuhan Banten Kidul)," J. Messenger, vol. 10, no. 1, p. 34, 2018, doi: 10.26623/themessenger.v10i1.649.
- [19] F. F. Anugrah, S. Salahudin, and A. Nurjaman, "Partisipasi Masyarakat Dalam Pengembangan Pariwisata Lokal: Sebuah Kajian Pustaka Terstruktur," *Briliant J. Ris. dan Konseptual*, vol. 6, no. 4, p. 775, 2021, doi: 10.28926/briliant.v6i4.689.
- [20] L. Judijanto, D. Yadi Heryadi, R. Sally, M. Sihombing, Y. K. Gusti, and R. Semmawi, "Rekayasa Sosial Ekonomi: Peningkatan Keterlibatan Masyarakat Dalam Pengembangan Ekonomi Lokal," *Community Dev. J. J. Pengabdi. Masy.*, vol. 5, no. 1, pp. 223–229, 2024.
- [21] M. A. R. Siregar, "Peningkatan Produktivitas Tanaman Padi Melalui Penerapan Teknologi Pertanian Terkini," J. Agribisnis, vol. 1, no. 1, pp. 1–11, 2023.
- [22] R. K. A. Teguh Soedarto, Teknologi Pertanian Menjadi Petani Inovatif 5.0: Transisi Menuju Pertanian Modern. Ponorogo: Uwais Inspirasi Indonesia, 2022.
- [23] N. K. A. Valeriana Darwis, "Perspektif Agribisnis Kakao Di Sulawesi Tenggara (Studi Kasus Kabupaten Kolaka)," SOCA J. Sos. Ekon. Pertan., vol. 5, no. 3, 2005.
- [24] dan A. M. H. Dewi Listyati , Agus Wahyudi, "Penguatan Kelembagaan Untuk Peningkatan Posisi Tawar Strengthening Institu Tional To Improve Bargaining," vol. 1, no. 1, pp. 15–28, 2014.
- [25] R. Firdaus, "Peran Pemerintah Daerah Sebagai Regulator, Dinamisator, Fasilitator, Dan Katalisator Dalam Pemberdayaan Petani Kakao Di Kabupaten Luwu Utara," Publik Adm., vol. 3, no. 1, pp. 32–40, 2020.
- [26] E. Ariningsih, H. J. Purba, J. F. Sinuraya, K. S. Septanti, and S. Suharyono, "Permasalahan Dan Strategi Peningkatan Produksi Dan Mutu Kakao Indonesia," *Anal. Kebijak. Pertan.*, vol. 19, no. 1, p. 89, 2021, doi: 10.21082/akp.v19n1.2021.89-108.
- [27] E. A. Eve Warburton, "Explaining Indonesia's Democratic Regression: Structure, Agency and Popular Opinion," *JSTOR; Contemp. Southeast Asia*, vol. 41, no. 2, pp. 255–285, 2019.
- [28] E. W. E Aspinall, D. Fossati, B. Muhtadi, "Elites, masses, and democratic decline in Indonesia," *Democratization*, vol. 27, no. 4, pp. 505–526, 2019.
- [29] et al Hermin Nainggolan, Ekonomi Sumber Daya Manusia. Sukoharjo: Pradina Pustaka, 2022.
- [30] P. B. Santoso, M. Tukiran, C. C. Hyun, L. M. Wijayanti, M. Asbari, and A. Purwanto, "Review Literatur: Pengembangan Sumber Daya Manusia dan Pendidikkan dalam Rangka Meningkatkan Pertumbuhan Ekonomi," J. Eng. Manag. Sci. Res., vol. 1, no. 2, pp. 276–285, 2020.
- [31] D. Y. Lutfiansyah, "Pendidikan Kecakapan Hidup (Life Skills) Dalam Pemberdayaan Perempuan Kepala Keluarga (Pekka) Untuk Peningkatan Pendapatan Dan Kemandirian Berwirausaha," *Gastron. ecuatoriana y Tur. local.*, vol. 1, no. 69, pp. 6–7, 2009.

- [32] J. A. Nurhasan and A. H. Munawar, "Efektivitas Peran BUMDES Terhadap Peningkatan Pendapatan Masyarakat di Desa Panjalu," *Antaradhin; J. Ekon. Syariah Kontemporer*, vol. 1, no. 2, pp. 20–30, 2020.
- [33] M. Murdani, S. Widayani, and H. Hadromi, "Pengembangan Ekonomi Masyarakat Melalui Pemberdayaan Usaha Mikro Kecil dan Menengah (Studi di Kelurahan Kandri Kecamatan Gunungpati Kota Semarang)," Abdimas J. Pengabdi. Kpd. Masy., vol. 23, no. 2, pp. 152–157, 2019.
- [34] M. Rezha Taufani, Teknologi Ramah Lingkungan. Bandung: Nuansa Cendekia, 2023.
- [35] Gunawan, K. Hidayat, and M. Purnomo, "Penerapan Inovasi Teknologi Ramah Lingkungan Pada Komunitas Petani Sayuran (Studi di Desa Tawangargo, Kecamatan Karangploso, Kabupaten Malang) The Application Of Environmental Friendly Technology Innovation In The Vegetable Farmer Community (A Study at Ta," *Habitat*, vol. XXIV, no. 1, pp. 20–32, 2013.
- [36] et al Riana Mayasari, Digitalisasi Desa: Pilar Pembangunan Ekonomi Desa. Pekalongan: Penerbit Nem, 2022.
- [37] A. Malo and F. Firdausi, "Upaya Perencanaan Pembangunan Desa Dalam Bidang Infrastruktur Untuk Mewujudkan Kesejahteraan Masyarakat," *JISIP J. Ilmu Sos. dan Ilmu Polit.*, vol. 8, no. 3, pp. 53–58, 2019.