

## INNOVATION IN CLUSTERING TO ACHIEVE PRODUCTIVE AND AUTONOMOUS RESOURCE MOBILIZATION AT THE VILLAGE LEVEL: A CASE STUDY IN REJOWINANGUN VILLAGE

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### ABSTRACT

Villages are continuously encouraged to innovate as a manifestation of good governance and excellent public service. One such innovation that has successfully emerged is clustering. In this research, we focus on the clustering innovation implemented in Rejowinangun Village, Yogyakarta. Clustering is applied to group five areas based on their leading potentials: Cultural Village, Craft Village, Herbal Village, Culinary Village, and Agro Village. The goal is to centralize development and inventory the existing potentials. Therefore, this study aims to analyze and evaluate the implementation of clustering innovation in Rejowinangun Village to achieve the mobilization of productive and autonomous resources. The research method used is a qualitative approach. Data were obtained through site observation, in-depth interviews with the Head of Rejowinangun Village, and literature documentation. The results of the study show that clustering in Rejowinangun facilitates targeted program planning and development, accelerates the utilization of local potentials, and improves community welfare through more effective collaboration and product marketing. Clustering also enhances resource allocation efficiency and the productivity of leading sectors. Moreover, the clustering program promotes stronger community cooperation, particularly in joint promotion initiatives and mutual empowerment, through shared learning and collective economic action. It also stimulates active community participation in decision-making and program implementation at the local level. As a result, clustering strengthens social capital, encourages sustainable collaboration among residents, and reinforces local economic networks, ultimately increasing the economic independence of Rejowinangun and supporting its transformation into an autonomous region.

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### INTRODUCTIONS

Urban villages (kelurahan) hold strategic importance in Indonesia's governance structure as the smallest administrative units that directly interact with communities. In the era of decentralization and regional autonomy, they are expected not only to implement administrative duties but also to become drivers of local innovation, community empowerment, and participatory development. Urban villages are demanded to be adaptive and creative in addressing local needs, reducing development disparities, and enhancing public service quality. In this context, innovation becomes a crucial instrument for strengthening village capacity and independence in managing their local potentials.

Innovation in urban villages refers to new and contextual approaches carried out to improve public services and promote local economic development. These innovations may take various forms, ranging from digitization of services and community-based economic initiatives to social empowerment and environmental sustainability programs initiated by local governments and community groups. Innovation grows from the potential, creativity, and collaboration among stakeholders at the local level, such as village officials, community organizations, social groups, SMEs, and residents. Strengthening innovation at the village level is not only part of bureaucratic reform but also a form of local transformation that supports democratic governance and social welfare.

This study focuses on one form of village innovation that has emerged from a local initiative, namely the clustering innovation developed in Rejowinangun Village, Kotagede District, Yogyakarta City. This clustering innovation strategically organizes economic and social activities based on the types of potentials in each neighborhood group (RW), such as batik craft clusters, culinary clusters, and cultural-based economic clusters. Through structured grouping, Rejowinangun has succeeded in increasing the productivity of local economic actors, strengthening community participation, and driving collaborative-based development. The success of this innovation has gained recognition, proven by Rejowinangun Village being ranked in the Top 5 in the 2024 Yogyakarta City Village Development Evaluation.

To analyze the success of clustering innovation in Rejowinangun, this study uses Resource Mobilization Theory and the concept of regional autonomy as analytical lenses. Resource mobilization explains how Rejowinangun is able to utilize and organize various resources social networks, community skills, village government support, and partnerships to achieve its development goals. Meanwhile, the autonomy framework demonstrates how local authority enables villages to formulate policies and programs according to local needs without relying solely on higher government initiatives. Together, these perspectives help explain how local innovations can strengthen resource mobilization, support economic independence, and encourage village autonomy rooted in community participation.

This research is important because it not only describes the innovation process but also examines how clustering can become a model for strengthening local governance and empowerment. The novelty of this study lies in its focus on how innovation is built through community initiative, social cohesion, and institutional collaboration at the village level. The results of this research are expected to contribute both theoretically and practically to the development of village innovation models that are sustainable and replicable in other regions of Indonesia. Therefore, this study is relevant not only academically but also practically as a reference for local governments and policymakers in promoting innovation-based village development.

## LITERATURE REVIEW

### Overview Perspective Innovation Rejowinangun Clustering

The Rejowinangun sub-district has the motto "Rejo Makmur Jaya," which means realizing a prosperous and prosperous community and becoming a successful subdistrict in Indonesia. This sub-district has a long history of participating in and being affected by the establishment of the Islamic kingdom in Yogyakarta in the past, making Rejowinangun a cultural buffer. Therefore, Rejowinangun has a variety of social, economic, and cultural potentials.

From these potentials, an idea emerged to sort and classify them so that the village could be developed to its fullest potential. Through classification, development would also be easier to carry out. Initially, the location of existing cultural initiatives was identified, namely the dance studio in the Gedongkuning area, followed by the identification of locations with potential in the economic and environmental fields. Therefore, in the implementation of this classification, it was institutionalized in the form of clusterization innovation in 2016.

Currently, five clusters have been formed: culture, crafts, herbal, agro, and culinary. The cultural cluster is located in RW 01, 02, 03, 04, and 05. This cluster has received direct guidance from the Yogyakarta City Culture Office. The cultural cluster is dominated by the presence of several art studios, activists, and practitioners. One of the largest is the Retno Dumilah Studio.

The herbal cluster is located in RW 08 and 09. Historically, many residents in this area earned their livelihood as traditional herbal medicine vendors. As the volume of traditional herbal medicine increased and the business world evolved, the herbal medicine in Rejowinangun also underwent development, transitioning from traditiobetter product

branding and management methods to modern. As a result, Rejowinangun now has the JGER herbal medicine brand, available both in traditional form and in modernized form as instant herbal medicine.

The craft cluster is a cluster that has many workshops and serves as a center for assistance and consultation for craftsmen. The areas covered by this cluster are RW 06 and 07. Currently, most of the crafts are in the fashion sector, utilizing local techniques and materials, such as knitted products, leather bags and shoes, and batik. Although the business level is still at the home industry stage, sales have reached outside the Yogyakarta Special Region. Here, the sub-district also plays a role in helping to market these craft products.

The next cluster, Culinary, is located in RW 10. The main center of this culinary product is Bakmi Jowo Mbah Gito, which has long been a reference for noodles in Yogyakarta. In every activity, such as meetings, this culinary cluster will be utilized so that there is a sense of pride in local products, which is a form of protection. Since 2012, this cluster has had a culinary brand called REMAJA (Rejowinangun Makmur Jaya), which brings together all culinary SMEs in Rejowinangun and is currently managed by the P2WKSS PKK Rejowinangun Village Office.

The final cluster is the agro cluster. The agro cluster itself is located around the Rejowinangun Village Office. The basic idea behind the agro cluster is as an element of family resilience, which then becomes a fundamental value to uphold so that food self-sufficiency can be achieved. Currently, the crops being grown are vegetables and fruits. This cluster is also used as an educational facility and is open to tourists. To add an aesthetic touch, RW 13 is used for ornamental plant cultivation.

The success of clustering in Rejowinangun shows that with the right strategy, the potential of the subdistrict can be optimized to achieve progress. The five clusters that have been formed, namely culture, crafts, herbs, agriculture, and culinary, have made a significant contribution to the economy and welfare of the community. This clustering innovation not only provides economic benefits but also preserves local culture and traditions. The cultural cluster, for example, has successfully revived traditional arts that were nearly extinct. The handicraft cluster has encouraged artisans to improve the quality of their products and reach a wider market.

#### Resource Mobilization Theory

The Resource Mobilization Theory (RMT) is a perspective in sociology that explains how social movements emerge and achieve success. Unlike other resource theories that focus more on structural and psychological factors, RMT highlights the role of resources in determining the effectiveness of a movement. The process of resource mobilization is a crucial aspect in building a movement capable of formulating strategies to define and convey important issues in a way that attracts public attention and arouses sympathy (issue framing). In addition, the success of a movement also depends on its ability to establish relationships with various organizations, community leaders, and the mass media in order to expand its reach and strengthen its influence (network building). The selection of the right strategy in the actions taken also determines the effectiveness of the movement.

In the context of local government, especially at the village level, the role of resource mobilization becomes even more significant. Villages are positioned between the interests of the government and the wider community, so the policies implemented must be able to bridge these two interests in a balanced manner. The government should not only focus on its own interests, but must optimize existing resources to provide direct benefits to the community under its responsibility (McCarthy & Zald, 1977).

In practice, resource mobilization at the village level can be achieved through various participatory mechanisms that enable the community to participate in the development process. One strategic step that can be taken is through the empowerment of community groups, such as resident communities, youth organizations, and PKK women's groups, which act as partners in the formulation and implementation of social programs. By involving various elements of society, the village government can ensure that the policies taken truly reflect the needs and aspirations of its citizens. The success of resource mobilization also depends on the ability of the village government to build networks and cooperation with various stakeholders, such as the private sector, academics, and non-governmental organizations (NGOs). Collaboration with these parties can open up new opportunities in the provision of funds, training, and innovations that support the development of programs based on local needs. With strong synergy between the government and the community, resource mobilization can be an effective instrument in creating inclusive, sustainable, and socially oriented policies.

In the context of resource mobilization, clustering can be an effective strategy in grouping communities based on their characteristics, needs, and potential. By applying the clustering method, sub-district governments can identify community groups that have similarities in terms of social, economic, or geographical aspects, so that the programs designed can be more targeted and efficient. For example, micro-business groups can be grouped into one cluster to receive more specific entrepreneurship training, while youth groups can be given access to digital or technology-based skills training programs.

In addition, the clustering approach also allows for the optimization of resource distribution. The government can map areas that need special attention, such as areas with high poverty rates, limited access to education, or inadequate infrastructure. With data organized into specific clusters, intervention strategies can be designed more accurately, ensuring that available resources are maximized and not wasted.

#### Autonomy Theory

The theory of autonomy, or what is commonly referred to as the theory of regional autonomy, explains the transfer of some government affairs to the regions so that they can manage their own affairs. In the context of regional government, regional autonomy gives regional governments the rights, authority, and obligations to regulate and manage the interests of the local community. This autonomy aims to create a system of government that is more responsive to the needs of citizens, so that public services become more efficient and appropriate to local conditions. With regional autonomy, local governments have the flexibility to make policies that support development in various sectors without always having to depend on the central government. (Muhammad, 2014)

Regional autonomy is a manifestation of the principle of decentralization, whereby regions are given the broadest possible authority to manage various government affairs, except those that fall under the authority of the central government. This principle allows regions to make strategic decisions in accordance with the characteristics and needs of their communities, whether in the economic, social, or cultural fields. Thus, the policies implemented can be more targeted and oriented towards improving the welfare of citizens. However, in practice, the implementation of regional autonomy must still pay attention to the balance between regional freedom and national interests so that there are no disparities between regions.

In the management of resources at the local level, the theory of autonomy is an important principle that emphasizes that an entity, whether an individual or an institution, has the capacity to make decisions and act independently in accordance with the available resources. In the context of regional government, particularly at the village level, this autonomy refers to the authority that allows them to manage and distribute resources without excessive dependence on the central government or higher regional governments. With autonomy, sub-districts have the flexibility to tailor their policies and programs to the specific needs of the local community, so that the policies implemented are more relevant, effective, and oriented towards the welfare of residents.

Resource mobilization based on the principle of autonomy allows sub-districts to determine the most urgent program priorities, such as strengthening the community economy, developing infrastructure, and improving social and health services. By understanding the needs of the community directly, sub-districts can allocate resources more efficiently, avoid waste, and ensure that every program implemented has a real impact on residents. In addition, this concept is also closely related to the clustering strategy, which serves to group communities based on their potential and needs. With this approach, sub-districts can design more specific and adaptive policies, for example by developing clustering programs to develop and stimulate community potential.

## METHODS

This research uses a qualitative research approach. Qualitative research is descriptive research with a focus on analysis. This research employs a case study approach, which involves an intensive, detailed, and comprehensive examination of a particular phenomenon such as a program, event, or activity with the goal of gaining thorough and in-depth understanding of the subject under study (Baxter & Jack, 2008). The case study used is about Clustering Innovation carried out in Kalurahan Rejowinangun, an area known for its innovation and progressive approach to local governance. The selection of this case study is based on the success of Kalurahan Rejowinangun in implementing

various programs clustering that effective, which has earned it a spot in the top five in the 2024 City-Level Village Development Evaluation in Yogyakarta.

Data analysis was carried out using the interactive analysis model developed by Miles and Huberman, which includes the stages of data reduction, data display, and conclusion drawing/verification. The process began with selecting, sorting, and organizing data obtained from field notes resulting from observations along the Rejowinangun cluster, as well as in-depth interviews with the Village Head of Rejowinangun and relevant literature documentation. The aim was to gain a deep, meaningful, and unique understanding, as well as to identify new descriptive findings regarding innovation in clustering in Rejowinangun. The data were then categorized and analyzed to identify patterns and relationships between the observed categories (Nasution, 2023). To ensure the validity and credibility of the findings, data triangulation was applied through the use of multiple data sources (observation, interviews, and documents) and cross-verification between them. Ultimately, the analyzed data were interpreted in relation to their contribution to forming resource mobilization and autonomous local governance.

## Result and Discussions

### Clustering Innovation in Realizing Resource Mobilization

Resources are fuel for social movements and, at the same time, a result of those social movements themselves. Clustering innovation is carried out as an effort to build communities so that they become empowered to utilize existing resources, both physical resources, such as natural wealth, and social resources. Clustering innovation has succeeded in motivating the community in Rejowinangun to comply with and support this village program by carrying out various divisions of labor, which then resulted in a systematic movement that is recognized in Yogyakarta and Indonesia. This is evidenced by Rejowinangun's position, which then received an award as the best in village development in 2024.

The resource mobilization process in Rejowinangun was carried out in several stages. The initial stage involved prioritizing and classifying potential resources so that it could be determined which areas would receive development and assistance. This was not easy because most areas have diverse conditions, but Rejowinangun was able to map these potential resources. Initially, as a social movement, it did not immediately stand on its own and survive. This is where the sensitivity of stakeholders is crucial in determining the appropriate methods that can be used. The resource mobilization process in Rejowinangun was carried out in several stages. The initial stage involved prioritizing and classifying potential resources so that it could be determined which areas would receive development and assistance. This was not easy because most areas have diverse conditions, but Rejowinangun was able to map these potential resources. Initially, as a social movement, it did not immediately stand on its own and survive. This is where the sensitivity of stakeholders is crucial in determining the appropriate methods that can be used.

As a result of this clustering, resource mobilization has been carried out both internally and externally. Internally, one example is the success in intervening with each resident to plant crops at home (especially for the herbal cluster). This directive was carried out as an effort to achieve food self-sufficiency and provide raw materials for business units such as herbal medicine and culinary businesses. Vacant land was also directed to be used temporarily so that it could be maximized. Related to this agrarian element, it was certainly not easy, therefore the success of this mobilization also required more legitimacy from the community, which was more directed towards a sense of ownership of the work they did.

Internal mobilization is then carried out to maintain the continuity of this system through the formation of KWT (Women Farmers Groups). KWT has become an element that the Head of Rejowinangun Village considers very important because it is the first and foremost line of defense in maintaining food security for families and the community. The village head of Rejowinangun used a unique method to gain the trust of these women, namely by inviting them to eat together and go on trips. The hope was that through these activities, the women would be happy and willingly help the village head with the programs that had been announced.

In addition to internal mobilization, external mobilization was also carried out. After these clusters were formed, Rejowinangun continued to develop and became a tourist village. The status of this tourist village then attracted the trust of several companies and stateowned enterprises, such as Adira and BUMN, to implement CSR

(Corporate Social Responsibility) programs. The existence of this village also led to the Rejowinangun Village Office becoming independent and receiving the Sustainable Tourist Village award. This is also the result of the work and initiative of the Tourism Awareness Group (Pokdarwis) formed after the implementation of this clustering innovation

To achieve resource mobilization, good cooperation and wise leadership are required. Therefore, its success depends on who and how this system is managed. This is because creating sustainability requires the art of regional management. This is what is being attempted in maintaining the existing cluster innovation, primarily in realizing independent resources. The Rejowinangun cluster serves as an inspiring example for other subdistricts in Indonesia. This model shows that with the right mobilization of resources, communities can be empowered to achieve independence and prosperity. The challenge ahead is to maintain the sustainability of this innovation. Strong commitment from all parties, including the government, community, and private sector, is needed to ensure that the Rejowinangun clustering continues to develop and benefit the community.

The clustering innovation in Rejowinangun reflects the core assumptions of Resource Mobilization Theory (RMT), which emphasizes that social movements succeed not merely because of collective grievances but because of their ability to organize and mobilize resources effectively (McCarthy & Zald, 1977). In this case, clustering functions as a collective action strategy that mobilizes both tangible and intangible resources, including human labor, social networks, land, skills, and legitimacy. The clustering initiative transformed previously fragmented community potential into structured economic units, thereby enabling systematic participation across households and neighborhood units (RW). According to RMT, movement leaders play an essential role in framing community issues to gain support, and this is evident in Rejowinangun where village leaders framed clustering as a movement for empowerment and welfare rather than merely a government program, thus generating community ownership and compliance. The multi-stage resource mobilization process began with mapping local potentials and classifying them into clusters, which served as the foundation for targeted intervention. Internal mobilization involved optimizing household participation, exemplified by the herbal plant program and land optimization, both of which reflect the transformation of latent resources into productive assets. The establishment of KWT (Women Farmers Groups) institutionalized this mobilization, consistent with RMT's emphasis on creating organizational structures to maintain movement continuity. Meanwhile, external mobilization expanded the movement's resource base through CSR partnerships with private companies and state-owned enterprises, along with support from Pokdarwis after Rejowinangun gained tourist village status. These partnerships enhanced network building, one of the key components of successful mobilization in RMT. The sustainability of the clustering innovation demonstrates strategic leadership and the ability to maintain long-term legitimacy, confirming RMT's argument that successful movements require continuous strategies for funding, participation, and resource expansion. Thus, clustering in Rejowinangun can be understood as a local social movement driven by organized resource mobilization, resulting in increased empowerment, independence, and recognition at the regional and national levels.

#### Clustering Innovation in Realizing Autonomous Regions

Clustering innovation is a development approach based on the systematic identification and grouping of regional potential to increase local economic competitiveness and independence. Clustering is essentially based on the assumption that economic activities that develop centrally in a particular region are capable of driving the production chain, strengthening business networks, and creating sustainable livelihood opportunities for the community. As explained by Porter (1998), clusters can be understood as the geographical concentration of companies, supporting institutions, and economic actors that are interconnected in a particular field, whether through production, marketing, innovation, or knowledge transfer. Thus, clusters not only reflect the grouping of similar economic activities but also contain elements of collaboration, synergy, and mutual growth. This view is reinforced by Enright (1996), who asserts that regional clusters can be catalysts for increasing local innovation capacity through strengthening work networks and improving production efficiency.

Clustering in the context of regional development is not solely economically oriented, but is also closely related to efforts to realize autonomous regions. Regional autonomy, according to Law Number 23 of 2014, is defined as the rights, authorities, and obligations of regions to regulate and manage government affairs and the interests of

local communities within the framework of the Unitary State of the Republic of Indonesia. However, in practice, regional autonomy can only be effective if local governments are able to mobilize local potential independently and create sustainable production mechanisms. Thus, the innovation of clustering becomes a development approach model that enables regions to optimize local resources, strengthen community economic structures, and promote fiscal independence through community-based productive economies.

In a case study in Rejowinangun Village, clustering innovation has been implemented as a development strategy oriented towards strengthening the local economy and empowering the community. Rejowinangun Village has divided its territory into five main clusters based on the economic, social, and cultural potential of each village. The five clusters are the Cultural Village, Craft Village, Herbal Village, Culinary Village, and Agro Village. Each cluster has different characteristics, production focuses, and economic value chains, but they are interconnected in building an integrated local economic ecosystem. This clustering not only forms a new economic structure but also serves as a strategy to mobilize local resources through a participatory approach involving residents, business groups, youth organizations, PKK, BUMKel, and village officials

The implementation of clustering in Rejowinangun shows how economic development can be carried out without having to rely on large investment schemes from outside, but rather starting from the local strengths of the community. The Cultural Village cluster, for example, utilizes the wealth of traditional arts such as karawitan, dance, and folk performances as socio-cultural capital that is processed into educational tourist attractions. These activities are closely related to local identity and at the same time drive the culture-based creative economy. Meanwhile, Kampung Kerajinan (Craft Village) empowers local craftsmen to produce various handicrafts made from bamboo, wood, and batik. These products are not only marketed locally but have also been promoted in various city and provincial-level creative economy exhibitions.

The Herbal Village Cluster leverages the presence of family medicinal plants (TOGA) and the community's herbal medicine traditions as new economic capital. The herbal plants are processed into instant herbal remedies, herbal teas, and traditional oils that command high market value. On the other hand, Kampung Kuliner develops local gastronomic potential, such as the production of jenang, peyek, ginger juice, and other processed food products that can absorb household labor and provide additional family income. Meanwhile, Kampung Agro develops the concept of urban farming by utilizing narrow yards as productive land using hydroponics, vertical farming, and horticultural crop cultivation techniques

These clusters do not stand alone but build economic synergy through cross-cluster collaboration. For example, handicraft and culinary products are marketed in cultural tourism packages offered by the Cultural Village, thereby integrating economic value between clusters. This integration has given rise to a local economic system with a clear value chain and strengthened Rejowinangun's position as a region based on community-based creative economy.

Furthermore, the innovation of clustering in Rejowinangun is also closely related to the resource mobilization theory proposed by McCarthy and Zald. This theory emphasizes that the success of social movements or changes is not only determined by big ideas, but also by the ability of actors to mobilize available resources. In the context of Rejowinangun, resource mobilization is carried out through the utilization of social capital, community capacity, partnership networks, and institutional support. The village government acts as a facilitator that connects productive community groups with external resources such as the city government, training institutions, universities, and donor agencies.

Furthermore, the success of clustering in Rejowinangun shows that regional independence can be measured not only by the ability to generate economic income, but also by independence in community-based development decision-making. Clustering allows the community to be directly involved in planning, implementation, and evaluation of development programs through joint deliberation and strengthening of local institutions. Active community involvement in cluster management fosters a participatory culture that is an important foundation for democratic and sustainable development governance.

In its development, several strengthening strategies need to be developed to maximize clustering, such as building partnership collaborations between clusters and universities through business incubation programs, developing digital marketing through marketplaces, strengthening the role of BUMKel as a village economic

institution, and encouraging the creation of supporting regulations in the form of Village Regulations on Cluster-Based Economic Development.

The clusterization innovation implemented in Rejowinangun shows that regional independence and autonomy do not always have to start from macro-level policies, but can grow from local initiatives through collaboration between residents and the utilization of existing regional potential. Clustering has proven to not only be capable of creating economic growth, but also strengthening social solidarity, reviving local wisdom, and building an equitable economic structure. Thus, Rejowinangun is not only an example of the success of cluster-based village development innovation, but also a model of the real implementation of regional autonomy through community empowerment and the mobilization of local resources.

The clustering innovation implemented in Rejowinangun Village illustrates a concrete embodiment of regional autonomy as mandated by Law Number 23 of 2014, which grants regions the authority to regulate and manage local affairs based on community needs. In line with the theory of autonomy, Rejowinangun demonstrates its capacity to utilize this authority independently by designing and implementing economic development programs without excessive dependence on the central government. The establishment of five main clusters Cultural Village, Craft Village, Herbal Village, Culinary Village, and Agro Village proves that decision-making at the village level is oriented toward optimizing local potential through context-based policies. This aligns with Muhammad (2014), who explains that autonomy allows local governments to formulate policies that are responsive to the unique characteristics of local communities. The clustering initiative in Rejowinangun not only decentralizes economic activities but also redistributes decision-making power to the grassroots level through participatory mechanisms involving residents, PKK, youth organizations, business groups, and BUMKel. Through clustering, the village government positions itself not merely as an administrator but as a development facilitator that mobilizes community resources, strengthens local production networks, and creates sustainable economic value chains. This signifies the exercise of functional autonomy, where the village independently manages resource-based development programs while still aligning with national policies. Additionally, clustering strengthens fiscal and administrative autonomy by encouraging the growth of a community-based economy that reduces dependency on external funding. Through capacity-building partnerships with universities, private companies, CSR programs, and training institutions, Rejowinangun shows that autonomy is not isolation from external actors but strategic collaboration that still maintains local control. Community involvement in cluster governance through musyawarah (deliberation) and local institutional strengthening demonstrates political autonomy, where citizens gain the freedom to participate in development decision-making. Thus, clustering in Rejowinangun proves that autonomy can be actualized from below (bottom-up), initiated by collective awareness and local initiative rather than top-down state intervention. This model strengthens democratic governance, builds social solidarity, and creates an inclusive and sustainable economic system. Therefore, clustering innovation in Rejowinangun is not only a development strategy but also a manifestation of regional autonomy that empowers communities to manage resources, determine development priorities, and achieve economic independence based on local wisdom.

#### Critical Reflection

Although the findings of this study indicate that clustering innovation in Rejowinangun has succeeded in mobilizing local resources and strengthening community-based economic structures, the analysis reveals several critical dimensions that require deeper evaluation. First, compared with Porter's (1998) cluster model which emphasizes competitive advantage through market-driven specialization and innovation the clustering practice in Rejowinangun is predominantly built on social cohesion and collective participation. This aligns more closely with Enright's (1996) concept of a soft cluster, which depends on local cooperation rather than industrial competitiveness. Such dependence on social capital raises questions about long-term sustainability when exposed to external economic pressures and market expansion challenges, as noted by Maskell and Kebir (2005), who caution that local clusters often stagnate without innovation cycles.

Second, although Resource Mobilization Theory (McCarthy & Zald, 1977) explains how community networks and participation were mobilized, this study has not sufficiently explored power asymmetry within the mobilization

process. Evidence suggests that certain actors such as village elites, Pokdarwis leaders, and BUMKel managers hold greater control over decision-making and access to resources, indicating symptoms of elite capture (Wong, 2010; Platteau, 2004). Similar findings were reported by Fajar (2023) and Muzib et al. (2021), who warn that programs framed as participatory can, in practice, marginalize community voices if governance transparency is weak.

Third, while this study claims that clustering strengthens local autonomy, the autonomy achieved in Rejowinangun appears to be administrative rather than fiscal. According to Fauzi (2019) and Safitri (2016), genuine regional autonomy requires financial independence and institutional resilience, yet Rejowinangun still relies on CSR support and external government grants for sustainability. This condition also reflects Makhfudz's (2012) critique that decentralization in Indonesia often reproduces dependency patterns rather than empowering local governance structures.

Methodologically, this study is limited by its single-case qualitative design, restricting external validity. It lacks measurable economic indicators such as household income changes or local revenue increases which, according to Creswell and Poth (2018), are essential for strengthening the credibility of applied social research. Future studies should incorporate mixed-methods designs or comparative case studies to evaluate whether clustering is scalable and replicable in different socio-economic contexts (Yin, 2018).

In conclusion, while clustering in Rejowinangun offers a promising model for local empowerment, it must be critically refined by addressing governance accountability, risk of elite capture, and economic sustainability to become a robust framework for achieving regional autonomy.

## CONCLUSION

This clustering not only increases efficiency in resource allocation but also encourages collaboration among residents, strengthens local economic networks, and improves community welfare. Synergy between clusters, such as cooperation between the tourism, culinary, and handicraft clusters, creates a strong economic network and increases local income. The application of resource mobilization theory and autonomy theory shows that effective resource management and freedom in decision-making can support subdistricts in becoming autonomous regions. The results of this study confirm that with the right strategy, subdistricts can achieve significant achievements in regional management and development, as well as provide an inspiring model for other subdistricts in Indonesia. Overall, the innovation of clustering in Rejowinangun Village contributes to better regional autonomy and improves the quality of life of the local community, making it an example that can be adopted by other regions to increase community independence and welfare.

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