

THE ROLE OF VILLAGE HEAD LEADERSHIP AND YOUTH ENGAGEMENT IN IMPROVING LOCAL ECONOMIC WELFARE: A CASE STUDY OF PASAR KAMU IN SUPPORTING THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

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ABSTRACT

This study examines the synergy between village head leadership and youth engagement in fostering local economic welfare through the Pasar KAMU initiative in Denai Lama Village. While village development often relies on top-down structural approaches, this research highlights a bottom-up model supporting the Sustainable Development Goals (SDGs). Using a qualitative case study method, data were collected through in-depth interviews, participatory observation, and document analysis, then validated using source triangulation. The study reveals three key findings: (1) The village head adopts a participatory leadership style, functioning as a facilitator rather than an instructor, providing legitimacy to community initiatives; (2) Youth act as civic entrepreneurs and cultural agents, managing the market ecosystem from zoning to digital promotion; (3) This collaboration significantly impacts local welfare by creating new income streams for 121 households and strengthening social cohesion, directly contributing to SDG 1, 8, and 11. The study concludes that organic collaboration between adaptive leadership and youth agency is crucial for sustainable rural development.

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INTRODUCTION

Village development is an integral part of Indonesia's national development strategy, serving not only as an administrative unit but also as a strategic space to promote economic independence and reduce regional disparities. This effort has been strengthened through the Village Fund policy since 2015, which gives villages broader authority to manage local potential, from agriculture to tourism, in order to stimulate productive sectors and alleviate poverty. In this context, strengthening sustainable local economies through the optimization of Village-Owned Enterprises (BUMDes) and MSMEs is crucial to creating a more equitable economic circulation and reducing dependence on external assistance, as mandated by Law Number 6 of 2014.

However, the success of economic development is largely determined by the synergy between the quality of village head leadership and active community participation (Rumkel et al., 2019). Village head leadership is not only understood as a formal administrative position, but also as the ability to build social trust and influence community morale to achieve common goals. In addition to the strategic role of leaders, a participatory development approach is a key factor that places the community as the subject of development, not merely the object of policy. This is in line with Law No. 25 of 2004, which emphasizes the importance of involving all stakeholders in optimizing Indonesia's vast human resource potential.

Youth have a strategic position in local economic development because of their capacity for creativity, innovation, and adaptation to change. Youth involvement in the development of MSMEs, creative economy, and community-based tourism not only creates new jobs, but also strengthens social networks and improves people's welfare (Kamil et al., 2019). Youth participation is also an important part of the community empowerment process, as mandated in Law Number 6 of 2014 concerning Villages, which places participation as the main capital for successful development (Pradnyana et al., 2025).

In a global framework, village development and local economic strengthening are closely related to the *Sustainable Development Goals* (SDGs) agenda set by the United Nations in 2015 as part of the 2030 Agenda. The SDGs replace the Millennium Development Goals (MDGs) with a broader coverage of issues, including inequality, climate change, and environmental protection, and include 17 goals and 169 targets to be achieved by 2030. This agenda encourages countries to integrate the principles of sustainable development in national and local policies.

Indonesia has adopted the SDGs as part of its national development strategy through the preparation of National Action Plans and various development programs at the central and regional levels (Kunarto & Prasetyo, 2022). The implementation of the SDGs at the village level is important because villages are a direct space for the implementation of various development goals, such as poverty reduction, inclusive economic growth, the provision of decent sanitation, and sustainable settlement development. In this case, the involvement of the community and youth is a key element in ensuring the sustainability of development programs (Izana et al., 2024).

Denai Lama Village presents concrete practices of participation-based local economic development through the Pasar KAMU initiative (Youth Breakfast Week Market). The market grew organically from a local youth community and developed into an economic, social, and cultural space that contributes to the improvement of community welfare as well as the preservation of traditional cuisine. However, behind these achievements, Pasar KAMU also faces challenges of governance, basic facilities, and social dynamics that require a participatory and responsive leadership role of village heads.

Literature on village development has largely bifurcated into two streams: studies focusing on the central role of village heads in administrative governance (Jamal et al., 2023) or research emphasizing the formal management of Village-Owned Enterprises (BUMDes) as primary economic instruments (Ayu Kusuma et al., 2025). Meanwhile, studies on youth in rural contexts are often limited to normative aspects of capacity building (Sulaiman et al., 2022;

Susilo et al., 2024). A significant gap remains in understanding the reciprocal synergy where youth act as initiators of independent creative economies (non-BUMDes) while the village head acts as a policy facilitator. This research bridges this gap by analyzing how the Pasar KAMU initiative in Denai Lama Village accelerates the localization of SDGs through organic cross-actor collaboration, moving beyond traditional top-down development models.

METHOD

This research employs a qualitative approach with a single-case study design to explore the complex interaction between leadership and youth agency. The locus of this study is Denai Lama Village, Deli Serdang, selected for its unique community-driven economic model, Pasar KAMU. Informants were selected using a purposive sampling technique, comprising the Village Head (policymaker), Pasar KAMU Promoters (initiators), Youth Community members (operators), and local MSME actors (beneficiaries). Data collection involved three techniques: in-depth semi-structured interviews to explore actor perspectives; participatory observation to witness market operations and leadership dynamics; and documentation studies to review village planning documents (RPJMDes). Data validity was ensured through source triangulation cross-verifying information between the village government, youth communities, and external agencies (Tourism Office) and technique triangulation. Data analysis followed an interactive model: data condensation, data display, and conclusion drawing/verification. The key informants are detailed in Table 1 below.

Table 1. List of Field Interview Informants

No.	Name of the Informant	Role in Pasar KAMU	Interview Date
1	Dedy Sofyan	Pasar KAMU Originator	April 12, 2025
2	Parnu zafar (kepdes)	The village head of Pasar KAMU	18 April 2025
3	Galib Fawaz	Parking Team	April 12, 2025
4	Tegar Sofyan	Coffee Merchant	April 12, 2025
5	Habib	Coffee Merchant	April 12, 2025
6	More Iwan	Head of Zoning / Pepes Trader	April 12, 2025
7	More Roni	Yellow Rice Trader	April 12, 2025
8	Dio	Youth & Arts Team	April 12, 2025
9	Pak Rahmad Syah & Nyoman	Malay Ronggeng Artist	April 12, 2025
10	Fico Fittorio Kaban	Deli Serdang Tourism Agency	April 20, 2025

Data collection was carried out through in-depth interviews, participatory observations, and documentation studies. Semi-structured interviews were used to explore the actors' views on leadership, youth participation, economic benefits, and conflict dynamics in the management of Pasar KAMU. Participatory observations were conducted to capture leadership practices and patterns of participation that took place in market activities. The documentation study complements the field data through the review of village planning documents, community activity reports, social media, and local news that records the development of Pasar KAMU.

Data analysis was carried out using thematic analysis. The transcribed data is coded and grouped into themes that reflect the focus of the research, namely the leadership role of village heads, youth involvement, impact on local economic welfare, strengthening cultural identity, and conflict dynamics and resolution strategies. These themes are analyzed to identify patterns of relationships and social mechanisms that explain how Pasar KAMU contributes to inclusive and sustainable local economic development.

The interpretation of the findings was carried out by relating the results of the thematic analysis to the theoretical frameworks of participatory leadership, local governance, sustainable development (SDGs), and conflict management. This approach allows for a more critical reading of the role of village heads as facilitators and mediators, as well as youth as agents of change in creating an adaptive and sustainable village economic ecosystem.

The validity of the data is maintained through the extension of researcher participation, observation diligence, triangulation of sources and techniques, and peer review to ensure the credibility and consistency of findings. This effort is made so that the data and interpretations produced have an adequate level of trust and can be scientifically accounted for (Sugiyono, 2018).

RESULT AND DISCUSSION

Characteristics of the Area and Socio-Economic Conditions of Denai Lama Village

Denai Lama Village is located in Pantai Labu District, Deli Serdang Regency, North Sumatra Province, with an area of about 295.5 hectares. Geographically, this village is located on a strategic route on the east coast of Sumatra and is relatively close to Kualanamu International Airport, so it has the potential for accessibility that supports tourism-based economic development. The land-use structure is dominated by the agricultural sector, which shows that the economic base of the community is still highly dependent on agricultural activities.

Table 2. Number of Residents of Denai Lama Village per Hamlet (2022)

No.	Hamlet Name	Total Population (L)	Total Population (P)	Total
1	Hamlet I	565	553	1.118
2	Hamlet II	546	516	1.062
3	Hamlet III	358	356	714
4	Hamlet IV	319	302	621
Total		1.788	1.727	3.515

As seen from Table 2, the composition of the population of Denai Lama Village which amounts to 3,515 people is spread across four hamlets with relatively even distribution. These demographic conditions reflect the availability of sufficient human resources to support local economic activities. In terms of education, the majority of the population has completed secondary education (high school/equivalent), while the proportion of higher education graduates is still relatively limited. This condition has implications for people's business patterns that tend to be based on practical skills and micro businesses, so they require an adaptive and inclusive alternative economic space.

Socioeconomically, people's livelihoods are dominated by the agricultural sector, followed by the self-employed, small business actors, and laborers. The structure of this work shows that economic diversification is still limited, so the presence of Pasar KAMU is relevant as an effort to expand the source of income of the village community outside the conventional agricultural sector. Strong social cohesion of the community, characterized by the dominance of the Muslim population and the value of cross-ethnic mutual cooperation, is an important social capital in supporting community-based economic initiatives.

The Strategic Role of Village Head Leadership: From Administrator to Adaptive Facilitator

The transformation of Denai Lama Village into a sustainable tourism destination is fundamentally rooted in a shift in leadership style. The study finds that the Village Head, Parnu Zafar, has successfully navigated beyond the traditional bureaucratic role to become a visionary facilitator. His leadership is characterized by an "adaptive

facilitator" approach, aligning with Heifetz & Linsky (2022) concept, where the leader does not merely manage administration but actively builds the community's social capacity.

This leadership transformation is evident in three key areas. First, the adoption of a participatory decision-making model. Despite initial resistance from the Village Consultative Body (BPD), the Village Head engaged in persistent advocacy and network building, particularly with the Deli Serdang Regency Culture and Tourism Office. He applied principles of participatory leadership as defined by Hollander et al. (1973), acting as a facilitator who encourages community involvement rather than imposing unilateral top-down directives. This created a safe space for youth initiatives to develop independently without excessive bureaucratic pressure, fostering a climate of trust.

Second, the Village Head provided political legitimacy to organic community innovations. The "Tempu" transaction system a modification observed from comparative studies in Yogyakarta was institutionalized into the Village Medium-Term Development Plan (RPJMDes). By formalizing these innovations through regional regulations, he bridged the gap between informal community creativity and formal policy structures.

Third, the leadership demonstrated a strong commitment to inclusivity, particularly in women's empowerment. The Village Head explicitly prioritized women as primary economic actors in the market, relegating men to supporting roles. This strategic decision directly contributes to SDG 5 (Gender Equality) by elevating women's bargaining position in the household economy.

Based on the theory of the life cycle of tourist destinations by Butler (1980), Pasar Kamu is at a stage involvement, characterized by strong local control, community initiatives in creating superior products, and starting to increasing number of tourist visits. Suryaningsih et al., (2025) emphasized that this stage is marked by the active promotion and involvement of local communities in developing their territory. Field findings show that Pasar KAMU promotions are carried out intensively through social media, which expands the market reach without relying on conventional promotions.

This approach is in line with the collaborative conflict management strategy in the Human Resource management book by Mangkunegara (2007) and the concept of controlling destructive conflicts through the strengthening of common norms by Nwogu et al., (2013). Some of the main conflicts that have been successfully managed include the ethics of traders' appearances, standardization of menus and foodstuffs, arrangement of stalls, rejection of mystical practices, management of cultural arts, and parking conflicts.

Youth Engagement as Civic Entrepreneurs and Cultural Agents

The sustainability of Pasar KAMU (Pekan Sarapan Karya Anak Muda) relies heavily on the agency of the local youth, specifically the Kawan Lama Area community. The study identifies youth not merely as beneficiaries but as the primary drivers of local economic development.

Civic Entrepreneurship and Role Innovation Dedy Sofyan, the initiator of Pasar KAMU, exemplifies the role of a "civic entrepreneur". Driven by anxiety over youth unemployment and migration, he utilized "Role Innovation" (Turner, 1990) to transform passive youth into active economic agents. This grassroots mobilization demonstrates high self-help capacity, as the market was established without reliance on the Village Fund or BUMDes, depending instead on collective action.

Role Strain and Conflict Management However, youth engagement is not without structural tension. The study reveals that youth experience "Role Strain" (QC, 2003), balancing the dual demands of market management, education, and family responsibilities. Furthermore, the management of the market involves complex conflict dynamics typical of rural settings where social relations are dense. Issues regarding parking management, trader appearance, and food standardization were resolved through deliberative mechanisms and the enforcement of shared norms. This aligns with collaborative conflict management strategies (Mangkunegara, 2007), proving that youth leadership is capable of maintaining a stable, inclusive economic space.

Cultural Reproduction and Habitus Beyond economics, youth act as cultural agents. The integration of traditional arts (Malay Ronggeng, Gamelan) and the "Tempu" coin system serves as a mechanism for cultural reproduction. Following Bourdieu (1977) concept of habitus, the market creates a new social space where local traditions are practiced and preserved daily, strengthening the village's tourist appeal and cultural identity.

As Pasar KAMU grows as a new economic space, this study finds that conflict dynamics are an integral part of its management process. Conflicts arise due to the meeting of various interests, ranging from the division of commercial space, the arrangement of stalls, product standards, to parking management. This is in line with the view Robbins & Judge (2013) that conflict arises when actors bring different goals and perceptions in one interaction space.

Socio-Economic Impact and Alignment with Sustainable Development Goals (SDGs)

Pasar KAMU has evolved into a significant economic engine, creating a multiplier effect that extends beyond the weekly market activities. The study confirms that the initiative aligns with and supports multiple SDGs, proving that village-level development can be autonomous and impactful.

Economic Welfare (SDG 1 & 8) The market supports approximately 121 heads of families, significantly improving local income. For households dependent on the informal sector, the market provides weekly financial stability, contributing to SDG 1 (No Poverty) and SDG 8 (Decent Work). It transforms citizens from aid recipients into independent economic actors. However, the Village Head notes that SDG 1 is not fully maximized as some residents remain outside this economic loop.

Social Cohesion and Sustainable Communities (SDG 11 & 17) The market fosters social cohesion by creating a public space for cross-ethnic mutual cooperation, supporting SDG 11 (Sustainable Cities and Communities). The collaboration between the village government, youth, and the private sector (e.g., Angkasa Pura) reflects the partnership principles of SDG 17.

Environmental and Health Challenges (SDG 3 & 6) Despite these successes, the study identifies critical challenges threatening long-term sustainability. Sanitation issues, specifically the proximity of chicken coops to culinary zones, pose health risks (SDG 3) due to vectors like *Musca domestica*. This directly contradicts the goals of SDG 6 (Clean Water and Sanitation) and undermines the market's image. Addressing these spatial and sanitation issues is a prerequisite for maintaining the market's trajectory.

Implications of the Study

Theoretical Implications This study contributes to the literature on local governance by challenging the state-centric development model. It demonstrates that "endogenous development" is viable when supported by adaptive leadership that validates rather than co-opts grassroots initiatives. It reinforces the relevance of Role Theory in understanding rural youth transitions, highlighting that youth can successfully navigate "Role Strain" to become effective agents of economic change when given autonomy.

Practical Implications

1. **Policy Integration:** To ensure longevity, Pasar KAMU must be formally integrated into village planning documents (RPJMDes) and potentially linked to BUMDes to provide a safety net against volunteer fatigue and leadership transitions.
2. **Infrastructure Priority:** The Village Government must prioritize spatial planning and sanitation management to mitigate biological hazards, ensuring the market meets health standards required for sustainable tourism.
3. **Replicability:** This model suggests that other villages should prioritize "human resource investment" (youth capacity building) over physical infrastructure in the early stages of tourism development.

CONCLUSION

This study concludes that the success of Pasar KAMU in improving local economic welfare lies in the organic synergy between the Village Head's facilitative leadership and the youth's creative agency. The Village Head empowers the community by providing regulatory space, while the youth fill this space with economic innovation and cultural preservation. This collaboration has successfully transformed Denai Lama into an independent economic hub, directly contributing to the localization of SDGs, particularly in poverty reduction and decent work.

Recommendations:

1. Policy: The Village Government should formally integrate Pasar KAMU's roadmap into the Village Medium-Term Development Plan (RPJMDes) to ensure long-term budget support for sanitation and infrastructure without compromising the community's autonomy.
2. Future Research: Future studies should employ longitudinal methods to measure the long-term economic resilience of such community-based markets against external shocks and explore the potential of digitalizing local wisdom in rural tourism governance.

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