

EMPOWERING LOCAL ECONOMIES INNOVATIVE APPROACHES TO GENDER-INCLUSIVE GOVERNANCE IN INDONESIAN REGIONS

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ABSTRACT

This study explores the impact of gender inclusion in public governance on local economic empowerment in Indonesia. The main focus of this study is to identify how women's representation in leadership positions and holistic gender inclusion policies affect economic well-being at the local level. The research methods used include quantitative analysis, namely Descriptive statistics analysis, Discriminant Validity (Farnell Larcker Criterion), Reliability Test, Path Analysis, and Research Hypothesis Testing. The results of the study indicate that gender inclusion in public governance has a significant positive impact on local economic empowerment. In addition, women's representation in leadership positions and comprehensive gender inclusion policies contribute more to economic growth than policies focusing on essential participation. Although these results support the theory of the benefits of gender inclusion, policy implementation faces obstacles such as cultural resistance and lack of resources. These findings suggest the need for a more integrated and sustainable approach to maximise the positive impact of gender inclusion policies.

Keywords: *Gender Inclusion, Public Governance, Local Economic Empowerment, Women's Representation, Gender Inclusion Policy.*

INTRODUCTION

Local economies in Indonesia are highly diverse and reflect the richness of culture and natural resources spread across the archipelago. Each region has unique economic characteristics, ranging from agriculture in rural areas to creative industries in urban areas. In rural areas, the economy is generally centred on the agriculture, fisheries, and plantation sectors, with leading commodities such as rice, coffee, rubber, and palm oil; the economy is dominated by the services, trade, and manufacturing industries, with industrial centres growing in Java, Sumatra, and Sulawesi. The main challenges facing local economies in Indonesia include disparities in development between regions, limited access to technology and infrastructure, and the lack of empowerment of local communities, especially women, in the economic decision-making process. Efforts to increase regional economic inclusion and empowerment continue to be encouraged

through various government programs and community initiatives, which aim to create more equitable and sustainable growth throughout Indonesia (Murtadlo & Sulhan, 2023).

Despite Indonesia's great potential for local economies, structural challenges remain significant obstacles to achieving equitable prosperity across the region. Regional disparities in development are a prominent issue, with western Indonesia, particularly Java, often enjoying faster economic growth than eastern regions such as Papua and Maluku. This disparity is primarily due to the uneven distribution of infrastructure, with remote areas usually lacking access to roads, electricity and other essential services. As a result, economic productivity in these areas tends to be low, hampering the potential for enormous local growth (Hazmi & Nafisah, 2021).

Many regions in Indonesia are still highly dependent on primary sectors such as agriculture and fisheries. This dependence

makes local economies vulnerable to commodity price fluctuations in the global market and climate change. This instability can directly impact the welfare of local communities whose incomes are mainly derived from these sectors. In some cases, indicating low added value from primary commodities also means that local incomes remain stagnant despite increased production, economic diversification and the development of value-added sectors, such as processing industries and tourism, which are becoming increasingly important to improve the resilience and sustainability of local economies (Junaidi, 2017).

Many initiatives have been undertaken to address these challenges, including village development programs, investment in infrastructure, and empowerment of micro, small, and medium enterprises (MSMEs). Central and local governments also increasingly recognise the importance of inclusive and participatory governance in driving regional economic growth. For example, programs such as the Village Fund and women's empowerment programs at the community level have positively encouraged community participation and improved welfare (Muliana & Anwar, 2023). The success of these programs depends largely on effective implementation on the ground and the ability to adapt to the specific needs of each region.

Local economies in Indonesia have a strong foundation for growth despite the many challenges that must be overcome. With a continued commitment to inclusion, empowerment, and innovation in governance, local economies in various parts of Indonesia can become the main driving force for sustainable and equitable national growth. The challenges are not insurmountable barriers but rather opportunities for developing a more equitable and competitive economic model that values local diversity and potential

across the archipelago, which is indirectly influenced by gender inclusion (Muafiah et al., 2021; Sukadari, 2020).

Gender inclusion in governance is critical to economic empowerment because it ensures that the full potential of society, both men and women, can be fully empowered. Women can contribute significantly to economic growth when they are actively involved in decision-making processes and have equal access to resources, employment opportunities, and education. Research shows that countries and regions that provide more excellent space for women in the economy and governance tend to grow stronger and more sustainable. Gender inclusion also reduces social and economic disparities and improves the well-being of families and communities. Empowering women through gender inclusion can help strengthen household economies, increase the competitiveness of MSMEs, and encourage innovation in various sectors. Gender-inclusive governance tends to be more responsive to the needs of diverse communities, creating more equitable and effective policies in supporting inclusive and sustainable economic development (De la Torre-Castro, 2019; Kusumawiranti, 2021).

Gender inclusion in governance is not just about social justice but also a smart economic strategy. Global research has shown that gender equality can increase productivity and drive innovation. When women have equal opportunities to participate in the economy, they bring new perspectives and ideas that can enrich decision-making and encourage more creative approaches to problem-solving (Boateng et al., 2024; Hirmer et al., 2022). In sectors such as agriculture, trade, and technology, women often have unique knowledge and skills that can optimise production and distribution processes, ultimately increasing the competitiveness of local economies; see the following data:

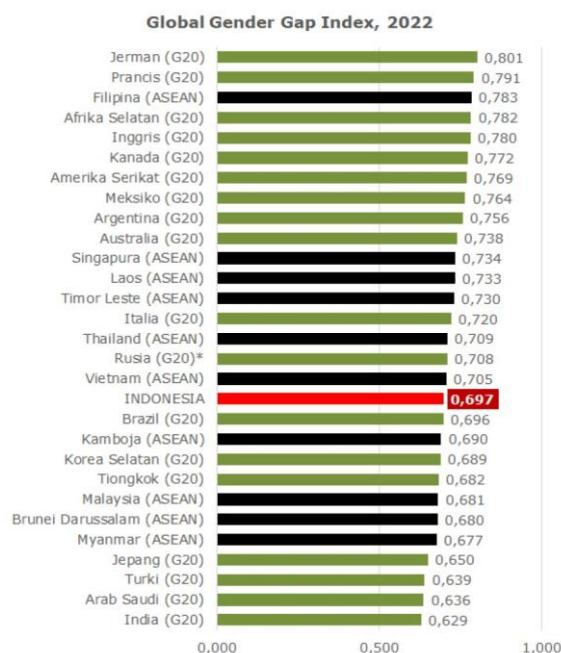


Figure 1. Gender Equality Statistics: Indonesia's Gender Gap Index Compared to Other Countries

Source: Nuraa Woman's Institute (2022)

According to the World Economic Forum (WEF), as of 2022, the disparity between men and women remains significant. To assess this, the WEF developed a gender gap index for countries worldwide using various relevant indicators. They applied a scoring system ranging from 0 to 1, where a score of '0' indicates extreme inequality between men's and women's rights, and a score of '1' represents perfect equality. A higher score reflects greater gender equality within a country across different aspects. Using this methodology, the 2022 Global Gender Gap Report revealed that Indonesia achieved an overall gender gap score of 0.697, ranking 92nd out of 146 countries surveyed by the WEF. This marked an improvement from its previous rank of 101st. Among ASEAN countries, Indonesia ranked 7th out of 11 and 12th out of 19 G20 countries. Indonesia's position was more substantial than several developed countries, including Japan, China, and South Korea.

Gender inclusion in governance is also reflected in the cultural and social context. As a country with a vast cultural diversity, the role of women in various communities is often deeply rooted in traditions and social norms. Governance in multiple regions can better reflect the fundamental aspirations and needs of all members of society by

strengthening gender inclusion, and this not only increases the effectiveness of policies but also strengthens the legitimacy of local governments in the eyes of their people. For example, when women are given a more significant role in natural resource management or community program development, they tend to make more sustainable decisions and consider the long-term welfare of their families and the wider community (Girija et al., 2024; Pécot et al., 2024).

Gender inclusion in governance is critical in reducing poverty and economic inequality. In many parts of Indonesia, women are often at a disadvantage economically, with limited access to education, capital, and employment opportunities. Policies can be designed to be more responsive to women's needs by ensuring that women have equal access and are included in decision-making processes, such as access to small business credit, skills training, and better legal protection, and this not only improves women's economic conditions but also contributes to overall economic stability and growth. Gender inclusion in governance also helps break the intergenerational cycle of poverty, as empowered women are more likely to reinvest their income in their children's education and health, creating long-term

positive impacts for society (Atijosan & Olajide, 2022; Laven & Pyburn, 2015).

Strengthening gender inclusion in governance is essential to achieving sustainable economic empowerment in Indonesia. It is not only about ensuring equality but also about building more resilient societies and stronger economies. Gender-inclusive governance creates an environment where all individuals, regardless of gender, can contribute maximally to development, ultimately driving shared prosperity and reducing disparities between groups in society. Gender inclusion is a moral goal and the foundation for a more equitable and sustainable economic future across Indonesia. The main objective of this research is to explore innovative approaches that can promote gender-inclusive governance, particularly in the context of local economies in Indonesia. This research identifies new and effective ways to ensure women's involvement in economic decision-making by examining methods and strategies implemented in various regions. This research also focuses on an in-depth analysis of the impact of these approaches on local economic empowerment. It is hoped that empirical evidence will be found to show how more gender-inclusive governance can strengthen local economies, improve community welfare, and create more sustainable growth. This research not only aims to broaden theoretical insights on gender inclusion in governance but also to provide practical recommendations that policymakers and stakeholders in various regions in Indonesia can implement.

LITERATURE REVIEW

Gender Inclusive Governance

Gender-inclusive governance refers to processes, policies, and practices to ensure that both men and women have equal access to resources, opportunities, and participation in decision-making at all levels of government and organisations. The concept stems from the recognition that gender inequality is not only a social issue but also has significant implications for efficiency and fairness in governance. Gender inclusion involves eliminating barriers that hinder women's full

participation in political, economic, and social spheres. Some critical concepts related to gender-inclusive governance include equal access to education and employment, representation of women in leadership positions, and policies that support the protection of women's rights (Huyer et al., 2021; Lopez et al., 2022). Policies and decisions are made with a gender perspective in mind, meaning that the impact of policies on both sexes is thoroughly analysed and considered to create a just and equitable environment where the potential of all individuals can flourish without gender-based discrimination.

Theoretical frameworks related to gender inclusivity in governance focus on how gender inequality affects power dynamics, resource distribution, and participation in decision-making. One of the main theories often used is feminist theory in public policy studies, which emphasises the importance of analysing policies from a gender perspective to understand how existing social structures and practices can reinforce or challenge gender inequality (Baltenweck et al., 2022; Vossenberget al., 2018). This theory argues that achieving gender-inclusive governance requires systemic change that involves increasing women's representation at all levels of government and making policies responsive to women's specific needs.

Previous research has shown that gender inclusion in governance increases equality and brings broader economic and social benefits. For example, a study by (Lopez et al., 2022) found that increasing women's participation in decision-making can strengthen the sustainability of development projects and improve overall community well-being. Another study by (Huyer et al., 2021) countries with higher female representation in parliament tend to have policies supporting health and education, promoting economic growth. A survey by (Pamphilon & Mikhailovich, 2017) highlighted the importance of gender inclusion in governance to ensure that policies are fair and effective in addressing inequality issues. These studies confirm that gender-inclusive governance is not only about social justice but is also critical in

creating more prosperous and sustainable societies.

Economic Empowerment

The role of gender inclusion in economic growth and development is significant, especially in creating a more sustainable and competitive economy. Gender inclusion ensures that women have equal access to education, employment, and other economic resources, ultimately increasing productivity and economic growth. For example, research by the (Vossenberget al., 2018) suggests that gender equality in the workplace could add up to \$12 trillion to the global economy by 2025. The study asserts that when women are economically empowered, they increase their family incomes and drive consumption and investment in society, which are critical drivers of economic growth.

A study by (Baltenweck et al., 2022) found that gender inequality in education and labour force participation significantly hampers economic growth in developing countries. The study showed that countries that successfully reduce gender gaps experience faster and more stable growth. This is due to the increasing number of women participating in the workforce and their contribution to innovation and business development. Gender inclusion in various economic sectors is a matter of social justice and an important strategy to encourage more inclusive and dynamic economic growth.

Case studies of gender-inclusive governance impacting local economies globally demonstrate how a gender-balanced approach can bring about significant positive change. One prominent example is from Rwanda, where gender inclusion policies in governance have been shown to have far-reaching economic impacts. After Rwanda adopted policies encouraging women's participation in politics and government, the country saw a dramatic increase in women's representation in parliament, with women holding almost 64% of seats—the highest percentage in the world.

Research by (Osunmuyiwa & Ahlberg, 2022) found that women's active participation in political decision-making has contributed to developing policies more

responsive to communities' economic needs, such as improving access to education and health. The impact has been significant growth in Rwanda's local economy, with indicators such as poverty reduction and increased access to essential services making substantial progress. Another example is Sweden, where strong gender inclusion policies in the workforce and public governance have led to high economic achievement. A study by (Laven & Pyburn, 2015) shows that Swedish policies promoting gender equality in the workplace, such as extended maternity leave and childcare subsidies, have substantially increased women's participation in the workforce, contributing to stable economic growth and reduced income inequality. Sweden has demonstrated that gender-inclusive governance improves individual well-being and brings broader economic benefits, it exemplifies how a gender-inclusive approach can advance local and national economic development.

Research Hypothesis Withdrawal

A hypothesis is a statement or conjecture that can be tested empirically and serves as a basis for research. Hypotheses are often predictions about relationships between different variables, and research aims to test the validity of these hypotheses through data collection and analysis. Hypotheses are usually based on existing theories or initial insights and are expected to help explain phenomena or identify patterns in data. For research on gender-inclusive governance and its impact on local economic empowerment, possible hypotheses include:

- H1: Gender inclusion in public governance positively influences local economic empowerment.
- H2: Women's representation in leadership positions has a more significant positive impact on local economic empowerment compared to gender inclusion policies that only focus on essential participation.
- H3: Gender inclusion policies that are implemented holistically, covering various economic and social aspects, will significantly impact local economic empowerment more than policies that focus on only one aspect.

H4: Gender inclusion in public governance, women’s representation in leadership positions, and a holistic gender inclusion policy approach significantly impact local economic empowerment.

METHOD

This research will use a quantitative approach to provide a more comprehensive understanding of gender-inclusive governance and its impact on local economic empowerment. A qualitative approach will be used to explore the perspectives and lived experiences of various stakeholders in the Indonesian region, while a quantitative approach will allow for the analysis of numerical data to measure and test the relationship between gender inclusion and economic outcomes.

The data used in this study consists of Primary Data and Secondary Data. Data will be collected through a survey to collect information from respondents about their experiences related to gender inclusion in governance and its impact on the local economy. The respondents' data, which became the research sample, amounted to 100 people. Case studies will also be conducted to analyse the practice and results of implementing gender inclusion policies in certain areas. Secondary data is analysed, including a review of existing reports, policy documents related to gender inclusion governance, and relevant scientific articles. This secondary data will be used to understand the broader context, identify

trends, and compare the findings of this study with those of previous studies. Quantitative data will be analysed using statistical software such as SPSS to conduct Descriptive statistics analysis, Discriminant Validity (Farnell Larcker Criterion), Reliability Test, Path Analysis, and Research Hypothesis Testing.

This research will ensure the ethical treatment of all participants, with particular attention to marginalised groups. All participants will be given clear information about the purpose of the study, their right to choose whether or not to participate, and their right to withdraw at any time without consequences. A Consent and Confidentiality Protocol will also be implemented before data collection, and written informed consent will be obtained from all participants. Personal data will be kept confidential, and the participants' identities will be kept confidential in the research report. All data will be stored securely and only used for this research.

RESULT AND DISCUSSION

Descriptive Statistics Analysis

Descriptive analysis in research is conducted to provide a clear and systematic picture of the data that has been collected. The main goal is to identify patterns, trends, and critical characteristics of the data before proceeding to more complex analysis, such as inferential analysis or hypothesis testing; the results of the test in this study are presented in the following table:

Table 1. Descriptive statistics

	Gender_Inclusion	Women's_Leadership	Gender_Inclusion_Policy	Local_Economic_Empowerment
Mean	3422.532	2.852234	1.827513	1.168449
Maximum	32426.00	25.14220	22.47100	9.687000
Minimum	41.00000	0.482000	-0.947000	0.151000
Std. Dev.	6340.231	3.311451	4.035111	1.248784
N	100	100	100	100

Source: Data proceed

Table 1 displays the descriptive statistics of the four variables analysed, namely Gender Inclusion, Women's Leadership, Gender Inclusion Policy, and Local Economic Empowerment. The average value for Gender Inclusion is 3,422.532, indicating the general level of gender inclusion across the regions analysed. Meanwhile, the average for the Women's Leadership variable is 2,852, indicating that the role of women in

leadership positions is still relatively low but varies across cases. The average for Gender Inclusion Policy is 1,827, suggesting that policies supporting gender inclusion have been implemented, albeit with varying intensity levels.

The maximum value for Gender Inclusion reached 32,426.00, indicating areas with a very high level of gender inclusion. Women's Leadership has a

maximum value of 25,142, suggesting that there are situations where women have a very significant leadership role. Similarly, the Gender Inclusion Policy has a maximum value of 22,471, indicating that some areas have solid and comprehensive policies. Local Economic Empowerment has a maximum value of 9,687, indicating areas with an excellent level of economic empowerment.

The minimum value shows that there are areas with deficient levels of gender inclusion, namely 41,000. In some cases, women's leadership roles are almost non-existent, with a minimum value of 0.482. The gender Inclusion Policy has a minimum value of -0.947, indicating that in some places, the policy may not support or even hinder gender inclusion. Local Economic Empowerment also shows areas with deficient levels, with a minimum value of 0.151. The standard deviation for Gender Inclusion of 6,340.231 indicates very large variations across samples, while the standard deviation for Women's Leadership of 3.311 indicates significant variations in women's leadership roles. Gender Inclusion

Policy has a standard deviation of 4.035, indicating substantial differences in policy implementation across regions. Local Economic Empowerment also shows variation with a standard deviation of 1.248. Considerable variation in all variables analysed reflects differences in conditions or levels of policy implementation across regions. All these statistics are based on 100 samples, providing consistency in analysis and comparison between variables.

Discriminant Validity Test

The Discriminant Validity Test is conducted to ensure that concepts or constructs that should not be highly correlated are indeed uncorrelated. In the context of research, especially those using structural models such as Partial Least Squares Structural Equation Modeling (PLS-SEM) or Confirmatory Factor Analysis (CFA), this test is essential to show that different latent variables measure different concepts; the test results are presented in the following table:

Table 2. Discriminant Validity (Fornell Larcker Criterion)

	Gender_Inclusion	Women's_Leadership	Gender_Inclusion_Policy	Local_Economic_Empowerment
Gender_Inclusion	0.890			
Women's_Leadership	0.825	0.864		
Gender_Inclusion_Policy	0.708	0.534	0.864	
Local_Economic_Empowerment	0.766	0.732	0.548	0.763

Source: Data proceed

Table 2 shows the results of the Discriminant Validity test using the Fornell-Larcker criterion for four variables in the study: Gender Inclusion, Women's Leadership, Gender Inclusion Policy, and Local Economic Empowerment. The Fornell-Larcker criterion states that the square root value of the Average Variance Extracted (AVE) for each construct (located on the diagonal of the table) must be greater than the correlation between the construct and other constructs (situated off the diagonal). The results of the Discriminant Validity test indicate that each variable in this study has good discriminant validity, which means that each latent variable is more closely related to its indicators than to other variables. This indicates that the constructs measured in

this research model are different and do not overlap significantly.

Reliability Test

A reliability test assesses the consistency and stability of an instrument or measuring tool in research. The primary purpose of reliability testing is to ensure that the measuring tool or scale used can produce consistent and reliable results when applied to the same population under similar conditions. The results of this reliability test are presented in the following table:

Table 3. Reliability Test

	Cronbach's Alpha	rho_A	Composite Reliability
Gender_Inclusion	0.937	0.938	0.965
Women's_Leadership	0.947	0.932	0.961
Gender_Inclusion_Policy	0.942	0.945	0.956
Local_Economic_Empowerment	0.956	0.957	0.931

Source: processed data 2024

Table 3 shows the results of the Reliability Test for this study's four variables: Gender Inclusion, Women's Leadership, Gender Inclusion Policy, and Local Economic Empowerment. Reliability testing used three leading indicators: Cronbach's Alpha, rho_A, and Composite Reliability. The values of Cronbach's Alpha, rho_A, and Composite Reliability for all variables were above 0.9, which indicates that all instruments used in this study have excellent reliability, and this means that each variable is measured with high internal consistency, providing confidence that the results of the survey reflect accurate and reliable measurements.

Path Analysis

Path analysis tests the causal relationship between variables in the research model. This analysis helps

understand how independent variables affect dependent variables directly and indirectly through mediators or other intervening variables. Path analysis is an essential statistical tool to describe the complexity of relationships between variables and explore deeper routes or paths of influence. In this study's path analysis, types of effects are analysed. Direct Effect, or Direct effect, is the independent variable's direct influence on the dependent variable without going through the mediator variable. In research on gender inclusion, the direct impact shows how gender inclusion policies directly affect local economic empowerment. This effect shows the most straightforward and most direct path of influence; the results of the analysis are presented in the following table:

Table 4. Direct Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
GI → LEE	0.505	0.506	0.076	8.057	0.000
WL→LEE	0.402	0.184	0.065	2.981	0.004
GIP→LEE	0.132	0.138	0.051	2.548	0.007
GI, WL, GIP →LEE	0.464	0.491	0.076	5.716	0.001

Source: processed data 2024

Table 4 presents the results of the Direct Effect analysis of the variables Gender Inclusion (GI), Women's Leadership (WL), and Gender Inclusion Policy (GIP) on Local Economic Empowerment (LEE). The results show that Gender Inclusion (GI) significantly directly affects Local Economic Empowerment (LEE) with an effect value of 0.505. This figure is followed by a t-value of 8.057 and a p-value of 0.000, which confirms its statistical significance. This shows that increasing gender inclusion is directly related to improving local economic empowerment. Women's Leadership (WL) also significantly affects Local Economic Empowerment (LEE), with an effect value of 0.402, a t value of 2.981, and a p-value of 0.004. This shows that women's leadership

is vital in encouraging economic empowerment at the local level.

Gender Inclusion Policy (GIP) also positively contributes to Local Economic Empowerment (LEE). However, with a minor effect of 0.132, it is still significant with a t-value of 2.548 and a p-value of 0.007. This indicates that gender inclusion policies have a relevant impact on economic empowerment, although the effect is more limited than other variables. When these three variables are considered, they produce a combined effect of 0.464 on Local Economic Empowerment (LEE). This effect is also statistically significant, with a t-value of 5.716 and a p-value of 0.001. This shows that gender inclusion, women's leadership,

and gender inclusion policies are important in improving local economic empowerment.

Hypothetical Results

Hypothesis testing is conducted to test claims or assumptions put forward in research using empirical data. The primary

purpose of hypothesis testing is to determine whether sufficient evidence in the data supports or rejects the initial hypothesis. Here are some specific purposes of hypothesis testing; the test results are presented in the following table:

Table 5. Research Hypothesis Testing Results

Hypothesis		T Statistic	P-values	Result
H1:	Gender inclusion in public governance has a positive impact on local economic empowerment.	8.065	0.000	Results Support the Hypothesis
H2:	Women's representation in leadership positions has a more significant positive impact on local economic empowerment compared to gender inclusion policies that only focus on essential participation.	2.860	0.004	Results Support the Hypothesis
H3:	Gender inclusion policies that are implemented holistically, covering various economic and social aspects, will significantly impact local economic empowerment more than policies that focus on only one aspect.	2.558	0.007	Results Support the Hypothesis
H4:	Gender inclusion in public governance, representation of women in leadership positions, and a holistic gender inclusion policy approach significantly impact local economic empowerment.	3.632	0.001	Results Support the Hypothesis

Source: data proceed

Table 5 presents this study's hypothesis testing results, focusing on the impact of gender inclusion, women's leadership, and gender inclusion policies on local economic empowerment. The following is an interpretation of the results of the table:

1. Hypothesis H1 tests whether gender inclusion in public governance positively affects local economic empowerment. The results show a t-value of 8.065 and a p-value of 0.000, indicating that the data support this hypothesis. This means that there is a significant positive effect of gender inclusion in public governance on local economic empowerment, strengthening the claim that increasing gender inclusion can improve economic welfare at the regional level.
2. Hypothesis H2 investigates whether female representation in leadership positions has a more significant impact on local economic empowerment compared to gender inclusion policies that only focus on essential participation. With a t-value of 2.860 and a p-value of 0.004, the results support this hypothesis. This indicates that female representation in leadership positions makes a more outstanding and significant contribution to local

economic empowerment than policies focusing on general gender participation.

3. Hypothesis H3 tests whether gender inclusion policies implemented holistically, covering various economic and social aspects, have a more significant impact on local economic empowerment than policies that only focus on one aspect. The t-value of 2.558 and p-value of 0.007 indicate support for this hypothesis. The results confirm that a comprehensive gender inclusion policy approach is more effective in enhancing local economic empowerment than policies limited to only one dimension.
4. Hypothesis H4 investigates whether the combination of gender inclusion in public governance, women's representation in leadership positions, and a holistic gender inclusion policy approach significantly impact local economic empowerment. With a t-value of 3.632 and a p-value of 0.001, this result also supports the hypothesis. This shows that combining the three variables has a significant and complementary impact in promoting local economic empowerment, reinforcing the importance of a comprehensive and integrated approach.

All hypotheses tested in this study are supported by data confirming the critical role of gender inclusion, women's leadership, and holistic gender inclusion policies in enhancing local economic empowerment.

The results of this study indicate that gender inclusivity in public governance, women's representation in leadership positions, and holistic gender inclusion policies significantly impact local economic empowerment. This study underlines that the success of regional economic empowerment can be enhanced through a comprehensive and integrative approach to gender inclusion. In Indonesia, there are several examples of successful gender-inclusive governance initiatives, which can provide concrete examples of how this approach can be implemented effectively. One successful example is the Empowered Village Program launched by the Government of Indonesia. This program is designed to increase economic capacity and empowerment at the village level by ensuring women's active participation in decision-making and resource management. In its actual implementation, this program provides skills training and access to capital for women and ensures women's representation in village government structures. This initiative has shown positive results, such as increased family income, reduced poverty rates, and increased women's economic participation in the areas involved.

Another example is the Gender Equality in the Workplace Policy, implemented by several large companies in Indonesia. This policy includes setting quotas for female representation in managerial positions and creating mentoring programs that support women's career development. Many companies report increased employee performance and satisfaction, as well as improvements in work-life balance for women workers as a result of this policy. These initiatives demonstrate how gender-inclusive governance can be successfully implemented and impact local economic empowerment. Their success shows that with the right approach, gender inclusion improves women's financial well-being and strengthens the local economy. Initiatives

such as the Empowered Village Program and the Gender Equality in the Workplace Policy in Indonesia have had a significant impact on regional economic empowerment in a variety of complementary ways. The Empowered Village Program, with its focus on women's inclusion in village decision-making and skills training, directly increases the economic capacity of village communities. Through skills training, women gain the ability to start and manage small businesses, which contributes to job creation and increased local incomes. Women's participation in village governance structures also ensures that development policies and programs reflect the needs and aspirations of the entire community, strengthening the efficiency and sustainability of local initiatives.

The Gender Equality in the Workplace Policy introduces more equitable structures within the company's organisation, such as quotas for women's representation in managerial positions and mentoring programs. By increasing women's representation in decision-making positions, this policy enriches perspectives and innovations in the workplace and creates role models that can motivate other women to pursue leadership positions. This increased participation of women in the formal sector contributes to economic growth by optimising the potential of the existing workforce and increasing overall productivity. The success of these two initiatives in empowering the local economy shows that a gender-inclusive approach not only benefits women but also plays a role in strengthening and expanding the local economic base, increasing well-being, and improving social balance in the communities involved (Atijosan & Olajide, 2022).

The results of this study indicate that gender inclusion in public governance, women's representation in leadership positions, and holistic gender inclusion policies significantly influence local economic empowerment. These findings align with theories that underscore the importance of gender participation in decision-making and policy implementation as critical factors in promoting economic growth and social well-being. Gender equity and transformational leadership theories

support these findings by emphasizing that gender equality and inclusive leadership can improve economic and social outcomes at the local level. Previous research, such as that conducted by (Abbas, 2024) has also shown that gender inclusion in governance and leadership improves economic and social performance. Studies that assess the impact of gender inclusion policies across countries show that countries with strong gender inclusion policies tend to have better economic indicators, such as higher GDP growth and reduced poverty rates (Nagoli et al., 2020).

The implementation of gender-inclusive governance is not without challenges. Critical challenges in Indonesia include cultural resistance and social norms that inhibit change. Patriarchal practices and a lack of awareness of the benefits of gender inclusion can hinder effective policy implementation. Lack of training and resources to support women in leadership positions and limitations in policy enforcement are also significant barriers. These obstacles suggest that despite progress, work must be done to create an environment that fully supports gender inclusion in economic governance and policy.

CONCLUSION

The conclusion of this study confirms that gender inclusion in public governance, women's representation in leadership positions, and the implementation of holistic gender inclusion policies significantly enhance local economic empowerment in Indonesia. These findings support the theory that links gender participation and inclusive leadership to better financial outcomes and social well-being. Barriers such as cultural resistance, outdated social norms, and lack of training and policy enforcement still hamper effective implementation. To achieve the full impact of gender inclusion policies, continued efforts are needed to address these barriers and ensure that the strategies implemented truly touch the various economic and social aspects.

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