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COLLABORATIVE GOVERNANCE IN THE REVITALIZATION OF TRADITIONAL MARKETS: A LITERATURE REVIEW OF PASAR PALANG SUKOREJO PASURUAN

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Abstract:
Traditional markets play a crucial role in supporting people's economies, but face various challenges such as declining infrastructure quality, competition with modern markets, and changes in people's spending patterns. One of the steps to strengthen the competitiveness of the traditional market is to implement a revitalization program. This study aims to analyze collaborative governance in the revitalization of the Sukorejo Cross Market in Pasuruan Regency based on a literature review and identify the role of stakeholders, supporting factors, and obstacles in its implementation. This research applies a qualitative approach through the literature study method. Information is drawn from academic journals, books, government documents, official reports, and other relevant written sources. Data analysis is carried out through content studies by identifying, grouping, and interpreting information from various sources. The research findings show that the revitalization of the Sukorejo Cross Market requires the implementation of collaborative management involving the local government, market managers, traders, and the community. Supporting factors include efficient communication, active involvement of traders, as well as the government's dedication to policy design and budget allocation. Inhibiting factors include traders' disapproval of change, lack of transparency of information, and weak coordination between institutions. This research indicates that the success of the revitalization of traditional markets is determined not only by physical improvements, but also by effective cooperation among stakeholders.
Keywords: *Collaborative governance, Market revitalization, Traditional Market*

INTRODUCTION

Traditional markets are one of the important pillars of the Indonesian economy which functions as a means of distributing goods and services as well as a meeting place for producers and consumers to carry out economic activities. In addition to acting as a trading center, traditional markets are also a source of livelihood for the community. The existence of traditional markets still requires clear regulation from the government because market management concerns the public interest, the protection of small traders, and the arrangement of the community's economic space. Based on data from the Central Statistics Agency in 2024, there are around 17,443 traditional markets throughout Indonesia, absorbing millions of workers and contributing to the gross regional domestic product (GDP) of the trade sector(Databoks, 2024).

In Pasuruan Regency, the Sukorejo Cross Market is one of the traditional markets that plays an important role in the community's economic activities.

However, in recent years, this traditional market has faced various challenges ranging from declining infrastructure conditions, inadequate sanitation systems, non-optimal arrangement of stalls and increasing competition with modern markets and digital platforms, to changes in consumer behavior starting to tend to stay away from traditional markets. This condition is further exacerbated by the increasing number of modern supermarkets and shops that offer better comfort and hygiene(Adiyanto, 2024).

The revitalization of traditional markets is a strategic solution to overcome various problems. Revitalization is not just a physical improvement of the building, but also includes improvements in management aspects and increased merchant capacity. Therefore, revitalization requires the involvement of various interested parties.

Collaborative approaches to governance have emerged as an important framework to address the challenges of improving traditional markets. (Ansell & Gash, 2008)defines collaborative governance as a management process in which government agencies involve various parties in decision-making that focuses on reaching an agreement. In the context of improving the Sukorejo Cross Market, collaborative governance creates cooperation between the local government (Pasuruan Regency Industry and Trade Office) which functions as a regulator and liaison, market managers as operational organizers, hundreds of traders as parties with main interests, and the Sukorejo community as market service users. Several previous studies have discussed the improvement of traditional markets and the application of cooperative ways in managing the market. (Adiyanto, 2024) (emphasizing that the success of revitalizing traditional markets depends on the active participation of governments, market managers, and traders in the implementation of the process. Research by Satia and his team in 2024 explains that collaborative governance is able to strengthen cooperation between various parties involved, so that the revitalization process can run more effectively. Meanwhile, according to (Siswanto, 2019), market revitalization requires not only physical development, but also support from the community, the involvement of traders, as well as the government's commitment to ensure that the revitalization program takes place in a sustainable manner. The results of the study show that cooperation between parties has an important role in the success of traditional market improvement. Although there are many studies that address the improvement of traditional markets and co-management, most studies still use direct field observation and interviews. There are still not many studies that specifically discuss how to cooperate in improving the Sukorejo Cross Market using a reading and analyzing approach to writing. Therefore, there is still room for further research that needs to be researched in order to better understand the role of parties in market revitalization through a collaborative governance perspective. Although recent research has addressed the management of traditional markets after relocation, cooperative-based market revitalization, and improved market services in various regions, research that specifically focuses on the Sukorejo Cross Market as an object of analysis is still limited. Therefore, this study provides a new approach by paying attention to market revitalization through the perspective of collaborative management, based on a literature study to understand the role of stakeholders and dynamics in managing it

The innovation of this research is to use a literature study method to analyze how to cooperate in updating the Sukorejo Cross Market in Pasuruan Regency. In addition, this study also combines collaborative governance theories from Ansell and Gash with various sources on traditional market revitalization in order to understand the role of the parties involved and the factors that support and hinder the implementation of the market revitalization.

Based on this background, this study aims to analyze the cooperation in the process of revitalizing the Sukorejo Cross Market in Pasuruan Regency, recognize the role played by the government, market managers, traders, and the community in the revitalization, and examine the factors that help and hinder its implementation

RESEARCH METHODS

This study uses a qualitative approach with a literature review method. This method was chosen to understand the concept of collaborative governance in the revitalization process of the Sukorejo Cross Market located in Pasuruan Regency, East Java. This research does not involve direct observation in the field, but through research on various written sources, journal articles, and government documents relevant to the theme raised(Murti et al., 2023).

The data used in this study is in the form of secondary data, obtained from scientific journals, previous research books, government documents, and official reports related to collaborative governance and traditional market revitalization. In addition, the research also utilizes information obtained from official local government websites and reliable online media that discuss the condition of the Sukorejo Cross Market in Pasuruan.

Data collection is carried out including reading, recording, and collecting information relevant to the research theme. The collected data is then analyzed using content analysis techniques, namely by identifying, grouping, and interpreting information from various sources to understand the role of governments, market managers, traders, and communities in the process of revitalizing traditional markets in order to see the supporting and inhibiting factors in the implementation of collaborative governance in traditional market revitalization.

FINDINGS AND DISCUSSION

1. The Concept of Collaborative Governance in Market Revitalization

Collaborative Governance is an approach that emphasizes cooperation between the government, the private sector, and the community in the decision-making process to achieve common goals according to (Ansell & Gash, 2008) Regional regulations and community empowerment markets in market management that contain the role of the community in market managementThe success of the market is influenced by the involvement of stakeholders, effective communication and trust Collaborative management in renewing traditional markets basically emphasizes the importance of cooperation between the government, market managers, traders, and the community in the decision-making process. In traditional markets, this method is very important because fixing the market is not only enough to repair its physical building, but must also involve the way of management, the regulation of economic activities, and the relationship between all parties involved in the market. This concept is in line with the view of collaborative governance that sees the government not as the only actor, but as a facilitator who creates opportunities for others to participate.(OK & Hantono, 2025)(

In many writings, the revitalization of traditional markets is interpreted as an effort to increase market competitiveness so that it can survive in the midst of modern market advances. Therefore, revitalization should be seen as a process that involves many aspects, including infrastructure improvement, management strengthening, and improving the capabilities of market participants. So, success in reviving the market is highly dependent on cooperation and understanding between all parties involved. (Sari Sarah, 2024) At the Sukorejo Cross Market, the idea of cooperative management is very important because this market not only experiences physical problems, but also problems in management, service and empowerment of traders. If the revitalization is carried out without cooperating, there is a high chance that the policy will only change the physical appearance without resolving the main problems faced by traders and market users. Therefore, discussions on the revitalization of the Sukorejo Cross Market must be carried out in the context of cooperation among all parties involved. (Prakoso & Rolalisasi, 2025) Officially, the management and development of traditional markets is regulated in Presidential Regulation Number 112 of 2007, which plays an important role in explaining the role of traditional markets in the national trade system.(Ijan & Ike, 2024)(Presidential Regulation No. 112 of 2007 concerning the Arrangement and Development of Traditional Markets, Shopping Centers and Modern Shops, 2007)

2. The Role of the Government, Managers, Traders, and Citizens

Local governments play a very important role as regulators, planners, and supporters in the process of revitalizing traditional markets. The government not only has the duty to make policies, but it must also ensure that the policy is acceptable and implemented by all parties directly affected. In some studies, local governments that are successful in managing market revitalization are those that can build good communication between them and the community, provide opportunities for participation, and adjust policies to the needs of traders.(Siswanto, 2019)

Market managers have an important role in terms of operations that bridge government policies, especially in ensuring that market activities run in an orderly manner after revitalization is carried out. This role is very important because managers function as a link between government policies and implementation in the field. If management is not done properly, the market that has been repaired can still face problems, such as irregular arrangement of stalls, unclear space allocation, or lack of supervision of market facilities. Traditional market management requires coordination between local governments, market management, and traders so that services, order, and market continuity can run well (Hasanal Mulkam, 2021)(Country, 2024) .

Traders are the main actors who feel the impact of market revitalization. Therefore, the involvement of traders in the planning, implementation, and evaluation process is very important. Many studies show that the success of the revitalization depends largely on how well traders accept the policies implemented. When traders feel engaged and valued, they are usually more open to change.(Sinaga et al., 2025) Meanwhile, the people who use the market also have a very important role in ensuring the success of revitalization. Presidential Regulation of the Republic of Indonesia Number 112 of 2007 concerning the arrangement and development of traditional markets, shopping centers and modern shops The community is not only a buyer, but also part of the traditional market ecosystem that provides social recognition for the existence of the market. The success of the revitalization can be seen from the public's interest in shopping in traditional markets so that the market that has been improved can provide comfort, cleanliness, and easy access, so the community will make it the main choice again for their daily economic activities.

3. Implementation Supporting Factors

One of the important factors that supports the implementation of collaborative governance is good communication among all parties involved. Clear communication makes all parties understand the purpose of the revitalization, the division of duties, and the expected benefits of the policy. In some market revitalization situations, good communication has been shown to reduce conflict and increase traders' sense of ownership of the program being run. In theory (Ansell & Gash, 2008) Intensive communication is an important part of building dialogue and understanding between stakeholders

Another supporting factor is the involvement of traders and the community from the beginning of planning. This engagement is very important because traders and the public are the ones who understand the real needs in the market the most. When their voices are heard, the repair design is usually better suited to the circumstances in the field and more acceptable to users in the market. The literature on participatory market management shows that the participation of local parties can increase the effectiveness of policies. (Jannah, 2025) Involvement allows the policies formulated to be more in line with the needs in the field and increase the sense of ownership of the revitalization program implemented.

In addition, the support of government policies and commitments is also a very important factor. Targeted policies, financial support, and program sustainability are forms of support that can strengthen the implementation of market revitalization. Without serious support from the government, cooperation will only be a formality that does not bring real results for market improvement. Therefore, support from the institution for the success of the revitalization.

4. Factors Inhibiting the Implementation of Collaborative Governance

Although it has various advantages, the implementation of governance also faces a number of obstacles. One of the obstacles that often arises is the resistance of rejection from traders to the revitalization policy. Rejection often occurs when traders feel excluded from the decision-making process or feel that the policies being implemented are detrimental to them. For example, this can happen related to the arrangement of the kiosk, the relocation of the location, or the cost of rent. This resistance shows that updating the market is not only a technical issue, but also a social and political one.

The next obstacle is the lack of transparency of transparent information, lack of information about repair plans, the distribution of stalls, which causes misunderstandings and lowers the level of trust and the government that manages the market. When transparency is low, the space for cooperation becomes limited and the likelihood of conflict increases. This shows that public communication is a very important element in market management.

Another problem that often occurs is the lack of readiness of supporting facilities and weak cooperation between institutions. Revitalization that only prioritizes physical development without paying attention to how it is managed after revitalization often results in a market that looks better, but does not necessarily function well. Therefore, market improvements must be carried out comprehensively, starting from physical design, operational systems, to implementation supervision.

5. Implications for the Revitalization of the Sukorejo Cross Market

The results of studies from various sources show that the renewal of the Sukorejo Cross Market should be carried out in the context of wider management and involves many parties. Local governments not only need to make policies, but also have to communicate with traders, market managers, and the community. This is important so that the policies made are really in accordance with the needs in the field. In this way, revitalization can run more efficiently and continue. (Prakoso & Rolalisasi, 2025)

For the management of the Sukorejo Cross Market, the most important thing is the need for a clear way of coordination between all parties involved. Market managers must play an active role as a link between government policies and the real situation in the market. On the other hand, traders need to be given the opportunity to express their opinions and participate in determining the direction of market regulation. The community must participate as the main users of market services so that the improvement not only focuses on the building, but also increases the public's comfort and trust in traditional markets.

In this way, the restoration of the Sukorejo Cross Market can be seen not only as a building project, but also as a way to improve the organization and socio-economic aspects as a whole. This is important so that traditional markets can continue to exist, remain competitive, and carry out their role as economic centers for local communities.(Prakoso & Rolalisasi, 2025).

CONCLUSION

Based on the results of the literature review and discussions that have been conducted, it can be concluded that the revitalization of the Sukorejo Cross Market in Pasuruan Regency not only requires physical intervention, but also requires the implementation of comprehensive collaborative governance. This approach can be a means to harmonize the roles of four main actors: the Regional Government (Disperindag Pasuruan Regency) as a regulator and supporter, market managers who act as operational liaison, traders who are the main economic actors, and the people of Sukorejo as users of market services.

The success of the implementation of this cooperation model is largely determined by several supporting factors, such as effective and sustainable communication between stakeholders, the active participation of traders from the beginning of planning, and the commitment of the government in terms of sustainable policies and funding. On the other hand, the implementation of revitalization also has the potential to face various obstacles such as merchant dissatisfaction due to the relocation of the place of sale, lack of clarity of information, and lack of cooperation between institutions after the physical construction is completed. This must be anticipated in a planned manner. The implication is that the revitalization of the Sukorejo Cross Market needs to be considered as a socio-economic recovery project that is comprehensive, clear, and involves the community. This is important so that the traditional market can become more competitive in the midst of modern market challenges.

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