

Collaborative Governance Between Surabaya City and Blitar Regency in Regional Economic Development

M. Hazel Rahman Saleh , Chika Dhesti Rahmadhani , M. Fadlan
Dhafinsyah, Nova Eviolina

Public Administration, Faculty of Social and Political Sciences, Universitas Negeri
Surabaya, East Java, Indonesia

Keywords:

Collaborative governance
Interregional cooperation
Regional economic development
Local government collaboration

ABSTRACT

This study aims to analyze the implementation of cooperation between the Surabaya City Government and the Blitar Regency Government in supporting regional economic development through a collaborative governance approach. The study employed a qualitative approach using a literature review method. Data were collected from scientific journals, books, government policies, official reports, and publications related to interregional cooperation. Data analysis applied the interactive model through data reduction, data presentation, and conclusion drawing, supported by open, axial, and selective coding techniques. The findings show that interregional collaboration has been relatively effective in strengthening food commodity distribution, developing digital-based MSMEs, and promoting cross-regional tourism. The collaboration contributed to increased distribution of agricultural and livestock products from Blitar Regency to Surabaya, including the supply of approximately 5 tons of eggs, expanded MSME market access through digital marketing, and the establishment of integrated tourism promotion. However, several challenges remain, including low digital literacy among MSME actors, limited supporting infrastructure, and disparities in regional economic capacity. This study contributes to strengthening collaborative governance studies as a strategy for regional economic connectivity based on food distribution, MSME development, and interregional tourism.

Article history:

Received 04-25-2026
Revised 05-17-2026
Accepted 05-30-2026

Corresponding Author:

M. Hazel Rahman Saleh

Public Administration, Faculty of Social and Political Sciences, Universitas Negeri Surabaya, East Java, Indonesia

Jl. Ketintang, Surabaya, East Java 60231, Indonesia

Email: 24040674119@mhs.unesa.ac.id

Published by : Fakultas Ilmu Sosial dan Ilmu Politik Universitas Prof. Dr. Hazairin, SH
Bengkulu, Indonesia

ISSN : 2252-5270 & E-ISSN : 2620-6056



This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license

1. Introduction

Economic inequality between regions remains a significant issue in Indonesia's national development by 2025. Although the national economy has shown positive progress, the benefits of development have not been fully felt equitably, particularly in relation to access to infrastructure, market connectivity, investment, and economic capacity at the regional level. Urban areas tend to have better access to distribution, logistics networks, and investment opportunities compared to regions that still rely on primary sectors such as agriculture and livestock. This condition indicates that national economic growth does not automatically bring equitable prosperity, considering that development inequality is influenced by differences in access to economic resources and regional development (Todaro and Smith, 2015).

From a regional development perspective, inequality between regions is influenced by several elements, including differences in natural resources, geographic location, infrastructure support, and the concentration of economic activity in certain areas. (Perroux, 1955) through the growth pole theory states that economic growth tends to be concentrated in regions with better economic strength and infrastructure, which in turn has a positive impact on surrounding regions. In addition, Richardson (1973) explains that regional development is influenced by economic integration, inter-regional connectivity, trade distribution, and economic interactions between regions. Therefore, the government in 2025 emphasized the importance of strengthening inter-regional connectivity, regional market integration, and economic mobility as part of the national development equity strategy.

One effective approach to reducing development inequality is inter-regional cooperation. Ansell and Gash (2008) explain that collaborative governance is a process of cooperation between government agencies and various parties to achieve common goals through coordination, consensus, and role allocation. In the context of regional development, inter-regional cooperation enables regions with production advantages to connect with regions with market access, distribution infrastructure, and broader economic networks (Verma & Varghese, 2025) . Meanwhile, Wright (1982), through the concept of

Intergovernmental Relations (IGR), emphasized that relationships between local governments are necessary to resolve development problems that cannot be addressed by a single region alone.

In the context of East Java Province, the collaboration between Blitar Regency and Surabaya City offers an interesting example of interregional cooperation worthy of study. Blitar Regency boasts strong economic potential in agriculture, livestock, and local MSMEs, while Surabaya City serves as a regional hub for trade, services, and logistics in East Java. This relationship creates a complementary pattern between producing and distributing regions. Agricultural, livestock, and MSME products from Blitar Regency have the opportunity to gain broader market access through the distribution network in Surabaya, while Surabaya receives support from commodity supplies to meet market demand in urban areas.

However, it is important to understand more critically that the assumption that interregional collaboration automatically results in economic equality is not always true. The success of interregional cooperation is influenced by more than just formal agreements; it also depends on institutional capacity, program sustainability, the quality of bureaucratic coordination, infrastructure support, and the local political situation. Previous research on interregional collaboration has typically focused on food security, distribution efficiency, and price control. Research on cooperation between Surabaya and Nganjuk, Mojokerto, and Blitar places greater emphasis on price stability for basic necessities, strengthening food distribution, and supply chain efficiency at the regional level (Blitar, 2025). On the other hand, research on cooperation in the chicken egg trade between Blitar Regency and Yogyakarta City has focused more deeply on the Intergovernmental Relations (IGR) model and business-to-government (B2G) schemes in strategic food trade (Wibowo et al., 2025).

However, previous research remains flawed, as it tends to view interregional cooperation solely from a transactional economic and food stability perspective. These studies have not explored multidimensional interregional cooperation through the lens of collaborative governance, particularly as it relates to regional development integration, MSME digitalization, local economic

development, and the potential for profit disparities between producing and distributing regions. Furthermore, existing research remains normative and lacks critical analysis of the challenges of implementing regional cooperation in Indonesia, such as uneven institutional capacity, gaps in digitalization, and the sustainability of interregional coordination.

This study aims to address this gap by analyzing collaboration between Blitar Regency and Surabaya City from the perspective of collaborative governance and sustainable regional development. Unlike previous studies that focused primarily on food trade, this study examines interregional cooperation more comprehensively, focusing on goods distribution, strengthening digital-based MSMEs, logistics integration, and promoting the regional economy. It also focuses on the relationship between producing and distributing regions as part of a strategy to achieve regional economic equality by 2025.

2. Method

This study employed a qualitative policy analysis approach using document studies. The qualitative approach was chosen because this study aims to deeply understand the forms of interregional cooperation, the policy implementation process, and its impact on regional economic development between Surabaya City and Blitar Regency. The library research method was used to examine various concepts, theories, regulations, and previous research findings related to interregional cooperation, regional economic development, MSME digitalization, and local government collaboration (Creswell, 2014).

The data sources in this study are secondary data obtained from national and international scientific journals, academic books, government reports, policy documents, laws and regulations, and official publications from local government agencies related to interregional cooperation. This study also uses regulations as a normative basis, such as Law Number 23 of 2014 concerning Regional Government and Government Regulation Number 28 of 2018 concerning Regional Cooperation. Source selection was based on the level of relevance to the research focus, source credibility, and the

novelty of the information to ensure adequate academic validity of the data used (Sugiyono, 2022).

Data collection techniques were conducted through documentation studies by identifying, grouping, and reviewing various literature related to the implementation of cooperation between the City of Surabaya and Blitar Regency. The data obtained were then classified based on research themes, such as cooperation on food commodity distribution, strengthening MSMEs and economic digitalization, cross-regional tourism development, and strategies for implementing inter-regional cooperation. To maintain data validity, this study used source triangulation techniques by comparing information from various documents, scientific journals, regulations, and official government publications so that the data obtained was more objective and accountable (Yin, 2018).

The data analysis in this study used the Miles and Huberman interactive analysis model, which includes data reduction, data presentation, and conclusion drawing (Miles & Huberman, 1994). In the data reduction stage, researchers select and focus on information relevant to the research objectives. The data presentation stage is carried out by systematically organizing data in the form of descriptive descriptions so that the relationships between phenomena can be understood more clearly. Next, the conclusion drawing stage is carried out through data interpretation to understand interregional cooperation patterns, supporting and inhibiting factors for policy implementation, and their impact on sustainable economic development (Huberman, Miles, & Saldaña, 2014).

In addition to using Miles and Huberman's analysis, this study also utilized data coding techniques developed by Anselm Strauss in a grounded theory approach, namely open coding, axial coding, and selective coding (Strauss & Corbin, 1998). *Open coding* was conducted by identifying key themes from various literature sources, such as economic collaboration, food distribution, MSME digitalization, and tourism promotion. Next, *axial coding* was used to connect the relationships between categories to obtain a relationship between cooperation strategies and regional economic impacts. The final stage, namely *selective coding*, was conducted to draw out the core discussion regarding the role of inter-regional cooperation in

encouraging regional economic development between Surabaya City and Blitar Regency.

3. Results and Discussion

The regional cooperation between Surabaya City and Blitar Regency is a concrete implementation of decentralization and inter-regional government relations in promoting local economic development. This collaboration was formed based on the needs of both regions, which have mutually supportive economic characteristics. Surabaya City excels in trade, services, distribution, and logistics, while Blitar Regency has great potential in the agriculture, livestock, MSMEs, and tourism sectors. This collaboration is in line with Article 363 of Law Number 23 of 2014 concerning Regional Government and Government Regulation Number 28 of 2018 concerning Regional Cooperation, which authorizes regional governments to collaborate with other regions to improve community welfare, accelerate development, and improve public services through the principles of mutually beneficial efficiency and effectiveness.

Based on the results of a coordination meeting between the Surabaya City Government and Blitar Regency, the two regions have agreed to strengthen cooperation in governance, trade, tourism, and food commodities. This cooperation also aims to strengthen food security, control inflation, and develop local economic potential through interregional collaboration.

The results of this study were analyzed using the collaborative framework proposed by Ansell and Gash (2007). This framework encompasses starting conditions, institutional design, facilitative leadership, collaborative process, and outcomes. These categories were obtained through data simplification and coding from various literature references, policy documents, and official publications from local governments.

3.1. Starting condition

This collaboration was formed based on the needs of both regions, which have mutually supportive economic characteristics. Surabaya City excels in trade, services, distribution, and logistics, while Blitar Regency has great potential in the agriculture, livestock,

MSMEs, and tourism sectors. This collaboration is in line with Article 363 of Law Number 23 of 2014 concerning Regional Government and Government Regulation Number 28 of 2018 concerning Regional Cooperation, which authorizes regional governments to collaborate with other regions to improve community welfare, accelerate development, and improve public services through the principles of mutually beneficial efficiency and effectiveness.

According to Ansell and Gash (2007), *starting conditions* relate to the initial conditions that influence the formation of collaboration, such as relationships between actors, resources, and previous collaborative experiences. Syauqul Muhibbin, Regent of Blitar, stated, "This collaboration is a concrete step towards building a new economic ecosystem that supports each other across regions. The strengths of each region will have a greater impact if synergized into an integrated supply chain." (City Admin, 2025).

While this collaboration has economic benefits for both regions, it also carries the risk of significant economic dependency. Surabaya City relies on food supplies from Blitar Regency to maintain the stability of its population's food needs, while Blitar Regency relies on Surabaya City's market access to distribute agricultural, livestock, and MSME products. This dependency has the potential to create economic inequality if one region has a more dominant bargaining position.

3.2. Institutional Design

This collaboration has a legal basis and formal mechanisms in the form of a *Memorandum of Understanding (MoU)* and a technical cooperation agreement between Regional Apparatus Organizations (OPD). The implementation of this collaboration is supported by several implementation strategies designed to strengthen coordination, streamline distribution, and improve the effectiveness of inter-regional services. Coordination between Regional Apparatus Organizations (OPD), such as the Trade Office, the Agriculture and Animal Husbandry Office, the Regional Development Planning Agency (Bappeda), and other related agencies is the main key to the successful implementation of the collaboration between the City of Surabaya and Blitar Regency.

The Trade Office is responsible for regulating the distribution of goods, developing market access, and maintaining stable commodity prices. The Agriculture and Livestock Office maintains the quality and stability of food commodity supplies from Blitar Regency. Meanwhile, the Regional Development Planning Agency (Bappeda) coordinates program planning and coordinates development policies between regions to ensure cooperation achieves each region's economic development goals. This coordination involves adjusting programs, analyzing market needs, and planning distribution periodically.

Another strategy implemented is the integration of logistics and transportation systems to support the smooth distribution of products from Blitar Regency to Surabaya City. This integration involves regulating distribution channels, providing transportation facilities, and improving delivery efficiency to ensure faster, more stable, and more targeted distribution. Furthermore, the use of information technology and digitalization helps local governments accelerate coordination, monitor market demand, support decision-making, and strengthen inter-regional distribution, marketing, and data management systems to ensure more effective and integrated collaboration.

Both regions are also leveraging digital platforms to expand marketing access for local products from Blitar Regency to the Surabaya market. MSME products are promoted through *marketplaces*, social media, and local government-owned digital trading platforms, making it easier for MSMEs to reach a wider consumer base and increase the competitiveness of local products.

3.3. Facilitative Leadership

The Blitar Regency Government acts as a facilitator in maintaining the stability of supply and product quality to meet the demands of the Surabaya market, while the Surabaya City Government provides broad market access through traditional markets, modern markets, distribution centers, and the city's trade network. According to Ansell and Gash (2007), *facilitative leadership* plays a crucial role in building communication, maintaining commitment, and facilitating collaboration between actors. *Facilitative*

leadership in this collaboration can be seen from the active involvement of the two governments in supporting the distribution process by providing transportation facilities, increasing shipping cost efficiency, and promoting local products in modern and traditional markets.

3.4. Collaborative Process

According to Ansell and Gash (2007), *the collaborative process* consists of several indicators, namely *face-to-face dialogue, trust building, commitment to the process, shared understanding, and intermediate outcomes*.

3.4.1. Face-to-face dialogue

Communication between the parties was conducted through a coordination meeting between the Surabaya City Government and Blitar Regency. This was demonstrated by the agreement between the two regions to strengthen synergy in government, trade, tourism, and food commodities.

3.4.2. Trust Building

Trust between parties is based on Memorandums of Understanding (MoUs) and technical cooperation agreements between Regional Apparatus Organizations (OPDs). Coordination between Regional Apparatus Organizations (OPDs), such as the Trade Office, the Agriculture and Animal Husbandry Office, and the Regional Development Planning Agency (Bappeda). The Trade Office is responsible for regulating the distribution of goods, developing market access, and maintaining stable commodity prices. The Agriculture and Animal Husbandry Office maintains the quality and stability of food commodity supplies from Blitar Regency. Meanwhile, Bappeda acts as a coordinator for program planning and adjustments to development policies between regions so that cooperation can achieve the economic development goals of each region. This coordination is carried out to adjust programs, analyze market needs, and plan distribution periodically.

3.4.3. Commitment to Process

Commitment can be seen in the ongoing implementation of each party's duties and responsibilities. The Blitar Regency Government is responsible for maintaining stable supply and product quality to meet Surabaya market demand, while the Surabaya City Government is responsible for providing broad market access through traditional markets, modern markets, distribution centers, and the city's trade network.

3.4.4. Shared Understanding

All parties involved share a shared understanding that this collaboration aims to stimulate economic growth and reduce welfare disparities between the two regions. This understanding is evident in efforts to maintain stable supply and product quality, as well as providing market access for MSME products. This goal helps strengthen collaboration between parties throughout the implementation process.

3.4.5. Intermediate Outcomes

Preliminary results from the collaboration process indicate an increase in food commodity distribution and the promotion of MSMEs. This is evident in the sufficient supply of food necessities such as eggs, chicken, vegetables, and fruit for the city of Surabaya. Eri Cahyadi, Mayor of Surabaya, stated, "Surabaya is greatly helped by egg production from Blitar. We believe this collaboration will strengthen the availability of basic commodities for city residents."

Meanwhile, in Blitar Regency, MSME products are promoted through various digital platforms, joint promotional activities, and various creative economic activities aimed at gaining broader access to distribution networks and markets in Surabaya, thereby increasing product competitiveness and sales value. One concrete example of this is the establishment of the Blitar Trade Center.

Syauquul Muhibbin, Regent of Blitar Regency, stated, "From here, the distribution of our superior commodities will move to various partner regions." However, these successful

results do not fully reflect regional economic development. The increase in trade has not been accompanied by an analysis of farmer welfare, income stability, and long-term economic resilience.

3.5. Outcomes

According to Ansell and Gash (2007), *outcomes* can be obtained from the tangible results or impacts of the inter-actor collaboration process. The results of this collaboration can be seen in the increasing volume of trade from both the agricultural and livestock sectors from Blitar to Surabaya markets. Since the collaboration was implemented, agricultural and livestock products such as chicken eggs, vegetables, and meat from Blitar Regency to Surabaya City have increased significantly, as evidenced by the supply of eggs from Blitar Regency to Surabaya of around 5 tons. This is inseparable from the agreement between the two regions to open wider distribution access and guarantee the quality of products from farmers to consumer markets in Surabaya.

Furthermore, the number of Blitar MSMEs able to compete in the Surabaya market has also increased through various coaching programs, skills training, and marketing facilities provided by the Surabaya City Government. The Surabaya City Government, through the Cooperatives, Small, and Medium Enterprises and Trade Office, encourages Small, Micro, and Medium Enterprises (MSMEs) to move up a class. Throughout 2025, a total of 5,250 MSMEs in the City of Heroes have received various interventions ranging from marketing training to product legalization assistance. In addition to various trainings, MSMEs are also provided with digital marketing strategies, attractive product designs, and business legality management. With the training and assistance provided by the Surabaya City Government, the quality of products produced by Blitar Regency MSMEs has increased and become more competitive.

Finally, a collaborative model for cross-regional tourism promotion has been created. The Blitar Regency Government is strengthening the creative tourism ecosystem through the Blitar

Creative Tourism 2025 event. Priyo, Regional Secretary of Blitar Regency, stated, "Blitar Creative Tourism Week is excellent because it recognizes tourism activists and serves as a competitive platform that encourages all stakeholders to improve the tourism sector in Blitar Regency."

Meanwhile, the Surabaya City Government held a Bung Karno and Surabaya Literacy Tour which aimed to instill nationalistic values, revive the spirit of literacy, and introduce the figure of the Proclaimer of the Republic of Indonesia, Ir Soekarno or more familiarly called Bung Karno to the younger generation through a historical and cultural approach. The literacy tour was attended by 100 students, consisting of 51 students from Surabaya City and 49 students from outside Surabaya City, who were the Chairmen of the Student Council of High Schools/Vocational High Schools. The participants were invited to visit various historical locations related to Bung Karno's life journey and struggle in East Java, especially in Surabaya City and Blitar Regency.

Collaboration in the tourism sector is also supported by promotions through various events, brochures, and social media to boost tourist visits and introduce the tourism sector of the two regions more widely. However, this collaboration has not yet achieved optimal regional economic development. Success is primarily measured by short-term increases in distribution and trade, while indicators of community welfare, income stability, and MSME independence have not been thoroughly assessed.

Furthermore, there is a risk of inequality in this collaboration, namely only strengthening the position of Surabaya City as a market and distribution center, while Blitar Regency only serves as a supplier of food commodities and MSMEs. From a community perspective, the benefits of this collaboration have not yet reached the full scope, many MSMEs still struggle to overcome various challenges such as limited capital, low digital literacy, and high distribution costs. Therefore, the success of this collaboration process is not only measured by the success of the program, but also by the impact that must be felt by all levels of society.

4. Conclusion

Based on the results and discussion, the collaboration between the Surabaya City Government and the Blitar Regency Government has shown positive outcomes in supporting regional economic development. These results are reflected in the implementation of collaborative governance indicators, including supportive starting conditions, a clear institutional design established through a memorandum of understanding (MoU), active facilitative leadership in maintaining shared commitments, and a collaborative process developed through regular coordination meetings. The collaboration has generated several tangible outcomes, such as strengthening food distribution, supporting MSME development and training, and promoting interregional tourism cooperation. Nevertheless, several challenges remain, including disparities in regional economic capacity, limited MSME readiness to compete in modern markets, and dependence on food supply distribution.

Theoretically, the findings reinforce the perspective that the success of collaborative governance is strongly influenced by the ability of government actors to build communication, trust, and long-term commitment in sustaining interregional cooperation. This study is limited to a qualitative literature-based analysis focusing on collaboration between the Surabaya City Government and Blitar Regency Government. Future studies are expected to employ empirical field research and comparative approaches to examine the effectiveness and sustainability of collaborative governance in broader interregional economic development contexts.

Declaration of Conflicting Interest

No potential conflict of interest was reported by the author(s).

References

Agranoff, R., & McGuire, M. (2003). *Collaborative public management: New strategies for local governments*. Georgetown University Press.

- Ansell, C., & Gash, A. (2008). Collaborative governance in theory and practice. *Journal of Public Administration Research and Theory*, 18(4), 543–571.
- Blitar, A. N. D. (2025). Inter-regional cooperation in control of staple food prices: Case study of Surabaya with Nganjuk, Mojokerto, and Blitar. 3(6).
- City Admin. (2025). *Blitar City's economy continues to move, five tons of eggs sent to Surabaya*. <https://blitarkota.go.id/berita/ekonomi-kota-blitar-terus-bergerak-lima-ton-telur-dikirim-ke-surabaya>
- Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches* (4th ed.). Sage Publications.
- Huberman, A. M., Miles, M. B., & Saldaña, J. (2014). *Qualitative data analysis: A methods sourcebook* (3rd ed.). Sage Publications.
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: An expanded sourcebook* (2nd ed.). Sage Publications.
- Perroux, F. (1955). Note sur la notion de pôle de croissance. *Économie Appliquée*, 8, 307–320.
- Pemerintah Indonesia. (2014). *Undang-Undang Nomor 23 Tahun 2014 tentang Pemerintahan Daerah*. Sekretariat Negara.
- Pemerintah Indonesia. (2018). *Peraturan Pemerintah Nomor 28 Tahun 2018 tentang Kerja Sama Daerah*. Sekretariat Negara.
- Richardson, H. W. (1973). *Regional growth theory*. Macmillan.
- Rofiq, A. (2025). Mas Ibin signs inter-regional MoU, Blitar City ready to become a distribution center for eggs and MSMEs. *JatimTIMES*. Accessed May 16, 2026.
- Strauss, A., & Corbin, J. (1998). *Basics of qualitative research: Techniques and procedures for developing grounded theory* (2nd ed.). Sage Publications.
- Sugiyono. (2022). *Metode penelitian kualitatif*. Alfabeta.
- Surabaya City Government. (2025). *Bung Karno's literacy tour, Mayor Eri Cahyadi invites hundreds of students to emulate the historical traces in Surabaya and Blitar*. Surabaya City Government.
- Surabaya City Government. (2026). *To help MSMEs move up a class, the Surabaya City Government provides free legalization for thousands of traders*. Surabaya City Government.
- Todaro, M. P., & Smith, S. C. (2015). *Economic development* (12th ed.). Pearson Education.

- Wahid, U. (2025). Interregional collaboration and regional economic integration in Indonesia. *ASES International Journal of Economics*, 3(2), 310–315.
- Wibowo, M. T., Reginantis, I. A., Sari, P. I., Mas, J., Saragih, K., & Surabaya, U. N. (2025). Analisis perencanaan kerjasama perdagangan telur ayam ras Kota Yogyakarta dan Kabupaten Blitar. 3(11).
- Wright, D. S. (1982). *Understanding intergovernmental relations*. Brooks/Cole Publishing Company.
- Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). Sage Publications.