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## Impact of global crisis on social and economic inequality in Medan City: A strategic approach to community empowerment and multi-sector collaboration

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#### Abstract

This research explores the impact of the global crisis on social and economic inequality in Medan City, focusing on social changes triggered by shifts in public policy and external factors affecting community welfare. Through qualitative approaches, this research identifies the main challenges faced by the community, including increased poverty, economic instability, and changes in social structure. The results show that the global crisis has exacerbated social and economic inequality in Medan, significantly impacting access to essential services and economic opportunities. The implications of this research suggest the need for effective data-driven strategies to address inequality, including integrated community empowerment programs and multi-sector collaboration. This research makes a novel contribution to understanding the dynamics of inequality in the context of the global crisis. It offers recommendations for future research, including an emphasis on longitudinal analysis and adaptive policy development. Recommendations for future research include developing more holistic intervention models and evaluating the long-term impact of policies implemented to reduce social and economic inequality.

**Keywords:** community empowerment, economic, global crisis, poverty, public policy, social



### Public Interest Statement

This study examines the impact of the global crisis of 2019 on social and economic inequality in Medan City, Indonesia. Medan, a rapidly growing urban center, faces challenges such as poverty, unemployment, and limited access to essential services, exacerbated by rising inflation and urbanization. Our research highlights how community empowerment and multisector collaboration are crucial in addressing these issues. By analyzing the effectiveness of current government initiatives, such as skills training and infrastructure development, we identify key strategies to reduce inequality and improve community welfare. This study is particularly relevant to policymakers, urban planners, and community organizations seeking to understand the complex dynamics of urban inequality and the potential of grassroots approaches to foster inclusive development. The findings underscore the importance of integrating human resource development and participatory decision-making in creating sustainable solutions. Ultimately, this research provides valuable insights into how local governments, the private sector, and civil society can work together to build resilient communities and reduce socioeconomic disparities, offering a blueprint for other cities facing similar challenges.

### Introduction

All countries around the world experienced a prolonged crisis starting in 2019 due to the plague that hit all humans. This crisis attacks all elements of life and the welfare of society, leaving a prolonged impact. This phenomenon requires the government in each country to make many changes, starting with living habits, mindsets, specific systems, and the economy. Indonesia is one of several countries that experienced an economic downturn due to the last crisis (Antara & Sumarniasih, 2024). This has caused Indonesia to experience rising inflation and unemployment (Karimah et al., 2023). Thus, this situation has an impact on social inequality.

Poverty is often one of the leading causes of social inequality (Thamrin et al., 2023a). Low-income people have limited access to social resources and services, making them more vulnerable to life's hardships and lacking opportunities to improve their quality of life (Irawan & Sulisty, 2022). In addition, bad habits adopted by a community group and significant income inequality between community groups can also exacerbate social inequality (Pratiwi & Moeis, 2022). Poverty and social inequality also affect future generations' ability to get a good quality of life from education (Ririk et al., 2022). Unfair or ineffective government policies can increase social inequality and weaken the welfare of low-income people (Huraerah, 2008). In addition, uneven growth causes people to depend on cities (Sambodo et al., 2020). This impacts people's thinking, so they urbanize, causing social problems like poverty, unemployment, and crime (Dulkiah, 2018). Therefore, it is essential to achieve economic equality in each region. One way to achieve economic equality is by developing human resources. Community development can improve the quality of life of low-income people by providing resources and support (O'Faircheallaigh, 2014; Spiegel & Parent, 2017). Community development initiatives can be carried out by improving access to education and healthcare as they are crucial for social mobility and overall well-being (Young & Hawthorne, 2019). In addition, governments need to create policies that support eradicating social inequality and equip people with the knowledge to take responsibility for their development (Ota et al., 2022). By addressing social inequality at the grassroots level, community development can create a fairer society where everyone has the opportunity to thrive.

Medan City is one of the major cities in Indonesia, and it continues to proliferate. The high population growth in Medan, mainly due to urbanization, causes various social and economic dynamics (Thamrin et al., 2023b). The people of Medan consist of diverse ethnic, cultural, and economic backgrounds, which creates diversity in daily social life (Saraan et al., 2024). However, this rapid growth also brings challenges, including pressure on infrastructure and resources. Although Medan is the economic center of North Sumatra, poverty remains a significant problem. Many live in slums with limited access

to essential services such as clean water, sanitation, and electricity. The high rate of urbanization increases the number of people who need jobs. However, not all residents can obtain decent jobs, resulting in high unemployment rates, especially among youth.

This study aims to analyze the impact of the global crisis that occurred in 2019 on social and economic inequality in Medan City. It also aims to identify the factors that influence social inequality in the city and evaluate the efforts made by the government in addressing socio-economic problems, such as poverty and unemployment. In addition, this study assesses the role of human resource development and government policies in reducing social inequality in Medan City. The results of this study are expected to contribute theoretically to the literature related to the impact of the global crisis on social and economic inequality in urban areas, as well as add insight into the importance of human resource development in overcoming social inequality. Practically, this study is expected to provide policy recommendations to the local government of Medan City to reduce social inequality and strengthen inclusive and sustainable economic development. The findings of this study can also serve as a reference for policymakers in designing programs that are more effective in empowering communities and addressing socio-economic issues.

### Literature Review

Based on the previous explanation, the researcher tries to observe previous studies that have examined community empowerment in various regions. Community-based empowerment by the government includes the National Program for Community Empowerment, microfinance institutions, and microcredit schemes. However, these efforts still require improvements, such as considering social capital, such as local institutions and customs (Prasetyani et al., 2023). It takes the role of the government to improve policies to better support the implementation of community empowerment programs. In some regions in Indonesia, the role of the government still needs to be improved due to several factors, such as lack of budget and unmet community needs (Sonia & Susilawati, 2022). Collaboration takes cooperation between the government, the private sector, and the community to support the program and generate public trust (Nasution & Trimurni, 2024). Community empowerment programs are essential to pay attention to quality-of-life levels and reduce health problems (Aprillia et al., 2023; Regif et al., 2023). Economic equity is necessary to create social equality by improving the quality of life, reducing poverty, and narrowing income gaps (Hababil et al., 2024).

The United States has provided funding and tax incentives for affected urban communities, which has successfully reduced poverty and unemployment. However, the program needs to fully emphasize community partnerships (Alcock, 2001). Community-based empowerment by conducting accelerated and expanded residential infrastructure development programs can help reduce poverty (Thamrin et al., 2024). Community empowerment by providing digital training for product marketing can also improve the local economy. This is also done in Larike Village, which uses technology for its natural resources (Titaley & Nurhaeny, 2023). Programs based on local wisdom to improve the economy of coastal communities through women's empowerment can be very effective (Rahmawati & Nawangsari, 2023). One of the government's efforts, especially in villages, is to create an independent economy with BUMDes, essential in regional development, especially during the pandemic when the economy is declining (Lestary & Hadi, 2021). Decentralization and regional autonomy aim to organize democratic governance and empower communities, but it is still an obstacle. Empowerment initiatives may only sometimes benefit all community members equally, thus exacerbating existing inequalities (Pradhan & Naik, 2024).

### Methods

The method used in this research is explorative with a qualitative approach. Qualitative research is a method that produces descriptive data in the form of written or spoken words from individuals and observable behavior. This method was chosen because it focuses on collecting natural data in the field

(natural setting), where the data collection process is prioritized over the final result. This qualitative approach also uses a Narrative Research model that emphasizes extracting individual experiences through life narratives told by respondents. As Creswell & Poth (2018) explained, the Narrative Research approach begins by collecting life experiences and stories told by one or two individuals and then chronologically compiling and analyzing these experiences.

This research was conducted in 2022 in several urban villages in Medan City. The selection of locations was based on the need for consistent data, the development and uniqueness of the implementation of infrastructure and facilities development programs, and community empowerment in the area. Medan, as the capital city of North Sumatra Province, was chosen because it is one of the major cities in Indonesia with adequate data availability and easy access to research. The informants in this study are the Medan City Government, the Sub-District, the Kelurahan Community Empowerment Agency, program beneficiaries, and experts who have knowledge related to facilities and infrastructure development and community empowerment. The informants were selected purposefully based on their role and involvement in the program implementation, and they will evolve as the research progresses in the field. Data collection techniques in this research include literature study, in-depth interviews, participatory observation, and documentation. In-depth interviews were conducted sequentially to elicit detailed information from informants, providing flexibility in topic exploration during the interview. The participatory observation was conducted to gain a first-hand understanding of the implementation of community empowerment in the sub-district. At the same time, documentation included the collection of various records of community empowerment activities. Literature studies were used to enrich understanding related to the topic under study.

Data analysis was conducted inductively following the approach developed by Lawrence Neuman (2014). The analysis process involved the stages of conceptualization, data coding, and interpretation. Data were categorized based on similar themes or concepts in the conceptualization stage. The coding process consisted of three stages: open coding, axial coding, and selective coding, which were carried out to identify and connect categories of data to produce in-depth concepts or themes. The final stage in the analysis is outcroppings, which recognize more in-depth and structural phenomena to provide a more comprehensive view of the problem under study. With this combination of methods, this research is expected to provide a comprehensive understanding of the analysis of community empowerment in Medan City's urban villages, both in terms of the process and the results of its implementation.

## Results

### **The Impact of Population Growth and the Effectiveness of Community Empowerment Programs on Social and Economic Inequality in Medan City**

Population is an essential aspect of characterizing an area as it constantly changes. To achieve optimal population movement and distribution, community development must consider the sustainability of natural resources and the environment. If population distribution is not supported by the carrying capacity and capacity of the environment, it will cause social difficulties and environmental degradation. As is well known, population growth rates can affect social inequality. In many developing countries, population growth rates can be higher, often between 2% and 3% per year. High birth rates and declining mortality rates usually drive this growth.

In some cases, population growth can increase the labor force, contributing to economic growth. Economic growth, in turn, can reduce income inequality by creating more job opportunities and improving overall living standards. For example, in Indonesia, population growth has been shown to positively impact economic growth, which in turn has a positive impact on reducing income inequality (Hutabarat et al., 2023). However, high population growth rates can also exacerbate income inequality. Rapid population growth can lead to increased competition for resources, such as land, water, and jobs, widening the gap between the rich and the poor. In addition, high population growth can strain public

services and infrastructure, potentially favoring the rich over the poor, thus increasing income inequality (Chambers, 1973).

In summary, the impact of the population growth rate on income inequality is complex. It depends on various factors, including economic conditions, social policies, and the specific context of a region or country. This study uses the population in Medan City as the research object to see community empowerment in Medan City.

**Table 1.** Population and Population Growth Rate by Sub-district in Medan City in 2022-2023

District	Residents		Population Growth Rate Per Year	
	2022	2023	2020-2022	2020-2023
(1)	(2)	(3)	(4)	(5)
Medan Tuntungan	100.200	100.132	1,72	1,79
Medan Johor	156.957	154.868	1,94	1,49
Medan Amplas	132.458	131.770	1,20	1,33
Medan Denai	174.744	171.896	1,71	1,25
Medan Area	120.788	118.057	1,82	1,10
Medan Kota	86.738	84.778	1,39	0,85
Medan Maimun	51.066	49.708	2,11	1,13
Medan Polonia	61.056	60.679	1,08	1,23
Medan Baru	36.681	36.191	0,25	0,50
Medan Selayang	103.559	104.144	0,21	1,12
Medan Sunggal	131.741	133.273	1,18	1,89
Medan Helvetia	168.287	168.292	1,17	1,49
Medan Petisah	73.565	72.432	1,36	1,08
Medan Barat	92.021	89.248	2,19	1,05
Medan Timur	118.008	117.035	0,50	0,82
Medan Perjuangan	105.380	105.317	0,86	1,29
Medan Tembung	148.346	149.274	0,70	1,43
Medan Deli	192.933	191.743	1,09	1,23
Medan Labuhan	137.863	135.622	1,74	1,27
Medan Marelan	190.940	189.469	2,61	2,07
Medan Belawan	111.181	110.238	1,15	1,19
<b>MEDAN</b>	<b>2.494.512</b>	<b>2.474.166</b>	<b>1,38</b>	<b>1,45</b>

Source: BPS Kota Medan, 2024

The table explains that the population growth rate increases quite a lot each year. Rapid population growth can increase demand for food, water, and energy resources. If these resources cannot meet demand, inequalities in access and availability may increase. Population increases can put a strain on education and health systems. If the government or relevant agencies cannot increase service capacity in a balanced way, then disadvantaged groups may experience reduced access to and quality of services, deepening inequalities. In addition, rapid population growth can affect the labor market. If employment does not proportionate to population growth, unemployment and economic instability may increase, often significantly impacting already disadvantaged groups.

This research reveals that the implementation of the community empowerment program in Medan City, which is part of the facilities and infrastructure development activities in urban villages, has been running by various applicable laws and regulations, such as Government Regulation No. 17/2018



and Minister of Home Affairs Regulation No. 130/2018. The implementation process starts with neighborhood-level deliberations to absorb community aspirations, which are then discussed at the urban village and sub-district levels before becoming an official program, thus ensuring that the allocation and use of funds are by community needs and existing regulations.

The empowerment programs implemented include various types of training, such as sewing, cosmetology, and barista, which are structured to improve the skills of the community, especially in opening independent businesses or working in the industrial sector. The selection of this type of training is based on the interests and potential in the community, such as the high interest in beauty and coffee shop businesses. Regarding budget realization, the average realization for facilities and infrastructure development and community empowerment in each Kelurahan reached 96%, showing the effectiveness of this program in its implementation. Although the activities carried out in 2021-2022 are similar to previous years, this shows consistency in program implementation. This is explained in the table below.

**Table 2.** Budget Realization of Medan City Community Infrastructure and Empowerment Development Activities in 2022

No	Subdistrict Name	Realization	Percentage of budget realization	Percentage of total budget for each Kelurahan
1.	Medan Amplas	Rp. 25.330.465.800	96%	5%
2.	Medan Area	Rp. 35.213.838.966	96%	7%
3.	Medan Barat	Rp. 25.099.657.217	99%	5%
4.	Medan Baru	Rp. 21.232.563.492	97%	4%
5.	Medan Belawan	Rp. 21.541.010.659	94%	4%
6.	Medan Deli	Rp. 21.661.993.412	96%	4%
7.	Medan Denai	Rp. 24.379.016.514	96%	5%
8.	Medan Helvetia	Rp. 26.489.586.340	94%	5%
9.	Medan Johor	Rp. 22.460.807.174	96%	4%
10.	Medan Kota	Rp. 38.070.490.530	96%	7%
11.	Medan Labuhan	Rp. 18.595.957.471	95%	4%
12.	Medan Maimun	Rp. 19.199.012.586	95%	4%
13.	Medan Marelan	Rp. 16.931.424.230	95%	3%
14.	Medan Perjuangan	Rp. 28.550.069.617	96%	5%

15.	Medan Petisah	Rp. 25.550.708.089	98%	5%
16.	Medan Polonia	Rp. 15.778.776.370	96%	3%
17.	Medan Selayang	Rp. 22.503.771.122	93%	4%
18.	Medan Sunggal	Rp. 27.030.616.168	99%	5%
19.	Medan Tembung	Rp. 25.579.373.176	97%	5%
20.	Medan Timur	Rp. 34.196.300.953	97%	6%
21.	Medan Tuntungan	Rp. 26.253.146.267	98%	5%

Source: BPS Kota Medan, 2024

The implementation of community empowerment in Medan City starts from the deliberation stage at the neighborhood level, involving various parties, including the Community Empowerment Agency (LPM), youth, religious leaders, and kelurahan officials. The results of these deliberations are then brought to the Kelurahan level in the Kelurahan Development Plan Deliberation (Musrenbang Kelurahan), where community proposals are compiled into development plans based on the potential and characteristics of each Kelurahan. This process continues at the sub-district and city levels, where various stakeholders discuss the draft of the community empowerment program before it is endorsed as an official program. In 2022, the Medan City Government allocated funds amounting to Rp 541,881,470,241 for the development of facilities and infrastructure and community empowerment in 21 sub-districts comprising 151 urban villages. These funds are divided according to the needs of each sub-district, demonstrating the Medan City Government's commitment to supporting development and community empowerment evenly across the region. This structured process ensures that the programs align with the aspirations and needs of the community and contribute positively to improving the welfare of the people in Medan City.

Empowerment programs, such as sewing, cosmetology, and barista training, also positively improved the community's skills and knowledge. In contrast, socialization programs such as stunting prevention succeeded in raising public awareness about the importance of maintaining the health and quality of the younger generation. However, challenges still need to be overcome, such as innovation in training programs to better suit the evolving needs of the community. However, significant opportunities remain in developing independent businesses and new entrepreneurs in the community, especially in fast-growing fields such as beauty and coffee businesses. Overall, community empowerment programs in Medan City have positively contributed to improving the community's skills, awareness, and welfare. However, there is a need for continuous innovation and adaptation to ensure these programs remain relevant to the evolving social and economic dynamics.

#### **Implementation of the Community Empowerment Program in Kelurahan Kota Medan**

Implementing community empowerment programs in Medan City's urban villages is an integral part of efforts to increase the capacity and capability of the community through various activities tailored to local needs and problems. The program includes socialization and training designed to address specific issues in the community, such as security, health, and skills development. Based on Ministry of

Home Affairs Regulation No. 130/2018, these activities should cover community health management, education, micro-enterprise development, community institutions, public peace and order, and disaster preparedness.

In practice, the community empowerment program in Medan City is carried out through various activities involving socialization to raise community awareness on issues such as the dangers of drugs, infectious diseases, and stunting, as well as practical skills training such as sewing, cake-making, and funeral arrangements. These activities aim not only to provide knowledge and skills but also to provide direct benefits that can improve community welfare. Facilitation from the *kelurahan* included the provision of training materials, resource persons, training venues, and, in some cases, souvenirs for participants. While the community is enthusiastic about joining the program, budget constraints are a significant challenge. As a result, the number of participants in each activity is often limited, with the quota ranging from 35 to 40 people. Priority is usually given to people registered in the Integrated Social Welfare Data (DTKS) or those who need special assistance.

To ensure openness and accessibility of information, the *kelurahan* utilizes various communication media, including social media such as Instagram and Facebook, as well as WhatsApp groups and poskamling. These efforts aim to reach all levels of society, including those not active on social media. Effective and transparent information delivery is critical to increasing participation and ensuring the community can keep up with and benefit from the empowerment program. Overall, although the implementation of the community empowerment program in Medan City's urban villages faced some budget and capacity constraints, the program significantly contributed to improving the community's quality of life. The organized activities assisted the community in addressing local problems and strengthened their skills and capacity to participate more actively in community development.

The evaluation of community empowerment programs in Medan City's urban villages was also conducted in this study; some essential conclusions can be outlined. The evaluation of the empowerment program was conducted through two main approaches, namely administrative evaluation and participatory evaluation. Administrative evaluation involves the production of accountability reports (SPJ) prepared by the Urban Village (*Kelurahan*) and submitted to the Inspectorate of Medan City for review. These reports contain detailed data on program implementation, which is important to ensure transparency and accountability of budget use. Meanwhile, participatory evaluation involves discussions between the *Kelurahan* and the community, allowing the community to provide direct feedback on implementing activities. These discussions aim to identify shortcomings, find solutions, and formulate improvements for the following year. While these evaluation processes have worked well, challenges and constraints remain. Limited budgets and implementation capacity often affect the number of participants and scope of activities, requiring special attention in planning and implementation. The evaluation conducted not only identifies weaknesses but also provides a basis for continuous improvement. Supervision conducted by the Inspectorate of Medan City ensures that activity reports are according to applicable regulations. At the same time, community participation in the evaluation helps improve the program's relevance and effectiveness.

A practical evaluation process should reflect the basic principles of community empowerment evaluation, including active participation, quantitative and qualitative indicators, and attention to issues of power and injustice. These evaluations should be sensitive to the community's needs and focus on continuous improvement, ensuring that the implemented program meets short-term goals and provides a sustainable positive impact. By substantially involving the community in the evaluation, *Kelurahan* can design activities that are more effective and responsive to community needs while increasing accountability and transparency in program implementation.



### **Participatory Approach in Policy Construction and Implementation of Community Empowerment in Medan City**

Based on the research results regarding policy construction in the implementation of community empowerment in Kelurahan Kota Medan, this policy is designed to increase the capacity and capability of the community by utilizing local potential and resources. Based on the Minister of Home Affairs Regulation No. 130/2018, implementing community empowerment in urban villages follows guidelines that aim to increase community potential and create sustainable empowerment. Implementing empowerment programs depends on more than just local considerations and community participation. In practice, Kelurahan officials develop and implement programs by involving various stakeholders, including family welfare empowerment groups (PKK), and holding deliberations with the community to determine their needs and priorities. This process ensures that the programs are relevant and in line with the local community's needs.

The community empowerment policy serves as a foundation for developing the existing potential of the community by involving them as active subjects in planning and implementing activities. Community involvement in planning, such as community meetings and discussions, allows for better tailoring of programs to local conditions and needs. This increases program effectiveness and strengthens the community's position in facing challenges and changing times. Active community participation in program implementation, such as skills training, is proven to have a positive and constructive impact on community development. Communities gain new knowledge and skills that can increase their income and welfare. This shows that effective and policy-compliant community engagement can produce beneficial and sustainable results for the community. Overall, implementing community empowerment in Medan City shows that policies based on local potential and involving direct community participation can better achieve empowerment goals and strengthen community capacity and capability.

In addition, this research explains the participatory approach in implementing community empowerment in Medan City; it can be concluded that community involvement in the empowerment process is a crucial factor determining the program's success. Participatory approaches, especially bottom-up ones, have positively impacted community access to sustainable development. Community participation in implementing empowerment in Kelurahan Kota Medan shows high enthusiasm. The community is actively involved in various activities, including training and managing programs like Urban Farming. This involvement is not only seen during program implementation but also continues at the post-program stage, where the community plays a role in maintaining and developing the results of the programs that have been implemented.

Collaboration between the Kelurahan, neighborhood heads, PKK cadres, and community leaders is also crucial in increasing participation. The kelurahan actively engages the community and involves various essential elements to ensure that the information and benefits of the program can reach all levels of society. This approach helps overcome initial apathy in the community by going directly to the field and educating them. However, community participation also faces challenges related to time constraints and busy lives. Some people, such as housewives and workers, need help organizing their time to participate actively. Despite wanting to get involved, domestic and work responsibilities often become obstacles. Overall, this study confirms that high community participation, driven by collaboration and an active approach from the Kelurahan, is crucial in achieving empowerment goals. However, to optimize participation, it is also necessary to address the practical constraints faced by the community so that involvement can be more equitable and sustainable.

### **Discussion**

This study shows that social and economic inequality in Medan City has increased along with the 2019 global crisis. This finding aligns with previous studies showing that the global crisis can exacerbate social and economic inequalities, especially in urban areas experiencing rapid urbanization and increased

unemployment (Prasetyani et al., 2023; Sonia & Susilawati, 2022). Several factors, including rising youth unemployment rates and imbalances in resource distribution, have caused the increase in inequality in Medan. This phenomenon is consistent with research results that highlight the need for special attention to the impact of urbanization and the global crisis on social inequality (Hababil et al., 2024). Although the Medan City government has implemented various community empowerment and infrastructure development programs, the impact of these programs has yet to be evenly distributed. This is consistent with the findings of Saraan et al., (2024), who highlighted the need for improvements in community empowerment policies to support more effective program implementation. Thamrin research (2023a) also shows that although collaboration models in poverty reduction programs have been implemented, there are still challenges in achieving more equitable and inclusive outcomes.

Literature reviews also emphasize the importance of a collaborative role between the government, private sector, and community in addressing social inequality (Nasution & Trimurni, 2024). The findings of this study support this view by showing that a more strategic and collaborative approach is needed to reduce inequalities. Collaboration between stakeholders can strengthen program implementation and increase public trust, as described regarding the importance of community partnerships in empowerment programs. This research suggests that a more sustainable and inclusive strategy is needed in the context of community empowerment policy and infrastructure development. This approach should include enhancing skills, creating economic opportunities, and focusing on specific groups to achieve a more equitable impact (Aprillia et al., 2023; Rahmawati & Nawangsari, 2023). This research underscores the importance of integrating community empowerment policies with locally based and technology-based approaches.

Overall, this study reveals an urgent need to design community empowerment programs that are more inclusive and address equal access to resources and employment opportunities. These results align with guidance from the literature that emphasizes the need for policy integration and participatory approaches in designing such programs (Rahmawati & Nawangsari, 2023; Titaley & Nurhaeny, 2023). The findings also open up opportunities for further research into the effectiveness of participatory-based community empowerment policies, longitudinal studies to evaluate long-term impacts and exploration of the role of the private sector and non-governmental organizations in supporting the reduction of social inequalities. Comparative studies in other regions facing similar challenges may also provide valuable insights on best practices that can be applied in Medan City.

## Conclusion

This study concludes that social and economic inequality in Medan City has increased due to the global crisis of 2019. The increase in unemployment, especially among youth, and the imbalance in resource distribution due to rapid urbanization are the main factors causing the inequality. Although the city government has implemented various community empowerment and infrastructure development programs, the impact must be sufficiently equitable and comprehensive. This research shows that addressing social and economic inequality requires a more strategic and collaborative approach involving all stakeholders, including the community and the private sector.

This research implies the need for the government to integrate community empowerment and infrastructure development policies with a more sustainable and inclusive approach. This research emphasizes the importance of improving skills, creating economic opportunities, focusing on specific groups, and reaching the broader population to achieve a more equitable impact. In addition, the research points to the need for closer cooperation between city governments, the private sector, and non-governmental organizations to reduce social and economic inequality more effectively.

The novelty of this research lies in the in-depth analysis of the relationship between the global crisis and socioeconomic inequality at the local level, particularly in Medan City. This research provides a new perspective on how the global crisis can affect social and economic dynamics at the city

level. It highlights the importance of reducing inequality caused by urbanization and unemployment. In addition, this research offers a new approach to designing more inclusive community empowerment programs, emphasizing equal access to resources and employment opportunities.

For future research, it is recommended that further studies be conducted on the effectiveness of community empowerment policies based on participatory approaches that actively involve communities in program planning, implementation, and evaluation. Longitudinal research is also essential to evaluate the long-term impact of community empowerment programs on socioeconomic inequality in various cities in Indonesia. Exploration of the role of the private sector and non-governmental organizations in supporting programs to reduce social inequality and collaboration models that can increase the success of such programs' success is also necessary. Comparative studies in regions facing similar challenges will help identify best practices that can be applied in Medan City. Future research can deepen the understanding of the complexity of socioeconomic inequality and provide more focused guidance for more effective policy and program improvements.

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### Biographies

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### Authorship and Contribution Level

Bona Manuel Tarigan Sibero: Contributed to the study's conceptualization and design, including the formulation of research questions and research implementation. He was actively involved in the data collection process and initial data analysis.

Humaizi (Corresponding Author): Led the overall coordination of the research project, including the development of the research framework and supervising the research team. He also played a significant role in the interpretation of the findings and the writing of the manuscript.

Heri Kusmanto: Assisted in the development of the theoretical framework and provided expertise in statistical analysis. He contributed to data analysis and interpretation, particularly focusing on the qualitative aspects of the study.

Hatta Ridho: Was responsible for reviewing relevant literature and drafting the literature review section. He also contributed to refining the methodology and ensuring that the study adhered to ethical research standards.

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