



Dynamic Transformation of Indonesia's Village Development Index and Its Implications for Inclusive Rural Development Policy

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Abstract

Rural community transformation has emerged as a central component of Indonesia's national development approach, particularly through the implementation of the Village Development Index (IDM), which classifies villages into five levels: very underdeveloped, underdeveloped, developing, developed, and independent. The dynamics of village development status in Indonesia were analyzed between 2019 and 2023 using secondary data. This study aims to analyze trends in village status changes and their potential impact on rural development policies. The findings demonstrate substantial changes in the distribution structure and intensity of village development categories over time. The number of independent and developed villages increased rapidly, reflecting improvements in rural governance, infrastructure accessibility, and community economic capacity. Conversely, the number of underdeveloped and very underdeveloped villages declined steadily, indicating the effectiveness of rural development interventions utilizing village funds. Developing villages remain the most common classification, though their total numbers are decreasing as they transition into higher stages of development. These results highlight the cumulative effect of decentralized rural development policies and village-based empowerment interventions on mitigating regional disparities. These findings add to the literature on rural transformation by documenting positive changes at the village level on a national scale, providing implications for policies aimed at advancing inclusive and sustainable rural development. Ultimately, sustainable village progress in Indonesia depends heavily on strengthening institutional capacity, improving infrastructure connectivity, and fostering robust community participation.

Keywords: *Village Development Index (IDM); Rural Transformation; Village Fund Policy; Regional Development; Inclusive Development*