

INDONESIA CREATIVE ECONOMY DEVELOPMENT

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Abstract

Indonesia implements many development policy models since its independence, hence there are various effort to faster economy's performance as result of development at all area specially economic area. Acceleration of development at economic area in globalization era requires high innovation from creative idea of all economic perpetrator. So in this time emerge framework of creative economic concept. Creative Economic concept represent a economic concept which intens creativity and information by relying on stock of knowledge from Human Resource as special factors of production. Creative economic idea have to be viewed and placed as preeminent idea for society to increase its advantage and owning excellence. Creative economy development assumes that creative society is society who are willing to grow creatively based on development criterion of creative economy or industry. Creative economic development must be done through well planed systematic process and precise measured related to yielded product, time, place, production process, economic perpetrator, and attainment indicator.

Keywords: creative economy development, economy sectors, gross domestic products

BACKGROUND

Indonesia implements many development policy models since its independence, hence there are various effort to faster economy's performance as result of development at all area specially economic area. Acceleration of development at economic area in globalization era requires high innovation from creative idea of all economic perpetrator. So in this time emerge framework of creative economic concept. Creative Economic concept represent a economic concept which intens creativity and information by relying on stock of knowledge from Human Resource as special factors of production.

Creativity emerge from innermost mind imagination then realized by form of innovation creativity to increase prosperity. for individual or group of people, creativity is a imagination expanding or developed. Imagination can show up from

various source of development or contemplation of process see to read, hearing, and acting.

In the past, agricultural sector became leading sector in many countries especially in Developing economies. Economy leading sector is sector which has dominant contribution in economy growth. Along with development of Developing economies hence growth of economies also faster progressively and switchover its leading sector from agricultural sector to industry sector. At present, industry sector relies on communications and information technology, makes information become valuable commodity which very worth. Theoretically, Alvin Toffler (1980) done differentiation of waving civilization of economy into three kind of waves. First wave, agricultural economy wave. Second, industrial economy wave. Last wave is information economy.

At 1993, Paul Romer told that idea is very important economic goods, it is more important than emphasized object in most economic models. In the world with physical limitation, existence of invention by big ideas at the same time with invention millions of the ideas which make economy grows. Idea is instruction which make us combine limited physical resource in more valuable way. Romer also has a notion that an impecunious state because its society haven't accessed at idea which is used in national industry to yield economic value.

Creative industries are those industries which have their origin in individual creativity, skill and talent, and which have a potensial for wealth and job creation through the generation and exploitation of intellectual property and content (UK Creative Industries Taskforce, 1998).

With creativity, a product has certain characteristic which able to form its competition market to monopolistic. So that a product which coming from creative process have the following characteristics: brief life cycle, owning relative high risk, owning high profit margin, owning high variety, and have high emulation.

Sophisticated of communications and information technology in this time enable creativity duplication in innovation product. So that product result of creative economic activity is easy to imitated encourage forming of perfect competition market. Progressive complicated creative economy product hence

more difficult to be imitated. For example innovation of Bill Gates in Microsoft Office is not easy to imitated by other innovator hence product of Bill the Gates forms monopolistic market and Bill Gates enjoys high supernormal profit margin. National innovation in creativity can booster growth of economy.

Growth of creative economics triggered by John Howkins (2001) from his book of “Creative Economy, How People make Money from Ideas”. John Howkins is an Englishman which has many profession. John Howkins defined creative economy as economy makes culture creative, cultural heritage, and environmental. Howkins found attendance of creative economic wave after realizing first time in 1996 United States copyrighted masterpiece exporting sale value equal to US\$ 60,18 billions which is abysmal far other sector exporting like otomotif, agriculture, and plane. According to economic Howkins newly have emerged in around creative industry which controlled by intellectual properties law like patent, copyrights, brand, and royalty of design. Creative economy represent development of concept pursuant to creative asset which has potency to improve growth of economy (Santos, 2007).

The creative economy concept is developed by Richard Florida, United States economist, at 2001. In his two books “The Rise of Creative Class” and “Cities of Creative Class”, Florida commented about creative industry in society. Individual which peculiarly struggle in creative area and get economic benefit directly from activity economy (Moelyono, 2010).

Citizens in a state, region, or area who are capable to create innovative products become winner in this global competition. Start in England, creative economy nowadays adopted by many nations including Indonesia. Indonesia’s population composition is about 43 percent of young age from 230 million people. Indonesia has big human resources to efficacy development of creative economy. Indonesia also has various and unique culture with 1.068 tribes, communication using 665 languages, archipelago geographic condition with 17.505 islands, and rich natural resources which become huge potency to creative economy expansion to give contribution for gross domestic income.

According to Indonesia Standard Classification Economy Field (BPS, 2006), there are 14 (fourteen) creative industrial group which analogized become creative economic expansion bases. Fourteen groups are

1. Advertisement
2. Architech
3. Art and Antique Goods market
4. Crafting
5. Design
6. Fashion
7. Film, Video & Photography
8. Creative game
9. Music
10. Art Show
11. Printing and Publishing
12. Computer and Software service
13. Radio and Television
14. Research and Development.

Data mentions that contribution of Indonesia creative industry to GDP at 2002-2006 equal to 6,3 percent from total national GDP. Value of creative industry export reach Rp.81,4 trillion contributed equal to 9,13 percent of total national export, it absorbed 5,4 million labour. Creative Industry occupied at 7th rank from 10 economy sectors in Indonesia. Creative industry of GDP predominated by fashion, crafting, advertisement, and design. In a proper management, contribution of creative industry to PDB will continue to go up significantly. Significant economic contribution become reason why creative Indonesia industry requires to be developed. Besides, creative industry also create healthy and positive business climate, developing Indonesia's nation identity and pride.

Ministry of Culture and Tourism reforms become Ministry of Tourism and Creative Economics represent government's support for creative economic perpetrators. There are two other ministries in concerned with this creative economic expansion, namely Trade Ministry and Industrial Ministry coordinated

by Economy and Welfare Ministry. Ministries synergy shows seriousness of government to grow creative economy creative through creative industry which have and will continue development of inter ministry synergy. This synergy must be strengthened, managed, so there won't be overlapping duty. The synergy ought to yield higher efficiency compared to each ministry work by itself.

UUD 1945 mentions that people of Indonesia is guaranteed the continuity of life, grow and expand, and also rights of education and obtain benefit of technology and science, cultural for improving the quality of life and prosperity of mankind, and also conducive social security of development as prestigious human being. UUD 1945 no. 18/2002 about National Development, Research and Implementation System of communication and information technology emphasized that every citizen have equal right to share and executing activity of domination, exploiting, and presenting of communication and information technology according to law and regulation. Even recent President Instruction no. 6/2009 about Creative Economic Expansion as important shares to increase ability of society's innovation.

According to Trade Department's Blue Print of Indonesia at 2009 "Plan of creative economy development of Indonesia 2009", creative economy defines include creative industry with economy subsectors related to cultural and arts. From economy subsectors, there are some creative industries which conduct important role in strengthen Indonesia's image internationally through film, music, and television.

Quantitative data about growth of creative economy during 5 latest year (2006-2010) indicated that average of output growth reached 3,1 percent. In 2008 national growth of output decrease because of global crisis which partaking also induce to creative industry, but then next year national output grew again. Data shows that creative industry contribution in each economy sector is average 7,28 percent. Creative industry contribution was higher than contribution of financial sector, Real Estate and Service Company (6,53 percent), Transportation and Communications (6,5 percent) and Electrics, Gas and Clean Water (0,85%). Creative industry absorbs 7,75 million people as labour in 3 million companies nationally.

Creative industry role in international trade is very important. It is proven by data note that net earning from creative industry is equal to 97,3 billion rupiah, where exporting equal to 108,5 billion and trade surplus is 11,2 billion. Value comparison of average export to its average import reach 10 times fold. Creative industry also contribute in export and import. Export contribution of creative industry also high enough equal to 9,12% to national export while import contribution only 1,22% to national import. This fact shows creative industry have very important role in improving Indonesia earnings.

METHODOLOGY OF CREATIVE ECONOMIC DEVELOPMENT

Creative economic idea have to be viewed and placed as preeminent idea for society to increase its advantage and owning excellence. Creative economy development assumes that creative society is society who are willing to grow creatively based on development criterion of creative economy or industry.

Creative economic development must be done through well planed systematic process and precise measured related to yielded product, time, place, production process, economic perpetrator, and attainment indicator.

1. Concerning to define future creative economy product, it is urgent to from pre-eminent product mapping at each ten economy sectors
2. Achievement indicator must be clear. For example in 2009 creative economy perpetrators should strengthen their concept, do socialization and implementation concept. In 2010 should give report about the whole activities last year to analyze product's advantage and weakness. And each year, should do the sustainable development.
3. Define place where increase creativity process
4. Creative process of society should be supported by government and expert
5. Creative process involve 4 parties: industrial perpetrator, government as regulator and fasilitator, academician, and consumer

PROBLEMS IN CREATIVE ECONOMY

During the time, creative perpetrators still face many problem for example piracy problem of masterpiece which triggered by low purchasing power. As result, creative ideas may extinct frequently and finally cause creativity

degradation. Government as regulator should give strong and proper law protection for innovators. Government should cover state administrative system, regulation, policy, and infrastructure which support the development of creative industry.

Financial problem also haunted creative perpetrator, especially for small and micro entrepreneurship. Banking sector is not yet fully supporting creative economy activity. Less capital forces creative industry only working based on order, not from innovation.

Other problem is difficulty of human resource development in creative sector because of limitation education that focus in creative industry. To expand contribution from creative industry to gross national product requires massive creative human resources. In fact, Governmental has noted the problems in development of creative industry for attainment in 2015. Educational problem in creative industry have to be solve in near time with proper training and education institution, many research and development activities, and more incentives for innovators.

Appreciation of Indonesia creative mankind and masterpieces is one of strong support in form of financial and non-financial. Growing acceleration of communications and information technology can be double jeopardy for creative development. In one hand, technology expands access for society to get information, sharing over experience and knowledge, at the same time connecting to other people all over the world. Communications and information technology can be vital importance to development of creative industry. But in other hand, communications and information technology can spread innovations all over the world and make imitation easier and cheaper.

CONCLUSION

1. creativity will emerge with strong motivation, incentives and protect by law
2. creativity can be based on culture, modern trend, and conducive atmosphere
3. creative economic perpetrator require development knowledge and skill in the case of business and marketing, consumer behavior, strategic environmental, strong and proper law protection, also managing financial statement and accountancy.