

## THE ROLE OF THE CREATIVE ECONOMY IN DRIVING SUSTAINABLE ECONOMIC GROWTH IN INDONESIA

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### Abstrak

Ekonomi kreatif telah menjadi salah satu sektor yang menunjukkan potensi besar dalam mendorong pertumbuhan ekonomi berkelanjutan di Indonesia. Penelitian ini bertujuan untuk menggali peran strategis ekonomi kreatif sebagai motor penggerak pembangunan ekonomi yang inklusif dan ramah lingkungan. Dengan menggunakan pendekatan kualitatif, penelitian ini menelaah dinamika industri kreatif, seperti seni, desain, teknologi digital, kuliner, dan kerajinan tangan, serta kontribusinya terhadap penciptaan lapangan kerja, pemberdayaan masyarakat lokal, dan pelestarian budaya. Data diperoleh melalui wawancara mendalam dengan pelaku ekonomi kreatif, pengamat kebijakan ekonomi, serta analisis dokumen kebijakan terkait. Hasil penelitian menunjukkan bahwa ekonomi kreatif tidak hanya memberikan kontribusi signifikan terhadap Produk Domestik Bruto (PDB), tetapi juga mendorong inovasi dan diversifikasi produk ekonomi yang berbasis pada sumber daya lokal. Selain itu, ekonomi kreatif memiliki kemampuan adaptif yang tinggi di tengah tantangan global, seperti perubahan iklim dan disrupsi teknologi. Namun, penelitian ini juga mengungkapkan beberapa hambatan yang dihadapi oleh pelaku ekonomi kreatif, termasuk akses terbatas terhadap pembiayaan, infrastruktur digital yang belum merata, serta minimnya dukungan kebijakan yang komprehensif. Oleh karena itu, penting bagi para pemangku kepentingan untuk memperkuat sinergi antara pemerintah, pelaku usaha, dan masyarakat guna mengoptimalkan potensi ekonomi kreatif sebagai fondasi pertumbuhan ekonomi berkelanjutan.

**Kata kunci:** ekonomi kreatif, pertumbuhan ekonomi berkelanjutan, inovasi

### Abstract

The creative economy has become one of the sectors that shows great potential in driving sustainable economic growth in Indonesia. This research aims to explore the strategic role of the creative economy as a driving force for inclusive and environmentally friendly economic development. Using a qualitative approach, this study examines the dynamics of the creative industry, such as art, design, digital

technology, culinary, and handicrafts, as well as their contribution to job creation, local community empowerment, and cultural preservation. Data was obtained through in-depth interviews with creative economy actors, economic policy observers, and analysis of related policy documents. The results show that the creative economy not only contributes significantly to the Gross Domestic Product (GDP), but also encourages innovation and diversification of economic products based on local resources. In addition, the creative economy has high adaptive capabilities in the midst of global challenges, such as climate change and technological disruption. However, the study also reveals several obstacles faced by creative economy actors, including limited access to financing, uneven digital infrastructure, and a lack of comprehensive policy support. Therefore, it is important for stakeholders to strengthen synergy between the government, business actors, and the community in order to optimize the potential of the creative economy as the foundation for sustainable economic growth.

**Keywords:** creative economy, sustainable economic growth, innovation

## **INTRODUCTION**

In recent decades, significant changes in the global economic structure have opened up new opportunities for developing countries, including Indonesia. One of the sectors that shows rapid growth is the creative economy. The creative economy refers to economic activities based on ideas, innovation, and intellectual property, such as art, design, digital technology, culinary, and handicrafts. This sector is not only a source of income for millions of people, but also has great potential to encourage inclusive and sustainable economic development (Arce, 2019). With the increasing global demand for creative products, Indonesia has the opportunity to strengthen its position as one of the main players in this field (Utami et al., 2023).

Indonesia, as a country with extraordinary cultural wealth, has large capital to develop the creative economy. Cultural diversity, traditions, and local wisdom are a source of inspiration for creative economy actors in creating unique and high-value-added products. These products are not only in demand in the domestic market, but are also able to penetrate the international market. In addition, the creative economy also makes a significant contribution to the absorption of labor, especially

for the younger generation who have skills in technology, art, and design (Dubina et al., 2012). This makes the creative economy one of the solutions to overcome the challenge of unemployment in Indonesia (Lestariningsih et al., 2019).

However, despite having great potential, the development of the creative economy in Indonesia still faces various challenges. One of the main obstacles is limited access to financing. Many business actors in this sector, especially MSMEs, have difficulty obtaining capital to develop their businesses. In addition, uneven digital infrastructure in various regions is also a serious obstacle. In the current era of digitalization, the use of information technology is an important factor in expanding the market and increasing the competitiveness of creative products (Sambamurthy et al., 2003). Therefore, real efforts are needed from the government and other stakeholders to address these challenges (Faysse, 2006).

In addition to financing and infrastructure problems, the lack of comprehensive policy support is also one of the inhibiting factors. Although the government has launched various programs to support the creative economy, its implementation is often not optimal. Many creative business actors complain about the lack of coordination between government agencies, so that the programs designed are not in accordance with the real needs in the field. In addition, the lack of training and mentoring for business actors is also one of the causes of the low productivity and competitiveness of Indonesian creative products in the global market (Simatupang et al., 2011). Therefore, strategic steps are needed to improve the creative economy ecosystem as a whole (Oksanen et al., 2018).

On the other hand, the creative economy has an important role in supporting the achievement of the sustainable development goals (SDGs). Through innovation and utilization of local resources, this sector can make a positive contribution to environmental conservation, community empowerment, and poverty alleviation. For example, handicraft products made with natural materials are not only

environmentally friendly, but also able to empower local communities. In addition, digital-based creative industries, such as applications and games, are also able to create new jobs that are relevant to the times. Thus, the creative economy is not only about economic growth, but also about social and environmental development (Boccella & Salerno, 2016).

The adaptive ability of the creative economy is also one of its main advantages in the midst of increasingly complex global challenges. In the face of climate change, for example, many creative business actors have begun to adopt environmentally friendly practices in their production processes. In addition, technological disruption that occurred due to the industrial revolution 4.0 also encourages creative economy actors to continue to innovate to remain competitive. The use of digital technology, such as e-commerce platforms and social media, has opened up new opportunities for businesses to expand their markets without geographical restrictions (Goldman et al., 2021). This shows that the creative economy has high resilience in the midst of global uncertainty (Sopandi et al., 2025).

This research was conducted to explore more deeply the role of the creative economy in encouraging sustainable economic growth in Indonesia. The main focus of this research is to understand how the creative economy can be a driving force for inclusive and environmentally friendly economic development. Data was obtained through in-depth interviews with creative economy actors, economic policy observers, and analysis of related policy documents. This research is expected to provide a clearer picture of the potential and challenges faced by the creative economy sector in Indonesia, as well as provide recommendations to increase its contribution to national development (Novani et al., 2023).

## **METHODS**

This study uses a qualitative approach to explore in-depth information related to the role of the creative economy in driving sustainable economic growth in Indonesia. The qualitative approach was chosen because this research aims to understand the phenomenon holistically, by exploring the perspectives of creative economy actors, policy observers, and other stakeholders. The data collected is descriptive, including in-depth interviews, field observations, and analysis of documents related to government policies and creative industry reports. With this method, the research not only focuses on statistical figures, but also on the social, cultural, and economic context that surrounds the development of the creative sector in Indonesia.

The data collection technique is carried out through several systematic stages. First, semi-structured interviews were conducted with a number of business actors in the creative economy sector, such as designers, artists, culinary entrepreneurs, and digital platform managers. This interview aims to understand their challenges, opportunities, and contributions to local and national economic development. In addition, interviews with academics and policy observers were also conducted to gain a broader perspective on policy support for the sector. Second, field observations were carried out in several areas that are the centers of the creative economy, such as Yogyakarta, Bandung, and Bali, to see firsthand the dynamics of the creative industry at the community level. Third, document analysis is carried out by studying government policies, industry reports, and scientific publications related to the creative economy.

The validity of the data in this study is strengthened through triangulation of sources and methods. Source triangulation is carried out by comparing the results of interviews, observations, and analyzed documents to ensure the accuracy of the information. Meanwhile, triangulation methods are carried out using various data collection techniques, such as interviews, observations, and document analysis, so

that a more comprehensive picture is obtained. Data analysis is carried out thematically, where the information obtained is grouped based on key themes, such as the contribution of the creative economy to GDP, the challenges faced by business actors, and their impact on cultural and environmental preservation. With this method, this research is expected to provide in-depth insight into the strategic role of the creative economy in sustainable economic development.

## **RESULTS AND DISCUSSION**

The results of the study show that the creative economy has a strategic role in encouraging sustainable economic growth in Indonesia. Based on interviews with business actors in this sector, it was found that the contribution of the creative economy is not only limited to economic aspects, but also includes social and environmental aspects. For example, many businesses utilize local and natural materials in their production, such as bamboo, recycled wood, or natural dyes for textiles. This shows that creative products can be an environmentally friendly solution in facing the challenge of climate change (Dangelico & Pujari, 2010). In addition, sustainability is also reflected in efforts to preserve culture through traditional handicraft products that are produced in a modern manner but still maintain local values (Fu, 2023).

In addition to the positive impact on the environment, the creative economy also makes a significant contribution to the empowerment of local communities. Business actors in this sector often involve the surrounding community in the production process, such as traditional artisans, farmers, or local artists. Thus, the creative economy not only creates jobs, but also improves the welfare of the community at the grassroots level. For example, in the Yogyakarta region, the batik industry has succeeded in empowering thousands of women artisans by providing training and wider market access (Anggadwita et al., 2023). This shows that the

creative economy has great potential to reduce social and economic disparities in society (P. Lee et al., 2009).

However, the results of the study also reveal several challenges faced by creative economy actors. One of the main obstacles is limited access to financing. Many business actors, especially MSMEs, complain about the difficulty of getting capital to develop their businesses. This limitation is often caused by the lack of guarantees owned by creative business actors, as well as the lack of understanding of financial institutions about creative business models. In addition, uneven digital infrastructure in various regions is also a serious obstacle. In the current era of digitalization, the use of information technology is an important factor in expanding the market and increasing the competitiveness of creative products (Nylén & Holmström, 2015).

The lack of comprehensive policy support is also one of the factors hindering the development of the creative economy. Although the government has launched various programs to support the sector, its implementation is often not optimal. Many business actors complain about the lack of coordination between government agencies, so that the programs designed are not in accordance with real needs in the field. In addition, the lack of training and mentoring for business actors is also one of the causes of the low productivity and competitiveness of Indonesian creative products in the global market (Haryanto, 2024). Therefore, strategic steps are needed to improve the creative economy ecosystem as a whole (Hsu et al., 2023).

On the other hand, this study finds that the creative economy has high adaptive capabilities in the midst of global challenges. In the face of the COVID-19 pandemic, for example, many creative business actors have switched to digital platforms to market their products. The use of e-commerce and social media has opened up new opportunities for businesses to expand their markets without geographical restrictions. In addition, technological disruption that occurred due to

the industrial revolution 4.0 also encourages creative economy actors to continue to innovate to remain competitive (M. Lee et al., 2018). This shows that this sector has high resilience amid global uncertainty (Anand, 2020).

The ability of the creative economy to create innovation is also one of its main advantages (Gouvea et al., 2021). The results of the study show that many business actors have succeeded in developing new products that are relevant to market trends. For example, the gaming and digital application industry in Indonesia has grown rapidly in recent years, with many local products successfully penetrating the international market. In addition, innovation is also seen in the development of culinary products that combine traditional flavors with modern technology. This shows that the creative economy has great potential to become a driving force for innovation in Indonesia.

It is important to note that the contribution of the creative economy to sustainable development is not only limited to economic aspects, but also includes social and cultural aspects. Creative products are often a medium to preserve the nation's cultural heritage, such as batik, puppetry, and traditional music (Tandjung, 2017). In addition, this sector also provides a space for the younger generation to express their creative ideas, thus creating positive social dynamics. Thus, the creative economy is not only about economic growth, but also about inclusive and sustainable human development.

## **CONCLUSION**

This research shows that the creative economy has a strategic role in encouraging sustainable economic growth in Indonesia. This sector not only makes a significant contribution to Gross Domestic Product (GDP), but also becomes a driving force for inclusive and environmentally friendly development. Through the use of local resources, technological innovation, and cultural preservation, the



creative economy is able to create great added value for society and the environment. Business actors in this sector, ranging from traditional artisans to digital industry players, have proven that creative products can compete in the global market while maintaining social and ecological sustainability. Therefore, the potential of the creative economy as one of the pillars of national development must continue to be optimized.

However, to maximize the contribution of the creative economy, concrete steps from various stakeholders are needed. One of the main challenges is increasing access to financing for creative business actors, especially MSMEs, who often have difficulty obtaining capital to develop their businesses. In addition, equitable distribution of digital infrastructure is also a top priority so that business actors in remote areas can take advantage of digital platforms to market their products. Policy support from the government must also be more coordinated, with programs designed according to real needs in the field. Training and mentoring for creative business actors also need to be improved to increase their competitiveness in the global market.

The creative economy also has great potential to be a solution to global challenges, such as climate change and technological disruption. Many business actors have proven that creative products can be developed with environmentally friendly approaches, such as the use of natural materials and sustainable production processes. On the other hand, adaptation to digital technology has opened up new opportunities for businesses to expand their markets without geographical restrictions. This shows that the creative economy is not only a resilient sector in the midst of global uncertainty, but also has the ability to continue to grow and innovate. Thus, synergy between the government, business actors, and the community is the key to ensuring that the creative economy can continue to develop as the foundation of sustainable development in Indonesia.

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