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# CREATIVE ECONOMIC DEVELOPMENT OF SOCIETY

Implementation Study of Industrial and Trade Policy in accordance with Mayor Regulation No. 80 of 2018 on Action Plan for Creative Economic Development Area of Probolinggo City Year 2018-2023. Research in Jrebeng Kidul Village, Wonoasih District, Probolinggo City

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## **ABSTRACT**

Industry and trade are the spearheads in the economy, it is hoped that the public and government can innovate so as to increase the selling value. One example is the development of a creative economy. With the creative economy proven to help a lot of economic growth because of the large number of creative entrepreneurs who managed to pour their ideas and creativity and get government support. This is in accordance with Mayor Regulation No. 80 of 2018 on Action Plan for Creative Economic Development Area of Probolinggo City Year 2019-2023 in Jrebeng Kidul Sub-District Wonoasih District of Probolinggo City. Judging from the socio-cultural community Probolinggo is partly derived from agrarian culture (farmers and fishermen) and developed into an urbani society. Probolinggo City Government itself plays an important role in realizing a good investment climate for business development through industrial sector development policy, but in reality the investment world climate in Probolinggo City is faced by various changes that affect the interest of investors investing in Probolinggo City. The purpose of this research is to find out how to implement the policy of Government Regulation on Creative Economic Development in Irebeng Kidul Sub-District of Probolinggo City based on Mayor Regulation No. 80 of 2018 on Action Plan of Creative Economic Development Area of Probolinggo City Year 2019 - 2023. The method used in this study is Descriptive with qualitative data. This research was conducted with an approach to the object of the study studied. With this research method is expected to get better research results. In addition, it also provides convenience for researchers in carrying out the research process that will be carried out in the field. Based on the results of the research, the development of creative economy in community empowerment through industry and trade has a positive impact on the socioeconomic community in Irebeng Kidul Village, Wonoasih District of Probolinggo City.

**Keywords**: Creative Economic Development in Society

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# 1. INTRODUCTION

Based on the Integrated Database (BDT) ULT-PK the number of poor people in probolinggo city as many as 78,451 spread across five sub-districts. The details, Kademangan District 15,606 people (from 4,577 households); Kedopok 13,576 people (3,821 households); Wonoasih 14,234 people (out of 4,024

households); Mayangan 14,831 people (out of 4,245 households) and Kanigaran 20,204 people (out of 5,493 households). Meanwhile, based on BPS data, probolinggo city poverty severity in Probolinggo city in 2019 has an index of 0.26. This figure is up from 0.17 in 2018. During the period March 2018 to March 2019, the poverty line increased by Rp 22,238.00 per capita per month or about 4.64 percent from Rp 479,267.00 in March 2018 to Rp 501,505.00 in March 2019. Probolinggo City Government it self plays an important role in realizing a good investment climate for the development of the business world through industrial sector development policies, but in reality the investment world climate in Probolinggo city is faced by various changes that affect investors' interest in investing in probolinggo city, investment problems can be specifically detailed as follows:

- **a.** Complicated, old and expensive licensing procedures
- **b.** Policy overlap between central and local governments and inter-sector
- **c.** Not yet withdrawing incentives for investment activities
- **d.** Low quality and capacity of infrastructure
- e. Lack of security guarantees.



Figure 2.1 Poverty in Probolingo

Probolinggo City Government made efforts to minimize the existing poor population covering 5 villages namely kademangan, kanigaran, kedopok, mayangan and wonoasih with various progran, one of which is rice assistance for the poor (raskin). In addition, the Family of Hope Program (PKH) in the form of groceries (rice, sugar, cooking oil), the government also provides assistance a number of free wheelbarrows to the community who later sell vegetables around and provide free animal feed assistance every month for people who have fish cultivation, such as tilapia, carp, catfish etc., Development of creative economy in Indonesia. In 2007, the launch of the Mapping Study on the Contribution of Indonesian Creative Industries 2007 at Trade Expo Indonesia. And so on, until the establishment of BEKRAF by President Joko Widodo in 2015. With the Creative Economy proved to help a lot of economic growth because of the number of creative entrepreneurs who managed to pour their ideas and creativity and get government support. This encourages the Probolinggo city government to facilitate its citizens who are involved in the creative economy. Creative

Economy Development is the development of economic activities based on the creativity, skills and talents of individuals to create the creation power and copyright of individuals of economic value and influence on the welfare of society. The management of creative economy and its potential needs to be done systematically, structured and sustainable through the development of a creative economy ecosystem that provides added value to a highly competitive creative economy, easily accessible and legally protected as article 33 paragraph 4 of the Constitution of the Republic of Indonesia in 1945 mandates that "National . Perokonomian is organized based on economic democracy with the principle of togetherness of equitable efficiency, sustainable, environmentally sound, self- reliance and by maintaining a balance of progress and national economic unity. Development of creative economy in Indonesia. In 2007, the launch of the Mapping Study on the Contribution of Indonesian Creative Industries 2007 at Trade Expo Indonesia. And so on, until the establishment of BEKRAF by President Joko Widodo in 2015. With the Existence of Creative Economy proved to help a lot of economic growth because of the number of creative entrepreneurs who managed to age The government role as a supporter, provider and organizer is also expected in promoting the results of the Creative Economy industry not only in the eyes of the national community but also the eyes of the world. The government is also expected to be ready to encourage the growth of other industries that are as related as giving and increasing investment, development and coaching of small businesses because Creative Economists rely heavily on all these factors to advance. With the guidance and good support will certainly be able to provide products and services that are in accordance with the needs of the community and help raise the level of the country's economy. Based on this background, researchers are interested in conducting research with the title: (Study on Implementation of Industry and Trade policy in accordance with Mayor Regulation No. 80 of 2018 on The Action Plan of Probolinggo City Creative Economic Development Region Year 2019 - 2023 in Jrebeng Kidul Subdistrict Wonoasih Probolinggo City).

# 2. LITERATURE RIVIEW

Public policy is a series of actions that are determined and implemented or not carried out by the government which have goals or are oriented towards certain goals for the benefit of the whole society. The stages taken in the implementation of Public Policy are agenda setting, policy formulation, policy adoption / legitimacy, policy implementation, policy evaluation. Implementation of public policy as actions taken by public organizations that are directed towards achieving the goals set out in previous decisions. These actions include attempts to convert decisions into operational actions within a specified period of time as well as in order to continue efforts to achieve major and minor changes determined by policy decisions. Implementation objectives include:

- a. To carry out a plan that has been carefully prepared, either by individuals or groups.
- b. To test and document a procedure for implementing a plan or policy.
- c. To realize the goals to be obtained in the planning or policy that has been designed.
- d. Knowing the community's ability to implement a policy or plan according to what is expected.
- e. This is to determine the level of success of a policy or plan that has been designed for the improvement and improvement of quality.

Supporting and Obstacle Factors in Policy Implementation The success of policy implementation will be determined by many supporting and inhibiting factors involved in policy implementation. In Edwards III's view, policy implementation is influenced by four factors, namely a. Communication

- b. Resource
- c. Bureaucratic structure.
- d. Disposition

Creative economy is a new economic concept that combines information and creativity that relies on ideas, ideas, and knowledge from human resources as a production factor. Creative Economy Development Stages according to Mayor Regulation No. 80 of 2018 concerning the Regional Action Plan for the Development of

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#### the Creative

Economy of the City of Probolinggo in 2019-2023

- a. Increasing the quantity and quality of creative human resources supported by quality education
- b. Increasing the quality of development and utilization of environmentally friendly local raw materials
- c. Increased growth and competitiveness of the creative industry
- d. Provision of financing and access to finance that is suitable for creative business actors
- e. Increasing the diversity of market segments and market share of the creative economy
- f. Provision of appropriate and competitive infrastructure and technology for the creative industry
- g. Improving the quality of the business climate for the creative industry and appreciating creative works There are 3 main things that are the basis of the creative economy, including:

# 1. Creativity

Can be described as a capacity or ability to produce or create something unique, fresh, and generally accepted. It can also generate new or practical ideas as a solution to a problem, or do something different from what already exists (thinking out of the box). Someone who has creativity and can maximize this ability, can create and produce something useful for himself and others.

## 2.Innovation (Innovation)

A transformation of ideas or ideas based on creativity by utilizing existing discoveries to produce a product or process that is better, added value, and useful. As an example of innovation, try looking at some of the innovations on youtube.com videos with the keyword "lifehack". In the video, it is shown how an existing product is then innovated and can produce something that has a higher selling value and is more useful.

## 3.Invention

This term puts more emphasis on creating something that has never existed before and can be recognized as a work that has a unique function or has never been known before. The making of android and iOS-based applications is also an example of technology and information-based inventions that make it easier for humans to carry out their daily activities.

The Ministry of Trade of the Republic of Indonesia (2008) in the book on creative economy development 2025, divides the types of creative economy into 14 industrial sectors, consisting of:

- 1. Advertising (advertising)
- 2. Architecture
- 3. Art Goods Market
- 4. Craft (Craft)
- 5. Design
- 6. Fashion (fashion)
- 7. Video, Film and Photography
- 8. Interactive Games (games)
- 9. Music
- 10. Performing Arts
- 11. Publishing and Printing
- 12. Compuret Services and Software or Information Technology
- 13. Television and Radio
- 14. Research and Development
- 15. Culinary

Indicators of the success of the creative economy in the creative industry according to Deni Dwi Hartomo and Malik Cahyadin are as follows:

- 1. Production
- 2. Market and Marketing
- 3. Management and Finance
- 4. Government Policy
- 5. Economic Conditions
- 6. Environment
- 7. Business Partnerships

# 3. METHODS

The design of this study is an attempt to examine problems using the right approach. In the sense that the approach used is to facilitate the assessment of a study. Therefore, the choice of the right approach will determine how a researcher will examine a research problem. The scope of this research is how the implementation of the Industry and Trade policy of Mayor Regulation No.80 of 2018 concerning the Regional Action Plan for the Development of the Creative Economy of the City of Probolinggo in 2019–2023 in Jrebeng Kidul Village, Wonoasih District, Probolinggo City.

The design of this research is an effort to examine the problem using the right approach. In the sense that the approach used is intended to facilitate the assessment of a research. Therefore, the right choice of approach will determine how a researcher will examine a problem of his research. Related to the research design used by researchers in this study where researchers use qualitative approach. In particular, this research was conducted in Jrebeng Kidul Subdistrict of Wonoasih, Probolinggo, with activities aimed at what efforts the Probolinggo city government made in seeking or supporting the implementation of the creative economy in probolinggo city, especially in kedungasem subdistrict, then also to the community of Jrebeng Kidul village who did provide information about "Creative Economic Development of Jrebeng Kidul Village Community of Probolinggo City".

In this study, researchers will use several things to obtain data:

# 1. Informants

Informants are people who will provide information to researchers when being interviewed regarding the topic to be studied. The data provided by the informants is in the form of words. What is certain is that the informant is someone who really understands and has sufficient knowledge of the topic being asked.

# 2. Documents

Documents in this case are data related to research presented in written form. This document is data that provides further information to researchers regarding research materials.

# 3. Activities

What is meant by activity is an activity directly in the field. This means that the data is obtained from direct activities by looking directly at the conditions in the field.

In conducting this research, who became an informant or resource person:

# 1. Probolinggo city government legal section 2. BAPPEDA of Probolinggo City 3. Lurah jrebeng kidul village

Data Processing and Data Analysis Techniques

# a. Data collection

is the most important thing in carrying out a research. However, the data obtained will not be meaningful and contain meaning if the data is left unprocessed and analyzed by the researcher. Thus, in general, the data management process begins with recording field data (raw data) then rewritten in the form of identification

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and categorization, after the data is summarized, reduced and adjusted to the focus of the research problem, then the data is analyzed and checked for validity through several techniques.

# b. Data analysis technique

The data analysis technique used in this study is qualitative descriptive analysis, which explains the government's efforts to increase the creative economy growth of the community in the Kedungasem Village, Wonoasih District, Probolinggo City. In the data analysis process, the researcher used the miles and huberman models. Sugiyono argues that activities in qualitative data analysis are carried out interactively and take place continuously until it is complete, so that the data is trusted or valid.

The data collection techniques carried out by the authors in this study in the following ways:

## 1. Observation

Observations carried out by the author is an activity where researchers see firsthand the conditions and situations in the field. In this case, various events and phenomena that occur are observed directly by researchers and can retrieve data from such observations.

#### 2. Interviews

Interviews are used as data collection techniques if researchers want to conduct preliminary studies to find problems that need to be researched, but also if researchers want to know more about respondents. In qualitative research, often use participatory observation techniques with in-depth interviews. During the observation, the researchers also conducted interviews with the people inside. The interview was conducted by meeting each informant to ask directly with questions from researchers answered with Indonesian language and madura language according to the ability of the informant.

#### 3. Documentation

Documentation is a record of events that have passed, documentation can take the form of oral, drawings or monumental works of a person. Documents in the form of writings such as daily records of life history, biographies, ties, policies, documents in the form of drawings such as photographs, live drawings, sketches and others.

## 4. RESULTS AND DISCUSSION

This study describes how the implementation of the creative economy in accordance with the Government Regulation on Creative Economy Development in Jrebeng Kidul District, Probolinggo City based on Mayor Regulation No. 80 of 2018 concerning the Regional Action Plan for the Development of the Creative Economy of the City of Probolinggo in 2019 – 2023. The low income and economic income in a household is mostly caused by the low or lack of family empowerment and the ineffective pattern of earning a living behavior for the head of the poor family. This can be characterized by a low level of knowledge due to low levels of education, mental attitudes of people who are still traditional without the desire to progress and develop, inadequate skills to compete for life. Creative economy is a new economic concept that combines information and creativity that relies on ideas, ideas, and knowledge from human resources as a production factor. The creative industry in Indonesia has been around for a long time, although it is still not centralized and only at a small level, apart from being spread out according to each region. The creative economy is very influential on the community's economy, especially in the Jrebeng Kidul area. There are many creative economies that have been developed, one of which is the art of catfish, mushrooms, and others. The role of trade and industry is very helpful in marketing the results of the creative economy.

## 5. CONCLUSION

Industry and trade are the spearheads in the economy, it is hoped that the public and government can innovate so as to increase the selling value. One example is the development of a creative economy. With the creative economy proven to help a lot of economic growth because of the large number of creative entrepreneurs who managed to pour their ideas and creativity and get government support. This is in accordance with Mayor Regulation No. 80 of 2018 on Action Plan for Creative Economic Development Area of Probolinggo City Year 2019-2023 in Jrebeng Kidul Sub-District Wonoasih District of Probolinggo City. Judging from the socio-cultural community Probolinggo is partly derived from agrarian culture (farmers and fishermen) and developed into an urbani society. Probolinggo City Government itself plays an important role in realizing a good investment climate for business development through industrial sector development

policy, but in reality the investment world climate in Probolinggo City is faced by various changes that affect the interest of investors investing in Probolinggo City. Based on the results of the research, the development of creative economy in community empowerment through industry and trade has a positive impact on the socioeconomic community in Irebeng Kidul Village, Wonoasih District of Probolinggo City. In the Journal entitled "Study on Implementation of Industrial and Trade Implementation Policy in accordance with Mayor Regulation No. 80 of 2018 concerning The Action Plan of Probolinggo City Creative Economic Development Year 2018- 2023 in Jrebeng Kidul Subdistrict Wonoasih Probolinggo City". The results showed that the Role of the Government in developing creative economy is very useful and useful in the field of industry and trade. development of creative economy is very necessary, namely the creative economy that sells the diversity of Indonesian culture.

# Suggestion

Based on the results of the research, the development of creative economy in community empowerment through industry and trade has a positive impact on the socioeconomic community in Jrebeng Kidul Village, Wonoasih District of Probolinggo City. The industrial sector in Probolinggo city is one of the spearheads of the regional economic wheel, one of which is the culinary industry is certainly a labor absorbing sector and also one of the largest contributors of regional income when talking about the industrial sector in the global era as it is today. The industry evolved into an industry that harnesses the creativity of these industry players called the creative economy. Creative industry is an industrial sector that depends on how industry players explore their ability and creativity in producing products and also how they utilize existing technology to create a product, this is supported by production theory where the production factor is land, capital and labor in addition to skills and technology. When this innovation is carried out will certainly have an effect on the production chain, because the input of production goods needed to conduct an innovation is increasingly diverse, it will be formed a wider production chain because the actors do not only utilize or use production input goods that they will usually continue to explore looking for better and unique input goods that are not limited to only in the city of Probolinggo.

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