

Towards a Sustainable Future Hilmar Farid

World Conference on Creative Economy

Is there hope for the creative economy in the future? During the conference, we discussed the potential and prospects of a creative economy with considerable optimism. But why, in the last session, do we ask such a philosophical question? I can sense an atmosphere of uncertainty here. We ask that question because we don't know for sure. And this uncertainty is probably the most striking feature of our world today. The Human Development Report 2022 says that today the world is facing a three-fold complex of new uncertainties: massive planetary changes, sweeping societal transformation, and widespread intensifying polarization. Some of these are real existential risks that, if not handled properly, will threaten our existence as humans.

I don't want to fill the last session of this conference with a depressive tone. Last week I was at the UNESCO Mondiacult Conference, hosted by the Mexican government in Mexico City. For three days, ministers and deputy ministers from 150 countries discussed cultural policies in the context of a changing world. There was an atmosphere of optimism in the discussions as there is an atmosphere of optimism at this conference. But we need to temper this optimism with caution. And this is my main message. We should not fall back into complacent optimism, waiting for things to return to normal so that we can do business as usual. In crisis situations, we are often faced with the challenge of turning threats into opportunities. Before we can think of how to do anything, we need to first discuss where we are going. Are we going to return to the old 'normal' situation, which we know played a significant role in shaping today's crisis? Or is it an opportunity to make changes for the better, for a more sustainable future?

We know that, in the end, the fundamental driver of creative economic growth is people's purchasing power. If basic needs are met, people will likely use additional income to access products or services included in the creative economy. In other words, the creative economy develops simultaneously with economic growth in general. The problem is that we can't just rely on the assumption or promise that there will be growth in the future. The predictions of economists have been proven wrong time and time again, especially in times of shocking disruptions such as pandemics and natural hazards like now. Therefore we must actively strive for sustainable growth, not the kind of growth that produces negative externalities and reduces our quality of life. This is our task today if the creative economy is to have a future.

Driving sustainable growth is certainly not easy because the challenges are far beyond the reach of the creative economy sector. But that doesn't mean we can't do anything. In Colombia, for example, a start-up company E-Dina has developed a wireless lamp that converts salt water into electricity via a magnesium plate. In Indonesia, various agroecological projects for food diversification benefit the community in dealing with the climate crisis. Sustainable fashion today has grown into a movement involving different stakeholders, from women weavers in rural areas to top designers in urban centers. I'm sure that we all have stories about good practices from all over the world. What we need to do more is to look at the interconnections that these practices may have and devise plans to support them so that they can have a more significant contribution to sustainable development.

On the policy side, we need to move away from our fixation on economic growth and begin to seriously take the emotional, spiritual, and cultural dimensions into account. Humans are not simply fulfilling their 'rational self-interest.' We need good policies for human and cultural development to balance growth with the capacity to manage the results of that growth. This is where I think the central message of the Mondiacult Conference 2022, that culture is a global good is most relevant. In theory, a public good is non-excludable and non-rivalrous.

But it is important to remember that in practice, there is a distinction between pure public good, such as national defense and law enforcement, and impure public good, in which the non-excludable and non-rivalrous principles are not absolute.

Culture, I think, belongs to the latter category. This means that the state remains responsible for providing services in the field of culture that everyone can enjoy. The goal is not to make a profit but to improve the standard of living of the whole community. In high-income countries, the subsidies to the cultural sector are so large that public services such as museums or galleries are entirely free. In Indonesia, the responsibility of providing such services lies with the Ministry of Education, Culture, Research, and Technology. The Directorate General of Culture, which I lead, manages dozens of museums and hundreds of cultural heritage sites throughout Indonesia. The services provided are not completely free, but the principle of non-excludability still applies to various support schemes for low-income communities.

What does that mean for the creative economy? I think of the relationship between the cultural sector and the creative economy as complementary and not competitive. Public investment in the cultural sector positively influences the creative economy in at least two ways. First, the state's protection of cultural wealth through documentation, inventory, and research forms a pool of resources that can be used by various sectors of the creative economy. Today there is a renewed interest in ancient historical sources, such as manuscripts and temple reliefs, as sources of inspiration among gastronomy and fashion practitioners. Contemporary dance and music projects are often based on motion and sound archives collected over decades by state-sponsored research. This pool of resources is practically inexhaustible as the new work produced will eventually become part of an archive that continues to grow and opens up new possibilities in the future.

Second, investments that increase people's access to cultural services, on the one hand, are expected to contribute to capacity-building so that everyone can better prepare themselves for

anticipating rapid changes. On the other hand, with exposure to the diversity of ideas, practices, and cultural artifacts, we may hope that the desire to consume creative works and cultural products will grow. Looking at our high cultural diversity, it makes sense to think of the creative economy market in the future as a decentralized market. In many countries, there is a significant emerging market for local cultural products, ranging from traditional handicrafts and performances to film and music. This shows that not all products and cultural expressions must be 'universalized' and participate in endless competition to enter the global market. The creative economy at the local level will greatly benefit MSMEs and encourage the emergence of new centers of growth at the local level.

The Directorate General of Culture uses this spatial approach in its programs. We support local festivals, whether organized by local governments or civil society organizations. The focus is on improving quality, both in terms of content creation and production. We work together with artists and culture professionals, both from the area concerned and from outside, to explore the richness of local culture and develop certain projects, such as performances, exhibitions, book publishing, and so on. The research and curation process sometimes takes many months to get to the desired level. And only after that do we begin to talk about format and form. In most cases, we finance the entire preparatory process while encouraging other stakeholders to mobilize resources and seek other support for the production part. Active participation of local authorities is essential, not only to gain support and resources but also to increase ownership of projects.

Let me give you an example from our experience in Jambi, a province in the southeastern part of Sumatra. Earlier this year, our office, in collaboration with provincial and district governments, organized Kenduri Suwarnabhumi. Kenduri is a folk feast or festival, while Suwarnabhumi means 'the Land of Gold.' This festival series lasts one month across ten cities along the Batanghari river. It is a river 800 kilometers long. We sent teams to sail the river from the upstream in

the west to the estuary on the east coast of Sumatra. In each city, we worked together with artists, culture professionals, local cultural figures, and young people to explore local stories, which were later performed on stage. The preparation took us a whole year. For many, it was a first-time experience. In the end, all stakeholders, including local government officials, and the police, were enthusiastic not only because of the festival's quality but also because of the participatory process. There is this cultural and symbolic value creation, social cohesion, and sense of collectivity, which I think are equally important aspects of cultural and creative work.

All of our major projects at the Directorate General of Culture follow the same strategy, such as our bi-annual National Culture Week and the Spice Route Project, a festival series along the ancient maritime trade route. We are not interested in one-time events but in the processes that drive the various elements to protect, develop, and utilize our cultural resources. We think of these projects more in terms of platforms than events, which can be used further by the public, cultural communities, and creative workers for their activities, including commercial ones. By doing so, we try to connect the creative economy sector to local cultural expressions so that they can take root in local communities and create local market opportunities. This is the “*sekali mending dua tiga pulau terlampai*” [“filling two needs with one deed”] approach. Generate profit while achieving SDGs. And not because of some ethical considerations or a kind of moral economy but because of the awareness that achieving sustainable development is the most fertile ground for the creative economy

The challenge of this approach is the variety. The situation varies so much from region to region that there can be no single fits-for-all model. Therefore data is of essential importance. In the last five years, under the 2017 Law on the Advancement of Culture and its derivative regulations, the ministry led a comprehensive cultural data collection process in Indonesia's 514 districts. So far, 80 percent of districts have prepared the data. As incomplete as it might be, the data is very helpful

in formulating specific policies and projects for the region concerned and developing public and private cooperation. The data also helps to determine which parts of the ecosystem require public intervention and which parts can be left to market mechanisms. Strategic interventions must be carried out selectively to be right on target to help the ecosystem. The division of labor between central and local government institutions, local communities, the business sector, and other cultural actors is also easier to identify. Overlapping interventions and unnecessary competition can be avoided so that the allocation of resources becomes more optimal.

What I'm telling you here may be too prescriptive for a session that begins with a fundamental and somewhat philosophical question of hope. But for me, building optimism from a thorough observation of the situation is important. In closing, let us go back to the question of hope. Is there hope for the creative economy in the future? Throughout the conference, we heard many predictions supported by statistics, trend analysis, and so on. I'm sure they are of utmost importance in our endeavor to create a sustainable future for the creative economy. But we must remember that creative work is not just a matter of growth rates, income, etc. Creative work contributes to sustainable development because it inspires people. It gives hope during fragile times like ours today. Not in the form of a single candle at the end of the tunnel, but many candles for everyone to hold, so that we can collectively find our way in the dark.

Thank you