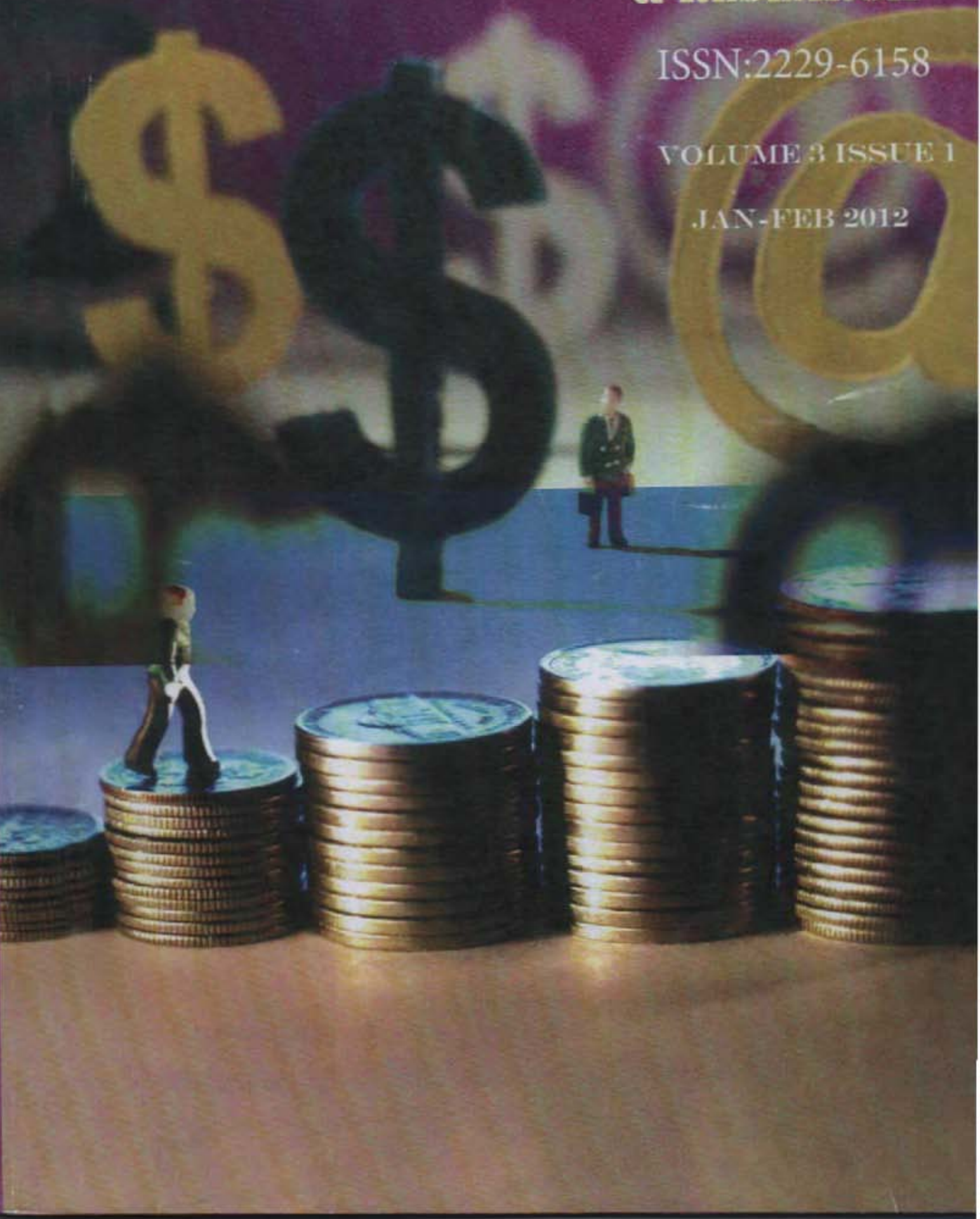


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Role of Creative Industry and Culture on the Regional Economic Growth of Gianyar Regency of Bali 1980 – 2010

M. Pudjihardjo
I Ketut Nama

Abstract

This study intentionally tries to describe the effects of creative industry and the *tri hita karana* tradition as a unique culture among the Balinese on the economic growth of Gianyar Regency of Bali Province.

Data used in the study were secondary ones consisting of the Gross Regional Domestic Product of Gianyar Regency, data of per capita expenditure for ceremonial rites and festivals as proxies of the cultural variables, and output data of creative industry during 1980-2010, and they were analyzed using the OLS regression model.

The findings of the study were as follows:

- (1) The creative industry variable has important role in the regional economic growth of Gianyar Regency with contribution of 70 percent to the Gross Regional Domestic Product of the region. Similarly, the creative industry also plays important role as the largest employment provider absorbing 34 percent of total work force. The importance of creative industry in Gianyar's economy cannot be separated from its art-talented people.
- (2) Variable of the *tri hita karana* culture as an effort of the Balinese to establish the balanced relationship with God (*parhyangan*), with other people (*pawongan*), and with surrounding environment (*palemahan*), plays positive role in the economic growth of Gianyar Regency. This positive effect is due to the existence of *tri hita karana* ideology/culture that is implemented in various kinds of ceremonial rites with all their arts, in which the Balinese Culture becomes so unique and interesting that it attracts the tourists to come to this region. The attendance of a relatively large number of tourists has impact on the increased Gross Regional Domestic Product in the region, and at the same time promoted its regional economic growth.

Key Words: Creative Industry, *tri hita karana* culture and economic growth

Background

Gianyar Regency is one of the regencies central to the tourism development in the island of Bali. Its inclusion into a center of tourism cannot be separated from its potential. Besides its tourism objects popular to international level like Ubud, Tegalalang, Tirta Empul, Gunung Kawi and others, the region has its own uniqueness not found in other areas, which is its art-talented people. This unique feature of the people contributes to high economic value through the creativity and talent of the people in arts. Then, it is not surprised that in this region

there are some villages popular to the visitors as the centers of artful products (creative industry), such as *Desa Celuk* and *Singapadu* with their silver and gold handicrafts, *Desa Panestanan*, *Pengosekan*, *Singakerta*, and *Sukawati* popular with the painting arts, *Desa Batu Bulan* popular with its *stone carving*, *desa Peliatan* with its concrete statue handicraft, *Puri Ubud* with its dances, and other villages with their wooden crafts. In short, this region has been acknowledged as an area rich of artful products (Kasali, 2005, 27-28).

The art talents owned by the people of this region play an important role in the development of creative industry and it is considered to have positive correlation with the rapidly progressive development of tourism sector in Bali. The rapid progress in tourism will give impact on the increased demand for the products of creative industries like artful products.

In general, being a region located at the southern part of Bali Island, the people of Gianyar, like many other Balinese, are also faithful to their Balinese culture. In the midst of external influences and intervention strongly in-flowing into the island, and Gianyar Regency in particular, impacted by the very rapid development of tourism sector, the local people still strongly stick to their original and unique culture as reflected from the ceremonial rites and the supporting arts. Even, there is a tendency that this unique culture is marketable, since it is evidently shown that it becomes one of the main attractions interesting to the overseas tourists to come to the region. The people's loyalty to their culture inherited from the ancestors is integral part of the Balinese life in reaching prosperity and bliss both on the earth (*skala*) and in heaven (*niskala*). (Sukarsa, 2008).

To achieve the prosperity and happiness on the earth and in heaven, the Balinese are obliged to establish a balanced relationship with God, with other community members/human beings (*Pawongan*), and with natural environment (*Palemahan*). The effort by the Balinese in establishing the balanced relation with God, with other community members and with the environment is called *tri hita karana*. *Tri* means three, *hita* does bliss/happiness and prosperity,

and *karana* does goal. So, *tri hita karana* means three life goals of human beings in reaching prosperity and happiness (Sudira, 2010).

Daily implementation of this *tri hita karana* tradition for the Balinese is reflected in the ceremonial rites they perform. This means the way that they create a harmonious relationship with God, with others and with the environment are all implemented in ceremonial rites. Therefore, it is not surprised that the Balinese are called man of ceremony. They do not only hold ceremonies for themselves, but also for others, environment, nature, trees, cattle, and things. Offerings and arts performance in those ceremonies have lived up Bali as full of joy and brightly. Every minute and hour, days to weeks and months, years, centuries, at any time the Balinese live their life without leaving behind aroma of incense, myrrh smoke and offerings. The ceremonies are the goal; they are more important than children's education and should be put in the first place compared to the daily needs of food and clothes (Sukarsa, 2008). All this has made the Balinese culture becoming interesting and is considered to have positive effect on the regional economic growth of Bali Province, and Gianyar Regency in particular.

Griffin (126; 1999) stated that there is a positive relationship between culture and economic growth. When a culture penetrates into a region, it will firstly interact with the local culture and then gradually will affect the local people's life pattern. The changing life pattern of the community will be manifested through the improved quality of education, healthy life, information and communication, which will gradually increase the human resources' quality of the local people and subsequently give positive effect on the economic growth. Nolland (2010) said that there is a positive relationship between religion and culture with the economic performance. When one's belief in a religion is becoming stronger, this will promote better work culture, therefore will eventually improve the economic performance and promote the growth. The findings by Barro (2003) demonstrated that a better belief in a religion will affect the individual characteristics like increased participation in the church's activities, which of course improve the economic performance and promote the growth. The findings by Williamson (2010)

were different from others', where he said that the role of economic freedom is stronger than that of culture in promoting the economic growth. The culture is very strong just in the beginning, and then its role will gradually decrease in promoting the economic growth. A question then arises that whether both unique features above have positive correlation with the regional economic growth of this regency?

Problem Formulation

How do the roles of creative industry and culture reflected through the ideology of *tri hita karana* give impact on the regional economic growth of Gianyar Regency?

Review of Literature

***Tri Hita Karana* as an Ideology/Culture of the Balinese**

Another finding from an empirical study by Chenery (1960) indicates that other factors contributing to the economic growth of a country are government policies, climate, and cultural influence.

The Balinese culture is in principle based on the values having their original sources in the Hinduism teachings. It is called an unique culture given birth to the blending of the spirituality, religion, tradition, arts, aptitude and environment of Bali that are *me-taksu*. The people of Bali acknowledge the difference (*rwa bhineda*) frequently determined by space (*desa*), time (*kala*) and real condition at field (*patra*). These concepts of space (*desa*), time (*kala*) and *patra* make the Balinese culture flexible and selective in accepting and adopting the influences of external cultures. This basic feature grants enduring strength to the Balinese culture to keep on developing.

The Balinese culture highly appreciates the principles of balance and harmony in the relationship between human being with God (*parhyangan*), with others (*pawongan*), and with the natural environment (*palemahan*), as reflected in the ideology of *Tri Hita Karana* (THK). Lexically, *Tri Hita Karana* means three causes of wealthy and happiness. *Tri* means three; *Hita*

is life, wealthy, happiness, eternity, prosperity,; and *karana* means a cause. Thus, *Tri Hita Karana* contains a meaning of three causes of wealthy and happiness originating in the harmonious relationship between (1) man and God, (2) man with other human beings, and (3) man and natural environment. Harmony means doing things containing goodness and purity starting from the thought, verbally spoken in utterances and visually shown in behavior /deed.

How human beings develop harmonious life, according to Titib (2003), is by way of the following: God creates the universe with all its contents. God is a real source of bliss. When every person can establish a harmonious relationship with God the Creator of the universe by complying with His teachings, then indeed God will bestow love upon all humans and other living creatures. Harmony is a system of value that should inherently be planted in every individual and externally expressed in form of appreciating or tolerating others. The harmony between human beings and natural environment is similar in value with other two harmonies. Bliss and peace immediately disappear when the environment is disordered.

Tri Hita Karana places the harmony teaching between two things, namely *bhuwana agung* (macro-cosmos) and *bhuwana alit* (micro-cosmos). In a perspective of *bhuwana agung*, human beings are *bhuwana alit* being part of *bhuwana agung* who has similar creator elements (Dwijendra, 2003; Waskita, 2005). The *Tri Hita Karana* ideology says that life has its original sources in three major elements: soul (*atma*), physics (*angga*) and power (*prana*). These three elements are called *Tri Hita Karana*. Bliss or harmony (*hita*) will be manifested when there are three causes (*tri karana*), namely soul, physics, and power. When one of the three causes of bliss disappears, the happiness will disappear too. Physical body and power without soul are like a corpse who will never be happy. Soul without physic is a shadow that can do nothing.

Traditionally, a traditional village in Bali is a whole and integrated place of community that is built upon the ideology of THK consisting of three elements such as: *kahyangan tiga* (*pura desa*); *krama desa* (people); and village area (*karang desa*). In the eyes of the Balinese the territory concept is an area unit where the villagers collectively perform the ceremonies and

other social activities organized by a culture called *desa adat* (traditional village). Village is an area unit of administration with the names of *desa dinas/kelurahan/perbekelan*. In a village area, there are two organizations, i.e. *desa dinas* and *desa adat*. The social system of the village is a binding agent of the villagers managed in the *awig-awig desa*, customs and belief (Dwijendra, 2003).

The formation of traditional village (*desa adat*) should comply with such conditions as: (1) having a area with particular borders called *palemahan desa*, (2) having the villagers called *pawongan desa*, (3) having a *pura* or temple as a center of worship (ceremony) for the villagers that is called *kahyangan tiga*, and (4) having a traditional administration (*pemerintahan adat*) that is based on the *awig-awig* (traditional custom rules) of village.

How do the Balinese maintain a balanced relationship with God? They make it by performing various kinds of ceremonial rites (with all their offerings). How do they preserve the harmonious relationship with other humans. This is done not only by common activities mostly relating to how the people preserve the relationship with God and environment such as having *gotong-royong* in the temple, *sangkep* at *banjar* and having *gotong-royong* in cleaning the surrounding environment, but also reflected by the ceremonies relating to the human ceremony, which is *yadnya*. There are numerous ceremonies closely relating to the *yadnya* man, such as (1) the *magedong-gedongan* (7-month pregnancy), (2) baby birth, (3) the *kepus puser*, (4) the *ngelepas hawon* (when a baby is 12 days old) relating the naming of a baby, the *kambuhan* (of 42 days age), the *nelu bulanin* (a baby of 3 months old based on Bali calendar), the *satu oton* (6 months), the teeth growing (*ngempugin*), the ceremony of first tooth loose (*makupak*), the *menek deha* (*rajaswala*), the teeth cutting and so on. While how the people preserve the harmonious relation with the surrounding environment is reflected by many ceremonies such as *tumpek landep*, which is specially performed to appreciate (to keep balance) the existence of animals and plants.

Therefore, the Balinese culture with its ideology of *Tri Hita Karana* cannot be taken apart from the life of the people through their various unique ceremonial rites. All these attract the foreign tourists to visit the island.

Creative Industry

The concept of creative industry is slightly different from that of creative economy. According to Toffler (1980), creative economy constitutes an economic concept in the new economic era with the intensification of information and creativity by relying on the ideas and stock of knowledge from human resources as the main production factor in their economic activities. On the other hand, the Trade Department of Indonesia (2009) defines creative economy as a system of human activities relating to goods and service production, distribution, barter and consumption of cultural, artistic, and entertaining value. Creative industry is defined as an industry originating in the use of individual creativity, skills and talents to achieve prosperity and employment by producing or exploiting the individual creativity (Ministry of Trade, 2009).

When manufacturing industry is mostly supported by capital and task force, the creativity industry depends on the work. It is in accordance with the characters of creative industry originating in the use of individual creativity, skills and talents to achieve prosperity and employment by producing or exploiting the individual creativity. This definition is in line with that of creative industry of UK DCMS Task Force 1998, stating that: "Creative Industries as those industries which have their origin in individual creativity, skill & talent, and which have a potential for wealth and job creation through the generation and exploitation of intellectual property and content" (Research Team of Ministry of Trade of Indonesia, 2008).

Creative economy constitutes an impact of any efforts to survive by the usage of the existing and unlimited resources namely ideas, talents, and creativity. The countries in the world are competing in their own ways suitable to the capability of each country. There are some

countries focusing on the creative cultural industry, others on creative industry and intellectual property such as copyright industry.

In all countries, the creative industries are capable of promoting the economic growth and creating employment and also giving rooms to the new emerging business opportunities. In some developed countries like England who pioneers the development of creative economy/industry, this industry grows at average 9 percent per year and far above the average growth of the country's economy, which is only 2-3 percent. Its contribution to the national income reaches 8.2 percent or US\$ 12.6 billion and becomes the largest second source behind the financial sector. In South Korea, since 2005 this creative industry has more contribution compared to manufacturing industries. In Singapore, it contributes to the Gross Domestic Product of 5 percent or US\$ 5.2 billion (Zumar, 2009). In New Zealand, its contribution to Gross Domestic Product reaches 3.1 percent, and in Australia of 3.3 percent. While, in Indonesia in 2006 the industry contributed to the Gross Domestic Product of 6.3 percent and was capable of absorbing task force of total 5.4 persons (Simatupang, 2007). The finding by Satari (2008) demonstrated that creative industry is one with better survival to the economic crisis.

Indonesia is a very rich country with varied local uniqueness that can be developed such as arts and cultures. Creative industry is a main pillar in developing the creative economy sector giving positive impact on the national and state life. The potential of creative industry in Indonesia is open to be developed and it is a big opportunity because of the very vast domestic market for the existence of this industry. The creative industry sector is facing new hope in form of the emerge of a new business or economic activities depending more on the individual creativity that will bring them to the better life. The productivity of creative industry is higher compared to whole productivity of national task force, because this industry brings whole individual talents, aptitudes and desires to create value-added through the presence of creative products/services.

Classification of creative industry includes architecture, design, craftsmanship, publishing and printing, television and radio, music, film, video and photography, advertising, computer service, software, arts market and products, research and development, and interactive games (Minister of Trade, 2009).

As one of the icons of Bali's tourism, what is developing at Gianyar Regency is creative industry, rather than manufacturing industry. The reason is that tourism development will promote the demand for creative industry-relating goods, particularly artful products, mostly searched by the tourists, especially the overseas tourists.

Economic Growth and Development

At the beginning of the economic development of a country or regional level, economic development planning strategies are generally more oriented to issues of growth. This is because at first Western (European) economists considered that the main problems facing developing countries is lack of capital, which is caused by low level of income per capita. Therefore, development efforts in developing countries is emphasized to increase the income per capita. This strategy is often called growth-oriented strategy, because if the income per capita is low, the domestic savings will also be low, which in turn will make the formation of investment more difficult. Investment, on the other hand, is an important factor in the efforts to increase the revenue and development of a country.

On the other hand, developing countries also face the problem of relatively high population growth. This situation is forcing developing countries to spur economic growth rates above the level of population growth; hence, income per capita can be increased. It is expected that economic growth will solve the problem of unemployment, poverty and inequality of income distribution.

Economic development can not be separated from economic growth. Economic development encourages economic growth, and conversely, economic growth expedites the process of economic development. However, the term growth can not be equated with the term

of development. Economic growth can be interpreted as an increase in output, while the economic development is not only an increase in output, but also the increase in the types of output that can be produced in line with the changes in production technology, institutional as well as its distribution.

Economic growth does not only cover the increase of input factors that will lead to increased output, but the addition of input factors must be followed by greater production efficiency, or an increase in productivity (Kindleberger, 1977).

Economic development does not merely have purely economic significance. Rather, other factors such as political, cultural, technological advancement, education and others help give significance to such development; hence, the development has multidimensional significance. Therefore, economists have begun to provide a new paradigm about the meaning of economic development.

Economic development is basically a community effort in developing economic activities and improving welfare. This means that economic development is a process producing the income per capita of a resident of a country or region to experience an increase in the long run.

Todaro (2006) defines economic development as a multidimensional process that includes a variety of fundamental changes of social structure, attitudes, and national institutions, in addition to the pursuit of accelerated economic growth, the handling of inequality, and poverty alleviation. Therefore, basically, the development should reflect the total change in a society or social adjustment as a whole without ignoring the diversity of basic needs and wants of individual and social groups to move forward towards a better condition of life, both materially and spiritually.

Based on the meaning of development as mentioned above, there are three important elements involved in the economic development, first, economic development describes a process of continuous change, second, economic development indicates success in increasing

income per capita, and third, the increase in income per capita continues for a long period of time.

Economic development should be more qualitative in nature, not just emphasizing the increase of production or the increase of income per capita, but there are also changes in the structure of production and allocation of inputs in different sectors of the economy such as in institutions, knowledge or education, and engineering. The concept of economic development and modernization includes elements of value system of the countries or public purposes to be achieved such as in terms of economic growth, income distribution, poverty alleviation, education for the community, participation in economic, political life, etc. (Kamaluddin, 1999).

After development economists realized at the end of the 1960s that the growth was not identical with development, they started to reexamine the definition of economic development. Myrdal in Kuncoro (2006) mentions that the development is an upward movement of the entire social system. Others emphasize the importance of growth with changes, especially changes in values and institutions. In short we can say that the development is not only to achieve an increase in Gross Domestic Product (GDP), but more than that, to also emphasize the quality of the development process itself. Therefore, development is more emphasized on how to reduce the levels of poverty, unemployment and inequality of income distribution.

What is meant by economic growth is the increase of economic production capacity which is realized in the form of increase of national income. A region is said to experience economic growth if there is a real increase in Gross Regional Domestic Product (GRDP) in that region.

The term economic growth is used to describe or to measure the achievement of economic development of a State. Economic growth depicts the physical development of the production of goods and services in a State, such as the increase in number of production of industrial goods, infrastructure, the number of schools, the number of production in service sector and the increase of capital goods production.

Economic growth is a long-term increase in the ability of a State to provide more goods to its people, this ability is increasing along with the advances in technology and the necessary institutional and ideological adjustments (Kuznet in Sirojusilam, 2003). The impact of the implementation of government policy especially in economic field can be seen from the existing economic growth. In the economic growth, the growth of various economic sectors is implied.

To give an idea of the existence of economic growth, the indicator which is always used is the real national income. The level of real national income growth is reflected on GDP at constant price. If the rate of economic growth is negative it means that economic activity is decreasing, whereas if the rate of economic growth is positive it means that economic activity is increasing.

Economic growth is indicated by the changes in the economic activities each year. To calculate the annual economic growth, it can be done by comparing the change in national income of the current year minus the previous year's national income divided by previous year's national income or in summary it can be written as follows:

$$gt = \frac{\Delta PDB}{PDB} \quad \text{or} \quad gt = \frac{PDB_t - PDB_{t-1}}{PDB_{t-1}}$$

where:

gt = Economic Growth

PDB = Gross Domestic Product

ΔPDB = Changes in GDP

PDB_t = GDP in Year t

PDB_{t-1} = GDP Prior to Year t

To calculate the average growth per year, the following formula can be used:

$$r = \left[n - 1 \sqrt{\frac{tn}{t0}} - 1 \right]. 100\%$$

where:

r = rate of economic growth on average each year

n = number of years (calculated from up to)

tn = year of end period

t0 = year of beginning period

Growth should be run simultaneously and it should be well planned, establishing equal opportunity and distribution of development results more evenly. Thus, poor, backward and unproductive areas would be productive, which ultimately will accelerate the growth itself (Sirojuzilam: 2003). This development strategy is known as "Redistribution With Growth".

Method

This study focuses on the influence of the creative industries, especially the art products which are the mainstay of this regency and the culture of *tri hita karana* which is one of Bali culture, on the economic growth of Gianyar regency during the period 1980 to 2010.

This research was conducted with quantitative approach, which is used to analyze the influence of the creative industries and the culture of *tri hita karana* which is presented by expenditures for ceremonies and feasts on the economic growth in the Gianyar regency.

The data in this study are entirely in the form of secondary data. These data are: (1) data on GDRP data of expenditure per capita for the ceremonies and parties, and data of creative industry output of Gianyar regency during the period 1980 to 2010, based on constant prices in 2000, obtained from the BPS office of Bali Province.

Because the data used is in the form of time series data, the analysis model used in this study is ordinary regression model (OLS).

Based on the variables that have been specified, the specification of the model in this study are:

$$Gr_t = b_0 + b_1 LnIk_t + b_2 LnTHK_t + \mu_t$$

where:

t = year (1980, 1981, ..., 2010)

Ik = creative industry output

THK_t = the variable of tri *hita karana* culture, proxied from the expenditure of ceremonies and parties in the Gianyar regency

Gri = Gianyar regency regional economic growth

$b,$ = coefficient of elasticity

μ_t = error term

Results

Based on the result of data analysis the following regression equations are obtained:

(appendix)

$$GR = 2.662 + \ln 0.291 THK + \ln 0.649 IK$$

$$t = (5.084) (2.699) \quad (8.825)$$

$$R^2 = 0.978 \quad F = 671.91$$

From the above equation it can be explained that there are positive and significant relationship between the variable of culture tri *hita karana* (THK) and the regional economic growth in in Gianyar regency with elasticity coefficient of 0.291.

The positive influence of the variable of tri *hita karana* on the economic growth cannot be separated from the influence of customs and traditions developed in Bali, where the happiness of the Balinese is not just measured by the quantity of material that is owned, but rather by a deep devotion to the gods, the ancestors, the harmonization of relations with each other, and the harmonization of relations with the surrounding natural environment. There is a tendency for people of Bali, that they put more priority to religious and social rituals than the other needs such as food and education (Sukarsa, 2008).

In recent years there is even a trend between the Balinese people to conduct Pura Tirta Yatra to various places outside Bali, even to India. Hence, it is not surprising that the expenditure per capita for ritual (ceremonial) consumption in recent years continues to increase. The increase in income per capita, as a direct impact of the progress in tourism sector in this area, brings also some consequences in the shift of levels of ceremony implementation in this area. In Bali, every ritual ceremony is divided into three levels, namely (a) big ceremony (*utama*), which is generally carried out by the royal family or a group of middle-to upper-income communities, (b) medium-level ceremony (*madya*), which is usually carried out by the group of middle income communities, and (c) a small degree ceremony (*nista*), which is generally carried out by a group of middle to lower income communities. Each level of the ritual ceremonies is correlated with expenditure / cost of the ceremony. The *utama* ceremony usually requires big ceremony expenditure. There are two reasons why it requires a large cost, namely: (1) it requires a large offerings, so it takes a huge cost, (2) it involves more community members which will cost more because it requires greater consumption cost as well. *Nista* or small ceremony would require a small fee because it requires small offerings and involves only small number of people.

The transformation of society from an agrarian society to a tourism society has consequences on the increase of income per capita in Gianyar regency. The increase of income per capita of these people will shift the level of ritual ceremonies from smaller to greater one. As a consequence, the expenditure per capita for the ceremonies and parties, which is a proxy of the culture of *tri hita karana*, will also increase. This may explain why the variable of THK is positively correlated to the growth of the regional district of Gianyar. The greater the spending on ceremonies and parties is, the more festive the ritual ceremony, the more attractive for tourists to come to this area, the bigger the growth of tourism sector in this area, the greater the GDP of this region, the greater the increase of economic growth in this area is.

The field study in Gianyar Gianyar regency shows that human being efforts to interlace balance with their peers, spent the biggest expense to finance ceremonies and parties, 56 percents. The second biggest expense was the portion of expense spent for keeping balance with God, 42 percents. Whereas, Balinese only spent 2 percents of their income to maintain balance with their natural surrounding only as shown in Table 1.

Table.1 : Per capita expense for *tri hita karana* in Gianyar Regency Bali

No	Expense	Ceremony Expense per year on average	Ceremony Expense per year on average
1	Balinese ceremony expense to interlace balance with God	Rp 3,618,323.08	42 percents
2	Balinese ceremony expense to interlace balance with their peers	Rp 4,791,693.47	56 percents
3	Balinese ceremony expense to interlace balance with their natural surrounding	Rp 164,615.38	2 percents
	Total	Rp 8,574,631 .91	100 percents

Source : Processed data

The amount of per capita expense for the above mentioned efforts, which are to interlace balance with God, peers, and natural surrounding depended on: (a) the kind of ceremonies for each component (b) the frequency of ceremonies, (c) human involvement in the ceremonies, (d) the length of time used for ceremonies, and (e) level of the ceremonies chosen, *utama* (high), *madya* (middle), or *nista* (low).

Out of the above four components, the biggest expense lays on human involvement in the ceremonies and the length of time used for ceremonies. *Ngaben* ceremony, for instance, is a kind of ceremony which involves many society members, and its proceeding time is quite long since it depends on a good chosen day to execute the ceremony. It takes more than a month to perform *Ngaben* ceremony sometimes due to a good day to execute it. Moreover, many society members are involved . The more society members to involve, the bigger expense spent for consumption needs. Thus, it is not surprising if the expense for *Ngaben* ceremony is big. Meanwhile, the level of ceremony chosen would have depended on ones' economic condition and position in the society. The royal family or ordinary members of society with high or middle

income would choose the *utama* (*high*) level for *Ngaben* ceremony. While lower society members of those of lower income level would choose *madya* or *nista* level. We provide examples of human involvement and the time consumed for *Ngaben* ceremony in Table 2.

From Table 2, it is obviously seen that plenty of human beings are involved in *Ngaben* ceremony. Six days before *Pengabenan* ceremony (H-6) 42 men (M) and 18 women (W) are involved. Five days to the ceremony, 58 men and 50 women are involved, and in the day of the ceremony 1283 men and 935 women are involved. Almost the entire villagers and those from nearby villages are involved in the ceremony day.

Whereas, creative industry variable has positive and significant effect towards Gianyar Regency regional economic growth, with elasticity coefficient 0.649, which means in every 1 percent raise in creative industry output, Gianyar Regency regional economic growth would be increased by 0.65 percent, which shows the importance of creative industry role in this Regency. The field study result shows that creative industry sector role is not important only for Gianyar Regency, this sector has contributed 60 percent for Bali Province economic growth.

Table 2 : Human beings involved in a particular *Ngaben* ceremony in Gianyar Regency

Day	Men	M/Day-M	Women	M/day-W	M/day-total
H – 6	42	5,25	18	2,25	7,50
H – 5	58	7,25	50	6,25	14
H – 4	513	64,13	549	68,63	133
H – 3	555	69,38	331	41,38	111
H – 2	51	6,38	92	11,50	18
H – 1	590	73,75	524	65,50	139
H	1283	160,31	935	116,88	277
	3092	386,44	2499	312,38	699

Source : Sukarsa (2008)

The rapid growth of creative industry sector in this Regency is related to this region's uniqueness. The uniqueness is in the form of talent and creativity of its people which had a high artistic value. It is not surprising however to find out that in this Regency there are many artistic product central villages (creative industry), Celuk Village and Singapadu Village with their silver and golden art products that has gone international are some clearly seen instances. Silver and

gold in these two villages are transformed into plenty kinds of product such as rings, necklace, earrings, etc. Its peculiar carving which is difficult to copy made it different from similar products from other regions. Panestanan, Pengeosekan, Singakerta, and Sukawati Villages are famous for Painting Villages. Even primary school students are capable of making beautiful expensive paintings. Thus, there are many painting studios scattered in these regions. In the afternoon, after school hours and on holidays, many children from these areas are doing painting activities. Batu Bulan Village is famous for its stone carving art, Peliatan Village for its concrete sculpture art, and in Puri Ubud there are no day without traditional dancing, and other villages with their wooden carving arts. Besides, there were also Tegalalang Sub-district, northern Ubud, which recently has developed rapidly, it has the longest art shops in the world, and its worldwide famous terracing irrigation system.

The important role of creative industry in this regency is not functioned only as Gianyar regional economic growth driver, but to provide the largest working opportunities as well. The field study result shows that creative industry are able to absorb the biggest number of work forces in 2010 with 34 percent contribution in trading sector, whereas hotel and restaurant which are the main sections of tourism sector absorbs only 21.8 percent of work forces, and agriculture sector absorbs 19.6 percent of work forces, and the rest are contributed by other sectors as shown in Table 3.

Table 3: Work Force Absorbance Power for Each Economic Sector in Gianyar Regency in 2010

No.	Description	Economic Sectors				Total (%)
		Agriculture (%)	Creative Industry(%)	Trading, Hotel & Restaurant (%)	Others (%)	
	Work Force Absorbance Power	19,6	34	21,8	24,6	100

Source : Data (processed)

Conclusion

Data analysis shows that creative industry has an important role as Gianyar Regency regional economic growth motor. The importance of this sector cannot be separated from the art

talent owned by the people of this region, from whom art products which are required by tourism sector come from. Besides, it also become the main working opportunities provider in this region. Seventy percent of Gianyar Regency's **GRDP** is contributed by this creative industry sector.

Meanwhile the *tri hita karana* culture, Balinese original culture, has a positive effect towards Gianyar Regency economic growth as well. The positive effect of this variable cannot be separated from the uniqueness of *tri hita karana* which is reflected in its various kind of ceremonies and its supporting traditional art. It becomes foreign tourist's main destination.

Even though its effect is not as important as creative industry sector, which was shown by smaller elasticity coefficient ($0.291 < 0.649$), this culture needs to be preserved since Bali tourism lays on its cultural uniqueness. Besides, it is a cultural heritage that needs preservation and conservation efforts.

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Industri Kreatif dan Culture terhadap Growth Kabupaten Gianyar

Dependent Variable: GROWTH
Method: Least Squares
Date: 09/05/11 Time: 01:29
Sample: 1980 2010
Included observations: 31

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.662473	0.523711	5.083862	0.0000
IK	0.649015	0.073543	8.824965	0.0000
CULTURE	0.280959	0.104114	2.698580	0.0117

R-squared	0.979589	Mean dependent var	14.40612
Adjusted R-squared	0.978131	S.D. dependent var	0.670535
S.E. of regression	0.099159	Akaike info criterion	-1.692420
Sum squared resid	0.275310	Schwarz criterion	-1.553647
Log likelihood	29.23252	Hannan-Quinn criter.	-1.647184
F-statistic	671.9148	Durbin-Watson stat	0.478347
Prob(F-statistic)	0.000000		

Nilai signifikansi untuk variabel industri kreatif dan culture masing-masing sebesar 0,0000 dan 0,0117 yang nilainya kurang dari $\alpha = 0,05$ maka dapat dikatakan bahwa variabel industri kreatif dan culture masing-masing berpengaruh secara signifikan terhadap growth.

Nilai signifikansi untuk uji F sebesar $0,0000 < \alpha = 0,05$ maka dapat dikatakan bahwa industri kreatif dan culture secara bersama-sama berpengaruh secara signifikan terhadap growth.

Koefisien regresi untuk variabel industri kreatif dan culture masing-masing sebesar 0,649015 dan 0,280959 maka dapat dikatakan bahwa industri kreatif dan culture berpengaruh secara positif terhadap growth. Nilai R^2 sebesar 0,979589 yang menunjukkan bahwa pengaruh industri kreatif dan culture terhadap growth sebesar 97,96%.

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