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Creative industries and regional economic development in Indonesia

Fahmi, Fikri Zul

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FIKRI ZUL FAHMI



**CREATIVE INDUSTRIES AND REGIONAL
ECONOMIC DEVELOPMENT IN INDONESIA**
Meanings, Patterns and Impacts

Creative industries and regional economic development in Indonesia

Meanings, patterns and impacts

Fikri Zul Fahmi

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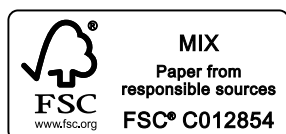
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Email: f.z.fahmi@itb.ac.id and fikri.zulfahmi@gmail.com

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university of
 groningen

Creative industries and regional economic development in Indonesia

Meanings, patterns and impacts

PhD thesis

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 University of Groningen
 on the authority of the
 Rector Magnificus Prof. E. Sterken
 and in accordance with
 the decision by the College of Deans.

This thesis will be defended in public on

Thursday 24 November 2016 at 12.45 hours

by

Fikri Zul Fahmi

born on 21 November 1987
 in Tasikmalaya, Indonesia

Supervisor

Prof. J. van Dijk

Co-supervisor

Dr. S. Koster

Assessment committee

Prof. T. Firman

Prof. F.M.D. Vanclay

Prof. H.G. Westlund

**And do not walk upon the earth
exultantly. Indeed, you will never tear
the earth (apart), and you will never
reach the mountains in height.**

Al Isra 17:37

To my family



Preface

In the summer of 2013 I was informed that my application for a PhD position in the Faculty of Spatial Sciences was accepted. This was indeed very great news, as I got a chance to live for some more time in Groningen, a favourite city for many people. At the same time, I realised that I had to really continue with this ‘creative economy’ stuff, the topic of my master thesis. I had never thought before that I would wake up to and go to bed thinking about this topic. Now, I have accomplished this project, and gratefully, without any significant obstacles. This would have never been possible without help and support of many people. It is thus my great pleasure to express my gratitude to them.

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Groningen, September 2016

Fikri Zul Fahmi

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List of abbreviations

2SLS	two-stage least squares
BCCF	Bandung Creative City Forum
Bappeda	Badan Perencanaan Pembangunan Daerah (local development planning board)
BPS	Badan Pusat Statistik (Central Statistics Agency) - Statistics Indonesia
DCMS	Department of Culture, Media and Sport (in the UK)
Disbudpar	Dinas Kebudayaan dan Pariwisata (local department of culture and tourism)
Disperindag	Dinas Perindustrian dan Perdagangan (local department of industry and trade)
DIY	Daerah Istimewa Yogyakarta (Yogyakarta Special Province)
EU	European Union
FOCI	Forum on Creative Industries
FPKBL	Forum Pengembangan Kampung Batik Laweyan (Forum for the Development of Kampung Batik Laweyan)
GDP	gross domestic product
GNI	gross national income
GRP	gross regional product
HDI	Human Development Index
ICT	information and communication technology
ISIC	international standard industrial classification
IT	information technology
IV	instrumental variable
ITB	Institut Teknologi Bandung
IPRs	intellectual property rights
Kememparekraf	Kementerian Pariwisata dan Ekonomi Kreatif (Ministry of Tourism and Creative Economy)
KBLI	Klasifikasi Baku Lapangan Usaha Indonesia (Indonesian standard industrial classification)
KICK	Kreative Independent Clothing Kommunity
KKKP	Kode Klasifikasi Kegiatan Perusahaan (Indonesian standard industrial classification – old system)
LM	Lagrange multiplier
LQ	location quotient
LR	likelihood ratio
MNCs	multinational companies
MTCE	Ministry of Tourism and Creative Economy
OECD	Organization for Economic Co-operation and Development
OLS	ordinary least squares
RPJMD	Rencana Jangka Menengah Daerah (Local midterm development plan)
RPJPD	Rencana Jangka Panjang Daerah (Local long-term development plan)
Sakernas	Survei Angkatan Kerja Nasional (National labour force survey)
SAR	spatial lag model
SDM	spatial Durbin model
SEM	spatial error model
UK	United Kingdom of Great Britain and Northern Ireland
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization

Overview of chapters

Chapter 2

Reprinted from Fahmi FZ, McCann P, Koster S. (2015) Creative economy policy in developing countries: The case of Indonesia. *Urban Studies* doi: 10.1177/0042098015620529

Chapter 3

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Chapter 4

Based on Fahmi FZ and Koster S (2015) Creative industries and regional productivity growth: Evidence from Indonesia. Presented at the 55th ERSA Congress, Lisbon, Portugal, 25-28 August 2015. *Submitted to an international journal.*

Chapter 5

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