Reinventing Local Community Wisdom through Educulturalism Methods as an Effort to Increase the Existence of Indonesian Economic Development

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\textbf{ABSTRACT}

Indonesia, which consists of ± 429 ethnic groups in the archipelago, has diverse local wisdom. Economic globalization is an inevitable reality in the world economic map in the 21st century. The problems in Indonesia related to economic globalization are the large amount of competition between modern markets as well as unemployment and poverty which ultimately cause inequality both in terms of social and economic growth. Territorial boundaries are no longer an obstacle to interacting with fellow humans. In addition, economic globalization will have a relationship that affects each other between various countries. The purpose of this study is to find out the role of local wisdom through the method of educulturalism in economic development, by analyzing and designing a model based on related literature studies. Several studies that have been carried out focus on economic development by prioritizing local wisdom in the local area. By using a qualitative method of descriptive approach based on reviews, theories and literature studies, it can be concluded that there are at least three types of local wisdom that are able to be a counterweight to global economic competition in an effort to carry out economic development. First, maintaining and utilizing the preservation of natural resources. Second, to function a creative economy based on local wisdom. Third, running a small business based on local wisdom. Thus, local wisdom is required to be a determining element for the success of community and natural resource development in realizing equitable economic development.

\textbf{Keywords: Local Wisdom, Educulturalism, Economic Globalization, Economic Development, Natural Resources}

\textbf{ABSTRACT}


\textbf{Keywords: Kearifan Lokal, Edukulturalisme, Globalisasi Ekonomi, Pembangunan Ekonomi, Sumber Daya Alam}

1. Introduction

Indonesia, which we know as the archipelago because it consists of various ethnicities, tribes, cultures and others, should also have its own characteristics and characteristics. At the same time, this diversity generally has wisdom which in the past has become a source of value and inspiration in living a better life in the future.(Akhmad, 2020). With all the characteristics of its population, Indonesia is a country rich in cultural resources, which is one of the basic capitals for development(Luthfia & Dewi, 2021).

An interesting thing that we should be proud of as Indonesians is that each ethnic group, which consists of ± 429 ethnic groups in the archipelago, has diverse local
wisdom.(Zaman et al., 2023). For example, the Acehnese tribe: Udep tsare mate martyr (live happily, die accepted by Allah SWT), the Batak tribe: Hasangap0n, hagabeon, hamoraon, sarimatu0 (authority, wealth, widespread descendants, perfection of life), Jambi: Protects like a betel leaf, Hood covered like pumpkin leaves, Knitting like petai leaves (helping each other/respecting each other), DIY/Yogyakarta: Alon-alon as long as kelakon (let it be slow as long as it is safe), Splash (helping each other), East Java: Siro yo insgun, insgun yo siro (equality or egalitarianism), and many other local wisdoms that cannot be listed in full(Kamal & Thursday, 2022). More than that, each of them has a familiarity and friendliness with the natural environment that surrounds them.

This cultural and ethnic diversity does not mean that all of it only applies to certain regional cultures or ethnic groups, but there are also those that are cross-cultural or cross-ethnic, thus forming national cultural values.(Dana et al., 2022). For example, almost every local culture in the archipelago is known for its local wisdom which teaches the nature of mutual cooperation, tolerance, work ethic, and so on. In general, the ethics and moral values contained in local wisdom are taught from generation to generation, passed down from generation to generation.

It is necessary to realize that local wisdom certainly does not just appear, which requires a long process so that it is passed down from generation to generation. However, even though there are inheritance efforts, there is no guarantee that local wisdom will remain strong in the face of globalization which offers an increasingly pragmatic and consumerist lifestyle.(Firmansyah, 2023). In fact, we can see that as time passes, these noble values begin to dim, fade and lose their substantive meaning. Then what remains is just a mere formality and becomes a meaningless symbol(Yulianto, 2018).

In fact, recently, corruption has become increasingly rampant at almost all levels, which is clear evidence of the denial of local wisdom which teaches "get sick first, have fun later". Likewise, the increasing gap between rich and poor in society is evidence of the fading nature of helping each other and caring for others(Fuadi, 2020). Not to mention, there are quite a few groups who question the relevance of local wisdom in the midst of humanity's struggle with globalization. Based on the explanation above, this research aims to determine the role of local wisdom in economic development in Indonesia.

2. Theoretical basis

2.1 Local Wisdom

Local wisdom consists of two words: wisdom and local.(Nugrah4 & Deta, 2023). Local means local, while wisdom can mean wisdom. Local wisdom in general means a view of life and knowledge as well as various life strategies in the form of activities carried out by local communities in responding to various problems in meeting their needs.(Nugroho & Andarini, 2020). In foreign languages it is often conceptualized as local policy "local wisdom" or local knowledge "local knowledge" or also local intelligence "local genius".

According to Rahyono, local wisdom is human intelligence possessed by certain ethnic groups which is obtained through community experience(Septemarti & Dasyah, 2023). This means that local wisdom is the result of certain communities through their experiences and not necessarily experienced by other communities. These values will be very strongly attached to a particular society and these values have gone through a long period of time, throughout the existence of that society.

A similar expression according to Ridwan states that local wisdom is a human effort to use reason (cognition) to act and behave towards things, objects or events that occur in a certain space.(Kaimuddin, 2019). Thus, it can be understood that wisdom is a person's ability to use their mind in acting or behaving as a result of assessing something, an object or an event that occurs. Meanwhile, local specifically refers to a limited interaction space with a limited value system(Waspodo et al., 2022). As an interaction space that has been designed in such a way that it involves patterns of relationships between humans and humans or humans and their physical environment. The designed interaction pattern is called setting. A life setting that has been formed will directly produce values. These values will become the basis of their relationship or become a reference for their behavior(Manihuruk & Setiawati, 2024).

Thus, it can be concluded that local wisdom is a set of knowledge, values, behavior and ways of behaving towards certain objects and events in the environment whose goodness and truth are recognized by the community.

2.2 Educationalism

Edu-culturalism is a method of assessing the socio-cultural conditions of local residents which plays an important role in initiating potential changes through efficiency and optimizing the cultural resources owned by a region. Through this method, a strategic study is formulated regarding the orientation of the role of culture as an agent in producing icons that are characteristic and unique.

2.3 Economic Development

One of the most important indicators for analyzing a country's progress is apart from economic growth, it is also the aspect of economic development. Basically, economic development and economic growth contain different meanings, but cannot be separated.

Economic development is defined as activities carried out to develop society's per capita income and national income. Per capita income is the average income of the population of a region, while national income is the value of production of goods and services in one year.(Syahir & Gustiara, 2020). The increase in national income and per capita income from time to time can be used to determine the rate of economic growth and also the development of the level of social welfare in a region. Economic growth is defined as an increase in
GDP or GNP regardless of the level of population increase and changes in the structure of economic organization(Winarto et al., 2022). In this research, the definition of economic development is as a process that causes the per capita income of the population of a society to increase in the long term.

Expert opinion states that economic development is:

1. An increase in people's per capita income, namely the rate of GDP growth in a particular year that exceeds the rate of population increase.
2. The development of GDP that occurs in a society is accompanied by overhaul and modernization in its economic structure, which generally still has a traditional pattern. (Mulyani, 2018).

3. Methodology

This research uses a qualitative method with a descriptive approach which aims to analyze the role of local wisdom in economic development in Indonesia. Qualitative research with a descriptive approach aims to analyze a complete and detailed picture related to the situation or event being studied. This research was also developed with literature studies referring to various sources of information(Mulyani et al., 2023). This research method aims to collect data and information related to the role of local community wisdom in economic development.

The data in this research was taken using the literature study method and linked to actual phenomena. The analysis technique uses qualitative analysis supported by data that is analyzed simply.

4. Results and Discussion

Indonesia has been independent since August 17 1945. However, ironically, until now it is still included in the group of third world countries.(Setiyono & Chalmers, 2018). Countries based on the level of welfare of their people are classified into three groups, namely: World I countries (developed countries), consisting of Western Europe (England, France, the Netherlands, Portugal, West Germany), North America (USA, Canada), Australia, New Zealand, and Japan. World II countries (Developed Countries), consisting of Eastern Europe (Russia, Poland, East Germany, Czechoslovakia. World III countries (Developing countries), consisting of most of Asia, Africa and Latin America(Farih et al., 2022).

There are several additional names given to countries belonging to the third world, including backward countries, southern countries, and the names of poor countries (un-developing countries).(Idris, 2011). Generally, the names given have three general characteristics, namely 3K; poverty, ignorance and underdevelopment as measured by indicators of GNP per capita, net income per capita, total energy use per capita, total energy use per head, literacy rate, infant mortality rate and other measures.

To describe the third world, we can look at Indonesia in the early days of independence, namely during the Old Order (Soekarno, 1945-1966) where there were more political conflicts than economic agendas. The economic conditions at that time were very severe, marked by high inflation, which reached 732% between 1945-1965 and reached 697% between 1965-1966.(Pratiwi et al., 2023). Glassburner describes the Indonesian economy as lacking confidence, saying that when Indonesia achieved sovereignty in December 1949, her economic situation was not one to inspire confidence in her future. This plight was nowhere more dramatically indicated than in her desperate shortage of high level manpower of all varieties.

This suffering continued with the outbreak of the economic crisis since mid-1997, causing the collapse of the foundations of the Indonesian economy. In terms of competitiveness, Indonesia is still far behind neighboring countries, such as Malaysia and Singapore(Aziz & Febriananingsih, 2020). Economic actors are unable to compete for global market opportunities and optimize the very rich resources of the national economy. Moreover, many Indonesian entrepreneurs generally rely on power. They do not have the ability to progress to develop their business. As a result, after the new order ended, their dominance and power was lost. Ironically, in the current reform period, the situation has not changed much in all aspects.

Some of the facts above prove that what is happening is that Indonesian economic actors are unable to be independent by relying on their own potential and strength. They can survive only because of the power that sustains them. As a result, at the international level, they are unable to compete and cannot speak much. This is made worse by the existence of a prolonged crisis which is certain when it will end

The Role of Local Wisdom in Economic Development

Looking at the socio-cultural and socio-economic conditions of the Indonesian nation above, the question that arises then is whether there is an influence or role of local wisdom in economic development? The most fundamental problems of this nation are social problems where there is still poverty, hunger, inequality, many school-aged children who do not receive education, unemployment, poor health, the nation's culture and moral ethics are being eroded, as well as many other problems.

As has been discussed, local wisdom is the real power and potential that a region has as a regional asset that can encourage development and development of the region in particular and Indonesia in general. Furthermore, in an effort to realize this development, of course it is necessary to implement local cultural empowerment or local wisdom as a solution to overcome economic problems. There are several efforts that can be made to make this happen, including:

1. Maintaining and Utilizing Natural Resources

Human resources (HR) are the main key to success in maintaining and utilizing natural resources. Human resources have an important role in the development and
progress of a country because they carry out various economic, social and cultural activities (Azhari et al., 2023). Elly Burhainy Faizal gave examples of several examples of local wisdom in the archipelago which are found in several areas related to the use of nature which deserve further exploration of their meaning and function, including (Hermansyah, 2013):

1. Papua, there is the belief te aro newak lako (nature is me). Mounts Erstberg and Grasberg are believed to be the head of the mother, land is considered to be part of human life. In this way, we use natural resources carefully.

2. Serawai, Bengkulu, there is the Celako Kumali belief. Environmental sustainability is realized from the strength of this belief, namely the taboo values in farming and the tradition of planting tanjak.

3. Dayak Kenyah, East Kalimantan, has the tradition of tana' ulen. Forest areas are controlled and belong to indigenous communities. Land management is regulated and protected by customary rules.

4. Undau Mau Community, West Kalimantan. This community develops environmental wisdom in residential spatial planning patterns, by classifying forests and utilizing them. Cultivation is carried out in rotation with set fallow periods, and they are aware of taboos so that the use of technology is limited to simple and environmentally friendly agricultural technology.

5. Kasepuhan Pancer Pangawinan Community, Dukuh Village, West Java. They know traditional ceremonies, myths and taboos, so they use the forest carefully. No exploitation is permitted except with the permission of traditional elders.

However, in reality, now local wisdom has begun to shift from its meaning and function to various community groups, this is marked by the increasingly depleting forest resources and the complexity of community empowerment efforts. One of the community groups most vulnerable to experiencing the erosion of local wisdom is the forest edge farming community, which should act as a social buffer for forest conservation efforts and the preservation of forest resources.

According to Imam Santoso in his research, there are at least two reasons for this shift. First, because of concerns about the increasing intensity of damage to natural resources, especially due to various human behavioral factors. Second, economic pressures that are increasingly global and dominant influence people's lives so that they slowly or quickly shift local wisdom into economic wisdom. These two factors work to encourage people to do destructive things, especially when managing productive businesses that rely on the potential of natural resources (Ramadhani, 2019).

A special characteristic of local wisdom that characterizes farming community groups on the edge of the forest is the close relationship between the process of survival and forest utilization. In other words, forests are a guarantee for food security or what is known as food insecurity. Another characteristic as stated by Pudjorahardjo and Santoso from the results of their research shows that the majority of forest edge communities make their main living as smallholder farmers or farm laborers who need cultivated land and need other employment opportunities to supplement the living demands of individuals and their families. Various problems oppress farming communities on the edge of the forest. Various government policy interventions regarding the use of forest areas for development have resulted in fundamental changes in the relationship between forest edge farmers and the surrounding environment.

The problem is exacerbated by the emergence of new groups known as commercial forest entrepreneurs with large capital and who have concession rights to manage forests for a certain period of time, indirectly making the subsistence of forest edge farmers insecure. Forest plotting causes farmers' rights to utilize natural resources to decrease and along with population growth, their farming business is no longer sustainable. This condition then results in protracted poverty in forest edge farming households. In tight conditions, forest edge farmers behave aggressively in utilizing the forest environment as their main source of livelihood. Awareness of the importance of preserving forest ecosystems is increasingly being eroded by demands to meet family living needs. Due to strong economic pressure, every productive activity undertaken is carried out without considering the importance of conservation efforts. There is a tendency for farmers to participate in illegally cutting down forest wood.

Later, after seeing this condition, farmers realized that sooner or later they would be displaced by new groups as big businessmen, so local farmers did not hesitate to carry out forest-damaging behavior such as intensive farming without caring about sufficient time or not, resulting in erosion and decreased land productivity. Often farmers on the edge of the forest also take aggressive action against the forest and explore the forest excessively, as was observed in the case of villages on the forest edge of the West Banyumas KPH, Banyumas Regency, Central Java Province. As a result of limited survival strategies and the marginalization of farmers' interests in managing agricultural businesses due to the dominant rights of HPH holders (outside Java) and Perum Perhutani (Java), forest edge farmers enter and clear forests outside their jurisdictional boundaries for new agricultural land.

2. Functioning a Creative Economy Based on Local Wisdom using the Educulturalism Method

Indonesia has a variety of cultures, which have many unique characteristics in each region. However, in the current era of globalization, there is a concern that local cultural values will be undermined by foreign cultural values that freely enter this country (Kamaludin, 2021). However, we should not be afraid and absorbed in this situation, we must be able to overcome these concerns, we can even use this era of globalization as an
opportunity to develop local regional wisdom, one of which is through the creative economy sector.

The creative economy is projected to become the dominant economic sector after banking and the processing industry (Jufra, 2020). In several developed countries that lack natural resources, the creative economy is prioritized and even surpasses banking activities. The creative economy is an industry based on high creativity with a touch of innovation to produce new products that are different and of high quality (BEAUTIFUL TAPESTRY, 2021). Several small groups who have expertise and innovative ideas have become pioneers of the creative industry. The creative industry creates works through ideas, ideas by producing added value through the work produced, with a high level of effectiveness and efficiency.

Educulturalism is present through strategic studies which play a role and explore all lines of factors that are used as a form of initiation of potential and advantages that can be used in the formation of embryos in welcoming the realization of a creative economy discussing a very broad spectrum, namely all aspects aimed at increasing competitiveness by using individual creativity. seen through an economic lens (Gomgom et al., 2024). The creative industry is part of the creative economy and focuses on its respective industry. Based on BPS data, the creative economy industry consists of 15 categories, but there are only three categories that contribute significantly to Gross Domestic Product (GDP), namely fashion, crafts and advertising (Hartono, 2023).

Globally, according to the Minister of Trade, the creative economy sector in the world is currently growing rapidly, as reflected in the value of the global creative economy which is estimated at a growth rate of five percent per year will grow to 2.2 trillion dollars in January 2000 and to 6.1 trillion dollars in 2020 (Syahbudi & Ma, 2021). Therefore, economists predict that the culture-based creative economy sector will be the fourth wave in global economic development after the era of agricultural economics, industrial economics and information economics. Thus, a creative economy based on cultural heritage can become the backbone of the Indonesian economy which is able to make a major contribution to people's lives as measured by contribution to GDP, job creation, poverty reduction and SME empowerment.

3. Running a Small Business Based on Local Wisdom

Talking about local wisdom is closely related to economic development, including small businesses. Because small businesses are the backbone of the people's economy on which the majority of our society depends. Definitively, there is no standard explanation about small businesses. The Central Bureau of Statistics (BPS) defines small businesses as businesses that are focused on the manufacturing industry and absorb a workforce of between 5-19 people. Meanwhile, the Ministry of Trade and Industry defines small businesses by distinguishing them into small industry and small trade groups. Small industry is a group of industrial businesses that have investment in equipment below Rp. 70 million, maximum investment per worker Rp. 625 thousand, a workforce of 20 people, and company assets of no more than Rp. 100 million. Meanwhile, small trade is classified as a company operating in the trade sector that has capital of less than Rp. 80 million, and companies operating in the production or industrial business sector which have a maximum capital of Rp. 200 million.

Based on the data above, it can be understood that there are no uniform boundaries. However, looking at its development, small businesses can be classified into industry, trade and commercial services. Apart from that, small businesses can also be divided into the form of home industry and small industry. The characteristics of a home industry include:

a. Most of the workers are family members of the business owners;

b. The production process is carried out manually and daily activities take place at home;

c. Production activities are highly seasonal;

d. The types of products produced are generally goods that are simple to consume.

Meanwhile, it is different from small industries which are a little more modern. The characteristics are:

a. The production process is more mechanized and activities are carried out in special places (factories) which are usually located around the business owner's house;

b. Most of the workforce are paid workers;

c. The products made are more complicated and require skills.

Looking at the characteristics above, both home industry and small industry are business sectors that absorb a lot of labor, so they can reduce the government's burden in dealing with unemployment problems. Especially small industries which are also able to handle population problems. The development of small industries in rural and suburban areas will at least have the impact of a more even population distribution. In addition, there will be equal distribution of income. Economic activity will not only be concentrated in big cities and the circulation of money will become more evenly distributed as well. Ultimately it will improve the welfare of people in rural areas.

Thus, small businesses are so important as part of local wisdom in efforts to carry out development, so it is appropriate for the government to direct its economic policy towards developing small businesses. This will provide a solid economic foundation in the national economy. Because small businesses are able to grow and develop without collusion with bureaucrats and do not burden state finances.

However, in practice so far the government has not been very serious about handling and developing the potential of this small business sector. Small businesses have so far been looked down upon, this can be seen from the government's lack of clarity in preparing small
businesses to have the same access and productivity as large businesses and the absence of financial institutions that specifically provide services to small businesses. For this reason, according to Tulus Tambunan, the main key to making small businesses efficient, effective and dynamic is to create a conducive business climate without having to make small businesses continuously dependent on special assistance from the government. Thus, the most important thing is to eliminate all market distortions rather than creating various kinds of small business development programs which are often misused and perverted by bureaucrats into self-enrichment projects. The facts prove that since the New Order came to power, there have been many credits specifically allocated by the government for small businesses (Syahril Effendi & Ak. 2020). Among those that were very popular at that time until the 1980s were Small Investment Credit (KIK) and Permanent Working Capital Credit (KMKP). Until 1998 alone, there were 16 types of credit launched by the government for small businesses. However, until the fall of the New Order, most of these types of credit did not show significant results (Pidu et al., 2022).

These are some of the reasons why small businesses contribute less to increasing state income. The strategic position and role of small businesses in the national economic map has not been optimized and developed seriously. Therefore, now is the government's opportunity to improve the welfare of the people by supporting these small businesses. Of course, without seriousness, small businesses will remain marginal businesses that are unable to compete on the global economic stage.

4. Conclusion

Ediculturalism in Indonesia is carried out as a form of initiation in encouraging the realization of sustainable development goals in the economic development line of the archipelago. Through local wisdom which consists of various ethnicities, tribes and cultures inherent in society in each region. Therefore, it is appropriate to try to explore the potential of local wisdom that exists in each area, which actually, if researched, is still widely available in that area. In addition, local wisdom as the cultural heritage of our ancestors must always be maintained and even developed further in a sustainable manner through concrete steps.

Local wisdom is the real potential that a region has to encourage development and development of the region in particular and Indonesia in general. To realize this development, there are at least three ways that can be done. First, maintain and utilize natural resources. Second, functioning of the creative economy based on local wisdom. Third, running a small business based on local wisdom.

Based on these three types of local wisdom in relation to economic development, it will at least be able to make people aware of how important it is to maintain and maintain existing local wisdom. This is because local community wisdom has begun to shift towards economic wisdom. As a result, it encourages people to do destructive things, for example when managing productive businesses that rely on the potential of natural resources. The problem is exacerbated by large companies emerging as commercial forest entrepreneurs with large capital and having concession rights to manage forests for a certain period of time.

In conditions like this, of course the community is no longer able to prevent, let alone resolve wisely the problems that befall them. For this reason, before it is too late, let's try to maintain and develop one of the three types of local wisdom above. It is hoped that it will be able to balance global economic competition in an effort to realize economic development as a solution to solve this nation's problems.

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