

Ekonomi Kerthi Bali: Economic Transformation Based on Bali Nature, Human and Culture

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Abstract

This study aims to review the concept of economic transformation carried out by the Regional Government of Bali Province which is called the Kerthi Bali Economy. This concept of economic transformation, in the short term, is at recovering the Balinese economy from the crisis caused by the Covid-19 pandemic. The medium-long term goal of the Kerthi Bali Economic concept is to strengthen the structure and fundamentals of the Balinese economy based on local resources, quality, added value, strong competitiveness, environmentally friendly and sustainable. The basic capital of Kerthi Bali's economy is the unique nature, people and culture of Bali. The concept of economic transformation is extracted from knowledge which is the Balinese ancestral heritage in the form of revelation.

Keywords: Kerthi Economy, Nature, Humans, Balinese Culture.

1. INTRODUCTION

The depressed economic growth of Bali Province due to the COVID-19 pandemic has a negative impact on indicators of community welfare. Based on data from the Central Statistics Agency (BPS) of Bali Province, the poverty rate in Bali Province has increased, as well as the open unemployment rate, from 1.57% in August 2019 and 1.25% in February 2020, then jumped high to 5.63% in August 2020, and in February 2021 it decreased slightly to 5.42%. The significant economic downturn in the Province of Bali led to an increase in the income gap (Gini index) of the Province of Bali in 2020 compared to 2019, from 0.366 to 0.369.

The provincial government of Bali is making efforts to restore the economy as well as to transform the economy. Economic recovery measures are short-term in nature, especially to restore economic activity, so as to be able to create jobs and restore the purchasing power of Balinese people who have been depressed due to COVID-19. Meanwhile, the economic transformation that has an impact

on the medium to long term that has been arranged in the Bali Development Vision-Mission for 2018-2023 is carried out based on local wisdom, which emphasizes the harmony of nature, humans and Balinese culture to achieve community welfare and happiness. Thus, the Balinese economy is expected to grow more resilient, competitive and resilient to shocks because it is based on local, high-value-added and sustainable resources.

This economic transformation is also designed to build a greener economy (Green Economy), based on superior Balinese human resources (Human Capital) and based on the noble Balinese culture (Orange Economy). The direction of policy and implementation of Bali's development must be carried out by uniting nature, people and Balinese culture to face the geographical challenges, where Bali has an area of only 5,637 Km² or relatively small, and does not have abundant natural resources like most other provinces in Indonesia. Bali's nature in the form of seas, lakes, rivers, mountains, forests and plants must be preserved and maintained.

In order to maintain and preserve the majesty and sanctity of Bali's nature,

prepare superior Balinese human resources, as well as explore, preserve and utilize Balinese culture for the welfare of the community, the book *Economics Kerthi Bali* has been compiled (Koster, 2021). The compilation of the book is fully based on knowledge that is Balinese ancestral heritage such as Lontar Batur Kelawasan and advice in the form of revelation (Lontar = ancient Balinese manuscripts). According to Suriasumantri (2000; 53) revelation is a source of knowledge besides rationalism and empiricism. Sad Kerthi's teachings are the six sources of welfare and happiness in human life which consist of: 1) Atma Kerthi, 2) Danu Kerthi, 3) Wana Kerthi, 4) Segara Kerthi, 5) Jana Kerthi, and 6) Jagat Kerthi, being the main foundation of the Bali Kerthi Economy which combines nature, people and Balinese culture. The six leading sectors that are the pillars of the Kerthi Bali Economic development are:

- 1) Agriculture sector, including livestock and plantations,
- 2) Marine and fisheries sector,
- 3) Industrial sector,
- 4) Micro, small and medium enterprises and cooperatives sector,
- 5) Creative and digital economy sector,
- 6) Tourism sector.

Its six achievement strategies, which are abbreviated as KOSTER, consist of; 1) Knowledge, namely strengthening the knowledge of the entire community, 2) Organizing, namely strengthening governance throughout the organization, 3) Strong, namely the hard work spirit of all components of society, 4) Trust, namely increasing public trust in strategic steps taken by the government, 5) Equilibrium, namely maintaining a balance of economic development between sectors and between regions, and 6) Responsibility, namely economic development must be carried out responsibly for nature, people and Balinese culture (Ramantha, 2021).

The main and fundamental problems faced in Bali's economic development today and in the future are related to the increasing degraded nature of

Bali in the form of agricultural land, the Subak management system, springs such as seas, lakes, rivers, waterfalls, and other environmental problems. Reduced agricultural land due to land conversion because it is used as housing, tourism facilities such as hotels and restaurants, offices and other non-agricultural land needs. The shrinking of agricultural land then in the elimination of subak organizations, especially in urban areas. Other natural problems also occur in the form of coastal abrasion, silting of lake water, decreased water quality and reduced underground water sources.

The development of the quality of Bali's human resources is also facing serious challenges. Changes in the mindset, attitudes and behavior of Balinese people experience a shift due to the influence of globalization. Pragmatic, consumptive attitudes, and a lack of love for traditional values, arts, culture, local wisdom and the weakening of Balinese social cohesion. On the other hand, the Balinese believe that humans have the power to live, are able to speak, and are able to think to overcome life's problems. Humans are different from plants which only have the power of life, and animals that only have the power to live and talk, and do not have the ability to think (SDM Bali Superior, 2022). With the ability to think, humans can organize their own life and understand the universe. These three virtues should be grateful for by humans by thanking God and maintaining a harmonious relationship with nature and everything in it.

The existence of Balinese Culture which includes customs, religion, traditions, arts and other cultural variables continues to experience challenges. Even though Indonesia already has Law no. 5 of 2017 concerning the Advancement of Culture which provides guidelines for the protection, development, development and utilization of culture for human welfare and preserving the natural environment. Culture also has an important role in development, emphasizing the close and interrelated

relationship with human resource development. Cultural values and mental attitudes such as work ethics, achievement motivation, tenacity, honesty and high fighting spirit can encourage the nation's productivity and competitiveness. Cultural values and mentality are the determinants of achieving goals in a development process, including in economic development.

This study aims to describe the current economic condition of Bali and analyze how the concept of Kerthi Bali Economy based on philosophy and knowledge derived from Balinese local wisdom can answer the challenges of economic development and maintain its sustainability in the long term. This study also compares the concept of Kerthi Bali Economy which is based on local wisdom with modern theories and literature which are more based on positivistic knowledge. As a novelty, this study is also expected to contribute ideas in order to increase knowledge that combines and harmonizes sources of knowledge from revelation, rationalism and empiricism.

LITERATURE REVIEW

The concept of sustainable development with an environmental perspective has recently been popularized in western countries. The Global Sustainable Development Report (2019) describes that Sustainable and Just Economies and Human Well-being and Capabilities are important agendas among the many agendas that must be programmed in order to achieve the 2030 Sustainable Development Goals (SDG's). the needs of the current generation, but does not jeopardize the opportunity for future generations to meet their needs (United Nation Division for Sustainable Development, 2007), while the Green Economy is an economic concept that synergizes environmental, economic and socio-political to achieve SDG's goals (Hammer, 2011). At the micro-economic level, such as its implementation in

companies, the concepts of green economy and sustainability are also widely discussed, for example by Kyro (2001), Johnstone, Has, and Popp (2010). Wong, (2014); Ammer, et al. (2020); Abdi, et al. (2020).

In Indonesia, the National Development Planning Agency has made a sustainable development roadmap that is environmentally sound called the Indonesia Climate Change Sectoral Roadmap (ICCSR) which contains nine development strategies for the forestry sector, energy, industry, transportation, waste, agriculture, marine and fisheries, water resources, and health (Makmun, 2021). Green economy emphasizes the importance of abandoning economic practices that prioritize short-term profits with exploitation natural resources and the environment in excess. The green economy concept is also a strategy to drive a low-carbon economy.

The concept of transformation of the Kerthi Bali Economy, in addition to implementing the principles of a green economy developed at the national and global levels, also adopts the concept of a green economy with local cultural heritage (local wisdom) which was designed by Balinese ancestors long before the SDGs were declared. In addition to preserving natural resources in ways such as those carried out at the national and global levels, in preserving the majesty, sanctity and "taksu" of nature in Bali, periodic "*Pakertih Yadnya*" ceremonies and ceremonies are carried out, namely: Atma Kerthi, Segara Kerthi, Wana Kerthi, Danu Kerthi, Jana Kerthi and Jagat Kerthi. These ceremonies and ceremonies are also the main attraction for foreign tourists (Ramantha, 2017).

Regarding the development of human resources in the Bali Kerthi Economy, there is a lot of western literature that is in line with this idea. Mincer (1996) explains the interrelationship between economic growth and human capital growth, and is an important key to sustainable economic growth. Acemoglu and Autor (2005) define human capital as

something related to the provision of knowledge or characteristics of human resources possessed, both in the form of innate and acquired through education and experience that contributes to productivity. A similar opinion was also conveyed by Frank and Bernake (2007) and Silva and Sumarto (2015). Sulistyaningrum (2021) calls an economy that capitalizes on human resources as a Knowledge Based Economy,

At the microeconomic level, Human Capital is considered an important part of Intellectual Capital (IC) in *Resource Based View*(RBV) theory which is a managerial framework for determining strategic resources that can be utilized by companies to achieve a sustainable competitive advantage. Researcher Maryam, et al. 2015 places human capital as an important part of IC in addition to customer capital, structural capital, social capital, technological capital, and spiritual capital. Similarly, other IC researchers such as Sharabati, et al. (2010); Clarke et al. (2011); Aledwan (2014); Gamayuni (2015) all include human capital as an IC component.

Knowledge which comes from revelation (Suryasumantri, 2000) is widely used as a guide to the life of Balinese human resources such as the nature of sincerity and likes to do more than they should in carrying out the obligations of life as a human being called Lascarya. Believing in the law of cause and effect in life is called Karma Phala (Koster, 2021). Other qualities of human resources as discussed in western literature are also described in ancient Balinese literatures such as diligent and diligent nature called Jemet., Upholding the truth, serious, and always wanting to do the best called Beneh, Pesaja, and Luwih, a loyal character called Satya, a forward-looking mindset called Waskita, and a firm and risk-taking attitude called Lagas. The characteristics of Balinese entrepreneurs are also in line with the entrepreneurial traits discussed by western researchers such as Zehir and Karaboga (2015); Zeebaree and Siron

(2017).

Kerthi Bali's Economic Transformation is also designed based on the development of a cultural economy which in western literature is referred to as the Orange Economy as referred to by Felipe (2013). The theory of culture as capital put forward by Bourdieu (1977) which states that cultural capital has dimensions: 1) Objective knowledge of art and culture, 2) Cultural preferences and tastes, 3) Formal qualifications, 4) Cultural skills and technical knowledge, 5) The ability to discriminate and make the difference between good and bad. Kerthi Bali's economy is also oriented towards the development of a culture-based creative industry as stated by Howkins (1987).

An ancient Balinese library called Lontar Mpu Kuturan (copied in 1977) refers to Bali as Padma Bhuwana, which is the center of the welfare and happiness of the world community. Nowadays, many foreigners call Bali by various names, such as The Island of Gods, The Island of Thousand Temples, The Morning of The World, The Paradise Island, The Last Paradise and The Island of Love (Koster, 2021). This proves that culture is part of daily life in Bali that is carried out by the community, both individually and collectively. Balinese culture continues to live and develop dynamically in the midst of society throughout the ages. Culture then became the basic capital for the economic development of Kerthi Bali, including the tourism sector and the creative economy.

CAPITAL AND STRATEGIC ENVIRONMENT

Bali is located between the islands of Java and Lombok with the capital city of Denpasar. Bali is a small island ecosystem consisting of several islands, namely the island of Bali as the largest island, the island of Nusa Penida, the island of Nusa Ceningan, the island of Nusa Lembongan, the island of Serangan (located around the foot of the island of Bali), and the island of Menjangan which is located in the western

part. Bali Island. Bali has a tropical climate like other provinces in Indonesia. Geographically, Bali is bordered by the Province of East Java, and the Bali Strait to the West, the Bali Sea to the North, the Indian Ocean to the South, and the Lombok Strait to the East.

Bali consists of 9 (nine) regencies/cities, namely Jembrana, Tabanan, Badung, Gianyar, Klungkung, Bangli, Karangasem, Buleleng, and Denpasar. Among the nine regencies/cities, Buleleng Regency is the largest regency/city with 1,364.73 km², while the smallest regency/city is Denpasar City (127.78 km²). Bangli Regency is the highest regency/city located at 425 meters above sea level, while the lowest district/city is Jembrana Regency (12 meters above sea level). Besides being the lowest, Jembrana Regency is also the furthest district from the provincial capital (95.16 km). The nine regencies/cities cover 57 sub-districts, 716 villages/sub-districts, and 1,493 traditional villages.

Based on the records of the Central Statistics Agency (BPS) of the Province of Bali in general, land use in Bali is divided into agricultural and non-agricultural land uses, with a total area of 563,666 Ha (2016). Most of the land in Bali is used for agricultural land by 62.71% and non-agricultural land by 37.29%. However, only 22.5% of agricultural land in the form of rice fields is in the form of land non-rice field agriculture (77.5%). Potential land use is influenced by soil type, mineral resources, vegetation, topography, climate, and location.

Bali's natural resource wealth is basically related to agriculture in a broad sense, including fisheries. Agricultural land in Bali is very fertile because it is composed of soil resulting from volcanic ash deposits. This agricultural land is managed traditionally with the subak system which regulates the distribution of water in rivers on the island of Bali. Products from this agricultural land are mainly rice, corn and soybeans. In addition, Bali also produces

plantation crops such as coffee and cocoa, the results of which have been exported to foreign countries, as well as horticultural crops, including fruits such as mangosteen, mango and banana. The mangosteen fruit in the last five years has also become an export commodity to various countries.

Fishery natural resources in Bali can be in the form of marine and freshwater capture fisheries, as well as aquaculture, including seaweed. Bali has a sea area of 9,634.5 km², with a coastline of 470 km. The vast sea area of Bali makes Bali an area that has high potential in the field of fisheries and marine affairs, and the results are also very potential for export. In marine capture fisheries, the greatest potential is tuna, lemuru and tuna. The potential of marine fish culture fishery includes the development of seaweed, grouper and pearl oysters. Meanwhile, for the cultivation of ponds, it is for the development of the cultivation of giant prawns, carp, tilapia, catfish, gourami, and salt.

Bali is inhabited by Balinese people who have a very high culture of life in the form of customs, religion, traditions, arts and culture, as well as local wisdom that is unique, beautiful, attractive, and holy, and has high spirituality. The way of life of Balinese Krama with high culture is accommodated in the Traditional Village. Traditional Villages are a place where symbols and values come together from customs, religion, traditions, arts and culture in carrying out the daily life of Balinese people so that they become a natural life, apart from being unique, beautiful, and unique. interesting. The Balinese way of life is poured into the values of Tri Hita Karana: namely a way of life to maintain and maintain 3 (three) human balance or harmony, namely: first, harmony between humans and God called Hyang Widhi Wasa; second, balance or harmony between humans and fellow humans; and third, balance or harmony between humans and nature and the environment.

Furthermore, related to

demographic conditions, in 2020 the population of Bali reached around 4.317 million people or experienced a growth of around 1.01% per year during the 2010-2020 period. The population density level on the island of Bali in 2020 is quite high, reaching 746.95 people per km². The regency/city with the largest population is Buleleng Regency (791,813 people) while the least population is Klungkung Regency (206,925 people). Of the nine regencies/cities, the highest population growth rate occurred in Buleleng Regency (2.33% per year) while the lowest even experienced negative growth was Denpasar City (-0.81% per year). However, Denpasar City is a regency/city in Bali Province which has the densest population density of 5,676.27 people per km².

The composition of the population of Bali shows that the productive age population in 2020 will reach 70.12% (3,027,525 people) while the rest are non-productive age population (29.88%). If the quality level of the Balinese population is measured based on the level of education and health, the Balinese population in general is relatively good compared to many other regions in Indonesia. This is indicated by the condition of the human development index (HDI). The province of Bali has the fifth highest HDI in Indonesia, after DKI Jakarta, DI Yogyakarta, East Kalimantan, and the Riau Islands. In 2020, Bali's HDI figures will reach 75.5. Bali's HDI figure continues to increase from year to year, namely 74.77 (2018) and 75.38 (2019). In the national scope, Bali's HDI has always been above Indonesia's HDI in recent years.

The basic capital of Balinese customs and culture is very strong and prominent in influencing Bali's development performance. Customs and culture are the daily life of Balinese people. Culturally, the Balinese way of life is one with Nature. The principle is that humans are nature itself, humans must be in tune with nature, humans live who live, and humans live must respect nature. The

Balinese way of life is that they must maintain / preserve the environment, where they live to maintain the continuity of life. Furthermore, customs, religions, traditions, arts, and culture are integrated into a unique, beautiful, majestic, and sacred life system (Koster, 2021).

KERTHI BALI ECONOMIC TRANSFORMATION STRATEGY

Kerthi Bali's economy was developed based on the values of *Sad Kerthi* by applying the principles: 1) The economy is built from an attitude of being grateful for the wealth, uniqueness and superiority of Bali's local natural resources and their contents as a gift from God. 2) The economy is developed according to the potential of Bali's natural resources and their contents. 3) The economy is built by the Balinese people (*krama*) in an inclusive, creative and innovative way. 4) The economy is developed based on customary values, traditions, arts, culture and local wisdom. 5) The economy is built by maintaining natural and cultural ecosystems in a sustainable manner. 6) The economy is developed to increase the capacity of the local Balinese economy, quality, added value and competitiveness. 7) The economy is developed by accommodating the development of science and technology, including digital technology. 8) The economy is built to provide tangible benefits for the welfare and happiness of the Balinese people both materially and immaterially (*sekala-niskala*). 9) The economy is built on the principle of mutual cooperation. 10) The economy is developed to increase resilience to face the dynamics of the times locally, nationally and globally. 11) The economy is developed to foster a spirit of self-confidence (*jengah*) and pride as a Balinese human (*krama Bali*).

Road Map The Kerthi Bali Economy compiled by the Ministry of National Development Planning/Bappenas of the Republic of Indonesia outlines a strategy for economic transformation

towards a new era of Bali covering several transformation agendas, namely:

1. Smart and Healthy Bali

Humans are actors as well as main beneficiaries in the process of economic development, so that the development of human resources (HR) is the most important part of economic development. Strengthening the capacity and capability of human resources is the ultimate goal of development. The development of an area will be successful according to Suhartono, et al. (2019) if it is supported by the mindset and real actions of modern humans (smart people). Thus, Bali's economic transformation requires smart and healthy human resources so that economic development can be sustainable and improve people's welfare.

2. Productive Bali

Increasing productivity plays an important role in achieving an economy that is capable of high and sustainable growth. Increased productivity needs to be carried out in all sectors, accompanied by a shift in the economic structure towards high value added sectors. Basically, Bali Province has great potential to increase productivity by improving the quality of the workforce and diversifying the economic sector. Efforts to increase productivity are carried out by increasing labor productivity, modernizing agriculture, industrialization, strengthening tourism, as well as strengthening Small Medium Enterprises (SME's) and the creative economy.

3. Green Bali

Bali's economic transformation needs to pay attention to environmental sustainability so that Bali's natural resources can be optimally developed for current needs and for future generations, which is manifested in high, quality, and sustainable economic growth. This can be achieved by increasing the use of new and renewable energy, utilizing environmentally friendly transportation, improving waste and hazardous waste management, making efforts to mitigate

and adapt to climate change and implement blue economy development.

4. Integrated Bali

The creation of internal economic integration in Bali and between Bali and other regions is an important component in Bali's economic transformation. Economic integration can help efforts to diversify the economy and increase domestic and international trade activities. This is achieved by strengthening Bali's internal connectivity and between Bali and abroad and other regions such as West Nusa Tenggara, East Nusa Tenggara, and the eastern part of East Java, as well as strengthening Bali as part of domestic and global supply chains.

5. Bali Smart Island

Digitalization in various fields cannot be avoided in the future because it has become a necessity for accelerating economic growth, including for Bali which has potential in the tourism sector. Digitalization has the potential to encourage innovation, generate economic and environmental efficiencies, and increase productivity, including in the tourism sector (OECD, 2017). This condition is in line with the comparative advantage of Bali Province in the tourism sector. Digitalization in Bali towards a Bali Smart Island is achieved by accelerating the development of digital infrastructure, improving the quality of digital Human Resources, accelerating the use of digital technology in various sectors, and creating a conducive climate for the development of a digital ecosystem including supporting regulations and policies.

6. Bali Conducive

In order to carry out the various agendas of Bali's economic transformation properly, conducive conditions in Bali are needed. This is pursued through strengthening various enabling factors, including strengthening regional finances, increasing innovative financing, improving ease of doing business, and accelerating bureaucratic and institutional reform.

The agenda is implemented in each

leading economic sector, such as the agricultural sector which is on the wealth, uniqueness and superiority of local Balinese resources (genuine Bali). Efforts to achieve food sovereignty are carried out by increasing the intensification of agricultural land, extensification by utilizing unused land, optimizing the use and protection of land and water for agricultural activities and increasing the capacity of agricultural human resources in accordance with traditional values, arts, culture and local wisdom. Bali. Developing healthy agricultural commodities, with high added value and competitive quality so that they can be used as export commodities.

Kerthi Bali's Economic Development in the marine and fisheries sector is directed at developing new marine and fisheries-based economic centers in an integrated manner from upstream to downstream, in accordance with the potential of Bali's local resources. Development utilization of commodity-based capture fisheries centers and aquaculture centers supported by processing and marketing centers. In the marine sector, the diversity of marine tourism products has also been developed as a diversification of the tourism sector with the support of quality infrastructure and services. In this sector, conservation, restoration and rehabilitation of coastal ecosystems and small islands based on community and Balinese local wisdom is also carried out.

The Kerthi Bali Economic Program in the industrial sector is at increasing the competitiveness of Bali's leading industries at the national and global levels, maintaining the availability of quality and sustainable raw materials, and increasing the competence of industrial human resources. Access to capital from various sources of funds and access to digital marketing are also priority programs in this sector. In the field of industry, the preservation of natural and cultural ecosystems in a sustainable manner is a serious concern, to make Bali the center of

the green industry. The industrial sector is directed to work with the principles of reducing waste, reusing waste, recycling and recovering.

Kerthi Bali's Economic Development in the Micro, Small and Medium Enterprises (UMKM) and Cooperatives sector aims to create a strong and resilient Balinese economic structure, because most of the business actors in Bali are MSMEs. Meanwhile, the development of cooperatives is considered strategic because until 2021 Bali has 4,193 cooperatives which is the largest number at the national level outside Java (BPS, 2021). Cooperatives are also expected to become centers of people-based economic growth. MSMEs and Cooperatives are directed to be able to process agricultural, plantation, fishery and marine products in Bali.

.MSME and Cooperative Development in Bali facilitated by the government to be more innovative and creative in an inclusive manner. The development of the creative and digital economy in the Kerthi Bali Economy program aims to create new jobs and diversify products and services to increase Bali's Gross Regional Domestic Product (GRDP) in the future. The natural, human and cultural potentials of Bali greatly support the development of the creative economy as referred to by Howkins (1987). The development of this sector is also intended to reduce the dependence of the Balinese economy on the tourism sector.

The expansion and increase in the use of digital platforms is also a priority program in various sectors of Bali's economic development. The long-term goal of Bali's digital transformation is to realize a Bali Smart Island, namely by utilizing the digital ecosystem to support the development of business models, creating innovation and increasing digital technology-based connectivity in tourism activities, business, public services and other strategic activities in an effort to encourage economic growth. more inclusive. Bali is expected to be able to

build a smart island concept through an integrated system with key components, namely: 1) Smart governance and smart resource management; 2) Smart economy; 3) Smart mobility; 4) Smart environment; 5) Smart living and safe islands; 6) smart people.

Kerthi Bali Economic Development in the tourism sector is emphasized to strengthen Balinese culture-based tourism, because culture has an important role in development, by emphasizing the close and interrelated relationship between economic and cultural development, to realize sustainable development (Cultural Development Index, 2018). The development of cultural tourism is also directed to be able to move other sectors such as the culture-based creative industry, because in tourism activities there are at least three activities, namely something to see, something to do, and something to buy (Yoeti, 1985). Something to see is related to attractions in tourist destinations, something to do is related to tourist activities in tourist areas, while something to buy is related to typical souvenirs purchased in tourist areas.

2. CONCLUSIONS

Kerthi Bali Economic Development is a comprehensive concept of economic development transformation in order to strengthen the structure and fundamentals of the Balinese economy based on local resources, quality, added value, tough, competitive, environmentally friendly and sustainable. The basic capital of Kerthi Bali's economy is the unique nature, people and culture of Bali which is well known throughout the world. This transformation concept was developed based on the values of local Balinese wisdom called Sad Kerthi. The Kerthi Bali Economic Concept also connects leading sectors and grows new economic centers, thereby providing benefits for increasing the welfare and happiness of the Balinese people.

This economic recovery strategy

will not only accelerate the recovery process of Bali's economy in the short term, but also lay the foundation for the medium-long term economic transformation process. The economic transformation must be carried out to change the structure of the economy from lower productivity to higher productivity (between sector/inter sector). Bali's economic transformation strategy is also directed to make Bali more diversified and not dependent on the tourism sector alone. The choice of the Kerthi Bali Economic development strategy will make the Balinese economy resilient to the crisis so that it grows high and sustainably.

Development concept Kerthi Bali's economy is fully based on knowledge that is Balinese ancestral heritage, such as *Lontar Batur Kelawasan* and several other Lontars, namely advice in the form of revelations contained in ancient Balinese manuscripts. The knowledges derived from the manuscripts are all in line with modern knowledge based on rationalism and empiricism. Kerthi Bali's Economic Concept is very much in line with the goals of SDG's, Green Economy and Orange Economy. Although sourced from ancient literature, the concept of the Balinese Kerthi Economy also adopts modern knowledge, especially those related to information technology (Digital Economy).

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