

Implementation of Green Economy In Batik SMEs, Why Not?

Ferra Febbiliana^{1*}, Mahirun², and Wenti Ayu Sunarjo³

¹ Faculty of Economics and Business, University of Pekalongan, Pekalongan, 51111, Indonesia

² Faculty of Economics and Business, University of Pekalongan, Pekalongan, 51111, Indonesia

³ Faculty of Economics and Business, University of Pekalongan, Pekalongan, 51111, Indonesia

*Corresponding Author – Email Address : Ferrafebbilia28@gmail.com

ABSTRACT

Along with the development of the era, the competition of SMEs is getting tighter, thus requiring each producer to be able to increase the demand for their products. Batik is a cultural heritage that was born as an art work that continues to develop along with the development of the era and needs to be preserved. The batik industry in Pekalongan still predominantly uses synthetic dyes. This causes the increasing activity of the batik industry in Pekalongan to make the environmental quality continue to deteriorate and requires special attention. This study is intended to analyze the application of green economy in the batik industry. This study uses the *Systematic Literature Review research type*. The data collection technique uses library studies. The data used in this study were collected through *library research*. The results of the study show that the green economy is worth applying to the batik industry.

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1. Introduction

The role of Small and Medium Enterprises in developing the national economy is shown by the enactment of Law of the Republic of Indonesia Number 20 of 2008 concerning small businesses and then followed by Government Regulation of the Republic of Indonesia Number 32 of 1998 concerning the development and development of small businesses. The essence of the regulation is the recognition and efforts to empower small businesses. This is as stated in the government regulation: "that small businesses are an integral part of the national economy that have an important and strategic position, potential, and role in realizing strong national economic development, small businesses need to be empowered so that they can become strong and independent businesses and can develop and become medium-sized businesses. One of the original Indonesian crafts that needs to be developed is batik.

The implementation of free trade requires Indonesian batik producers to compete with batik products from other countries at much cheaper prices, because they use high technology in producing batik and exemption from import duties. In terms of technology, the domestic batik industry has generally not made improvements to the production system and techniques to be more productive and efficient and the quality can be the same for each piece of batik cloth. Pekalongan is known as a batik center that has potential in the batik industry and has grown rapidly.

Several rivers in Pekalongan City are declared polluted due to textile dye waste pollution. The textile factories in Pekalongan City dump their waste directly into the river. This makes the rivers in Pekalongan City very concerning, seen from their black color and pungent odor (S. Maryanti, 2017). If this is not handled immediately, it is feared that it will endanger future generations because it will become increasingly polluted. The government must implement stricter regulations to protect the environment from further damage. According to research conducted by Kusuma Wijaya et al, 2022, there are still many problems that threaten environmental sustainability, especially in Batik SMEs in Pekalongan, this requires the community and business owners to increase environmental knowledge, perceptions and behavior in their concern to protect the surrounding environment by implementing a green economy.

Starting from the issue of global warming *which* led to the creation of the term or jargon go green, various concerns were responded to by various groups in order to realize an environmentally aware society. On the other hand, the idea of a green economy emerged *to* support environmental development, which has an impact on the progress of the economic system towards an environmentally friendly economy. Developing a green economy such as investment in biotechnology, energy-efficient products, creative industries and environmentally friendly lifestyles will greatly help improve environmental conditions and at the same time increase welfare.

The concept of green economy aims to combine nature and the community environment. This system seeks to realize a sustainable economy by maintaining the balance of nature. On a green economy scale, production, distribution and consumption of goods will improve human welfare, even in the long term and will not determine negative environmental impacts. Several batik SMEs in Pekalongan that have implemented a green economy are Ozzy batik, Pringrejo batik SMEs and Zahir batik.

2. Literature Review

Green Economy

The concept of green economy was officially initiated in the 2nd decade of the United Nations (UN) conference on environment and development held in Rio de Janeiro in 1992 which officially adopted the concept of green development. sustainable (E. Loiseau, L. Saikku, R. Antikainen, et., 2016). Its goals include addressing issues related to unsustainable economic development and environmental degradation. Green economy is a development approach that aims to improve human well-being and social equity, while significantly reducing environmental risks.

The implementation of green economy can be implemented by creating a 3R program (reduce, reuse, and recycle), especially in terms of industrial waste management. This is also an effort to realize sustainable development (Antasari, 2020). Green economy related to green growth and sustainable development goals (SDGs) by looking at three factors, namely politics, social, and economy when formulating policies.

The application of Green Economy in batik production practices can provide many benefits for craftsmen, workers, the environment, and even local governments. The application of green economy can be done by reducing the use of chemical batik dyes and switching to using natural batik dyes to minimize environmental pollution. Reducing waste will certainly improve the quality of life of the surrounding community. This shows that Green Economy offers great opportunities for batik artisan SMEs in Pekalongan to increase competitiveness, maintain environmental sustainability, and

improve community welfare. With support from various parties, batik SMEs in Pekalongan can be an example for other creative industries in implementing sustainability principles.

Batik Industry

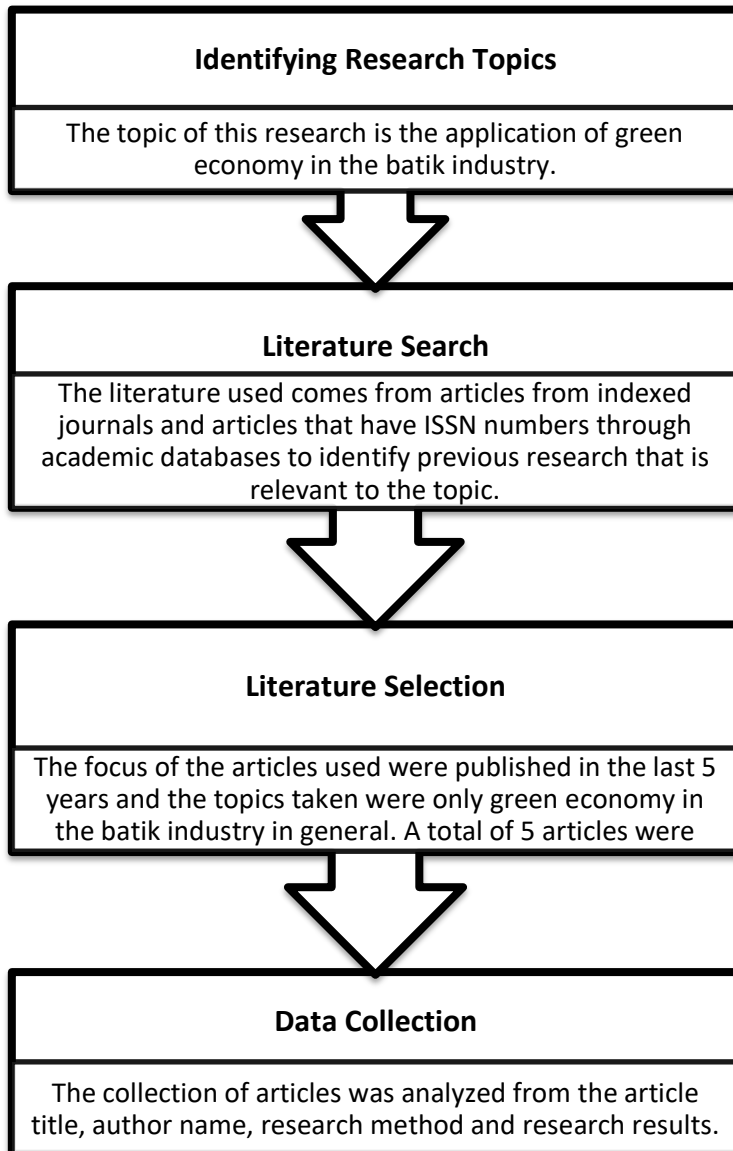
Batik is a cultural heritage from our ancestors since ancient times which was born as an art work that has a philosophy about the meaning of life. Batik is an Indonesian heritage that really needs to be preserved because batik is a typical Indonesian textile that has a motif that has high artistic value. On October 2, 2009, the United Nations Educational, Scientific and Cultural Organization (UNESCO) designated batik as a world cultural heritage originating from Indonesia.

One of the industrial sectors that can be packaged with the concept of green economy is the batik industry sector. The rapid development of the batik industry is expected not to add to environmental problems. One of the areas in Indonesia that is known for its batik is Pekalongan. As a batik producing area, Pekalongan's position is divided into city and district areas. Pekalongan has many potentials for Small and Medium Enterprises that can be developed optimally. The distinctive patterns and colors of batik products have made Pekalongan batik crafts increasingly well-known.

The batik industry in Pekalongan still predominantly uses synthetic dyes. This causes the increasing activity of the batik industry in Pekalongan to make the environmental quality continue to deteriorate and requires special attention. To minimize the environmental impact that occurs, a new concept is needed in the batik industry, namely the green economy or if associated with the batik business world, it becomes green batik. The existence of the batik industry in Pekalongan cannot be denied as one of the livelihoods of the community.

3. Method, Data, and Analysis

This study uses a descriptive qualitative method and *library research*. Where to review several previous studies that are relevant to this study. While the selection of samples for research with the following criteria: journals have ISSN permits by the Directorate General of Higher Education with the keywords management, business and economics, accredited journals come from *Google Scholar*, *Semantic Scholar*, and *Publish or Perish*. In each journal, researchers open one by one the accredited journal portals with the keywords green economy, industry and batik, and finally if the researcher does not find *keywords* related to the topic, the article will be removed so that 77 related articles are obtained which are then reviewed with the requirement that the article is a maximum of 5 years previously and, using qualitative and quantitative research types, the final result is 5 articles reviewed in this study. This study uses Mendeley as a tool for making references in the bibliography.



4. Results and Discussion

In this study, the journal used as a reference discusses the application of green economy in the batik industry, the table of previous research results is as follows:

No	Research title	Research methods	Research result
1	Research entitled Development of Green Economy in the Batik Industry from the Perspective of Maqashid Syariah by (Khairul Anwar et al, 2023)	This research uses a qualitative approach with data triangulation techniques, through observation, interviews, and documentation.	The results obtained in this study are that the two batik industries (Batik Pesisir and Batik Dudung Pekalongan) have only implemented part of the green economy concept, especially in the production of natural colored batik and minimal waste management.

No	Research title	Research methods	Research result
2	Research entitled The Influence of Environmental Knowledge, Perception and Behavior of Batik MSMEs in Pekalongan in Implementing <i>Green Economy</i> by (Kusuma Wijaya et al, 2022)	This study uses quantitative methods and to process data using SPSS 20 from respondent data of around 97 batik UMKM actors in Pekalongan.	The results of the study show that there is an influence of environmental knowledge, perception and behavior of batik MSMEs in Pekalongan in implementing <i>the Green Economy</i> .
3	Research entitled Implementation of Green Economy in Small and Medium Industries: Case Study of Batik Craftsmen in Pekalongan City (Arina Roudhotul Jannah, 2024)	This study uses a qualitative approach with a case study that identifies challenges and opportunities in implementing a green economy for batik craftsmen.	This study states that this implementation has an impact on increasing product competitiveness, reducing pollution and increasing environmental awareness among craftsmen.
4	Research entitled Religiosity as an intervening variable in increasing consumer <i>green purchase intention</i> (GPI) towards natural dye batik in Indonesia (Susminingsih et al, 2024)	This study used a quantitative method with a sample of 185 participants and data processing was carried out using IBM SPSS 21.	The results of this study indicate that religiosity plays a mediating role in the relationship between increasing the intention to purchase green products (<i>green purchase product</i>) on Indonesian natural dye batik products.
5	Research entitled Factors Underlying the Implementation of Green Innovation in Batik Businesses in Indonesia (Gabriella Hanny Kusuma, 2023)	This study uses a qualitative approach by conducting in-depth interviews with 11 MSMEs in the batik sector in Indonesia that have implemented green innovation.	The research results found that several MSMEs in the batik sector in Indonesia have decided to implement green innovation.

(Source: Processed data)

From the five articles that have been reviewed, it can be interpreted that the application of green economy in batik SMEs has begun to spread. The requirements that must be met by a company in order to achieve success in competition are trying to achieve the goal of getting consumers and retaining consumers. In order for this goal to be achieved, each company must strive to produce and deliver goods and services desired by consumers at a reasonable price. Thus, each company must be able to understand that the survival of the company as an organization that seeks to meet the needs and desires of consumers is highly dependent on consumer behavior. Through the

application of green economy, it can create an environmentally friendly work atmosphere and work results.

5. Conclusion and Suggestion

This study highlights the application of green economy in the batik industry. The results of the study and analysis of the discussion prove that developing a green economy such as investment in biotechnology, energy-efficient products, creative industries and environmentally friendly lifestyles will greatly help improve environmental conditions and at the same time increase welfare. The concept of green economy aims to combine nature and the community environment. This system seeks to realize a sustainable economy by maintaining the balance of nature.

6. Acknowledgement

The author experiences limitations in themes and titles that are already common. Future research is suggested to add various other variables and use more detailed analysis techniques such as adding hypothesis and measurement models.

7. Reference

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