

## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Participatory Policymaking**

Participatory approaches in policymaking have gained increasing attention as governments seek more inclusive and responsive ways to address complex societal challenges. Traditional policymaking processes have often been dominated by government institutions and experts, with limited involvement from the public. However, growing societal challenges, such as ageing populations, urban regeneration, and social inequality, have highlighted the importance of incorporating citizens' knowledge and experiences into policy discussions. As a result, policymakers increasingly recognize the value of engaging citizens and other stakeholders in policy processes to improve the relevance, legitimacy, and effectiveness of public policies (Voorberg et al., 2014).

##### **2.1.1 Concept of Public Policy and Policymaking**

Public policy is commonly defined as the actions taken by governments and the reasons behind those actions in addressing public issues (Sullivan, 2009). This definition highlights that public policy extends beyond formal regulations and includes the broader processes through which policies are developed, implemented, and evaluated.

One common framework for understanding policymaking is the policy cycle model, first introduced by Lasswell (1956) and later revised by scholars such as Althaus et al. (2013). Based on Althaus et al. (2013), the policy cycle conceptualizes policymaking as a series of interconnected stages aimed at addressing public problems through a structured decision-making process. These stages typically begin with problem identification and agenda setting, where an issue gains the attention of both government and society and is recognized as requiring policy action. This is followed by policy analysis, where the issue is examined to inform policy decisions, and policy instrument development, where appropriate policy tools are designed

to achieve the intended objectives. The process also involves consultation with stakeholders and the public to assess policy acceptability, as well as coordination across government institutions to ensure policy alignment and secure necessary resources. After these stages, a policy decision is made by relevant government authorities, followed by policy implementation through public agencies or other institutions. Finally, policy evaluation is conducted to assess the effectiveness and impact of the policy after it has been implemented. Across all these stages, public consultation with citizens and other stakeholders remains an essential component of the process.

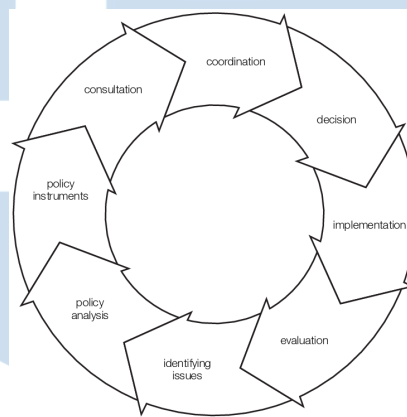


Figure 2. 1 Policy Cycle  
Source: Althaus et al. (2013)

However, in practice, policymaking processes do not always follow this structured cycle. In Indonesia, policymaking does not occur through a clearly defined or linear policy cycle. According to Blomkamp et al. (2017), policymaking in Indonesia tends to follow a more dynamic and irregular process. While general stages such as agenda setting, policy formulation, decision-making, implementation, and monitoring can be identified, these stages often overlap and do not occur sequentially.

Instead, policymaking in Indonesia involves complex interactions among multiple actors, including government institutions, the legislature, non-governmental organizations, and research institutions. Negotiations between the executive and legislative branches play a central role in shaping policy outcomes, while non-government actors often

influence agenda setting and policy discussions through informal channels. As a result, policymaking in Indonesia is often better understood as a non-linear policy process rather than a clearly defined policy cycle (Datta et al., 2017).

### **2.1.2 The Emergence of Participatory Policymaking**

In democratic governance, public participation is widely recognized as an important component of policymaking. Ideally, policymaking processes involve various elements of society, from the stages of planning and formulation to implementation and evaluation. Such participation is not only essential for democratic practices but also contributes to the development of policies that are more effective, responsive, and aligned with the needs of society (Amirullah & Batti, 2023).

In Indonesia, participatory policymaking mechanisms have been formally institutionalized within development planning processes. Public participation plays an important role in encouraging community involvement and fostering a sense of ownership and responsibility toward development initiatives. Since local communities are directly affected by development policies, their participation can help ensure that policies address local needs and challenges more effectively. One of the main participatory mechanisms in Indonesia is *Musyawarah Perencanaan Pembangunan (Musrenbang)*, a public consultation forum held regularly at various administrative levels. At the village level, *Musrenbang Desa* brings together local stakeholders to discuss, formulate, and agree upon development plans, including the Village Government Work Plan (*RKP Desa*) and the Village Medium-Term Development Plan (*RPJM Desa*). Through this forum, community members, local leaders, and government representatives are able to contribute their perspectives and priorities in the development planning process (Poespito Hadi & Fe, 2023).

### **2.1.3 Benefits of Public Participation in Policymaking**

Public participation is widely considered an important element of effective policymaking. Involving citizens and stakeholders in policy processes allows governments to incorporate diverse perspectives, local knowledge, and practical experiences that may not be fully captured through traditional bureaucratic decision-making. By engaging stakeholders who are directly affected by public policies, policymakers can gain a deeper understanding of societal needs and challenges, which can improve the relevance and effectiveness of policy outcomes (Irvin & Stansbury, 2004).

One of the main benefits of public participation is the improvement of policy quality. Stakeholders often possess contextual knowledge and lived experiences that can provide valuable insights into the problems policies aim to address. Their contributions can help policymakers identify more appropriate solutions and anticipate potential challenges during policy implementation. In addition, participatory processes can enhance the legitimacy and acceptance of policies. When citizens feel that their voices are heard and considered in decision-making processes, they are more likely to support and comply with policy outcomes (Fung, 2006).

Public participation also contributes to strengthening democratic governance. By providing opportunities for citizens to engage in public decision-making, participatory processes promote transparency, accountability, and trust between governments and society. Participation enables policymakers to better understand public priorities while allowing citizens to play a more active role in shaping policies that affect their communities (Ansell & Gash, 2007).

### **2.1.4 Challenges of Public Participation in Policy**

Despite these benefits, implementing meaningful public participation in policymaking also presents several challenges. Participation mechanisms may sometimes become symbolic or procedural, where stakeholders are formally consulted but have limited influence over final

policy decisions. Arnstein's (1969) Ladder of Citizen Participation illustrates that not all forms of participation provide equal levels of influence. The model distinguishes between different levels of participation, ranging from non-participation and tokenism to genuine citizen power. In many cases, participation occurs at the level of informing or consultation, which Arnstein categorizes as forms of tokenism, where citizens may express their opinions but have little actual control over decision-making processes. In contrast, higher levels of participation, such as partnership, delegated power, and citizen control, represent situations where citizens have greater authority and influence over policy outcomes. Power imbalances between policymakers and citizens can therefore shape whose voices are heard during policymaking processes, potentially marginalizing certain groups (Blomkamp et al., 2017).

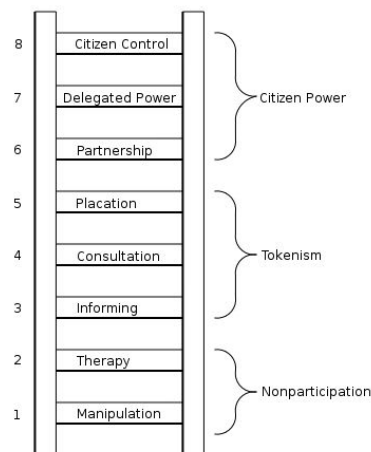


Figure 2. 2 Ladder of Citizen Participation  
Source: Arnstein (1969)

In addition, participatory processes require time, resources, and effective facilitation to ensure that diverse perspectives can be meaningfully integrated into policy discussions. However, many citizens still have limited understanding of how policymaking processes operate or how they can participate in them. In some cases, people are not even aware that they have

the right to engage in public decision-making due to limited access to information (Amirullah & Batti, 2023).

### **2.1.5 Towards Evidence-Informed Policymaking**

As discussed in the previous sections, participatory policymaking emphasises the importance of involving citizens and diverse stakeholders in the policy process. However, participation alone is not enough. For policymaking to be effective, the insights produced through participatory processes need to be reliable, comprehensive and reflective of the values and needs of those impacted. According to Keizer et al. (2025) this encapsulate the concept of evidence-informed policymaking (EIPM) which is a process where policy decisions are shaped by the best available evidence, drawing from multiple sources and types of knowledge. EIPM is not just about answering questions that policymakers already have, but it can also introduce new ideas and help shape what issues should get on the policy agenda in the first place

Evidence is most valuable when it is available or can be produced at the early stage of policy design, so that it can serve as a basis for a problem definition later on the policy cycle (p.8). This positions informed policymaking not as the end product, but as a process that has always been enriched by diverse inputs from those impacted and related stakeholders, from the very beginning. This is particularly relevant in context such as Indonesia's creative sector, where data on the comic ecosystem is limited (Kementerian Ekonomi Kreatif, 2025) and practitioner knowledge constitutes an important source of policy-relevant insight.

Despite its importance, realising effective EIPM in practice presents several challenges. Dunn (2017, p.338) identifies three core deficiencies in conventional policy evaluation that undermine the quality of policymaking. First, information generated through policy processes often left useless because it does not reflect the goals of the policymakers. Second, policy goals are frequently vague, which results in conflicting objectives

that go unresolved. Third, creating policies cannot only be built by the perspectives of a few actors alone, it requires input from all those who are affected. Hence, these gaps highlight a fundamental weakness of top-down approaches, in which they often exclude the knowledge and priorities of the people that policies are designed to help.

To address these deficiencies, Dunn (2017, p.338-339) proposes decision-theoretic evaluation as an approach that actively involves multiple stakeholders in capturing both the explicit goals, but also the implicit needs and values that often go unspoken through conventional policy channels. This approach recognises that all parties who have stake in a policy are legitimate sources inputs for policymaking. For informed policymaking to be achieved, Dunn (2017, p.333) highlights five evaluative criteria that policy processes and their outputs should meet:

- i. Effectiveness refers to whether a valued outcome has been achieved, which is, whether the process has produced outputs that meaningfully address the problem at hand.
- ii. Adequacy assesses the extent to which the achievement of a valued outcome solves the problem, going beyond surface-level outputs to consider the depth and comprehensiveness of the response.
- iii. Equity concerns whether the costs and benefits of a policy are distributed fairly among different groups, ensuring that diverse populations are represented and that no group is excluded.
- iv. Responsiveness evaluates whether policy outcomes satisfy the needs, preferences, and values of the particular groups they are intended to serve, emphasising the importance of grounding policy in the lived experiences of those most affected.
- v. Appropriateness asks whether the desired objectives are worthy and valuable, serving as a broader reflection on whether the goals being pursued are the right ones in the first place.

Together, these criteria define what it means for a policymaking process to be truly informed. It must be effective in producing meaningful outputs, adequate in addressing problems comprehensively, equitable in representing diverse perspectives, responsive to the needs of those affected, and appropriate in pursuing goals that are genuinely valuable.

## 2.2 Participatory Design and Co-Design

Participatory Design is a broad approach that actively involves non-designers, such as end users and stakeholders, in the design process to ensure that design outcomes reflect the impacted people needs (Schuler & Namioka, 1993). Emerging from Scandinavian democratic workplace movements in the 1970s, it has evolved into a wider framework encompassing approaches such as inclusive design, user-centered design, and co-design (Sundblad, 2011). This section focuses specifically on co-design, a collaborative method in which designers and non-designers work together throughout the design process, emphasising joint creativity, shared problem-solving, and dialogic cooperation among diverse stakeholders (Sanders & Stappers, 2008).

### 2.2.1 Concept of Participatory Design

Participatory Design refers to an approach in which individuals who are not professionally trained as designers, such as end users and other stakeholders, are actively involved in the design process. The purpose of this approach is to ensure that design outcomes better reflect the actual needs and experiences of the people who will use or be affected by them (Schuler & Namioka, 1993).

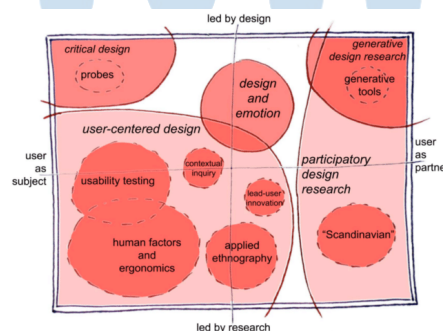


Figure 2. 3 Co-creation models

Source: Sanders & Stappers (2008)

As participatory design evolved, it expanded beyond a single method and developed into a broader framework for engaging stakeholders in the design process. This expanded perspective includes various approaches that emphasize stakeholder involvement at different stages of design development, such as inclusive design, user-centered design, human-centered design, co-design, customer co-creation, and crowdsourcing (Aitamurto et al., 2015). Among these approaches, this study specifically focuses on co-design as a collaborative method that emphasizes joint creativity and shared problem-solving among multiple stakeholders.

### **2.2.2 Origins of Participatory Design**

Participatory Design emerged in Scandinavia during the early 1970s as part of democratic workplace movements that sought to involve workers in decisions about technologies used in their workplaces. One of the earliest initiatives was led by Kristen Nygaard through a collaboration between researchers and the Norwegian Iron and Metal Workers Union in 1972, which aimed to involve workers directly in the development of computer systems affecting their work practices. These early projects shifted system development from a purely technical process led by experts to a collaborative process that actively engaged end users. Subsequent Scandinavian projects such as DEMOS and DUE further emphasized cooperation between researchers and workers to improve workplace technologies and organizational practices. Later initiatives such as the UTOPIA project expanded these ideas by involving graphic workers in all phases of designing computer-based tools for newspaper production. These projects collectively established what became known as the Scandinavian tradition of participatory design, which emphasizes democratic values, collaboration, and the active involvement of end users in the design and development of technological systems (Sundblad, 2011).

### 2.2.3 Definition of Co-Design

Co-design is commonly understood as a collaborative design process in which designers and individuals without formal design training work together to develop solutions throughout different stages of the design process (Sanders & Stappers, 2008). This approach emphasizes the collective creativity of all participants, where diverse stakeholders are encouraged to contribute ideas, experiences, and perspectives. Because co-design involves actors with different backgrounds and viewpoints, the process may sometimes generate disagreements or tensions.

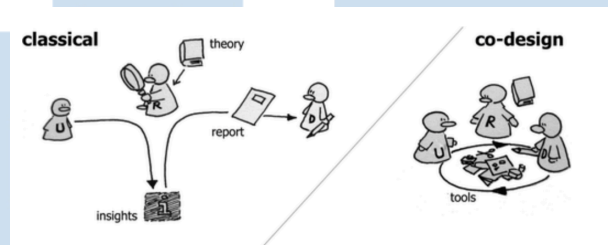


Figure 2. 4 Classical roles and co-design roles  
Source: Sanders & Stappers (2008)

However, these differences are considered part of the collaborative process. What ultimately characterizes co-design as a design practice is the willingness of participants to engage in dialogue, listen to one another, reconsider their perspectives, and gradually converge toward shared goals and outcomes. As Manzini (2015) highlights, successful co-design relies on the establishment of dialogic cooperation, where collaboration is built through open communication and mutual learning among participants.

### 2.2.4 Key Characteristics of Co-Design

A study by Guan and Qiu (2024) on the characteristics of co-design in the context of social innovation identifies several key characteristics of co-design practices.

- a) Human-centered approach: Co-design prioritizes understanding the needs, experiences, and conditions of participants, particularly marginalized or disadvantaged groups. The process

emphasizes empathy, trust-building, and inclusive communication. Various participatory methods such as storytelling, visualization tools, workshops, and collaborative events are often used to better understand participants' perspectives and lived experiences (Guan & Qiu, 2024).

- b) Empowerment: Co-design transforms participants from passive recipients into active contributors. Stakeholders are encouraged to express their ideas, develop their capabilities, and influence decision-making processes. This approach seeks to establish mutually beneficial relationships between designers and participants (Guan & Qiu, 2024).
- c) Collaborative and collective learning: Co-design fosters mutual learning among participants by encouraging knowledge sharing and dialogue between different stakeholders. Through collaborative activities, participants exchange experiences, insights, and perspectives that contribute to the development of shared understanding and collective problem-solving (Guan & Qiu, 2024).
- d) Openness and inclusivity: Co-design promotes broad participation by involving diverse stakeholders such as government actors, experts, community members, organizations, and the wider public. This openness enables different perspectives to be incorporated into the design process (Guan & Qiu, 2024).
- e) Networking and systemic collaboration: Co-design often operates through networked systems of collaboration that connect multiple actors and institutions. This networked structure allows participants to coordinate resources, share knowledge, and collectively address complex societal challenges (Guan & Qiu, 2024).

- f) Inspiration and knowledge exchange: Co-design platforms facilitate the dissemination of ideas, raise public awareness, and encourage broader engagement. Through both online and offline interactions, co-design processes enable participants to exchange knowledge and inspire wider participation from the public (Guan & Qiu, 2024).

By placing people at the centre, fostering empowerment, enabling collective learning, and operating through open and networked collaboration, co-design creates the conditions for diverse stakeholders to meaningfully contribute to shared solutions. These characteristics make co-design particularly well-suited for addressing complex, multi-dimensional challenges, where no single actor holds all the knowledge or authority needed to drive change.

### **2.2.5 Discussion Models in Co-Design Practice**

Co-design processes do not follow a single, fixed format for discussion. The following models are commonly applied in co-design practice and were used in varying combinations throughout the co-design workshop examined in this study.

1. World Café is a discussion model that enables participants to engage in smaller, intimate conversations within a larger group setting. This format is designed to create an informal, café-like environment that lowers social barriers and encourages more open and candid dialogue (Lohr et al., 2020). In co-design contexts, World Café is particularly effective for surfacing diverse perspectives across a large group without losing the intimacy of small-group conversation.
2. Multi-Stakeholder Dialogue is a process aimed at building shared understanding around a particular issue by bringing together participants from different backgrounds, sectors, and interests, where they will engage in discussion and debate, that

initiates joint action planning. This model is particularly suited to contexts where issues cannot be resolved by a single set of actors, and co-operation among diverse stakeholders is required (Miller & Coghlan, 2014).

3. Systems Mapping Workshop is a collaborative method that helps participants visualise the various elements of a system and draw connections between them, in order to gain a shared understanding of the current situation and identify potential points of intervention (Stickdorn et al., 2018).
4. Scenario Planning Dialogue is a process in which stakeholders collaborate to develop alternative, possible narratives of potential future events, conditions, and trajectories (Poskitt, 2018). The rationale behind participatory scenario planning is to integrate different types of knowledge and facilitate dialogue that can inform decision-making and action.
5. Consensus Model is a structured process where participants discuss, negotiate, and gradually align their views until a broadly accepted agreement is reached, ensuring that the final output reflects collective input (Cheng et al., 2025).
6. Debate is a formal discussion on a particular matter in which opposing arguments are placed by at least two sides, with one affirming a position and the other arguing against it. This process allows participants to think critically and engage with challenging viewpoints, which is useful to surface tensions, test ideas, and deepen collective understanding (Chen et al., 2022).

In practice, co-design workshops rely on multiple discussion models to serve different purposes, from broad idea generation to deep systemic analysis to consensus building. The combination of these models allows co-design to accommodate a diverse range of participants and produce outputs that are both comprehensive and collectively produced.

## 2.2.6 Co-Design Toolkits

For co-design, several pre-existing toolkits related to systemic design have been developed by leading organisations in the field. Two notable examples are the Systemic Design Toolkit by the Systemic Design Association and the Systemic Design approach developed by the UK Design Council.

### 1. Systemic Design Toolkit (Systemic Design Association)

Based on the book *Design Journeys through Complex Systems* by Jones and Van Ael (2022), the Systemic Design Association toolkit offers a seven-step methodology for tackling complex, large-scale challenges. The steps progress from framing the system, listening to the system, and understanding the system, through to defining the desired future, exploring the possibility space, planning the change process, and fostering the transition.

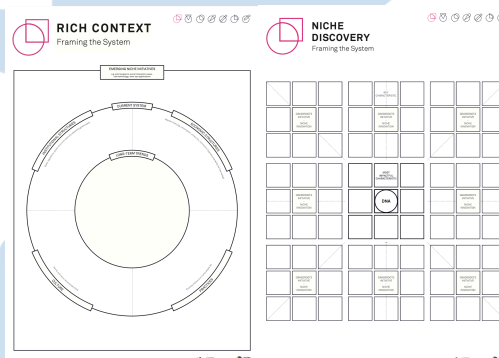


Figure 2. 5 Rich Context & Niche Discovery Worksheet  
Source: Jones & Van Ael (2022)

Among its tools is Rich Context, part of the Framing the System step, which uses a layered diagram to map emerging niche initiatives alongside insights on long-term trends, comparing them against current system structures across four dimensions: institutional structures, economic structures, culture, and practices. Another tool, Niche Discovery, also within the Framing the System step, provides structured space to

generate ideas from grassroots initiatives and niche innovations, identify their key characteristics, and synthesise the most impactful ones into a core DNA for the system being designed.

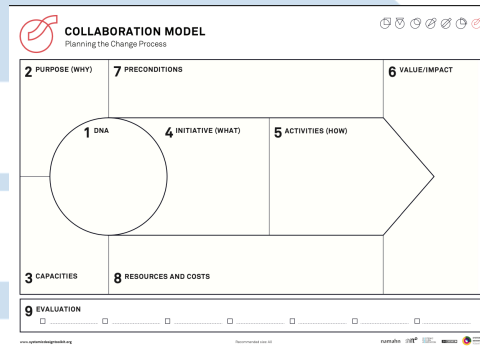


Figure 2. 6 Collaboration Worksheet  
Source: Jones & Van Ael (2022)

Aside from that, the Collaboration Model, part of the Planning the Change Process step, is structured similarly to a Business Model Canvas but with questions tailored to systemic design. Rather than focusing on commercial viability, it prompts participants to define the DNA, purpose, capacities, initiatives, activities, values, preconditions, resources, and evaluations of a proposed systemic change.

## 2. Systemic Design Toolkit (Design Council)

The second toolkit, developed by the Design Council, translates the systemic design framework into tangible tools and practices accessible to a wide range of practitioners. It adapts the Double Diamond design process into a systemic context, comprising 11 tools organised across six stages: orientation, explore, reframe, create, catalyse, and continue (Design Council, 2026).

- a) The Future Vision tool uses a series of circular diagrams to help participants imagine the world in 2050, articulating a shared future vision by exploring what it feels like, the behaviours it involves, the underlying

structures needed, and the relationships and interventions required to get there.

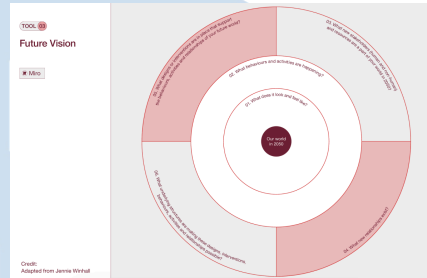


Figure 2.7 Future Vision Worksheet  
Source: Design Council (2026)

- b) The Stakeholder Ecosystem tool maps all existing and potential stakeholders within an ecosystem, spanning people, organisations, species and ecosystems, and natural resources, giving participants a holistic and expansive view of who is involved and who should be.

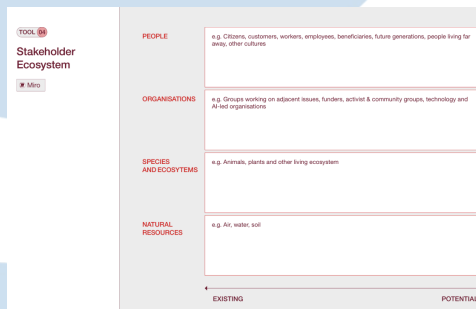


Figure 2.8 Stakeholder Ecosystem Worksheet  
Source: Design Council (2026)

- c) The Root Cause Analysis tool enables participants to analyse an issue systematically by examining not only visible events but also the underlying patterns, structures, and mental models that sustain the problem.

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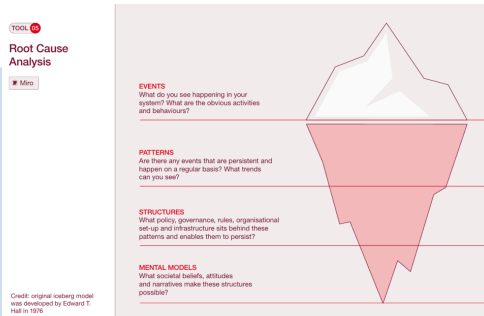


Figure 2.9 Root Cause Analysis Worksheet  
Source: Design Council (2026)

d) The Different Perspectives tool helps reframe a challenge by inviting participants to adopt different mindsets, unlocking new thinking and bold ideas that may not emerge from conventional problem-solving approaches.

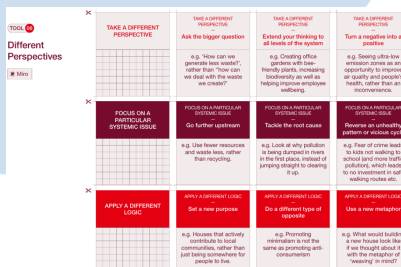


Figure 2.10 Different Perspectives Worksheet  
Source: Design Council (2026)

e) The Deep Reflection tool provides a structured set of questions to prompt participants to reflect on the broader impact of their project and the actions being proposed.



Figure 2.11 Deep Reflection Worksheet  
Source: Design Council (2026)

- f) The Portfolio of Ideas is a brainstorming tool that encourages participants to generate a wide range of ideas spanning both macro and micro levels of intervention.

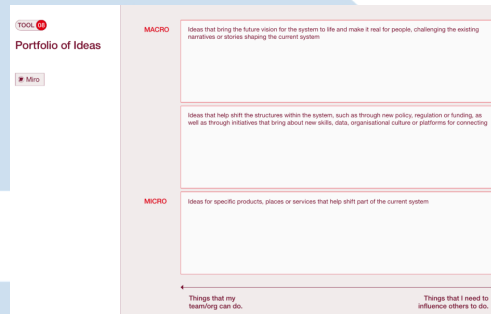


Figure 2.12 Portfolio of Ideas  
Source: Design Council (2026)

- g) The Radical New Narratives tool makes vision tangible through speculative design techniques, helping participants develop and test bold, transformative ideas about the future.

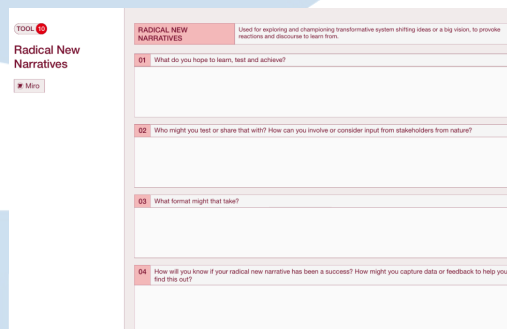


Figure 2.13 Radical New Narratives  
Source: Design Council (2026)

- h) The Unintended Consequences tool supports the analysis of both the positive and negative risks and downstream impacts that may arise from proposed interventions.

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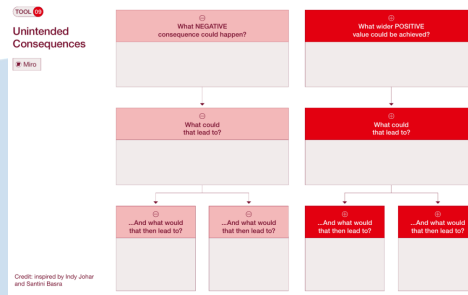


Figure 2.14 Unintended Consequences Worksheet  
Source: Design Council (2026)

- i) The Generative Business Canvas synthesises the outputs of previous discussions into a business model built around regenerative principles, structured similarly to a conventional Business Model Canvas but oriented toward systemic and social value rather than commercial return.

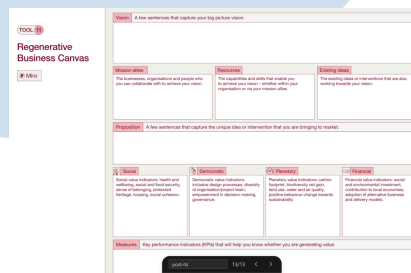


Figure 2.15 Regenerative Business Canvas  
Source: Design Council (2026)

Together, these two toolkits demonstrate that systemic design practice is supported by a growing body of structured, accessible resources that guide participants through the complexity of systemic challenges.

### 2.2.7 Examples of Co-Design in Indonesia

In Indonesia, most co-design practices are for community development, here are some examples:

Ruang Publik Terpadu Rumah Anak (RPTRA) in 2015 aimed to position citizens as partners in the policymaking and design process, unlike

many government initiatives that operate at a tokenistic level of public participation. The process began with observations and interviews to identify key community representatives and understand local activities, needs, and potential conflicts. This was followed by group-focused discussions where community members from different age groups provided feedback on the proposed architectural designs and suggested activities for the community center. After revisions were made based on these inputs, additional discussions were held to finalize the design and reach consensus among stakeholders. Community members were also involved in the construction phase and later participated in planning activities, schedules, and management responsibilities for the facility. However, while citizens were able to contribute ideas and participate in decision-making related to activities and management, final design decisions remained largely under the authority of the government and architects, indicating that participation ranged from partnership to higher levels of tokenism within the participatory framework (Permanasari, 2020).

Another example of co-design practice can be seen in the application of the Riung Participatory Design (RPD) model in several urban kampongs in Indonesia, including Pondok Pucung, Sukapura, and Kampong Pelangi. The model was implemented through collaborative workshops involving residents, researchers, designers, and local stakeholders to address community issues and explore local potentials. The co-design process began with identifying social relationships and community dynamics, followed by exploring local cultural expressions and place identity, and finally developing collaborative interventions for improving the environment. In Pondok Pucung, youth and community members co-created environmental initiatives and cultural activities, such as mural projects and community festivals, which strengthened local identity and participation. In Sukapura, residents worked with facilitators to develop a Community Action Plan that included improvements to housing, infrastructure, and environmental management along the riverbank. Meanwhile, in Kampong Pelangi,

collaborative art projects and cultural events were used to highlight local heritage and promote tourism (Irwandi et al., 2024).

Lastly, the Kampung Layak Anak place-making project in Surakarta (2017) applied participatory design by involving multiple stakeholders, including government agencies, NGOs, academics, and local communities, particularly children, in co-designing inclusive public spaces. The participatory process consisted of three stages: mapping public spaces through focus group discussions, collaborative design activities where children proposed ideas for improving public spaces, and the implementation of the design solutions. Using Hart's ladder of participation, the study found that children's participation ranged from adult-initiated shared decision-making to consultation during implementation. The findings also highlight the importance of using diverse participatory techniques, such as focus group discussions, participatory mapping, and transect walks, to enable children to express their spatial experiences and needs (NH & Purnamasari, 2018).

## **2.3 Co-Design in Public Policy**

### **2.3.1 Co-Design as an Approach in Policymaking**

In recent years, governments have increasingly recognized limitations in traditional policymaking approaches that rely heavily on quantitative data and expert-driven decision making. Such approaches often lead to policy failures due to siloed thinking and limited understanding of the lived experiences of those. In response, policymakers have begun exploring more user-centered and collaborative approaches that integrate both large-scale data ("big data") and contextual, experiential insights ("thick data") to better understand complex societal issues (STBY, 2021). Within this context, co-design has emerged as a promising approach in policymaking.

Co-design in policymaking can be understood as a participatory and design-oriented process that actively involves diverse stakeholders in

defining public problems and developing potential policy solutions. Rather than relying solely on expert knowledge, co-design encourages collaboration between policymakers, citizens, practitioners, and other relevant actors to generate ideas and explore alternative policy options (Mintrom et al., 2024). Through this collaborative process, co-design helps broaden participation in policy development, encourages creative exploration of how policies may shape future outcomes, and allows policymakers to test potential policy ideas before they are implemented.

The co-design process in policymaking involves several stages:

- i. Participant identification and selection: The process begins with identifying and selecting participants who have relevant knowledge, expertise, or lived experience related to the policy issue being addressed. Ideally, participants represent diverse stakeholder groups who can contribute meaningful perspectives to the discussion (Dietrich et al., 2017).
- ii. Collaborative exploration and dialogue: Participants then engage in collaborative activities that facilitate discussion, idea generation, and scenario exploration. These activities often involve creative tools, workshops, or prompts that encourage stakeholders to examine potential policy options and consider how different actions may address the problem (Akama et al., 2018).
- iii. Prototyping and testing policy ideas: The process often includes developing preliminary policy concepts or prototypes that can be explored, tested, and refined. This stage allows participants to assess the feasibility, desirability, and potential impact of proposed policy solutions before they are implemented (Sanders & Stappers, 2008).

Despite its potential benefits, co-design should not be considered a universal solution for all policymaking challenges. While it can facilitate

knowledge generation, stakeholder engagement, and relationship building, its effectiveness depends on clear objectives, appropriate facilitation, and a realistic understanding of how the outcomes will inform policy decisions. Co-design processes may also require significant time, resources, and emotional labor from participants. Therefore, policymakers must carefully consider whether co-design is the most suitable approach for a given policy context and how its outcomes can be integrated into formal decision-making processes (Ball & Rejón, 2024).

### **2.3.2 Role of Co-Design in Facilitating Stakeholder Dialogue**

Khayat-zadeh-Mahani et al. (2020) stated that co-design processes play an important role in facilitating dialogue among diverse stakeholders by creating spaces where different perspectives, experiences, and forms of knowledge can be shared and integrated. Through collaborative engagement activities, policymakers, practitioners, community members, and researchers, can collectively discuss problems and contribute to the development of policy-relevant knowledge. Such processes enable the integration of both explicit knowledge (such as research evidence and data) and tacit knowledge derived from stakeholders' lived experiences, allowing participants to co-frame problems and co-produce potential policy solutions.

Importantly, effective stakeholder dialogue in co-design requires careful identification of stakeholder groups, continuous interaction, and trust-building among participants. These interactions support mutual learning and encourage participants to listen to different viewpoints, negotiate interests, and gradually develop shared understandings of complex policy issues. As a result, co-design can help bridge gaps between different stakeholders and facilitate more inclusive and collaborative policymaking processes (Khayat-zadeh-Mahani et al., 2020).

### 2.3.3 Examples of Co-Design in Policymaking

In Western contexts, co-design has been increasingly applied in policymaking processes. Several examples illustrate how collaborative approaches are used to involve stakeholders in policy development.

1. New South Wales (NSW) Carers Strategy 2014-2019, Australia

The NSW Carers Strategy was developed as a whole-of-government initiative aimed at improving the well-being and social participation of carers who provide unpaid support to individuals with disabilities, chronic illnesses, or other care needs. The NSW government adopted a co-design approach that actively involved carers and other stakeholders throughout the policy design process, including workshops, surveys, and stakeholder dialogues, allowing participants to share experiences, identify key challenges faced by carers, and collaboratively develop policy solutions. This co-design process resulted in the formulation of sixteen strategic projects across several thematic areas, including employment, health and well-being, and community awareness (McFarlane & Turvey, 2017).

2. Environmental Land Management (ELM) Policy, England (2021)

This project adopted a co-design approach to involve farmers and other agri-environment stakeholders in the development of post-Brexit agricultural policy. The process aimed to encourage broader public engagement and collaboration in policy formulation. Through stakeholder dialogues, consultations, and collaborative design activities, multiple actors contributed their knowledge and experiences to shape the policy that sought to improve the relevance, legitimacy, and practicality of it. However, the case also highlighted challenges in applying co-design within government-led policymaking, including institutional constraints, time pressures, power hierarchies, and difficulties in maintaining consistent stakeholder engagement (Tsouvalis et al., 2024).

### 3. Co-designing Criteria for “Low-Impact Fishing,” United Kingdom (2020)

In this initiative, researchers, policymakers, and fisheries stakeholders participated in a co-design process that included literature reviews and participatory workshops across several fishing regions in England. These workshops enabled stakeholders to discuss the environmental impacts of fishing practices, explore potential criteria for defining low-impact fishing, and contribute to early policy design discussions. However, the process revealed several challenges, including power imbalances among stakeholders, distrust toward government institutions, and the contentious nature of regulatory decisions that could affect access to fishing resources. Consequently, the project was considered an initial step toward policy co-design rather than a fully realized process, highlighting the need for longer engagement periods, trust-building, and multiple participatory methods to support effective collaboration in policymaking (Urquhart et al., 2023).

These examples from abroad policymaking contexts demonstrate both the potential and the complexity of applying co-design in formal policy processes. When well-resourced and sustained co-design process was held, as referenced through NSW Carers Strategy, co-design can produce concrete, multi-dimensional policy outcomes that reflect the lived experiences of those most affected. However, as illustrated by the ELM Policy and Low-Impact Fishing cases, co-design in government-led contexts frequently encounters institutional constraints, power imbalances, and trust deficits that limit the depth and consistency of stakeholder engagement. Hence, these cases suggest that while co-design holds significant promise as a tool for more inclusive and legitimate policymaking, its effectiveness depends heavily on adequate time, deliberate facilitation, and a genuine commitment from all parties.

## 2.4 Indonesia Creative Economy

Indonesia's creative economy encompasses 17 subsectors across four broad creative domains including cultural creativity, design creativity, digital and technological creativity, and media creativity, which are formally recognised in the Ministry of Creative Economy's strategic framework (Kementerian Ekonomi Kreatif, 2025). In 2024, the sector contributed 6.92% to the national GDP and accounted for 18.30% of the total national workforce, reflecting its growing significance as an economic driver. This momentum has led the government to nominate the creative economy as a priority industry in the National Long-Term Development Plan (RPJPN) 2025-2045, as part of Indonesia's broader economic transformation toward *Indonesia Emas 2045*, with priority focus areas including IP development, film and animation, music, fashion and crafts, applications and games, and culinary (Kementerian Ekonomi Kreatif, 2025). However, within this landscape, the comic ecosystem, which falls under the publishing subsector, remains notably absent from these priority areas (Kementerian Ekonomi Kreatif, 2025). Despite its creative potential, the subsector has remained stagnant, contributing only 3% of total creative industry output between 2011 and 2015, while other subsectors grew (Ichsan & Verena, 2020). Growth projections further reinforce this trajectory stating that the publishing sector is projected to contribute only 1.2% to global creative economy growth through 2030, the smallest contribution of all subsectors (Nuryakin et al., 2023, p. 148), reflecting persistent structural challenges that continue to limit the effectiveness of policies designed to support it.

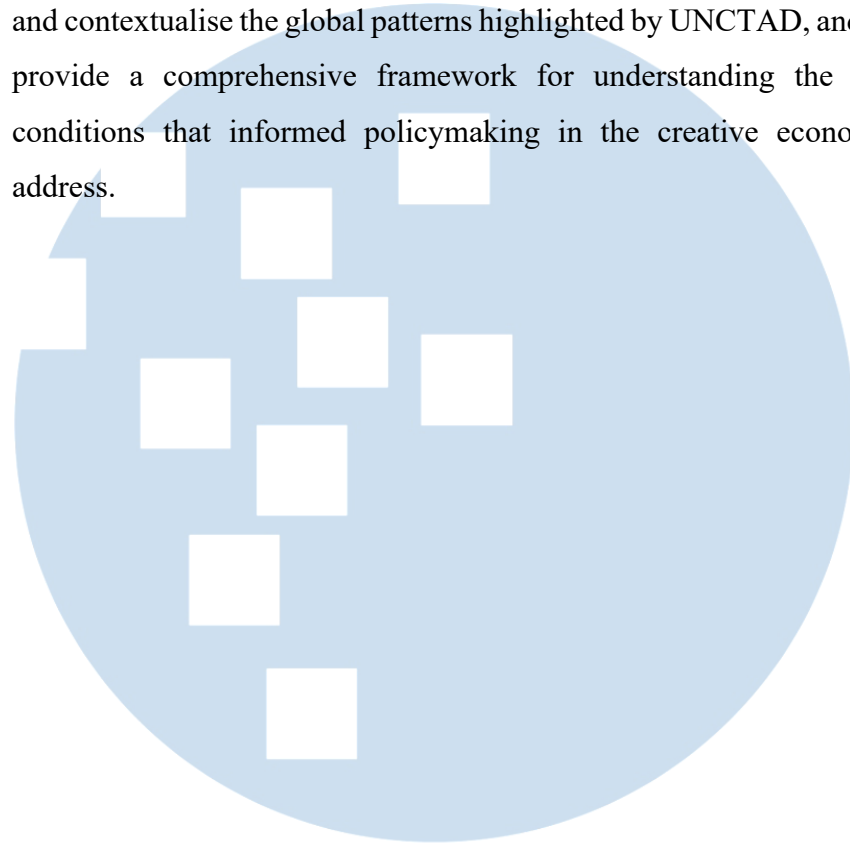
### 2.4.1 Key Challenges in the Creative Economy

At the global level, the United Nations Conference on Trade and Development identifies several recurring challenges that affect creative economies, particularly in developing nations (United Nations, 2024). These include data and measurement gaps, where the informal nature of many creative activities makes them difficult to capture in official statistics. Trade barriers and regional concentration further limit the reach of creative products and services, with international trade heavily skewed toward a

small number of dominant exporters. Social inclusion and labour conditions represent another critical challenge, as creative workers frequently face uncertain employment, job insecurity, and lack of social protections. Market concentration and competition pose additional barriers, with large digital platforms and gatekeepers controlling access to audiences and capturing the majority of economic returns at the expense of original creators. Digitalisation and artificial intelligence introduce further complexity, particularly around intellectual property protection and the displacement of traditional creative labour. Lastly, environmental sustainability, which addresses how major creative industries such as film, music, and fashion are significant sources of greenhouse gas emissions and resource and waste management challenges.

At the national level, these global challenges are echoed and contextualised in Indonesia's own policy documents. The Strategic Plan of the Ministry of Creative Economy 2025-2029 (Kementerian Ekonomi Kreatif, 2025) identifies six key structural challenges facing the Indonesian creative economy: regional disparity in development, where creative economy activities remain heavily concentrated in Java while regions outside lack adequate financing, infrastructure, and market access; fragmented data and information, where creative economy data is scattered across multiple institutions without a unified consolidation mechanism, hindering evidence-based policymaking; human resource and educational gaps, characterised by insufficient technical, creative, and managerial skills among workers and a mismatch between educational institutions and industry needs; a weak research and innovation ecosystem, marked by minimal collaboration between universities, research agencies, and creative businesses; intellectual property and financing hurdles, where IP remains underutilised as an economic asset and financial institutions lack mechanisms to value intangible creative assets as collateral; and institutional and marketing challenges, including ineffective centre-regional coordination, limited digital marketing capabilities among creators, and

inefficient supply chains. These nationally identified challenges reinforce and contextualise the global patterns highlighted by UNCTAD, and together provide a comprehensive framework for understanding the structural conditions that informed policymaking in the creative economy must address.



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