

GOVERNMENT'S STRATEGY FOR THE PROTECTION OF MUSICAL COPYRIGHTS IN DIGITAL TRANSFORMATION ERA IN INDONESIA

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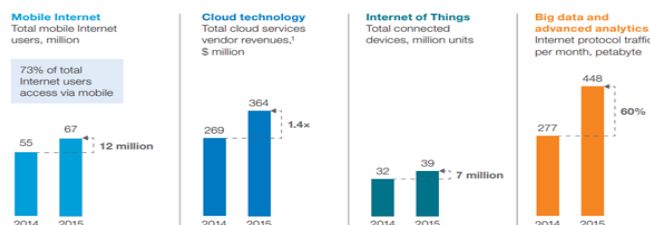
Abstract

The digital transformation era has become a trigger for system changes in government, organizations, the work industry, and also the music industry. Protection of music copyrights has become very popular with the ongoing rampant piracy amid digitalization. The government as a regulator plays a role as an active actor in protecting music copyrighted works. This study aims to analyze the role and strategy of the government in addressing the constraints in maintaining copyrighted music. This study uses the approach of the concept of Intellectual Property Rights and Economic Rights. The result achieved is that the government does not merely try to get rid of music pirates to protect music copyrights in the digital era. Rather, it is by integrating government policies into foreign music platforms to monitor and intervene in piracy. Governments can also create music platforms, and regulate so that pirates are obligated by the terms of those platforms to give credit to the original creators.

Keywords: copyright, digital transformation, government regulations.

INTRODUCTION

The era of digital transformation has embraced many inevitable changes. The use of digital technology is spreading across various sectors in order to improve the economy (Ciuriak & Ptashkina, 2019). The era of digital transformation does not only affect economic improvement, but creates major disruptions involving aspects of the social and political life of the global community (Chou, 2019). The stability of digitalization, on the other hand, has also become a supporting aspect in which the level of accessibility has become the foundation for enabling the next generation to innovate and compete in a global world (Rosyadha, Wicaksono, Nusrilia, & Pramita, 2022). The following is an overview of digitalization:



Sources: WCIS, Machina, IDC worldwide public cloud services and cloud IT infrastructure tracker, World Robotics report, 2020

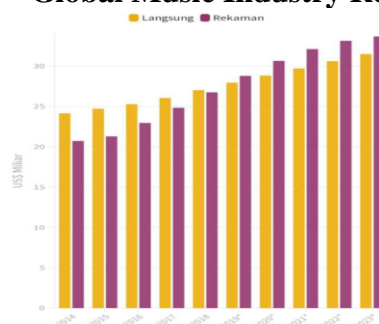
Despite the increasing digitalization in the economic, social and political sectors; digital transformation has been involved in Government services. Australia for example has announced a DTO (digital transformation office) which will integrate developers, designers, researchers and content creators (Martin & Goggin, 2016). In Germany, digital

transformation in public policy issues, such as the energy, gas and oil sectors, is very much discussed (Chase & Berzina, 2018).

Digitalization in Indonesia is no less competitive than foreign countries. Many sectors have adopted this transformation as a challenge and impetus for progress. Even so, the transition process to the digital era is inseparable from issues involving digitalization actors. Research by Riyanto and Winasis (2020) in the banking world describes that transformation to the digital world has had a negative effect on the psychological condition of employees. In the MSME sector, there is an inhibiting factor in the crucial digitalization process, namely human resources (Farhani & Chaniago, 2021). In the education sector, the digitalization process in learning is hit by the unpreparedness of the facilities, teaching staff, and respondents (Cheung, 2021).

In the music industry, the projections for global and regional digital music markets are stunning. The World Economic Forum (WEF) and PriceWaterhouseCoopers (PwC) in Pusparia's study (2020) illustrate that since 2019 digitalization of music has monopolized the music market in the form of: digital downloads, physical album sales, music licenses for films, advertisements and games. She said "even piracy contributes almost half of the total global music revenue".

Global Music Industry Revenue

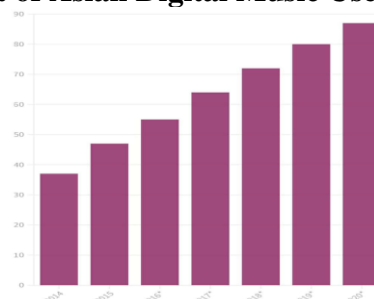


Sources: World Economic Forum, 2019

*Projection

In Asian countries there is an increase in digital music users which affects the level of accessibility on illegal music provider sites. This condition later became a contributing factor to the increasing number of music piracy.

Development of Asian Digital Music Users (Streaming).



Sources: McKinsey & Company, 2019

*Projection

Polemic issues also occur in the music industry. Digitalization that penetrates the field of music and songs makes it easier for musicians to introduce their songs. However, the Acting Director General of Intellectual Property (Plt. Director General of IP) Razilu

(2022) said that technological advances can also have a negative impact on music and song copyright in the digital era.

Piracy is very widespread with digital platforms and is increasing every year (Maharani et al., 2023). The percentage of the number of visits to illegal music sites is the main reference for the growth of piracy (Dwiharianto, 2017), and the government is required to act to protect the copyrights of musicians and songwriters. The protection of music copyrights in the era of digital transformation is a crucial matter that should be of concern to the Government based on the principle of Intellectual Property Rights. With this right, the owners of the copyrighted work can enjoy economic benefits and welfare from the work of wealth they own.

From this background, the researcher aims to understand the extent of the government's seriousness in strengthening the protection of the works of musicians, with efforts to eliminate piracy, which is increasingly prevalent in the digitalized world. The hypothesis being developed is that if the government is able to control the digital transformation era carefully through contextual policies, Indonesian songwriters and musicians will enjoy their works as their Intellectual Property Rights

RESEARCH METHODS

The design of this research is descriptive research with a qualitative case study approach. The presentation includes multiple case studies, making these cases the subject of research. The data source consists of primary data and secondary data. Data exposure will successively cover copyright conditions in the digital transformation era, music piracy in the digitalization era, views on intellectual property rights and economic law regarding music piracy. After presenting the views of the theory of natural law and copyright law, the researcher places the hypothesis as the outcome of the data analysis.

The data that will be presented aims to prove the hypothesis that music copyrights remain patents based on natural law/IPR Law), and utilitarianism/economic rights (Economic Rights Law). Thus, the government's efforts to control digitalization which provides space for piracy must be prevented with the results of the discussion in this study.

RESULTS AND DISCUSSION

Digital transformation is a phenomenon that cannot be denied in modern society (Santi & Hadiono, 2020). As quoted (Aveva, 2022), digital transformation plays an important role in the industrial world. The easy accessibility of data makes the world highly competitive and innovative, enabling employees to access visually to respond and make crucial decisions quickly. In his article, Ikhsan (2022), outlines digital transformation as a means of digital technology that makes life easier, namely meeting needs quickly, easily, and practically.

With the existence of the Copyright Law, it was first regulated in the 80s by Presidential Decree No. 17/1988 regarding copyright. Then copyright is regulated in law no. 19 of 2022, then updated in law no. 28 of 2014. Along with the growth of regulations to regulate copyright, the rampant issue of piracy is also increasing. It was noted by the Directorate General of Intellectual Property (2022) that there was an acceleration of copyright recording through the Automatic Copyright Registration Approval Service (POP HC), but it did not rule out the possibility that contents such as TikTok and YouTube were monetized based on the number of viewers and subscribers even though they did not have the copyright.

The exclusive rights of copyright holders in the context of IPR are slowly

weakening due to the increasing piracy in the digitalization era (Fink, Maskus, & Qian, 2016). In view of the copyright law, piracy has violated the legal rights of intellectual creativity over their copyrights.

Digital utilization is a necessity that is to be carried out by various sectors, including the Government and Music Industry sectors (Nylén & Holmström, 2015). The potential for the music economy sector in Indonesia increased in 2016 with a value of Rp. 825 Trillion has decreased with the transition to the digital era (Hu, Israeli, Ori, & Sun, 2018). This is caused by music piracy which is unstoppable by the existence of illegal sites which keep popping up. Faced with this issue, the Government of Indonesia created regulations by blocking thousands of illegal download sites. However, does piracy end with this policy?

Piracy from an IPR point of view negates the right of the creator to claim ownership of certain copyrighted works (Cheung, 2021). This condition means that, the creator loses the absolute right to his work. It has been argued that piracy tends to be manifested as invisible competition; In his explanation, Bode (2019) argues that piracy serves to regulate market competition. And the best solution for dealing with piracy is to offer a cheaper, better, and free digital rights management product. However, this solution does not mean eliminating economic rights over copyrights which are protected by Law Number 28 of 2014 Article 8 concerning economic rights.

In the research study above, open access, such as copyrights such as being published on YouTube or TikTok, does not completely negate the copyright function if the creator is the first to make a profit by demonetizing their work. The logic is that more and more are downloading their works for cover purposes (piracy), with automatic viewers and subscribers increasing, as well as the fee increasing (Park & Kwon, 2019). However, on the other hand, there needs to be a platform creation policy, which will direct consumers, in this case pirates, to digitally seek the creator's approval (Cunningham & Craig, 2019). In this rationale, IPR and economic rights over copyright will still be maintained.

In addition, to stop music and song piracy, a combination of increasing public awareness, law enforcement, regulations that are in accordance with the digital world (Fauziah, 2022) is necessary. In the context of utilitarianism, economic rights; increased public awareness accelerating the integration of policies that regulate foreign platforms. The government should have access to foreign music platforms, for the purpose of monitoring (Acs, Song, Szerb, Audretsch, & Komlosi, 2021). If market players, pirates do not give credit to music creators, then government intervention is needed, blocking and banning (Berkowitz, 2021). On the other hand, if the process of piracy still benefits the owner of the copyrighted work, this means that the principle of utilitarianism is not at all reduced.

The Government's efforts are how to deal with the digitalization era, while still maintaining IPR and the economic rights of music creators. In the process of innovation and the use of digitalization, what needs to be determined and protected are the creator's originality rights, and the creator's economic rights resulting from their work, which are regulated in law.

CONCLUSION

Based on the results of the discussion above, the theory of Intellectual Property Rights and Economic Rights is that:

Trying to eradicate piracy will not answer the government's efforts to control copyright in the digitalization era. Contextual control function is to monitor and intervene.

IPR, when examined from the point of view of piracy, does not merely abolish copyrights but instead disseminates them. Essentially providing added value to the work owner.

From the point of view of Economic Rights, the owner of the work will benefit greatly if there is integration of government policies that regulate foreign platforms.

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