

# THE ECONOMIC IMPACT OF TOURISM DEVELOPMENT IN PENGLIPURAN VILLAGE, BANGLI

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#### ABSTRACT

Penglipuran Traditional Village, is one of the Cultural Tourism Objects, located in Bangli Regency. Penglipuran Village has been a Tourism Village since 1993. Since then this village has been listed as one of the Tourism Villages in Bali by offering a beautiful scenery. Penglipuran Village as a tourist village, the local community directly and indirectly gets economic benefits, However, in its development, the Penglipuran Village community showed a proactive attitude to support the program launched by the government to make Penglipuran Village a Tourism Village. The government needs to revise the distribution of proceeds from the sale of entrance tickets given by the Penglipuran Traditional Village, because the distribution that is currently being received by the Villagers feels that there is injustice, so as not to cause problems in the future, this is urgent to consider and negotiate with the Penglipuran Traditional Villagers.

#### Keywords : Economic impact, tourism development, Penglipuran Village

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#### I. INTRODUCTION

Bali as a tourist destination is an excellent destination for bringing tourists to Indonesia. The island of Bali is well known and has been visited by many domestic and foreign tourists. This is because of the attractiveness of Bali which has culture, customs, arts of various types and varieties. Tourism development developed in Bali is in accordance with regional regulations no. 3 of 1991 with an emphasis on the development of cultural tourism, namely tourism which in its development is supported by Balinese cultural factors imbued with Hinduism.

The success of Bali tourism has become a legend in itself when discussing international tourism. However, there are many fundamental problems in Bali's tourism

development that threaten the sustainability of the development itself. These problems include environmental, economic and socio-cultural aspects. From the environmental aspect, many environmental experts argue that the use of natural resources in Bali is already threatening and has even exceeded Bali's carrying capacity (Martopo and Rahmi, 1995). Environmental problems that can be seen with the naked eye include physical development that follows the highway (ribbon development), erection of buildings that are not proper in water catchment areas or on slopes that exceed 40%.

From an economic standpoint, there are also many opinions that say that the benefits of tourism are disproportionately distributed. This inequality of benefits (inequity) can be seen in the distribution between layers of society (vertical inequity), as well as between regions (spatial inequity). There are also allegations that most of the economic benefits from tourism development

in Bali are flowing outward. In some cases, there is a process of marginalization of the local community (farmers), which eventually becomes a process of structural impoverishment.

Balinese culture which is supported by the hospitality of its people is a unique thing that is always sought by tourists, in addition to the natural beauty and diversity of tourist objects it has.

Penglipuran Traditional Village, is one of the Cultural Tourism Objects, located in Bangli Regency, with an area of approximately 112 ha, with boundaries: Kubu Traditional Village to the east, to the south of Gunaksa Traditional Village, and to the west of Tukad Sang-sang, while to the north of Kayang Traditional Village. Penglipuran Traditional Village is located at an altitude of 700 meters above sea level, located on the Kintamani tourist route, 5 KM from the center of Bangli City, and 45 KM from the center of Denpasar City.

Penglipuran Village has been a Tourism Village since 1993. Since then this village has been listed as one of the Tourism Villages in Bali by offering a beautiful rural charm. Penglipuran Village residents consist of 76 residents/yards, whose number has been maintained until now. With the Ulu Apad system, Penglipuran Village is different from other villages in Bali.

As a Tourism Village with great potential and at the same time as a diversification of existing products, Penglipuran Village deserves attention regarding its sustainability. It is a fact that any development program, its sustainability is largely determined by the supporting community. This means that the active participation of the community is absolutely necessary.

In developing an area to become a tourist destination, of course it cannot be separated from the impacts, both positive and negative impacts. The problem is how can we minimize the negative impacts that may arise, and optimize the positive impacts that benefit all parties. This is inseparable from our ability to make comprehensive, comprehensive and integrated planning that involves all relevant stakeholders, namely the government, private sector and the community.

On a micro scale, this paper will try to examine how the reality of tourism activities in Penglipuran Village examines the impact it has caused from an economic perspective.

# II. RESULT AND DISCUSSIONS

#### a. Sustainable Community Tourism Management

According to Korten in Suryasih there are three reasons why community based management is very important to be implemented as a basic plan in development. First, there are local resources which have traditionally been controlled and managed by local communities. Local people are seen as capable of managing their environment because they have inherited this wisdom from generation to generation. Second, there is local accountability, meaning that management carried out by local people is usually more responsible, because the activities they carry out will directly affect their lives. Outsiders are seen as having no moral affinity with the local community, so they do not feel they have a high responsibility. Third, there are variations between regions (local variety), so that one region and another cannot be treated the same and requires a different management system.



Figure 1. Penglipuran traditional village

Community Management according to (Woodly, 1993 and Pitana, 1999) with the term community-based approach (populist-based approach). This is based on the fact that local people already have local wisdom in managing natural resources in their area and this has been inherited from generation to generation. Local wisdom, known as traditional knowledge, local knowledge and ethnoscience, must be considered in the framework of tourism development that is culturally and environmentally sound. The basic point of management activities in the concept of "community management" starts from the community itself, namely: identification of needs, analyzes of capabilities and control over existing resources.

### b. The Impact of Tourism Development from an Economic Side

Tourism, when properly developed, can provide benefits to both tourists and local communities. Tourism can raise the standard of living of those who host it through the economic benefits it brings to the region. In addition, by developing infrastructure and providing recreational facilities, tourists and local residents benefit from each other. Ideally, tourism should be developed in accordance with the tourist destinations. At the same time, there are costs needed for tourism development. If handled properly, tourism development can maximize profits and minimize problems.

Christie Mill further stated that tourism development can increase the receipt of foreign currency (foreign exchange), increase income and employment opportunities, can improve the structure of the economy and encourage the development of small businesses (Chritie Mill, 2000). According to Cohen, in Pitana 2005, the impact of tourism on the conditions of local communities can be categorized into eight major groups, namely:

- i. Impact on foreign exchange earnings
- ii. Impact on people's income
- iii. Impact on employment opportunities
- iv. Impact on prices
- v. Impact on the distribution of benefits
- vi. Impact on ownership and control
- vii. Impact on development in general, and
- viii. Impact on government revenue

Almost all literature and field study studies show that tourism development in an area is able to provide impacts that are considered positive, namely the expected impact, increasing people's income, increasing foreign exchange earnings, increasing employment and business opportunities, increasing government revenue from taxes and profits of government-owned enterprises, and so on. Tourism is expected to be able to produce a high multiplier effect, exceeding the multiplier rate in various other economic activities. Besides the positive impacts mentioned above, Christie Mill (2000), also formulated several negative impacts and economic problems related to tourism development as follows:

- 1. There is inflation and rising land prices. The development of tourism can increase the price of land and the prices of other goods and services. Even if the locals don't sell, their costs increase because the taxes on their property also go up.
- 2. Tourism depends on the season. Most tourist destination areas depending on the season, many facilities are closed during the non-tourist season.
- 3. Often financial incentives from the public sector are needed to build facilities for tourists.
- 4. There is an increase in costs that must be incurred by the local community such as the cost of purchasing and operating a waste collection area, the cost of adding police officers, as well as firefighters, etc. in line with progress in the tourism sector.
- 5. There may be opportunity costs from tourism development. Namely setting aside investment in other fields, which may be far more productive because the government/private sector invests in scarce fields to encourage tourism development.
- 6. Excessive dependence on tourism. (Christie Mill, 2000).

Penglipuran Traditional Village is a splinter from Buyung Gede Village, Kintamani. It is said that during the reign of Raja Istri in Bangli, the people from Buyung Gede Village were needed to help raise bade, because the people from Buyung Gede Village were very strong (Bayung Gede = power strong or big). Because the location of Bayung Gede Village and Bangli City was very far, approximately 25 KM, several residents of Bayung Gede Village were moved to the vicinity of Kubu Village, namely in the present Penglipuran Village. Previously Penglipuran Village was called Kubu Bayung Village, meaning the Bayung people were located in Kubu Village.

# c. Economic Impact of Development in Penglipuran Village

By the designation of Penglipuran Village as a tourist village, the local community directly and indirectly gets economic benefits, the direct benefits of obtaining additional income from the sale of souvenirs to tourists who visit residents' homes. While indirect benefits are obtained through receipt of entry tickets paid by tourists who enter the Customary Village treasury, which can later be used to finance the needs of the Traditional Village so that it can relieve the decree on the amount of contributions that must be issued by villagers.

According to the Regent of Bangli, the distribution of the proceeds from the sale of reimbursement was set at 40% for the Penglipuran Traditional Village, while 60% went to the regional treasury. Of the 40% received by the Traditional Village, only 20% actually goes into the customary treasury, while 5% goes to the collectors and 15% goes to the Seka Taruna.



Figure 2. Local Activities

Regarding the distribution of proceeds from ticket sales between the Regional Government and Traditional Villages with a composition of 60% and 40%, based on research conducted by N.Adi Putra (2004), it shows that most residents of Penglipuran Village (39 people/52.7%) stated that the community felt disadvantaged by this distribution, 15 people (20.3%) said they did not know, while the remaining 14 people (19.9%) said they benefited and only 6 people (8.1%) said it was fair. In the future, to ensure the sustainability of Penglipuran Village Development, it seems that the Regent's Decree that regulates the distribution of this fee needs to be reconsidered.

Since Penglipuran Village was designated as a Tourism Village and began receiving visits from tourists, the local community has experienced economic benefits, both direct and indirect. Direct benefits are in the form of income received from selling souvenirs to tourists who visit residents' homes to see unique traditional houses. Each resident is given the same opportunity to sell souvenirs, because there is a rotating system for each house in receiving guest visits. The indirect benefit is the reduction in the amount of customary dues that must be paid for each head of the community considering that the Traditional Village has received 20% net of all entrance ticket sales

# III. CONCLUSION

Penglipuran traditional village, which is one of the ancient villages in Bali with its various cultural uniqueness (cultural system, social system, and physical system) supported by its beautiful natural environment, has made this village designated as a Tourism Village in Bali with the issuance of the Regent's Decree NO. 115 April 29, 1993. However, in its development,

the Penglipuran Village community showed a proactive attitude to support the program launched by the government to make Penglipuran Village a Tourism Village.

The government needs to revise the distribution of proceeds from the sale of entrance tickets given by the Penglipuran Traditional Village, because the distribution that is currently being received by the Villagers feels that there is injustice, so as not to cause problems in the future, this is urgent to consider and negotiate with the Penglipuran Traditional Villagers.

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