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Tourism a Strategy for Sustainable
Development and Economic Growth in
Belitung Island - Indonesia

INTERENSHIP REPORT



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Internship Report

Tourism a Strategy for Sustainable Development and Economic Growth in Belitung Island, Indonesia

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1.0 Introduction

When I visited Belitung in November 2019, I saw the most beautiful beaches, tiny islands grouped near each other and eye pleasing blue- green sea. I was most fascinated by the beautiful beaches and small groups islands that could be visited hoping. Island hoping was something I had never done before. For someone from Nepal, a landlocked country like mine seeing either blue green sea, white sand or small island is a very rare view unless we travel to locations as such. It was very exotic sight for me, also one of the best I had ever seen. What I was amazed was that the island was not crowded by tourists then I became aware that tourism is relatively new in Belitung. I was in Indonesia as a part of my internship and I am very glad to have been in Belitung as a part of study visit. While I was looking forward to a subject to concentrate my internship report, I became interested to research more on tourism and its potential in Belitung island. This topic of study is also very important as I discovered Belitung Is currently going through transition. Previously a very prominent tin mining-based island is now shifting towards other alternative sectors such as Tourism and Agriculture. Our field visit in Belitung was focused on observing present scenario of tin mining site, studying the other areas of natural resources management and livelihood. I not only enjoyed my visit to Belitung; I also found my topic of study. I realized I was primarily attracted by the natural beauty of Belitung, but Belitung has much more to offer. I decided to write my internship thesis on Tourism Industry in Belitung and continue this topic to write my master's thesis. Moving forward in this report, I discuss tourism as a strategy to create sustainable Development in Belitung Island. It is sometimes very difficult and confusing to pinpoint what sustainable really means. Sustainability is understood in different ways therefore I have tried to refer some literature and put forward my own understanding. Environmental conservation, Economic growth and development longevity is mostly highlighted in the report. In the following section I will be first briefly introducing Indonesia and moving forward on discussing Belitung as my area of study and Tourism Industry.

Indonesia is a vastly spread archipelago with more than 17000 big and small islands. In fact, it is world's largest island country with area 1,904,569 square kilometers. It is also 4th most populous country in the world. According to the World Bank the population is about 264 million in 2017. Indonesia has diversity of people, culture, languages, also lots of natural resources. The large number of islands itself make this country extremely unique. Like me many people wish to

travel and visit Indonesia. Undoubtedly Indonesia is a major tourist destination. Lonely planet describes it as that it's like 100 countries melded into one with people radically different from each other as if they came from different continents, with every island a unique blend of the people, culture and food (C. Hidayat, 2018). According to Wikipedia Indonesia was ranked 20th in the world tourist industry in 2017 and 9th fastest growing tourism sector in the world. It is very significant destination in Asia region as 3rd fastest growing tourism destination and the first in south east Asia. Indonesia is ranked at seventh place in the list of Lonely planet's top 10 countries to visit in 2019 (Planet, Harding, Atkinson, & Kaminski, 2019). Among many islands Bali, Lombok and Komodo are the popular islands. Bali especially is famous for its unmatched natural beauty, ethnic people, tradition, culture and the food. Among many islands in Indonesia, Belitung is also one which holds tourism potential and is developing as one of the new tourism destinations. It has been found stated as “The New Bali” in many reports and advertisement. This report will be focused on the island of Belitung. The concept of creating new Bali inspired destination is the strategy of Government of Indonesia. Apart from Belitung there are 9 more such areas. These areas are called as Special Economic zone (SEZ). Different SEZ can focus on different sectors such as agriculture, palm plantation, mining etc. Whereas Belitung is SEZ that focuses on tourism as the main economic activities.

Before further discussion on Tourism. Let's take a look on purpose behind creation of such strategy. Apart from tourism there are other more prominent sectors of economic growth in Indonesia. Indonesia hold lots of minerals resources such as coal, tin, nickel ore, gold, bauxite, lead, zinc and copper. The country is a major exporter of crude petroleum and natural gas. World Bank also shows that Indonesia charted impressive economic growth since overcoming the Asian financial crisis of the late 1990s. The country's GDP per capita has steadily risen, from \$823 in the year 2000 to \$3,932 in 2018 (Bank, 2019). Large percentage of economic sector has been from non-renewable resources. Fossil fuel has been very central to Indonesia' economic and energy policy as it is the main sources of export revenue. In addition, Indonesia is one of the world's main suppliers of rubber, coffee, cocoa, and palm oil. Palm oil is very significantly exported from as more than 54% of palm oil in the world comes from Indonesia. Many areas have been transformed for palm oil plantation. But on the other hand, plantation of palm oil has raised questions on environmental concerns. Also, it is discussed that although there is huge export from the country, recent data suggest there has been trade deficit; Indonesia actually buys more and sell less goods

and services to other countries. It has been a (petroleum) oil exporting country. But now it changed to oil importing country. As a resource rich country, it has many options available such as to increase the manufacturing and natural resources industries competitiveness. But studies consider that these are rather long run strategies. Meanwhile Tourism is viewed best option in short run as well as in term of sustainability (Wardhana, 2019). Indonesia also experienced a decline in the trend of the contribution of oil and gas exports, and an increase in the contribution of foreign exchange from tourism and this has opened up opportunities for Indonesian tourism.(Budirahmayani, 2019) These development suggests that tourism can be very fruitful choice for development. Besides this is also because Indonesia has abundant pull factors in this sector. Indonesia has many extraordinary beaches, amazing landscapes and forest. It has some of the still active volcanos and endangered animals like Komodo and Tarsius. With this opportunity there are also some challenges. Such as the unique nature of country's geography also makes it very difficult to fully exploit the potential of 17000 island. Study Indicators such as TTCI highlights this condition. The Travel and Tourism Competitiveness Index (TTCI) shows that Indonesia ranks better in terms of natural resources and attraction. But ranks lower in terms of tourism inviting facilities such as infrastructure, hotel, airport etc. (Uppink Calderwood Lauren, 2019). It is necessary for the country to improve this condition and work to reduce the weaknesses in this sector. Consequently, SEZ are the outcomes. Special Economic Zones (SEZ) of Tourism in Government Regulation Number 6 was announced in Year 2016. These SEZ were often found to be mentioned as the next Bali or 10 new Bali in news articles. The Special economic zones aim at making travel and tourism to these other potential areas more inviting. The destination were promoted in Wonderful Indonesia campaign (C. Hidayat, 2018). Nevertheless, of such strategies Tourism is often debated for its pros and cons. The next section discusses initiation of SEZ in Indonesia and the multiple befits of tourism and also some drawbacks.

Potential Benefits of Special Economic Zones are believed to be Direct and Indirect Foreign Direct Investment, Skills Upgrading, Government Revenue from Wider Economic Reforms, Employment Generation, Technology Transfer, Foreign Exchange Earnings, Export Diversification and Enhancing Trade Efficiency of Domestic Firms (Wardhana, 2019). Change in political situation in Indonesia also contribute to these new policies. The regulation of SEZ is continued in the Belitung Regency Regional Regulation Number 13 concerning Tourism and Number 12 concerning the Master Plan for Tourism Development in Belitung Regency 2015 –

2025 (part of 10 year National Development Plan) (R. Hidayat, Anduarima, Wesnina, & Possumah, 2019). Decentralization in Indonesia is believed to further aid strategies like SEZ. Indonesia began rapid decentralization after 1999 but literature have often argued over the capacity of local government have bring forward the desired result of decentralization. Indonesian decentralization is being criticized because of being less prepared. According to Asian Development Bank, Local government wasn't prepared to promote economic growth and provide basic public facilities such as production. Therefore, it is important to periodically examine the implication of Special Economic Zones. The knowledge on status of planning and whether these planning would be successful is very limited but are tried being studied. This report also tries to do that through focusing on sustainability on tourism in Belitung Island.

Belitung lies in the provinces of Banka- Belitung. Together it is group of islands located between Sumatra to the west, and Kalimantan to the east. Banka and Belitung are the two main islands, with several small islands scattered within the proximity. This report is only focusing on Belitung. The beauty this island is that the beach lies in the presence of white sands, large granite rocks, and the existence of docks used as crossings to small islands around the Keciput village (R. Hidayat et al., 2019). In Belitung tin mining was the major source of income for several years. However now tourism is considered more sustainable strategy of Development than extractive industry. The debate on whether it is actually sustainable in terms of both economic development and environmental implication has been put forward in Literatures. This debate also becomes important as transition from two entirely different forms of economy can be confusing and challenging. Question whether tourism is the ultimate option for Belitung island remains the core of the discussion. While the island is still involved in some diversified activities such as palm oil plantation, agriculture, pepper farming and artisanal mining.

Tourism being in an initial phase in Belitung, it becomes important to study the argument regarding tourism so the best possible approach could be taken towards it. This study discusses local people perception on transition of Belitung towards tourism, sustainability and how different external and internal factor influence the tourism in Belitung. Global trends and dynamics between globalization and tourism is also tried to analyze taking references from literatures. It is aimed that these arguments will build a concept of tourism as resource governance strategy. Consequently, following is the Research Question presented for the study.

1.1 Research Question

How is tourism a strategy for Sustainable Development and Economic in Belitung? This is the primary focus guiding the discussion on the report. Understanding on Globalization and Sustainable development is also used to support answering the research question. Sustainability can sometimes be ambiguous and difficult to define. The discussion tries to acknowledge it and put forward some undisputable aspects of sustainability such as long environment protection and long-term economic benefit. This research question is vital as after the decline of mining industry, there was an economic slowdown. Responding to this question will help understanding how tourism might or might not to provide a sustainable option of development for Belitung.

1.2 Method

The Methods used in this report is identification of literature that provides understanding about tourism, context of Indonesia, about Belitung Island and Political and Policy understanding regarding tourism and transition. Similarly, literatures on sustainability and global scenario that builds up market for tourism is tried to understand. Different point of view among the literature is used to make conclusion. Literature are compared to find similarities and contrast among different reading. Though there has been literature on Tourism, Globalization and Sustainability, articles specifically discussing the context of Belitung are limited. Most article are relatively new; after the formation of Special Economic Zone (SEZ), literature analyzing historical events of tourism in Belitung are fewer.

Furthermore, my internship in Indonesia has provided me opportunity to visit Belitung. The findings from the report is also based on my own visit to Belitung island and observation made during the trip. This also help me get insight from local people and interact with them. Therefore, findings from my observation becomes very important to this report. Having my internship in Department of Politics in University of Gadjah Mada has also enabled me to learn and research about Policies and approaches regarding Natural Resources Management. Learning about Tourism development as government strategy in resource management has been an outcome from my internship as well. Joining some discussions have broaden my prospect to understand it through the standpoint of resources governance. Conversation with professors and lectures at University of Gadjah Mada and NTNU has also been central to this report.

2.0 Model used in the study

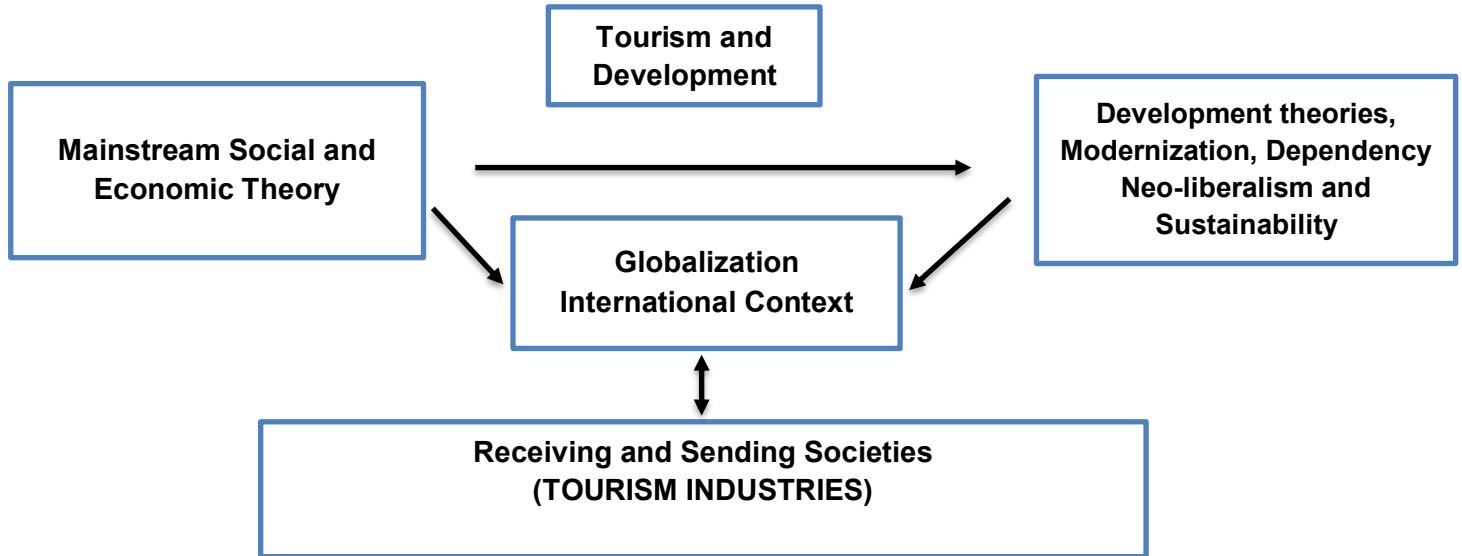
Tourism is studied along with concept of globalization, sustainability and conditions enabling tourism such as plans and policies. From the literature analysis and observation an understanding on Strength, Weakness, Opportunity and Threat about Tourism in Belitung is identified. Hence, a chart SWOT analysis is presented. SWOT analysis is tool to identify the internal Strength and Weakness and External Opportunity and Threat about the issue taken into consideration(Hay & Castilla, 2006). This finding is further used to create analysis about relation of tourism with globalization and sustainable development. Model taken William Harrison's study on development theory and tourism in Developing countries is taken as references. His model provides a broad but still working model for tourism which can illustrate and focus from different stand points. It provides understanding on Tourism and globalization; tourism and sustainability and dynamics of the three(Harrison, 2015).

Tourism and Globalization: According to Harrison, 2015, Tourism is one of the important components of globalization as globalization is marked by growth of tourism and travelling. It is also recorded that More the globalization increases of revenue from tourism and creates more jobs and employment. Furthermore, Globalization when emerged with country's regulation and policy towards open market creates space for foreign direct investment (Harrison, 2015). In Belitung, government's initiation of SEZ is similar to such reaction to global condition. This situation is tried to understand in the study.

Tourism and Sustainable Development: As explained earlier, Sustainability can sometimes be ambiguous and difficult to define but the undisputable aspects of sustainability such as long environment protection and long-term economic benefit are discussed in the report. This remain as the focus to identify how tourism can have social, economic and environmentally sustainable outcomes. As based on research, Travel & Tourism is a key sector for economic development and job creation throughout the world. Tourism is considered as very sustainable process for development. As Harrison says, sustainable development, which might be described as development that is environmentally, socially and culturally sound, has proved more durable. (Harrison, 2015) Some literature question this and identify that it can be another form of dependency. These arguments are presented in the report.

Following is the Model from (Harrison, 2015) taken as an guideline for the study.

Figure 1.0 A working model of tourism



Source: A working model of (domestic, regional and international) tourism (Harrison, 2015)

3.0 Data Presentation

3.1 Introduction on Belitung

Bangka Belitung as a province consist of two large islands (Bangka and Belitung) and many small islands(hundreds) surrounded by Natuna Sea in the North, Java Sea in the south, Karimata Sea in the east and in the west is Strait Bangka. It has an area of 16,424.06 km² and a population of approximately 1,277,586 people among which more than 60% are population of age group 15-59 years (Latunreng & Wibowo, 2018).

Both the island Banka and Belitung as a province had been mining tin since very long time (Sujitno, 2007). This region composed of the richest tin deposit and therefore large-scale extraction of tin occurred. Tin has been extracted from these islands even prior to European colonialism reached its shores and is continued to this day. Tin mining also has been associated as a part of local people’s identity (Erman, 2008). This sector has been able to contribute around 13% to the provincial economy (Oktaviana & Amalia, 2018). Apart from tin, clay, iron ore, silica

sand, as well as production of pepper, fishery and palm oil contribute for the economy. Mostly, tin mining, stands out in the case of Belitung in the region of South-East Asia as it has large quantity of tin reserves. However, nowadays tin is not extracted at the scales of its heydays. Formerly rich deposits of tin have been depleted, the economic growth of the Bangka Belitung Islands Province experienced a slowdown during the period 2011 – 2014. This was due to the decline in the mining sector and also as a result from Lower demand from the tin metal industry and decrease in the selling price (Oktaviana & Amalia, 2018). Bangka island still concentrates on both onshore and offshore tin mining while in there is very little mining activities in Belitung. State owned company PT Timah has massively reduced their operation in Belitung confirming that there was no tin reserve anymore in Belitung. Tin mining has also caused environmental damage especially to the lands, therefore in these areas mining permits are increasingly tightened by the government. While Mining in Belitung is viewed as “sunset industry” there still occurs some form of artisanal mining and is often termed as “illegal”. They are operating on a smaller scale, and sometimes/often outside the framework of the law. There are certainly some arguments made regarding the tin reserve and how it should be extracted. It is still believed that much tin deposit remain under the sea. Discussions suggests that it has been a great dilemma for state to whether or not to exploit sea for offshore mining. This thought has been criticized by many environmentalist and sustainable development advocates while some believe some dialogue are still exchanged in this regard. It was identified that some political parties were for tin mining while some were against it. In present context, Sea is mostly protected for tourism attraction in Belitung.

There are 3 main priorities for Belitung which are development of pepper(plantation/farming), tourism and mining management (Oktaviana & Amalia, 2018). Among which tourism is primarily prioritized. With the realization to decrease the dependency on mining sector and utilize the tourism potential, government has declared Belitung as Special Economic Zone (SEZ) focusing on tourism as the main economic activities. Latunreng and Wibowo states that the decision of the Belitung local government to shift its policy to focus more on the development of inclusive and sustainable ecotourism is considered as a significant decision. While the province was previously the largest producer of tin in the world, second to China, new strategies are needed to develop sustainable ecotourism in Belitung.(Latunreng & Wibowo, 2018)

Belitung Island in itself consists of two districts, Belitung with the capital district, Tanjung Pandan (Tanjungpandan) and East Belitung with its capital is Manggar. In present context Belitung, hasn't been extensive in urban development. It is free of pollution and possess deep forest, wild animals such as endangered species Tarsius, monkeys and crocodiles, wonderful beaches and several smaller islands and coral reefs. Further its geographical nearness to Jakarta and Singapore, makes it's a very potent escape from the stressful city life.

Tourism activities mostly include beach sight-seeing and island hopping. There are growing small scale business around the beaches and island and few tour companies making packages and trips. The main attractions are considered as beaches namely Tanjung Tinggi Beach and Tanjung Kelayang Beach, Tanjung Pendam Beach. Beaches here are surrounded by a stretch of white sand and beautiful granite rocks beaches. Tanjung Kelayang Beach is also the main pier for tourists to "Island Hop" or travel to small islands around Keciput village. Here tourist love snorkeling in the sea to sea colorful fishes and amazing corals (R. Hidayat et al., 2019).

Even though the presence Natural attraction, it is assumed that Belitung gained popularity after “Laskar Pelangi” a novel written by Andrea Hirata. The novel was also made into film produced in 2008. It is called “Rainbow Troops”. This movie and the novel gained international attraction and caused some flow of tourist. Since then, Tanjung Kelayang Beach has been influenced by the fame of the film set at Tanjung Tinggi Beach and East Belitung Regency(R. Hidayat et al., 2019). There is also museum which reflects on the Novel and the Movie. Besides this Tanjung Kelayang Beach in Belitung is often used for various events such as “Sail Indonesia” Event, where yachts and ferry countries from many countries sail across Belitung (R. Hidayat et al., 2019).

Here is some recent data on the domestic and International tourist in Belitung. The table below shows the number of tourists arriving in Belitung from 2012 to 2017.

Table 1.0 Data on the domestic and international tourist in Belitung 2012-2017

Tourist Arrival	Years		
	2012	2014	2017
International	975	3.206	6.174
Local	110.638	196.647	245.475
Total	111. 613	199. 823	251.649

Source: Department of Tourism of Belitung (2018) (Valeriani & Wardhani, 2015)

This table shows that number has increased. According to data provided by Local own-source revenue from the tax of tourism business, that combines total tax from hotel and restaurants, hotel, entertainment, advertisement has increased from 5.125.307.391 in 2013 to 15.84 5.974. 641 in 2017. These data show that the number of tourists has increased and so has the revenue from it. But although government has made policy to invite and increase FDI and Big company investment, multinational chains of hotel and large private companies are not seen very vividly in Belitung.

It was observed that tourist attractions were scattered and unequally development, while some areas clearly noticeable as touristic spot from the kind of attraction and infrastructure, some aren't very visible. Such as the museum of movie set was far from other tourist spots and in between there were no other tourist attraction. Even souvenir shops, shop with local products were very limited, scarcely placed and scattered in far proximity. From observation of the local people and from interaction with them, most believed that some degree of mining should be carried out to utilize the tin in the land. They believed it can go hand in hand with tourism. While some of them who were more concerned about environment were totally against any form of extraction. Some local on the other hand were quite skeptical regarding tourism industry. They were more habituated to work on tin. With tin they are quickly to get paid, but tourism required some kind of investment and return from it may take some time depending on the kind of activities.

Nevertheless, in the study the village near Tanjung Kelayang suggests that Tourism development has had impact on the livelihoods of the local people and led to a new tourism-based

economy which were previously only a handful. Now, with the existence of advanced tourism, the local community had become motivated to open their own small business making souvenirs, crackers, and so on (R. Hidayat et al., 2019). Local people expressed that several small and medium industry are booming as a result of tourism. In 2016, the number of SMEs (small and medium industry) in Belitung reached 13,000 from various field and the number reached 15,000 by the end of 2018 (Latunreng & Wibowo, 2018).

Again, understanding the potential of tourism from different actors such local people, businessperson, entrepreneurs' point of view is important. It gives us how these perspectives are similar and different from what has been argued in more recent literatures. Local people consider beach as the prime source of tourism. Literature also suggests that Belitung is mostly focused in Tanjung Kelayang Beach and blue tourism. Blue tourism can be understood as a concept that emphasizes the beauty of the beach, the sea and the ecosystem that are expected to create opportunities for tourism and the subsequent impact on increasing the number of tourist's visit. (Valeriani & Wardhani, 2015). It was clearly seen from observation that beach and beach related tourism is mainly focused in Belitung. This type of attraction is viewed suitable for mass tourism where large number of people travel to same destination around the same time of the year. This kind of tourism can give rise to seasonal tourism which can be a drawback as in monsoon the rise in sea water and waves and reduce the number of tourists.

However, we could see the emergence of newer form of tourism most of them can be said to be associated with alternative tourism and eco-tourism. For example, the ex-mining site of tin is now a Geopark which shows how mining was done in that location. It can provide visitors with first-hand experience on mining technique. Local also fear that these kinds of attraction can limit the target groups for example here it was mostly the students and geologists. There are also some environmentalists, environment activists and freelances who are more concerned about the environmental issues and about Sustainability of tourism itself. It was observed that they were creating newer form of tourism that primary concerned environmental protection. Innovation of Digital forest is one them where technology and nature is combined in a way to provide a platform to learn about the forest and walk in nature at the same it. They also protect the endangered species Tarsius and provide digital interfaces such as scanner along the forest to learn about forest and protected species. Similarly, another activist has prioritized tourism based on agriculture. He

explains how he plans for tourist to participate in learning and observe pepper plantation. These alternative tourism gives tourists a wide choice of tourist attractions, not just a tourist attraction but in the conventional form of learning and preservation of the natural environment. But the people involved in these newer concepts are found to work more independently and not in coordination with other kind of tourism such as beach or island hopping. They gave insights as to how it is easier to get heard from International society rather than to communicate and coordinate with local people and local government. They also put forward this as result of how their interest can be different from that of the local and central government. It was found that they do marketing and advertisement mostly based on online platform.

Local were found concerned about cleanliness and ecological balance of the areas. There were organized group for cleaning campaigns in the morning. Local organization was also involved in plantation and replantation of mangrove plant along the coastline. Due to tourism activities, lives of some star fish were hampered therefore the organization transferred them to safer place in the sea. These show some local engagement in environmental protection. Regarding economic growth, most people in Belitung believe that hotel, restaurants, tourist attraction such as surfing, island hopping would bring more business and prosperity. Local who previously worked in tin are found now diversify their economic sources. Many people were working as tour guide; some freelance while some forming small travel agencies and small stalls for food in surrounding the beach. People also combine tourism activities with agriculture and fishing, while some did some forms of mining (tin, sand, clay).

Contrarily, according to a study was done in Mandalika and Tanjung Kelayang in 2018 (Mandalika falls under another special economic zone focusing on tourism), it reveals that these economic zones have not attracted many investors yet. The same study also describes that the policy design to promote the two these two areas have been unattractive, unclear, and at odds with the characteristics of the tourism sector. This investigation indicates that these two places have been less successful in attracting and increasing tourism and recreational investments. Though the government policy is to invite more Foreign and Investment and Big Investors, the numbers of investor who commit to invest were found to be scarce. The small number of committed investors. in their vast land area result in insignificant land uses in the zones (Adam, 2019). From my observation, it was also noted that in Belitung multinational corporation and chain hotel restaurants

were rarely noticeable. Many large areas were seen to be used as Palm oil plantation. Local people also said that many large foreign companies hold ownership of those in palm oil business. Adam (2019) explained there exist conflict with local residents in the process of land acquisition. This causes difficulties in management and development of sufficient infrastructure in these zones to be in accordance with the master plan required to support tourism industry (Adam, 2019). Though this could not be verified through the observation, the absent of enough infrastructure was certainly visible.

Another study shows that the emergence and development of tourism had caused social interactions to decrease. According to the findings by Hidayat 2019, people who previously worked as fishermen, their interactions among each other were still very intense. However, since the tourism development took place, it has changed the people's type of livelihood, most were working in transport services (R. Hidayat et al., 2019). Hidayat's finding also suggest that the economy of the community was on the rise during mining phase.

To give a comparative viewpoint a research is carried out to analyze competitiveness among the 10 different SEZs in Indonesia. It provides information on where Belitung stands in current tourism development. This study is based on the indicators of The Travel & Tourism Competitiveness Index (TTCI). TTCI are the set of factors that enable the sustainable development of the Travel & Tourism sector, which, in turn, contributes to the development and competitiveness of a country (Blanke & Chiesa, 2013). TTCI is usually used for examining the context of tourism in different parts of the world. But the indicators are used to investigate context of all 10 SEZs by (C. Hidayat, 2018). According to the report, in term of Business Environment, Belitung stand on second lowest position among the 10 regions, terms of safety and security it stands somewhere in middle, it holds rank a little above average in communication, technology and policy that prioritize travel and tourism. It lies in middle in terms of environmental sustainability. However, it ranks 7th position for air transport infrastructure. Similarly ranks lower in terms of cultural and business travel. The overall comparison shows that Belitung lies on the 7th position among the 10 SEZs. This result shows a lot is needed to work in improving tourism development especially in infrastructure and Business environment.

When Belitung is observed individually, many studies believe in tremendous potential of economic development from tourism sector. According to Data obtained from Central Bureau of

Statistics (BPS) of the Province of Bangka Belitung Islands, the Gross Regional Domestic Product GRDP presents a very optimistic forecast. Data of GRDP are from the first quarter of 2010 to the fourth quarter of 2017 (based on constant prices in 2010) and the forecasting method used was trend analysis. The results of the GRDP forecasting of Bangka Belitung Province in the first quarter of 2018 to the fourth quarter of 2022 shows an increasing trend. This study was presented in “Journal Ekonomi & Studi Pembangunan” and suggests that by prioritizing the tourism sector, the economic growth will increase and can reduce GRDP dependency on mining sector (Oktaviana & Amalia, 2018).

Data presentation from literatures and observation shows that there are some success and some challenges. Also, some literature expresses more in terms of potential of tourism and some on the drawbacks. Further discussion on this provided in data Analysis Section of the Report.

3.2 Data Analysis

Living in a globalizing world, I believe it very essential to analyze the context of tourism in Belitung through globalization and global trends such as how trends cause to increase or decrease tourism. This analysis can also reflect how local actor contribute to creating global trends. According to Harrison, Globalization tendencies are consistently and continually countered by local responses, and tourism is both a cause and an effect of these tendencies (Harrison, 2015).

Tourism depends greatly on existing Endogenous and Exogenous factor. But what are these Endogenous and Exogenous factors? It is necessary to describe what these terms are. Endogenous factors are factors existing in the place of context (internal factors) and Exogenous factors are external factor that creates impacts. In case of tourism in Belitung the local push and pull factors are endogenous factors which invite or decline tourism and the global setting are Exogenous factors. Therefore, when we consider analyzing tourism in Belitung considering global context and globalization becomes very important. The study done by David Harrison on 2015 about Development theory and tourism in developing countries is taken as guidelines here for analysis. Harrison puts it as, it is virtually impossible to understand how tourism operates in and impacts on developing societies without seeing how developing country tourism is linked to the global system (Harrison, 2015). He expresses the dynamics between development theories, globalization,

economic growth, sustainability and factors that affect tourism. These are the aspects which are tried to put forward in this analysis sector.

On understanding exogenous factor. It is very likely that as global population increases so does global demand for tourism. Also, the dominant age in world can impact tourism hugely. There is growing young population and a greater number of travelling elderly population because of increased in good health. A very interesting finding has been put forward by Budirahmayani 2019, that the population whose highest education is high school or university, has a significant positive influence on the number of tourists. It mentions that high school and university student will travel more. This implies increasing population of high school and university graduates will increase the number of tourists (Budirahmayani, 2019). Also, larger number of young and working population seek for holidays to escape from daily stress. These developments suggest that global tourist demand will rapidly grow in the decades to come. The improving transport system especially air transport makes travelling easier and more accessible. Similarly, the 1960s expansion of the European economy, the growth of the Chinese economy, and the ensuing middle class with disposal income and permission to travel overseas, has had global ramifications but it has especially benefitted ASEAN countries(Harrison, 2015). In Belitung as well, the maximum number of tourists are from China.

Endogenous factors are the strength and pull factor influencing increase in tourism and development of economic growth through tourism activities. But it can also be factors that hinder the tourism. The Nature, blue sea, white sand, small islands are most prominent attraction of Belitung. As mentioned earlier, beach activities and island hopping are considered as the major pull factor in Belitung. But emerging new forms of tourism such as Digital forest, Geopark; the alternative tourism are also the pull factors. These alternative tourisms have opportunity to grow and expand. Similarly, according to demographic characteristics of Belitung, working age group holds the largest percentage of population. This is significant for the economic growth. Endogenous factors that limit the tourism were found to be limited development in Infrastructure and tourism related attraction and activities.

Creating the Special Economic Zone (SEZ) also known as KEK in Indonesia combines these exogenous factors and endogenous factors. This strategy prioritizes the Foreign Direct Investment (FDI) in the tourist destination. It is believed that FDI has a significant and positive

influence, so that as FDI increases, especially in tourism-related sectors, the number of tourists will also increase (Budirahmayani, 2019).

To explain this further, a study of coupling between financial industry and tourism is presented here. Coupling is defined as a situation in which a few systems influence each other interactively by changing the conditions of components in the systems simultaneously. The article “Evaluation of Coupling Coordination between Tourism and Finance” (Liao et al., 2018) studies sustainable development through measuring interactive relationships in a wide range of areas, including economy, society, and tourism. According to the article, in the appearance (initial) stage of the tourism industry, the government’s investment plays the main role. It mentions that at the beginning stage, a lot of capital investments are needed to improve the supportive infrastructure. The increasing demand of the tourism industry for credit resources promotes the expansion of the financial system, indirectly accelerating the capital accumulation and the development of both finance and tourism. Moving in the production stage, there will be gradual refined tourism industry-related infrastructure that will allow tourism industry to be more diversified in capital source channels. The study also suggests, the escalation of tourism promotes the development of the financial system. The usage of electronic tickets, online banking services, electronic payments, travel cards, tourism credit, and insurance expands the scope of financial services. tourism industry has become a new growth engine that closely coordinates with the financial industry and contributes to the sustainable development of local economies (Liao et al., 2018, p. 1 and 2). As Belitung is in initial phases, prominent and visible changes are difficult to identify. However, there are seen some promotional activities from online travel companies such as “Traveloka” which has a very large platform and audience. Furthermore, the findings on GRDP and revenue from tourism suggests slow but upward moving progress.

Not only progress but sustainability in tourism is important. It is important for sustainable development both in terms of environmental and economic growth. According to Butler, sustainable tourism development is development "that is viable without degrading the human or physical environment or prohibiting successful development elsewhere" (Butler 1999: 12). From observation and interaction, it was found that local people perceive tourism as a sustainable source of economic development. They believe that it would be depleted or run out of as tin and many generations can benefit from tourism. The view on sustainability can however be limited as many

were unaware of complexities involved in tourism. Therefore, whether tourism creates actual sustainable development or is it just another form of extractivism is debated by scholars. Tourism is believed to have lower impact on the environment but many times the direct and indirect effects of tourism on environment are great and can be destructive for natural resources (Taylor and Stanley, 1992, pp. 341). Tourism especially international tourism is believed to increase some form of capitalism. Literature that oppose capitalism and mass tourism views it through the lens of dependency/underdevelopment theory.

Development theories in the past was viewed through angles of modernization theory (in early 1980), later progressively dependency theory, neo liberalization and sustainable development viewpoints were presented. Therefore, more recent studies and literatures argue in the favor of Grassroots people centered development. They explain if there is any form of dependency, capitalism, and inequality happenings. The major concern in these studies are Environmental management, Globalization and Global environmental policies/protocol, Transnational movements, Micro-level strategies and Poverty reduction (Harrison, 2015).

While it is most likely certain that the potential of tourism in Belitung and combined with current policies creates platform for foreign investment which might create economic development. It is also important to understand that can be other side effects. The literatures suggest that economic globalization together with attempts by the government can enhance the power of mobile investment and large tourism corporation at the expense of local suppliers, small firms and workers and further entrenches their role in as peripheral web of corporate production (Bianchi, 2004). Locals expressed that there pops up news about government partnership in Belitung with foreign investors. While identifying complexity regarding community engagement and local inclusion in Belitung was unclear through observation and not much literature was found in this regard, it can be important to learn about this from examples from other global tourism destinations and literatures. As Belitung is in initial phase for tourism, the awareness on success and downside from other destination can be very important guidelines.

Some literature describes power struggle between different actors such as international firm and local people. It was found that when transnational companies were very strongly present, the local elite and foreign interest were mostly the beneficiaries of tourism. There can be increase in gap regarding income distribution (Bianchi, 2004). These can be viewed in the light of dependency

theory were local are not really benefited from tourism. Regarding SEZ, the development among different areas can create growing inequality among people and cause inter regional disparity. Massive tourism in Bali can be taken as example of this. Oktaviana and Amalia describes that there can be regional development but degraded local socio-culture. They point certain drawback for prioritizing an area as tourism area explicitly. Such as locals who don't live in specific tourist areas miss out and suffer relative decline. They also point out about foreign poaching; that is often in tourism industry in developing country is owned by big foreign companies. Major profit is made by these companies and local business are left with relatively little benefit. Apart from this, they highlight that sometimes tourism becomes so focal that other forms of income-generation are neglected and cause economic dependency in tourism. In such situation it makes country vulnerable if occurrence of natural disasters (Oktaviana & Amalia, 2018). But in many cases huge foreign investment creates huge employment, they also participate more in Corporate Social responsibility and pay more revenue. Therefore, (Bianchi, 2004) states that these situations are more likely to be market structures than political ideology(Bianchi, 2004).

From these discussions and findings, a chart below is formed showing Strength, Weakness, Opportunity and Threat (SWOT) in Tourism Industry in Belitung. SWOT analysis is the tool that examines internal Strength and Weakness and external Opportunities and Threat for specific objectives.

Table 2.0 SWOT analysis of tourism development in Belitung

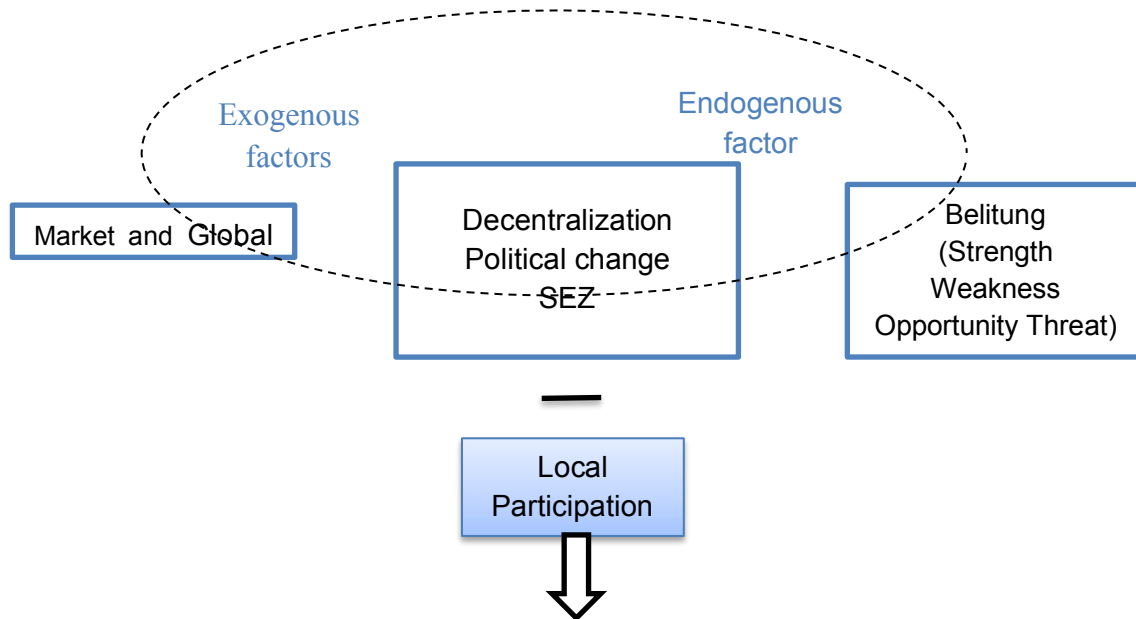
Strengths	Weakness
<ul style="list-style-type: none"> • Natural resources beaches- white sand, blue water, islands, deep forest, endangered species Tarsius • Attraction as being in the set of movie: “Laskar Pelangi” In English known as “The Rainbow Troops” adapted from novel by Andrea Hirata. • Geographically near to cities like Jakarta and Singapore • Support from the central and Local government (establishment of SEZ) • Population with high concentration of working age group 	<ul style="list-style-type: none"> • From what was observed, it could be seen that souvenir products, shops and culinary variety were very limited • Lacking proper coordination between different tourism activities and actors involved in it. (island hopping, digital forest, geopark) • Limited tourism related infrastructure and needing improvement in airport • Unequal prioritization of tourist attraction (e.g. Tanjung Pendam, island hopping are more developed) while other are scattered and even difficult to identify as tourist attraction • Difficulties on land acquisition
Opportunities	Threat
<ul style="list-style-type: none"> • Source of revenue, increased business and more employment • Growth of tourism-based career and educational opportunity • Media and communication to boost the tourist flow • Opportunity from FDI and big investors 	<ul style="list-style-type: none"> • Competition from other economic area; mining sector, palm oil plantation • Tourism could be depended on season and weather condition especial Belitung being an island the risk from Natural disaster • Conflict with mining community and competition • Negative impact from FDI such as local exclusion, rise in gap between income distribution • Environmental and Cultural threat

When we put these strength, weakness, opportunities and threat together we can identify some gap. It can sometimes be challenging to optimize the tourism potential in a way that it reduces the threat involved. Therefore, Harrison puts it as “Sustainable development though desirable but is idealistic and ambiguous” He conditions if local can be more benefited then any kind of development is more sustainable. Because sometimes tourism's

benefits can be brought to the destination capital and external forces exert control over local situation (Harrison, 2015).

Overall There certainly is global demand of tourism and Belitung being a rich platform for it. The strategy of capturing the global tourism becomes very important to Belitung as it is looking forward to making tourism the ultimate economic activities. The formulation of Special Economic Zone SEZ by government in 2016 can be said as result of Market trend coupled with political strategy. It is also an output from interaction between exogenous and endogenous factors. The model presented by Harrison (Harrison, 2015, p. 72) describes how factors in one area affect the complex interaction between what might be described as source country’s "push" and destination’s "pull," the interaction is then invariably exacerbated by state policies and marketing campaigns which are local responses to global trends and events, also global response to local trends (Harrison, 2015). This mean both the factors of globalization and factors within the destination contribute to create a dynamic interface. With the help of working model provided Harrison this dynamic is tried to observe in case of Belitung. This correlation and dynamic are tried to explain with the figure presented below:

Figure 2.0 Factors involved in Tourism, Globalization and Sustainable Development in Belitung



This diagram is the outcome of the analysis and findings from the literature. It is tried to show that in the complex interaction between Exogenous and Endogenous factors that creates push and pull in tourism, Local participation can be the Key to Sustainability.

4.0 Conclusion and Recommendation

It was observed that Belitung is in initial phase of tourism development. I analyzed that it is important for Belitung to find attractions that is unique to itself to ensure comparative advantage to be competitive in global tourism. There is seen major focus in beach tourism and Island hopping. Eco tourism and Alternative tourism apart from conventional tourism is also found to be possible for Belitung. Thus, these areas need to be given more priority. Such as enhancing coordination among actors involved in different kinds of tourism activities. For instance, tour guides from travel agencies and entrepreneur of eco-tourism didn't coordinate. Communication and multimedia are presented to have strong effect on tourist attraction. The movie "Laskar Pelangi" or "The Rainbow Troops" can be said to be significant for Belitung tourism.

It was identified that literature about other alternative form of economic activities such as agriculture or pepper farming in Belitung are very limited. There are lands being acquired for palm oil plantation but article discussing its impact on tourism development is inadequate. It was also felt that some local people were unaware regarding how to utilize the tourism potential to their benefit. Accordingly, it was also observed that they reminisce over the absence of mining opportunity. While they do believe that tourism can be more sustainable than tin mining and unlike tin tourism resources wouldn't be depleted so that many generations can be benefitted, it was somewhat felt that aggressive participation in tourism activities and strong confidence in tourism development is still not experienced in Belitung. This can also be resulted from weakness of local government not being able to ensure increased public involvement in planning and policy discussion. It is suggested by studies that public communication needs to be improved so that new policies can be better understood by the population, to increase their effectiveness. (Latunreng & Wibowo, 2018).

Government has prioritized Belitung as Special Economic Zone focusing on Tourism. This is supposed to increase tourism related capital, investment and business. But evaluating competitiveness among the 10 SEZ shows that less business-related activities and travel has occurred in Belitung. For Overall performances Belitung was ranked 7th among the 10 SEZs in terms of tourism. Research shows that people working in SMEs agree that tourism policy encourages the development of SMEs but also suggest that tourism policies need to be more inclusive, particularly with respect to shifting such policies from a mining (extractive) economy into a tourism economy (Latunreng & Wibowo, 2018). One of the major threats from SEZ policies can be that opening market for FDI and Big investors might negatively affect the regional economy and could cause locals to be left out from the benefit. Therefore, it is a most important that local people are integrated in planning and implementation of resource management. It is recommended that if any plan does not work new modified plan should be discussed with local and Expatriates must understand and comply with the local (Adam, 2019). It is also recommended to create more tourist inviting business such souvenir shops, local products shops and culinary varieties. And it is important for investors who are developing businesses in Belitung to collaborate for promoting local products of the Belitung community. (R. Hidayat et al., 2019).

In conclusion it can be said that various internal and external factors affect the tourism and sustainability of Belitung. For now, strengthening the infrastructural development is seen very important in order to increase tourism in Belitung. In a globalizing world it is not beneficial to ignore the potential benefit such as from FDIs, but it is recommended that the investment creates justified benefits to local and contribute in poverty reduction. Therefore, Government's strategy to utilize the potential of tourism is very reasonable but if this strategy is combined with local inclusion and transparency, can result in more sustainable outcome. Further, the Figure showing interaction among Exogenous and Endogenous factors can be important for reflecting on Globalization, Local Involvement and Sustainability. Lastly whether tourism is a sustainable strategy for economic growth and resource management in Belitung is yet to be discovered in near future. But the steps taken now can make a big difference especially when Belitung is in its initial phase of tourism development, it has an option of doing it more suitably.

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