

The Socio-Economic Impact Of Tourism Development In Klipoh Borobudur - Indonesia

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Abstract

The promotion of tourism will bring a greater contribution, in terms of economic development, i.e. increased foreign expenditures, generate business activities, provide more capital and employment, induce more production, and improve per capita income. It goes without saying that the dollar contribution of this industry will greatly hasten the development of a region. Such condition could not be seen yet in Klipoh Borobudur. Klipoh is , a tourism village in Central Java Indonesia closed to Borobudur Temple. Klipoh is one of the poorest villages in Borobudur Regency Presently, the community faces some problems which hinder the development of tourism in their village, namely, limited tourism overview of the people, absence of infrastructure, inadequate government assistance in terms of budgeting and technical assistance. By using descriptive method, the study analyzes the stated problems and tries to identifies appropriate strategies that may be adopted to improve economic condition of the people.

Keywords: Tourism Activities, Economic Impact, Local People

Introduction

Developing countries like Indonesia usually have low levels of income, uneven distribution of wealth, high levels of unemployment and underemployment, low levels of industrial development hampered by the small size of the domestic market, a heavy dependence on agriculture for export earnings, and high levels of foreign ownership of manufacturing and service industries. These trends have been associated with large regional disparities in economic wealth within many of the developing countries, which lead to a substantial leakage of profits out of the country, high inflation, and shortage of foreign exchange. Although many of these economic problems also plague developed countries, these have usually been caused by different economic factors.

The rapid injection of tourist expenditures and foreign investments into developing countries often has rather different and more significant effects than if equivalent sums were expended in developed economies. The directions of monetary flows, distribution of benefits, employment characteristics, and

income effects will vary greatly with the sources of tourists and investment and with the nature and level of economic development in the destination.

In the creation of employment, for example, tourism, as compared with many other industries, is highly labor-intensive, and hence, is a valuable source of employment. In addition, it should be emphasized that tourism is responsible for creating employment outside industry in its more narrowly defined sense.

Definition of Tourism

Tourism may be defined as “the relationship and phenomena arising out of the journeys and temporary stays of people traveling primarily for leisure or recreational purposes. The duration of these stays varies. For statistical purposes, a four-night minimum stay is commonly accepted for domestic tourism. Twenty-four hour stays are universally recognized in the case of international tourism.” (Douglas, Pierce, 1987). He also define tourism as the movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in these destinations, and the facilities created to cater to their needs.

While assessing the impacts of tourism, it is essential to define one of the major components of tourism which is the tourist. “Tourist” is derived from the term “tour” which, according to Webster’s International Dictionary (1961), means “a journey at which one returns to the starting point; a circular trip usually for business, pleasure or education during which various places are visited and for which an itinerary is usually planned”. The Oxford English Dictionary (1993) defines tourist as: “one who makes a tour or tours; especially one who does this for recreation; one who travels for pleasure or culture, one who visits a number of places for their objects of interest, scenery or the like.” Tourists who are temporary visitors staying at least 24 hours in the country visited. The purpose of the journey can be classified under any of the following:

- Leisure (recreation, holiday, health, study, religion, and sport)
- Business, family visit, mission, meeting
- Excursionists who are temporary visitors staying less than 24 hours in the country visited, including travelers on cruise ships (International Union of Official Travel Organizations 1963)

Characteristics of Tourism as an Industry

It is useful to acknowledge that tourism development can be a capital-intensive undertaking, especially in terms of the provision of accommodation facilities and man-made recreational facilities. It should be noted that international travel, especially for holiday-seekers, is politically sensitive. Pleasure travelers veer away from countries which are perceived to be unstable even if the perceived unrest does not actually exist or does not really affect the tourist destination. Tourism is also regarded as a labor-intensive industry. Personalized service to the traveler is the hallmark of a successful tourist destination. (Bale, John, 1988)

Lastly, tourism encourages business travel by providing for the commercial needs of the travelers. A thriving and vigorous business environment serves to stimulate tourism. The concentration of tourists, as well as complementary facilities and services in destination areas give rise to a variety of impacts. Economic impacts, for example, encompass the monetary costs and benefits which result from the development and use of tourist facilities and services. The significance of tourism lies in developing countries’ attempts to find ways in which they can boost their economic development. This includes supplements to the national balance of payments, creation of employment, infrastructure investments and the external economies created: intersectoral linkages and the multiplier effects of tourist expenditures. In

the creation of employment, for example, tourism, as compared with many other industries is highly labor-intensive and hence is a valuable source of employment. In addition, it should be emphasized that tourism is responsible for creating employment outside the industry in its more narrowly defined sense. In this respect those who supply goods and services to those directly involved in tourism equally are beneficiaries of tourism. Such indirect employment includes, for example, those involved in the furnishing and equipment industries, souvenir industries and farming and food supply. (Sari, Suzanna, 1997)

It is evident from the above paragraphs that earnings from tourism occupy an important place in the national income of the country. Without taking into account the receipts from domestic tourism, international receipts alone contribute a great deal. The flow of money generated by tourist spending multiplies as it passes through various sections of the economy.

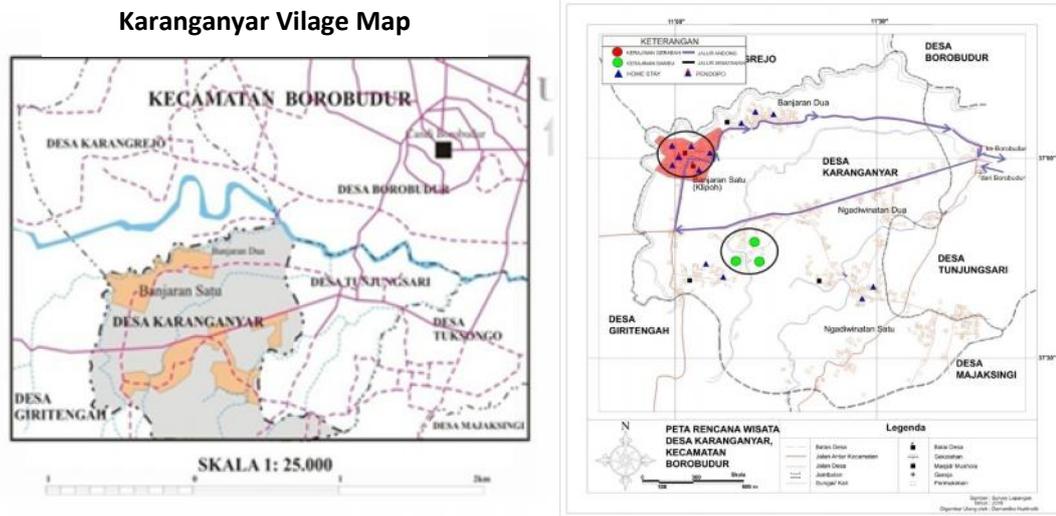
In addition to providing an important source of income, tourism generates a number of other economic benefits, which vary in importance from one country to another, depending on the nature and scale of tourism. The benefits from infrastructure investments justified primarily for tourism--airports, roads, water supply and other public utilities—may be widely shared by the other sectors of the economy. Domestic tourists and visitors, businessmen and international tourists also use tourist facilities such as hotels, restaurants, museums, clubs, sports complexes, public transport, and national parks. Tourism likewise contributes to employment generation, big infrastructure improvements and may help regional development as well, (Bathia, AK, 1993).

Tourism as a source of income is not easy to measure, at least with any degree of accuracy. This is because of the multiplier effects. The multiplier effects of tourist spending on the national income are one of the widely mentioned economic benefits accruing from tourism. The multiplier effects theory emerges from the work of Khan and Keynes (John Lea in Sari Suzanna, 1997). It is systematically explained as follows: the money spent by tourists become income in the hands of the local population in some form or another, and is again re-spent or saved. Thus, the money that the tourist spends triggers a series of consumption re-spending, thereby increasing the national income by more than the actual tourist expenditures

Klipoh Sub-village

Banjaran 1, this village before its name is Klipoh. This name comes from Nyai Kalipah, Kali (Krinjing River) and Poh (village). Nyai Kalipah is the first person who lived in a village along Krinjing River. Hence, Klipoh means, a village along the river. Klipoh has a scenic beauty due to its location between Menoreh and Sumbing mountainous. From this village we can enjoy sunrise which appear between Merapi and Merbabu Mountain. As shows in a picture below, Klipoh Sub-village is located in Karanganyar regency and closed to Borobudur temple. This village has uniqueness because most of the families are making traditional pottery. As we all know that pottery is a very old product made by our ancient but they still can keep exist until this time. They are usually make vase, candle, frying pan, etc. This lifestyle is also shown at 'Karmawibangga" Borobudur relief which describe traditional way of life of the community at that time. Pottery was the famous stuffs that facilitate people especially for cooking..

Klipoh Sub-Village Map



Despite these potentials, Klipoh is one of the poorest villages in the Borobudur regency. The tourism industry in Klipoh is not quite developed. Presently, the government faces some problems which hinder the development of tourism in the country, namely, limited capital, absence of infrastructure, inadequate government assistance in terms of budgeting and technical assistance, and many others.

Presently, Klipoh Sub-village has not yet reached the pinnacle of tourism development. Even though the provincial government has tried to promote and advertise its tourist potentials, the number of tourist arrivals is still low compared to other Sub-villages in the region. Such conditions translate into very little tourist expenditure and therefore, the income that may be derived from this sector is quite limited. In the same manner, the contribution of the tourism industry to both provincial and regional development is not much.

Klipoh Sub-village, just like in many other parts of the country, the traditional beliefs and practices are slowly being eroded in view of the more modern ways of doing things. The local people will easily adopt the culture of tourists arriving in their village. As it is, Klipoh people are trying to preserve some of traditional values and practices such as traditional housing, traditional products, traditional way of life, etc. Hence, if these practices are not preserved, the potential of Klipoh as the solely group of people who made pottery in Borobudur will easily diminish. In the long run, the young generations will become ignorant towards their local traditional culture.

Remembering the important role of tourism in development, this study will attempt to analyze this phenomenon in Klipoh, a Sub-village in Central Java, Indonesia. Klipoh offers a unique environmental setting as well as enormous tourism potentials such as traditional pottery production.

The study analyzes these problems and identifies appropriate strategies that may be adopted to promote the tourism industry in Klipoh. These strategies will hopefully evolve into policies that will develop the area into a "World Class Tourist Destination." Should this come to pass, the area can provide a greater contribution to the development of the region as a whole.

Tourist Traffic to Klipoh

Expectations and the dominating perception of provincial tourism are based on optimistic future potential rather than historical reality. Klipoh Sub-village has been waiting for a tourism booming for many years with only incremental developments, and little has been done to tap potential in this sector.

Based on data available, the peak month for foreigners to come to Klipoh Sub-village is June, while the peak month for local tourist is July and August especially during the school holidays. The one departure from this on-season and off-season cycle is the large inflow of local visitors to see Borobudur Temple which is closed to Klipoh Sub-village. Borobudur temple is the famous heritage and cultural tourism in Central Java, Indonesia. Borobudur is already World Class Tourism. One of the most excited destination for foreigners in Central Java.

The following is a brief characterization of the existing market, which was broken down into three sectors; *the exclusive market*-consisting of 15% of all arrivals to Borobudur,, *the international travel market*-consisting of 10% of all arrivals, and the *local market*-consisting of 75% of all arrivals:

1. Exclusive Market
 - Primary travel motivation is to relax
 - Travel alone, as a couple or family
 - Want high quality tourism product (accommodation/food) and are willing to pay for it
 - Single destination traveler
 - Decision to come to Borobudur is made in advance
 - Enjoy nature/culture but want to retreat to Borobudur afterwards
2. The International Traveler Market
 - Travel motivation is pleasure of travel and experience new people/places
 - Travel alone, as a couple or small group
 - Generally very price conscious and are looking for a “deal” or “value” for money
 - Quality needs to correlate to price but they are willing to “rough it”
 - Generally do not have pre-arranged itinerary and decision to come to Klipoh was made by word of mouth, guide book information, and popular lodging establishments and formal information centers
3. The Local Market
 - Travel motivation is generally for a “day at Borobudur temple”
 - Travel in groups/family
 - Travel occurs on weekends and summer holiday

Furthermore, Klipoh as one of the existing satellite destination in the Borobudur cluster, also receives a considerable number of tourists (both foreign and domestic).

Since data on tourists arrival is not available on the provincial and regional level, data based on Karanganyar village will be used. According to the data, total number of tourist arrivals are presented as follows:

Table 1. Tourist arrivals, Klipoh, Karanganyar

Year	No. Of Tourist
2005	15
2006	12
2007	226
2008	114
2009	102
2010	316

Source: Karanganyar district, 2010

In 2005, a total volume of 15 travelers was reported to have come to Klipoh. Compared with the 2007 figures, there was an increase of 15,1%. This increasing number was very significant. One of the reason was after Klipoh is decided by the local government to be one of tourism villages in Borobudur. From the above data, it could be seen that the total number of tourist visiting Klipoh is very low compared to total number oftourist visiting Borobudur (almost 2 – 3 million every year) which is closed to Klipoh. Remembering Klipoh has already declared as tourism village, the total number of visitor should be become one of the favorit tourist destination aside from Borobudur Temple.

Economic Impacts

Since Klipoh was declared as one of tourism villages in Borobudur, many tourists are coming to this sub village and they starting knowing that Klipoh is one of attractive tourist destinations in Borobudur that could be visited. Through this program, people in Klipoh can greatly benefit from tourism activities. Many economically backward people in this area encourage to improve their living and economic condition. People are involving in many tourism activities such as : guiding tourist, establish homestay, making more creative and innovative of their pottery product, etc. Klipoh actually contain areas of high scenic beauty and cultural attractions. These areas if developed for use by tourists can bring much prosperity to the local people. Tourism development may become a significant factor in redressing this area imbalances particularly in employment and income. Likewise, tourist expenditure in Klipoh will greatly helps the development of the areas around it.

Although the number of employment generated is still very low in Klipoh, as compared to other areas, because many of young people in Klipoh are working outside. In this case, the government actually could still develop the tourism industry which might still provide Klipohnons with more alternative jobs, thereby improving their living conditions to hindered the migrant. Tourism development in Klipoh, based on existing however, is expected to be translated into new jobs for the local population.

Creation of Small-Scale Industries and Establishments Homestay to Tourism

Records obtained from the Department of Trade and Industry show that local small-scale industries engaged in the production of delicacies and handicrafts employ a number of local residents in Klipoh. The more popular of these tourist related industries are:

Pottery Production. The most prominent product group is the pottery industry produced by craftsmen mainly based in Klipoh. They belong to the Klipoh Pottery Makers Association. These artisans produce

vase, candle, traditional frying pan, tourist souvenir, wall decoration, astray, etc. Actually in Klipoh there are two groups of pottery makers, one is traditional pottery makers who make traditional daily cooking tools. They prefer sell their products in traditional market. The other group is modern pottery makers who make more innovative and creative pottery productions. Most of them are selling their product to tourists.

Around 80 pottery makers were directly involved in pottery making and on the whole provided employment to some almost 50 households. The finished products were very cheap price, the price starting Rp. 5000,- until Rp. 50.000,- which is very cheap and highly avordable for tourists.



Tourist making Pottery



Traditional Pottery burning process



Modern pottery product



Pottery gallery

Some problems usually occurred in terms of technical assistance and budgeting. As far as they work as pottery makers, only 1 or two persons of pottery makers invited to joint pottery training in other places. This training is provided by Provincial Tourism Department for developing the management skill of small scale industries in Central Java. Therefore many other of pottery makers in Klipoh are willing to sell their product in traditional market because of limited skill they have to make more creative and innovative pottery product. They only could make traditional pottery which are very simple, cheap price and not really attractive compared with the modern one. Such condition leads to the economically condition of the people to remain poor. The most problem of pottery makers is budgeting. Most of them are poor, hence to conduct and running pottery production they need some budget to produce more creative and innovative one. They also have to capture tourism market to get benefit from them and not only depend on traditional market. There is Coop actually in this area, but the coop itself still has many limitations, therefore coop could not fulfill optimally the needs of pottery makers. In spite of those problems, they are also facing problem regarding promotion. Based on some interviews with tourists in Borobudur, most of them do not know or even heard about Klipoh. Tourists only know intentionally from their local guide or sometime Tourist Information Centre in Borobudur. Most often their guide bring them to Klipoh by “dokar”

(traditional transportation) and tourists usually pay for Rp.50.000 round trip Borobudur – Karanganya – Klipoh – Borobudur. Such condition is frequently happened, one of the reason is caused by lack of promotion by local or provincial government. Furthermore, Klipoh does not have enough media to promote their potentials. Unlike the aother tourism villages in Borobudur, many tourists are coming to those villages and many of them spent their money for many purposes. Many local people in Klipoh are trying to promote their own area through their own efforts which sometime did not effective.



Dokar, traditional trandportation

Traditional noodle production. Traditional noodle production is very famous in Borobudur traditional market. This noodle is made of wood fiber and it was processed traditionally. This noodle usually used to make meat ball or fried noodle. One bag of noodle is cost around Rp. 20.000,-.



Traditional Noodle Machine



Traditional Noddle

Some problems always hinder this people are limited budget and target market. Limited budget especially to buy modern noodle machine and repair their housing production. The market of this production is only local market, until now they still have any difficulties in marketing their product. Their market is only limited, whilas for foreign tourist, they do not interested to buy or even to consume. They only interested in looking the noodle processing.

The art of Bamboo. The art of bamboo is one of traditional craft made by local people. Usually they make handicraft for decoration, wall decoration and even bamboo wall. The price of this product is around Rp. 15.000,- – Rp. 50.000,-. Their problem which hinder their production are limited financial, promotion and technical assistance. As far as they involve in making the bamboo art, many of them are never invited to joint technical training for bamboo. Therefore, their product is not really in tourist demand because it is very simple and sometime difficult to bring home. Most of bamboo craftsmen sell their product in Borobudur tourist market or whenever there is exhibition held by provincial government in Borobudur Temple.



Bamboo craft

Homestay. Since Klipoh was declared as tourism village, there are 5 families provided their house to be used as homestay. Even the tourists number are still very low in this area but they are optimistic to earn money from this activities. Usually they rent their room Rp. 50.000/day including breakfast. For other activities tourist could add some more money, for example : if they want to get experience how to make pottery. Tourist will be serve from preparing the clay until they furnish it and they could bring their own pottery product. In this case tourist has to pay another Rp. 50.000,-. This price is very cheap.



Homestay

Conclusion And Recommendations

From the above discussion, it is obvious that tourism as one of the components of development not yet optimally benefit for Klipohnons. Many people are still remain poor. The number of tourists visit Klipoh is also very limited. Tourism activities should actually provides a viable contribution to the development objectives of Klipoh and it has been consciously used as one of the important tools for Klipoh development. But in reality, this sector could not be a big factor in alleviating poverty. Many Klipoh people are not yet involving in tourism activities, they do not give their appreciation towards tourism activities. The provincial government, therefore, have to facilitate growth in the tourism sector through marketing efforts which includes promotion. Taking a more active role in the local and the provincial government can assist with new tourism opportunities which can directly benefit those at the grass root level. However, it is important that tourism development should encourage local people to participate in and support the tourism industry.

Recognizing the great contribution of tourism in the development, Klipoh as tourism village has to develop and promote its tourism industry. Developing tourism will lead ultimately to the development of other sectors and areas. The benefit of development will spread in the province and region for the

Klipohnons. In other words, trickle-down effects of development from this sector will be visible throughout the province whereby the quality of life and personality of individuals and groups will also improve.

The development and promotion of tourism industry can be utilized to attract more tourists to come to Klipoh which will increase the amount of tourist expenditures. Therefore, there is a need for Klipoh to capture market share in the highly competitive tourism market in Borobudur. This will require a unique and high quality product with a coordinated approach for marketing and an understanding of consumer preferences. In addition, to have better access to larger market within and outside Klipoh, the promotion and marketing training are really important. Some institution such as Department of Trade and Industry shall be tapped to assist the enterprises to explore the market opportunities.

Finally, It is essential to acknowledge that tourism will not provide a quick cure for rapid growth for Klipoh to “catch up,” but should be seen as an investment in the future success of development in the province and region.

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