

RURAL TOURISM – THE IMPACT ON RURAL COMMUNITIES

I. INDONESIA

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This paper discusses rural tourism in Indonesia, and its impact on rural communities. Most rural tourism projects have been developed by state enterprises. One particular project, Margo Utomo in East Java, is described in detail. Activities offered include visits to plantations, and jungle treks. The impact on rural communities is discussed, and the importance of rural tourism in providing new employment opportunities and markets for rural people.

INTRODUCTION

Tourism is now a highly developed service industry, and a leading earner of foreign exchange for Indonesia. On a global scale, tourism employs directly more than 200 million people. It absorbs 11% of total consumer expenditure, 10.7% of total investment, and 7% of the world's total tax revenues.

In 1997, more than six million tourists visited Indonesia. As yet, rural tourism is not widespread, but some facilities exist and the numbers are increasing. Indonesia as a tropical country has own potential resources for rural tourism, including cash crops such as rubber and oil palm on large estates, food crops and horticulture on a smaller scale, livestock production and fisheries. Any of these may be used as a tourist attraction, and have a multiple role for agricultural production as well as tourist promotion and the earning of foreign exchange.

OPPORTUNITIES FOR RURAL TOURISM IN INDONESIA

Agriculture has played a significant role in the economic development of Indonesia. It plays an important role in providing a food supply for Indonesia's massive population and raw materials for the industrial sector. Increasingly, it is also becoming a potential source of foreign exchange through tourism and export crops.

Under current regional and global free trade agreements, Indonesian agricultural products are expected to succeed competitively in international markets. Prospective or actual export commodities include coffee, rubber, tea, palm, cocoa, shrimps and tuna.

Tourism has been growing rapidly in Indonesia. Rural tourism can be expected to play an important role in the growth of both agriculture and tourism simultaneously. This involves a valuable synergy for both sectors, both of which emphasize their goal as value-added improvement.

Tourism as a commodity is principally the fulfillment of tastes and preferences of consumers by both goods (commodities, products, souvenirs, etc.) and services (comfortable accommodation, scenic beauty, etc.). An important aspect is the specific location. Due to its unique characteristics, it is difficult to substitute one specific location for another which would be able to generate the same level of satisfaction.

The complex and highly competitive nature of the current global economic situation demands a high degree of efficiency. This in turn requires the application of advanced technology, the improvement of managerial ability, and professionalism in the management of both agribusiness and rural tourism. Appropriate technology, business information and promotion, and a sound marketing strategy all have all become important components.

Keywords: Employment, impact, Java, jungle treks, management, nature reserves, rural tourism, promotion, plantations, Sumatera.

Existing rural tourism projects (called OWA or “Obyek Wisata Agro” in Indonesia), have been mainly developed by state enterprises. Some examples are the rural tourism projects in Gunung Mas, Malabar, Wonosari and Kedaung. While they embody many of the concepts described above, not all of them have been implemented in a satisfactory way.

Currently, most rural tourism projects are found in the plantation areas of Java and Sumatera. One location with an excellent view is called “Margo Utomo”. It is located in Kalibaru village in East Java, and was established in 1976.

It lies 480 m above sea level, in an area with an average annual rainfall of 1,550 mm. It can be reached either by train or by public bus. Of the tourists who visit this area, around one third (30%) are Indonesian and the rest are from overseas (mainly from the Netherlands, Belgium, Germany, Switzerland, Britain, Australia, America and Canada). In 1990, there were 6,495 overnight stays in the village. This number rose steadily to reach 16,587 in 1997.

Rural tourism in Kalibaru employs about 100 people, most of them local villagers. Rural tourism thus provides a good opportunity to create new jobs and increase rural incomes.

Facilities and Services

Margo Utomo has two hotels, one with 52 rooms, the other providing cottages with a total of 30 rooms. Both types of accommodation have warm water, fans, and access to a swimming pool and a dining hall. Among the activities offered are:

- Visiting plantations to see the production and processing of coffee, rubber or cocoa, or seeing tobacco fields and cigar production based on a traditional or modern system.
- Jungle tours through the mountains, involving a three-hour trek round a mountain, including a visit to a volcanic crater.
- Visits to a nature reserve and National Park with beautiful flora and fauna. Visitors can see various kinds of birds and animals in the wild, including wild buffalo and monkeys.
- Visits to an ocean beach where sea turtles lay their eggs at night
- Trips around the village and adjacent

farms in a horse-drawn carriage, to see farmers planting or harvesting rice, or giving a dramatic display of old-time piracy. They can also watch the manufacture of bricks, tiles and aluminum, all of which are traditional home industries.

- Floating in a rubber raft 13 km down the Kalibaru river.
- A modified lorry coordinates with train arrivals to take tourists (domestic or foreign) on a trip through two tunnels to enjoy scenic views from nearby Gunitir mountain.
- The village has an 8-ha garden in which many different spices and fruits are grown. Tourists can see coffee, coconut, banana, pepper, nutmeg, cloves, cinnamon, and vanilla growing, and also visit the dairy where cattle are milked and fed.

Marketing and Promotion Strategy

Those working at Margo Utomo try to give the best service (good meals, interesting and enjoyable guided tours *etc.*) to every guest who comes, so that when visitors return home, they can recommend the village to their friends. This word-of-mouth recommendation is effective, and costs very little. They also try to avoid seasonality of visits by offering a range of tours throughout the year. Various brochures and booklets are given to every guest as a kind of promotion.

In additionally, they are always trying to create new tourism activities so that tourists will stay longer. They are often supported by local government, which will help finance e.g. Javanese dance groups. So far, there have been no legal problems or restrictions.

Management

The management of Margo Utomo aims at increased efficiency as well as environmental protection. Staff try to maximize the use of local resources by such activities as making jam from nutmeg skins or pineapple. Some of the rubbish is disposed of by digging a deep hole, and then planting a tree such as coconut or nutmeg before the hole is filled in. The rest of the rubbish is burnt.



Impact on Rural Economic Growth and Rural Incomes

Rural tourism cannot succeed without the participation of rural society. The aim should be to promote a type of rural tourism which will have a multiplier effect on rural society.

- Rural tourism can help develop the rural economy and improve rural incomes by:
- Providing employment for people in a village;

- Providing a new market for foods such as eggs, fruit, vegetables and rice, all of which can be produced by local farmers, *and*
- Supporting small businesses such as restaurants and art shops.

Not only will the economy of the village grow, but the government will be able to collect many kinds of taxes.

