# **CHAPTER I**

## **INTRODUCTION**

Indonesia as an archipelago country with various ethnic groups has diversity of art, religion, science, language, and tradition of the local cultures. Those characteristics not only make Indonesia as one of the beautiful country rich of traditional cultures in every island but also cover the beautiful nature. Indonesia has thousands of islands, the wealth of natural tourism, cultural and religious variety. It makes Indonesia having potential to develop its tourism.

On International Relations in 21<sup>st</sup> century was mobilization of people among one country to other countries more dynamic and flexible than before. People become "the cutter border among states", people can do the journey as they want as if no border among states exists. Tourism also becomes the connection tool of a country to know in deep the characteristic of other countries. Tourism does not only give the advantages toward a country itself, but also gives the profits to local government and its citizen.

Beginning of 20<sup>th</sup> tourism always enjoyed by rich people, they have enough money to spend the days to go out and enjoy the vacation in other country. But fact that, tourism also part of human right and everybody have right to enjoy the vacation to make some experience with cultural diversity in each country. Spending money for

<sup>&</sup>lt;sup>1</sup> Mas'oed, Mochtar. (1994). *Ekonomi Politik Internasional dan Pembangunan*. Yogyakarta : Pustaka Pelajar

fun is different with spending money for business, Generally, tourism only can be done by people who have enough money for it, because it is impossibly done by poor people just for spend their money for it.<sup>2</sup> But, tourism is unique thing, a lot of sector should be influenced to develop the tourism itself. In tourism industry people can involve easily without having any good skills, ability, and capital.

In mid-2007 the Indonesian government prepared a new program, it is called "Visit Indonesia Year 2008". This brand is a continuation of the program ever launched in 1991-2000, when it was also intended to increase foreign tourists coming to Indonesia. However, the program could not run properly because of accidents happened in Indonesia one of them was the monetary crisis that occurred in 1997-1998. So, in order to improve the image of Indonesia after the Bali bombings in 2002 and 2005 and also as the first program that can provoke the development of tourism in Indonesia, as well as to celebrate the National Awakening Day, the government is committed and worked together to promote tourism industry in the international community through the Visit Indonesia Year 2008. The program hopes to attract 7 million foreign tourist arrivals to Indonesia and expects it to make the national income increasing in the range of US\$ 6.4 billion in 2008. The Visit Indonesia Year program is still continues and developed until now as a program to promote tourism sectors in this world.

Visit Indonesia Year 2008 is a program of the Indonesian government in 2008 in wich launched to introduce Indonesia to the international world with all its the

<sup>&</sup>lt;sup>2</sup> Yoeti, Oka A. 1996. *Pengantar Ilmu Pariwisata*. Angkasa Bandung

richness of culture and the tourist attractions in Indonesia. Visit Indonesia Year 2008 program should be supported by all society, tourism industry and also Organizations to promote this program.

### A. Problem Background

Indonesia is beautiful country with thousands of islands and millions of cultural diversity. Not only that, natural resources are abundant and very favorable geographical uniqueness of Indonesia as a world tourist destination. Indonesia is a country which has a high sense of art with rich of traditional arts. In addition, the religious ceremonies and cultural rituals also become tourism characteristic in Indonesia. Tourism is one of the important contribution in increasing national income. Many industry actors involved in it. In few years, it shows the increasing results of foreign tourists coming to Indonesia. The number of tourists in 1969 was 86.067 people, then it was 2.051.686 foreign tourists who come in person who come in 1990 and reached 5.064.217 people by 2000.<sup>3</sup>

Tourism is one of the industries that has relevance to a wide range of economic activities. Around attraction of high tensile power, locals busy in various activities such as providing lodging, selling arts and crafts products, renting transportation services, opening restaurants, and many other local economic activities. With the above characteristics, the tourism industry relied upon to absorb a lot of labor. Moreover, the demand for highly diverse patterns make fragmented industry, with a variety of market players are very varied.

<sup>3</sup> Pitana,I Gde. *Sosiologi Pariwisata*. Yogyakarta: Andi

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Talking about tourism in Indonesia, Bali is one of the favorite tourism destinations. Bali is the main destination of foreign tourists from all over the world. Even foreign tourists often know Bali more than Indonesia as a country. Bali is a complete tourist destination, in which there are stunning nature, culture and authenticity characteristic of Bali, and the dynamic there that the majority of religious people are Hindu. Dance performances and art music are also often held in every custom and non-custom event.

The diversity of Bali is packed well without much effort because Bali has its own charm. Yet, the hospitality of people in Bali is also a source of tourism that continues to grow. This is one factor that makes a lot of foreign tourists visiting Bali and making it their main destination. That is why, Bali becomes one of factor to increase income of the country in tourism sectors that significantly. The number of foreign tourists coming not only can increase the income of country but also can promote Indonesia which hopes to compete in tourism sector, in the scope of ASEAN, Asia and also in the world.

Unfortunately, tourism in Indonesia had deteriorated quite dramatically. The existence of the Bali bombings in 2002 and 2005 resulted in the number of foreign tourists who did not want to come to Indonesia because of fear. Bali bombings that killed hundreds of foreign tourists who make the international community is reluctant to visit for a vacation in Bali. In an era of global threats to human life seems

increasingly broad and diverse. In global era, threats to human life seems increasing broadly and diverse. In book of Terrorism and Global Security, Ann E. Robertson<sup>5</sup>, argued that terrorism is happening today can happen anytime and anywhere as a serious threat to global security. From this setback Indonesian tourism takes place during 2002-2007.

The development of direct tourist arrivals to Bali turmoil rising and falling tourist arrivals. Data show that in 2000 tourist arrivals directly to Bali had increased 4.21% from 1999 that was from 1.3 million people into 1.4 million people. This year was the biggest achievement of visits compared to the previous years. However, many issues both national and international events affecting the development of tourism such as the Bali bombing on October 12, 2002. The bombing resulted 202 people killed and 209 people injured and made tourist visits declined. The Government of Japan, Australia, Taiwan, England and Germany issued a Travel Warning for citizens who want to visit Bali.

Still in the recovery period, the bombing happened again on October 1, 2005 and it caused 23 people died and 196 people were injured. A decreasing in foreign tourist arrivals can be seen in the data reached 1.3 million people in 2001. In 2002 the decreasing of foreign tourist arrivals reached 1.2 million people. And the biggest impact of the decreasing was 2003, the number of foreign tourist arrivals only 900 thousand people. However, in 2004 foreign tourists were able to increase reaching 1.4

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<sup>4</sup> Winarno, Budi. (2011). Isu-Isu Global Kontemporer Yogyakarta: CAPS

<sup>&</sup>lt;sup>5</sup> Robertson, Ann E. (2007). *Terorism and Global Security*. New York: Fact on File, INC

million people. But the second Bali bombing also greatly affect excursions in Bali again. At that time, tourist visits in 2005 decreased and reached only 1.1 million people.<sup>6</sup>

The impact of the Bali bombing is very significant. Fear and trauma engulfing foreign tourists rushed home to their respective countries, following the policy of the Travel Warning issued by several countries whose citizens are victims. Coupled with the media coverage that is not necessarily balanced with the facts gave rise to a strong reaction from some countries such as Australia, Europe, Japan and the United States. This has an impact on the decrease of tourists visiting Bali. Another important impact but difficult to quantify is the confidence of entrepreneurs in the tourism industry, hospitality and trade both at home and abroad that affect the investment and export activities. Bali bombing II also has a significant impact, but not as severe as the impact is felt in the Bali bombing I. Nevertheless, these events reinforce stigma residents and foreign tourists as well as businessmen that Bali is not a safe place for investment and tourism.

In the midst tough situation Indonesian government launched the "Visit Indonesia Year 2008" program. Visit Indonesia Year 2008 had been a government program in 2008 where the program was used to introduce Indonesia to the outside world that is about its cultural wealth and its tourist sites in Indonesia. This is done by the government to address the rampant negative perception of the various parts of the

<sup>&</sup>lt;sup>6</sup> Statistical Report on Visitor Arrivals to Indonesia, *Statistik Kunjungan Wisatawan di Indonesia* 2001 – 2008. Available Statistik Pariwisata Bali 2006.pdf

world who say that Indonesia is one country that is not safe and is also expected to help cover the financial deficit of the country because there is no doubt tourism is a major source of foreign exchange income. Good and effective promoting strategies are expected to be solution for the Indonesian government in the tourism field.

This program will be effective, and will be able to build a positive image in the international community. Through a program called 'Visit Indonesia Year 2008' Indonesia rebuilds its positive image in the international community. The grand launching of 'Visit Indonesia Year 2008' program was on December 26, 2007 held in Jakarta by president of Indonesia, Susilo Bambang Yudhoyono. This program targeted 7 million people of foreign tourists and earnings USD 6.4 billion for national income in 2008 for tourism sector. Not only stop in that year, but Visit Indonesia Year also still continue and every year the government tries to make new program and introduce new place to interact people especially foreign tourists to come and enjoy Indonesia.

According to this background the writer gives a tittle in this thesis 'The Strategy Indonesia Government To Recover Tourism After Bali Bombing (2007-2012)'

## **B.** Research Question

Based on background of the problem that has been described above, it can lift the formulation of the problem, namely:

"What are the strategies taken by Indonesian government to recover tourism after Bali bombing?"

## C. Purpose Of Research

The aims of the research are below:

- To explain the strategy of Indonesian government in developing tourism sector after Bali Bombing
- To explain the achievement of Indonesian Government in succeeding Visit
   Indonesia Year 2008 program to rebuild image of Indonesia after Bali
   bombing in 5 years
- One of requirements to obtain undergraduate title from International Program
  of International Relations, Social and Political Science Faculty,
  Muhammadiyah University Yogyakarta.

#### **D.** Theoretical Framework

To answer and explain the problem above, the writer uses the theory and concept that agree with the discussion. In this discussion the writer uses the concept of cultural diplomacy and strategy.

1. The concept of Cultural Diplomacy

Diplomacy comes from the Greek. Diplomacy very closely with inter-state relations is the art of promoting the interests of a country through negotiations by

peaceful means<sup>7</sup>. Culture itself is basically all forms of human symptoms, both referring to the attitude, conception, ideology, behavior, habits, creative work, and refers to customs, forms of tradition, art, language and interaction patterns<sup>8</sup>. Diplomacy in theory is the practice of the implementation of inter-state relations through an authorized representative.

According to KM Panikkar<sup>9</sup>, diplomacy is the art of promoting the interests of a country in relation to other countries. And other definition, as a state effort to fight for national interests through culture by using science, art, technology, economic and social.<sup>10</sup> From the definition of diplomacy and culture, there is a concept that can be drawn that the concept of cultural diplomacy can be interpreted as a system of implementation that uses the approach of cultural diplomacy as a mean to help achieving the goals and objectives.

In the implementation of cultural diplomacy, it is needed an actor or actors. Actors and perpetrators of cultural diplomacy are usually done by the government or non-government, individual or collective, or any nation so that the pattern seen in the form of the relationship between government and government, public to private, and private with government.

While the purpose of the Cultural Diplomacy itself is to influence public opinion (the people of other countries) to support a particular foreign policy. The general

<sup>&</sup>lt;sup>7</sup> Roy, S.L. (1991). *Diplomasi*. Jakarta: C.V. Rajawali

<sup>&</sup>lt;sup>8</sup> Maryaeni. (2005) . Metode Penelitian Kebudayaan. Jakarta : PT. Bumi Aksara

<sup>&</sup>lt;sup>9</sup> Panikkar, KM. (1958). *The Principles and Practice of Diplomacy*. Bombay: Asia Pub. House <sup>10</sup> Warsito, Tulus. (2007). *Diplomasi Kebudayaan:Kosep dan Relevansi Bagi Negara Berkembang: Studi Kasus Indonesia*. Yogyakarta: Ombak

pattern that usually occurs in the relationship between public diplomacy is a country with the public (other countries). Thus, the general opinion meant here is to influence government policy of the communities concerned. The goal of diplomacy itself is public opinion, both at the national level (of a certain community of nation states) and internationally, in the hope that public opinion can influence the decision makers in government or international organization.

As already disclosed that cultural diplomacy is diplomacy that uses cultural approach to achieve its goals and objectives, and then this table will show some relationship situations, forms and means of cultural diplomacy.

Table 1.1  $THE \ RELATIONSHIP \ BETWEEN \ SITUATION, FORM, PURPOSE \ AND$   $MEANS \ OF \ CULTURAL \ DIPLOMACY^{11}$ 

SITUATION	FORM	PURPOSE	MEANS
PEACE	- Exhibition	- Confession	- Tourism
	- Completion	- Hegemony	- Sports
	- Exchange Mission	- Friendship	- Education
	- Negotiation	- Adjustment	- Trade
	- Conference		- Arts
CRISIS	-Propaganda	-Persuasion	-Politic
	-Exchange Mission	-Adjustment	-Diplomatic
			-High Level of

<sup>&</sup>lt;sup>11</sup> Warsito, Tulus dan Wahyuni Kartikasari. (2007). Diplomasi Kebudayaan Dalam Konsep dan Relevansi Bagi Negara Berkembang: Studi Kasus Indonesi. Yogyakarta: Ombak

			Mission
CONFLICT	-Terror	-Threat	- Public Opinion -Public Opinion
001112101			T went opinion
	-Penetration	-Subversion	-Trade
	-Exchange Mission	-Persuasion	-The Military
	-Boycott	-Confession	-The Officially Third Forum
	-Negotiation		
WAR	-Competition	-Domination	-Military
	-Terror	-Hegemony	-The Military
	-Penetration	-Threat	-Smuggling
	-Propaganda	-Subversion	-Public opinion
	-Embargo	-Confession	-Trade
	-Boycott	-Conqueror	-Consumptive Supply Line (Include Weapons)

In the order to investigate the case, which will be used is a situation 'PEACE' because tourism included in the means to use soft power diplomacy. And here are the descriptions of the diplomacy concept have to analyze in this case, and can be described according to the shape and ingredients, namely 12:

a. The exhibition, which is a diplomatic way of displaying works of art, science, technology and social values.

<sup>12</sup> Warsito, Tulus dan Wahyuni Kartikasari. (2007). Diplomasi Kebudayaan Dalam Konsep dan Relevansi Bagi Negara Berkembang: Studi Kasus Indonesi. Yogyakarta: Ombak

- b. Negotiations, in the form of cultural diplomacy negotiations reflects the desire of the countries concerned to introduce each other, recognize and appreciate their culture which is then realized in the form of cultural exchange, or the exchange of experts.
- c. Exchange of experts, in the form of a more specific exchange of experts include scholarships cooperation through exchanges in a particular field.
   Later these experts can inform the public about what he learned in other countries.
- d. Media, is a means of communication that are considered to deliver the vision and mission of cultural diplomacy.
- e. Tourism, a tool that provides significant results is by visiting the tourist spots are expected to know better the diversity of tourism.
- f. Art, culture types are closely related to tourism.

Cultural relationships in the modern world can bring the two countries closer together. Diplomatic purposes to be achieved to show off the grandeur of a country's cultural and perhaps also to influence public opinion about the countries to be visited.

In this case, the culture becomes a tool to help communicating the things happened in Bali. Culture became a major tool for government to conduct diplomacy. Cultural diplomacy is an effort to build and manage relationships between nations with media, art and culture. Cultural diplomacy can use various elements integrated in the culture. According to the culture of Bali, I Wayan Geriya stated that, there are four elements in the importance of art as an effective medium of cultural diplomacy.

The four elements are, art has a great variety and diversity; art has a concrete and comprehensive form; easy to arouse appreciation of the arts and be able to be mutual respect and appreciation; and art has a universal language that can penetrate a wide range of boundary differences<sup>13</sup>.

Bali bombings I and II are very unusual issues for Indonesia. The tourism sector paralyzed. This will not only be felt in Bali alone but also in nearly all destinations in Indonesia. Many tourists from abroad who canceled their arrivals to Indonesia. Not only that, business people started investing in Indonesia also canceled the contract with in Indonesia. This makes a lot of tourism industries began to lose revenue. Small businesses are also feeling the effects Bali bombing which resulted in the absence of tourist visits.

This condition makes the government moved to create a new program as a manifestation of the rise of Indonesian tourism as a safe and comfortable to visit, especially for foreign tourists. 'Visit Indonesia Year 2008' program is expected will be able to build the image of Indonesia back to the various series of cooperation and cultural events, such as the arts festival which turned out to be instrumental in giving identity and effective as a media to support cultural diplomacy. Culture could be a way to bring the two countries closer together.

Another effort done by the Indonesian government is to develop cooperation in promoting Indonesian tourism. To success this program, the government has to

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<sup>&</sup>lt;sup>13</sup> Geriya, Wayan. (1997). "Potensi dan Peranan Kesenian Dalam Diplomasi Kebudayaan dan Hubungan Antarbangsa Serta Implikasinya Terhadap Pengembangan Kreativitas Seni" dalam Jurnal Seni dan Budaya Mudra (No.5., Tahun, V), hal. 49-59.

promote Indonesian tourism to domestic or international tourists through promotion in mass media and cooperate with other states or organizations, because promotion is kind of diplomacy. The diplomatic purpose to be achieved is to exhibit grandeur of the culture of a country and may also be able to influence public opinion about the countries to be visited.

# 2. Concept Of Strategy

The strategy is a way to achieve a long-term goal. According Christie stated strategy is "patterns as well as the basic policy goals and plans to achieve those goals, formulated such that it is clear what is and what is being implemented by the organization or government". While according to Oxford dictionary, strategy is "a plan of action designed to achieve a long-term or overall aim". Meanwhile, according to Glueck, the strategy is: "A unified comprehensive and integrated plan that connect the strategic strength of the organization with the environment faces, all of which ensure that achieve organizational goals". 16

From the above explanation, it can be seen that the government should develop a strategy, it is necessary to note the existence of clear objectives and how to achieve it. Bali bombing I and II have caused damage not only looks physically like infrastructure but bad image of tourism, especially in Bali due to the many victims of foreign tourists since the Bali bombing that occurred must be considered. In this case,

<sup>14</sup> Ronald. Christie C. In R A Souriono. (1986). Strategi Perumusan. Yogyakarta

<sup>&</sup>lt;sup>15</sup> Oxford Dictionaries Language Matter. Retrived Sept, 15 201, from

http://www.oxforddictionaries.com

<sup>&</sup>lt;sup>16</sup> Ronald. Christie C. In R A Souriono. (1986). Strategi Perumusan. Yogyakarta

the power that can be develop for a potential tourism is Bali which has the natural beauty, cultural and religious character, and also the infrastructure.

This makes the government is trying to rebuild its tourism potential as well as the image of Bali as the first destination of foreign tourists in Indonesia, as well as using the whole power of the strategy to develop the potential of which had collapsed due to the Bali bombing tragedy that occurred twice in Bali. In this case the strategic efforts done by the Indonesian government is promoting Indonesian tourism in various ways, of package not only promote both visual and written through advertising and campaigns, but also carry out various activities in the field of tourism, namely holding international events that took place in Bali. The Visit Indonesia Year 2008 is the first step in preparing and packaging strategies that Indonesian government will do to achieve the goal to restore the image of tourism in Indonesia, especially Bali in the international community.

## E. Hypothesis

The strategy of Indonesian government to recover tourism after Bali bombings are to lobby other countries through the Visit Indonesia Year 2008 program. The form of this program are image promotion, sales promotion, improve tourism services, and tourism cooperation to increase foreign tourist visit to Indonesia, especially in Bali.

### F. Research Methodology

In this thesis writer use library research method, to collect the data using literatures method, from books, newspapers, journals, magazines, internet, and other literatures sources. The writer also do observation in Bali and visit the place that Bali bombing was happened. Also, the writer do some simple interview with people who has tourism industries like in hotel, restourants, cafes, drivers, and also some merchandaise shops around the place. This thesis tends to a descriptive analyzing to see the effort of Indonesian government itself.

## **G.** Range of Research

In this thesis, the writer focusses on strategy from Indonesia Government to recover tourism Indonesia including Visit Indonesia Year 2008 program. The period of time that will be analyzed to determine the achievement of the success of this program is from 2007 to 2012, the year in which the program is running and to see the achievement for 5 years.

## H. System of Writing

The outline of this research as follows:

Chapter I explains Introduction, Problem Background, Research Question,
Purpose of Research, Theoretical Framework, Hypothesis, Research Methodology,
Range of Research, and System of Writing.

Chapter II discusses and gives information about Indonesia, tourism and its benefits, the history and the development of Indonesian tourism, the potential Indonesian tourism, beautiful of Bali, Visit Indonesia year 2008.

Chapter III discusses the impact of bombs that exploded in Indonesia since 2000-2006, especially the impacts of Bali bombing on 2002 and 2006, the impact to domestic sectors especially toward tourism sector and the reaction of international world on the tragedy of Bali bombing.

Chapter IV explains the efforts of government in promoting tourism Indonesia with the main of strategy is visit Indonesia year 2008 program, the achievement this strategy to recover tourism in Indonesia.

Chapter V contains the conclusion.