

EMPOWERING A LOCAL ECONOMY IN INDONESIA THROUGH TOURISM AND GOOD PRACTICE

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ABSTRACT

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This article explores how a group of stakeholders worked collaboratively on an economic initiative to develop an abandoned limestone mine site in Sekapuk village, Gresik, Indonesia. A sustainable livelihood framework using qualitative methods is used in the analysis. The fieldwork reveals that in Sekapuk, village-owned companies and village officials cooperated to maximise the utility of their assets and economic advantage by designing and implementing two community programs. The first program, known as the TAPLUS (Tabungan Plus) Savings and Investment Plan, used community funds for converting an abandoned limestone mine site into a viable tourist destination. The second program sought to empower women economically by enabling single mothers to access low-interest, soft loans. The program provided these women and other women's groups with the means by which they could become involved in tourism activities at village level. Through implementation of these initiatives, the Sekapuk community benefitted in a variety of ways; by repurposing an abandoned mine as a domestic tourist destination for economic gain and by empowering residents of the village.

Keywords: Community-based tourism; community empowerment; partial sustainable livelihood framework

1. INTRODUCTION

Community-based tourism has two characteristics: first, there is a process of community development that maximises the social and economic benefits of the tourism object provided; and second, the community development program can minimise the effects of environmental damage (Moscardo, 2008, pp. 6–9; Ruiz-Ballesteros & Hernández-Ramírez, 2010). The effectiveness and sustainability of community-based tourism are also important considerations (Stronza, 2008). However, strengthening a community through tourism development reveals some weaknesses such as, an inability to maximise profitability, weak marketing and distribution (Beaumont & Dredge, 2010; Blackstock, 2005; Ghaderi et al., 2022). In addition, McKercher and Prideaux (2014) and Phi and Pham (2022) see an inconsistency between tourism development, economics, socio-cultural and environmental issues. Furthermore, Gibson (2010); Mowforth and Munt (2008); Thapa et al. (2022) show that there is insignificant evidence linking the welfare of the local community with the development of tourism. This is in line with a phenomenon, common in tourism areas, where investors from

outside the community position community members as a complement of the tourism development. This phenomenon may be seen when most local residents work as small souvenir merchants or freelancers in maintenance and cleaning while management and creative functions are dominated by outsiders.

This paper describes an example of a positive relation between tourism and community development through the repurposing of a former mine site as a tourist attraction. The tourism development is in Sekapuk village in Gresik Regency in the Indonesian province of East Java. Most of Sekapuk's population of 4673 work as farmers, although many residents also work in mining alongside migrant workers. In managing community-based tourism successfully, Sekapuk is an example of good tourism management because the village is able to minimise the negative effects of tourism development while ensuring broad-based community welfare.

As Ross (2012) and Nayyar (2019) hypothesise, developing countries rely on resource optimisation for growth. Government resources are employed to generate taxation and other forms of revenue. Therefore, the development of a community-based tourism management network can provide economic opportunities for those community members who would otherwise be marginalised.

Gresik Regency is known as a manufacturing hub producing basic commodities, such as cement (produced by the state corporation, Semen Gresik, now known as Semen Indonesia) and fertiliser (manufactured by another state corporation, Petrokimia Gresik). It is commonly assumed that most localities in Gresik Regency have attained a fairly high standard of welfare. However, paradoxically, until 2017, Sekapuk village was listed as poor and underdeveloped. Given its underprivileged classification, the village community, in conjunction with local authorities, devised a participatory development model for Sekapuk to demonstrate how local community-owned assets could be optimised to improve the local livelihoods.

According to SIPD No. 545.4/091/116/1991, Sekapuk village is adjacent to a 25-year, limestone-mining concession that covers an area of 365,525 hectares. To minimise the potential for any negative consequences stemming from their resource endowment, Sekapuk villagers showed considerable creativity in establishing a village-owned enterprise. Their initiative led to the successful exploitation of a disused mine that had become a waste disposal site with no economic benefit.

2. LITERATURE REVIEW

Empowering a local economy necessitates a collaborative effort involving community initiative, government support, civil society, academia, and businesses. This approach aligns with the principles of Community-Based Tourism (CBT), where the creation of tourism projects must maximize the community's natural and cultural assets to develop sustainable products that meet the economic, social, and environmental needs of local residents. Repurposing the mine site exemplifies how the community actively shapes its economic future and promotes socio-economic development. By identifying the community's assets and vulnerabilities, the project can develop strategies to enhance livelihood opportunities, thereby strengthening the local economy and promoting sustainable development. The Sustainable Livelihood Framework (SLF) provides a comprehensive understanding of the community's needs and challenges, guiding the creation of policies and initiatives to address poverty, vulnerability, while promoting resilience and economic growth. The transformation of the former mine site into a tourist attraction in Sekapuk, Ujungpangkah, Indonesia, serves as a compelling case study demonstrating how tourism can empower local communities, stimulate economic growth, and foster sustainable development. Through initiatives utilizing abandoned mine sites as tourist destinations, communities can leverage their natural and cultural resources to effect meaningful and long-lasting change, benefiting both residents and visitors.

2.1 Community-based tourism: An understanding of the concept

The community as a stakeholder has an important position and role in supporting the success of tourism development. Beginning with planning frameworks for implementing tourism activities through to supporting successful tourism outcomes, every tourism initiative must pay attention to the status, potential and role of the community as a development theme or actor (Boronyak et al., 2010; Sunaryo, 2013). One concept that helps to explain tourism development is community-based tourism (CBT).

Suansri (2003) postulates that CBT is a social transformation concept that recognises sustainable environmental, social and cultural management principles in local tourism. Goodwin and Santilli (2009) and Mtapuri et al. (2022) define CBT as a development method that meets the social, environmental and economic needs of local communities by creating tourism products. CBT improves economic livelihoods through socio-cultural and environmental development by exploring and promoting the beauties of nature and local culture for public leisure. Based on the definition above, it is possible to argue that the role of the local community is to commodify their natural and cultural uniqueness to visitors to gain benefits and income. Therefore,

community-based tourism may be interpreted as a form of cooperation with the full participation of communities (tourists and local community alike) in developing sustainable tourism attractions.

Community-based tourism emphasises the strengthening of community values and assets, such as culture, local customs, cuisine, and lifestyles. To exploit its tourism potential successfully, the community must mobilise its tourism assets independently and maximise the attractiveness of its tourism offerings. Through CBT, each individual in the community is integrated with a tourism economic chain in a way that stimulates the small business sector (Siswanto, n.d.).

2.2 Community empowerment and creative economy

Community empowerment is intimately associated with four actors: government institutions; civil society institutions; academicians and business (Gutierrez, 2019; Mahanani et al., 2021). These actors exhibit mutual dependency, which, in some cases, is problematic. On the one hand, as either for-profit or not-for-profit institutions, the actors should prioritise spending efficiency. On the other hand, their mutual dependency imposes additional costs (Molm, 1994). In this light, mutual dependency may be considered as an internal and an external dilemma, although, as Molm asserts, these dilemmas constitute an inherent risk for the actors.

Similarly, Blackwell and Colmenar (1999) identify a connection between the economy and the community that reinforces mutual dependency among various groups in society (Molm, 1994). Despite fostering community togetherness, a high degree of mutual dependency produces a small number of identifiably independent actors in society (Molm, 1994). Power and status inequality are the main outcome. Inter-communal relations are characterised by constant change and rebalancing. Drucker (1999) points out that organisations have to change structurally to accelerate decision making. To ensure successful structural change, a high degree of decentralisation is required. In line with Drucker's argument, Burnes (2004) posits a dual perspective of social change. For Burns, social change is a cycle of constant reorganisation within society as well as a measure by which organisations manage their life cycles.

A change of community values and perceptions marks the beginning of social change (Bornstein, 2007, p. 265). According to this school of thought, changes in values and in public opinion, commonly acknowledged as social innovation, are strongly influenced by the way a community responds to a particular phenomenon. In this regard, Drucker (1992) points out that social innovation has a more significant role to play than does scientific innovation. Taking the example of the financial sector, he argues that community change is not brought about by a breakthrough in information technology but by an evolution in the commercial loans system. Over the past two centuries and in the past forty years in particular, a huge increase in profits accruing from commercial loans has contributed to worldwide social innovation (Drucker, 1992).

Apart from being a common response to problems encountered, social innovation is usually driven by individuals in the community. As Bornstein (2007) argues, each individual or community reacts differently to social change according to their history and their experience. This type of change is shaped by a community's sense of mission as embodied in its social institutions. Institutions, here, are defined as a group of individuals organised around particular purposes and goals. They may take the form of a government, private business or public organisation. To maintain their vision, institutions tend to compete for influence and legitimacy within society to attain a high degree of acceptance. Consequently, institutional competition creates an open space for structural change in society. The code of conduct of each institution determines how, with limited resources, they communicate with the public and how they negotiate public expectations. As a result, public behaviour is shaped not only by geography but also by actors who influence and control daily life.

According to Drucker (1992), 'modern organisations must have social power and a good deal of it'. Furthermore, Drucker explains, for social power to exist, people need the authority to make choices: whom to hire, whom to fire and whom to promote. The exercise of social power requires organisations to be highly capable in creating and establishing the rules and disciplines needed to bridge what the organisation is designed for and what the community needs. The Solow-Swan economic growth theory states that technological progress is inseparable from the factor of human resources. The contribution made by human resources can be seen in measures that address problems arising from urban living, industrial production, social stratification and the communal characteristics of the state, in particular, the creation of discrete social roles and the bureaucratic disposition of the nation-state. In other words, modernity is constantly associated with technological development. Kasa (2011) lends weight to these theories, pointing out that technology is a major factor driving social change, culminating in the emergence of modern society, where every aspect of life is suffused with technology.

Kasa (2011) defines modernity as a contentious and elusive process that is the subject of sociological inquiry and philosophical reflection. Modernity requires a holistic approach to create harmony between a community and its environment. The knowledge economy seeks to bridge the negative aspects of natural resource management and modernity. A knowledge economy may be derived from the everyday values or knowledge that a community draws on to solve problems. To the extent that environmental degradation is

attributed to human activity, technological progress is defined as the process of meeting human needs by exploiting natural resources.

2.3 (Partial) Sustainable livelihood framework

Sustainable livelihood frameworks (SLF) in community development help to delineate precisely the relations between those factors causing poverty and vulnerability within the community. SLFs highlight the extent to which communities are aware of the communal problems they face (Farrington et al., 1999; Morse, 2013; Scoones, 2015). The main discourse in community development is how to order ownership of communal assets and the degree of effort required to add value to those assets. Adding value to their assets is regarded as an effective way to increase the community's bargaining position in development. However, this is not the only factor that can increase the wealth of the community. It can be argued that middle class groups, struggling to establish themselves in suburban and peri-urban areas, ultimately have the capability to strengthen the economy and to lift the productivity of peri-urban areas while ensuring equitable economic growth for all (Blackwell & Colmenar, 1999).

SLF is a tool that allows social phenomena to be appraised and categorised. It also facilitates an understanding of the causes of vulnerability, of asset value maximisation and of the creation of livelihood strategies that give people a sense of belonging, that is, togetherness, creativity, participation and economic opportunity. Application of SLF allows an understanding of the changed circumstances facing peasant and elite communities alike, in particular the livelihoods and cultural practices that are vulnerable to natural processes of change. SLF identifies the physical assets, human capital and social and financial support frameworks that communities employ to respond to change and maintain or recover livelihoods as well as the historical context in which communities are grounded. SLF is especially useful in identifying the unrealised potential of the community to transform structural and behavioural constraints as a means of developing sustainable livelihoods. Undoubtedly, natural disasters generate widespread distress and erode community livelihoods, giving rise to new sources of vulnerability. Therefore, the utility of SLF lies in its ability to focus attention on existing differentiations and stratifications within affected communities or interest groups.

To accommodate different community expectations and gratifications, SLF analysis should be holistic and aim at providing baseline information. Baseline information is here defined as information that answers the fundamental question of how communities cooperate in solving the problems they face from year to year. Chambers and Conway (1992) and Scoones (2009) maintain that an SLF approach encompasses people of varying economic and social backgrounds.

By employing a simple and practical livelihood framework that draws on various levels of economic and social analysis, information may be comprehensively managed as an input to the policy-making process. Livelihood strategies for the community depend on rigorous analysis of community vulnerabilities and existing and potential community assets. These strategies are critical elements in strengthening food security and preventing poverty. In this regard, SLF is a tool that maps the interaction of community vulnerabilities and assets while demonstrating how people adapt to the problems they face. Krantz (2001, pp. 8–10) describes three ways in which an SLF approach may be used to identify community deficiency. The first posits economic growth as the backbone of change and the principal driver of efforts to remedy shortcomings within the community. In short, change promotes community intra-dependency and encourages community members to pursue economic opportunities more actively.

The second way in which SLF identifies community deficiency is by highlighting not just economic and financial problems but social issues such as adequate health care, gender equality, democratisation in policy making, literacy rates and other problems. Therefore, social change may be considered a part of community vulnerability and a general feeling of powerlessness.

The third way in which an SLF approach might be helpful is in improving a community's awareness of its baseline condition and galvanising community involvement to build institutions to promote change.

At the same time, Kelman and Mather (2008, p. 194) argue that the SLF approach tends to rely on mechanistic processes and a managerial approach that generates recommendations for livelihood strategies that ignore the contribution history and culture make to community norms and processes. Furthermore, Scoones (2009) and Kelman and Mather (2008) maintain that SLF schemes ignore broader structural constraints where local residents have limited control or influence. Consistent with this argument, Hoath (2009) contends that political factors shape community awareness of welfare; often in conjunction with a perceived shrinking in ownership of livelihood assets. Similar to Hoath, Scoones (2009, p. 193) argues that 'knowledge, politics, scale and dynamics' is the primary focus of effective SLF analysis. According to Scoones, there is a risk of retreating from the insights to be gained from contextual, trans-disciplinary and cross-sectoral approaches by defaulting to micro-economic analysis. This all-too-predictable approach limits the development of a discourse between institutions, social movements, government and policy practitioners (Scoones, 2009, pp. 185–187). In the case of Sekapuk village, which is on the mining concession area, the use

of SLF diminishes the importance of power and politics as explanatory variables and disconnects macro and micro analysis of agency and structure (Scoones, 2009, p. 186). The observation that power relations cannot be reduced to a single point on an asset pentagon (Scoones, 2009, p. 185) is particularly relevant to the situation of marginalised communities which reside near forest areas. Local responses to scarcity or productivity can only be understood in the context of global market forces and supply chains. Community understanding of how value is added in the production of economic commodities is needed to entrench long-term ownership of economic infrastructure and prevent social risks that could affect the community such as drought or deforestation.

Although SLF helps to identify local complexities and label the multiplicity of assets that people draw on when constructing their livelihoods, it also creates a holistic view of what resources, or combination of resources, are available locally. Scoones (2009) argues that employing SLF to identify local factors avoids a narrow understanding of community output. As a result, informal social power structures within communities may be better understood (Krantz, 2001). Underpinning the efficacy of SLF is its ability to capture events impinging on the community, elucidate the factors behind community vulnerability and expound the role of asset maximisation in livelihood strategies that engender a sense of belonging, togetherness, creativity, participation and economic opportunity. SLF focuses on understanding how individuals and households obtain and use particular social and economic assets to pursue opportunities, mitigate risk and reduce vulnerability, as well as to maintain or to improve their livelihoods (Department for International Development [DFID], 1999; Ludi & Slater, 2008). In addition, the SLF framework enlightens all elements of society and allows for a more intelligent response to vulnerability and to development challenges (Ludi & Slater, 2008).

3. METHODOLOGICAL APPROACH

Conceptually, this paper uses an economic and socio-ecological approach to describe how the people of Sekapuk village, Gresik, Indonesia, maintain resilience in the face of economic vulnerability.

Most of the residents of Sekapuk are farmers and they rely mainly on adequate irrigation and optimum rainfall for their agriculture. While awaiting the beginning of the rainy season, the community makes limestone bricks on the limestone hills around Sekapuk. It therefore makes sense to use community asset mapping to plot the willingness and capability of Sekapuk farmers to respond to environmental change. Communal assets are physical, human resources that are social and financial. Consistent with other descriptions of socio-economic behaviour at community level, this paper employs qualitative methods.

Respondents for the study were around sixty Sekapuk residents involved in village tourism management. Respondents also included fifteen village government officials responsible for the management of village tourism; in particular, representatives of the Rukun Tetangga (RT) (the local neighbourhood association) who were authorised to set up canteen and cafeteria facilities. Forty visitors to the tourist site were also interviewed at random. In addition to interviews with respondents, field observations were conducted by mingling with worshipers at the village mosque and engaging them in informal discussions after prayers. Three discussion groups, comprising three to five worshipers in each group, were set up. The field observations were carried out between June 2018 and the end of 2021.

To obtain accurate and balanced information, several site visits were made without notifying interested parties beforehand. Data verification was undertaken with the Village and Community Empowerment Office in Gresik Regency where relevant documents, such as the regional development framework, were analysed. Information was also obtained from select focus groups.

The purpose of this paper is to strengthen an understanding of how community behaviour adapts to environmental change and other challenges. It describes community responses to environmental degradation caused by mining and the adoption of tourism as a means of improving community livelihoods. Hence, we consider a Partial Participatory Approach (PPA) appropriate. The PPA posits continuous community participation over a set time span with participation occurring sporadically and in various ways. A PPA approach yields three basic benefits. First, it allows information to be collected, which facilitates the recording of social transformation incurred by individuals (Carr & Kemmis, 1986; Koshy, 2010; Pedretti & Hodson, 1995). By interacting with local public figures, the participatory approach can remove traditional barriers and enable research and analysis to be adjusted in accordance with the latest social mores. Second, extracting information using participatory methods allows individuals to participate in the collection of relevant data. Participatory approaches can be used to educate the public about the importance of social phenomena in research (Carr & Kemmis, 1986; Koshy, 2010; Pedretti & Hodson, 1995, p. 476). The third reason for using a participatory approach is to improve the quality of information obtained by storytelling and other oral history methods (Koshy, 2010).

McNiff and Whitehead (2010) has a particular view on participatory information gathering. According to McNiff, values and emotions are an important feature of participatory information gathering. He argues that in the process of actively extracting information, an awareness of community values may shed further light on a particular social setting or situation. Indeed, community values may not be consistent with the results of analysis and on-site findings. To put it simply, extracting information using participatory methods is likely to yield valuable results and motivate people to be active in solving problems. Public trust can be affirmed by motivating the community, highlighting examples of relevant social responses and demonstrating community assets, capabilities and a sense of mutual solidarity.

Along the same line as McNiff, Creswell (2009) provides three paradigms for the extraction of participatory information. First, there is a problem relating social context, in other words, the response by society to natural and social phenomena. Second, the application of practical policies and daily life practices resides at the centre of knowledge accumulation. The third paradigm highlighted by Creswell is an information-gathering stage which fosters personal and social change.

Participatory information gathering, therefore, implies a high degree of community participation to ensure there is a close alignment between community and research agendas. Information collection allows all community members an equal opportunity to participate, including altering and determining the outcome. In brief, participatory information collection requires abundant self-criticism and high-level thinking.

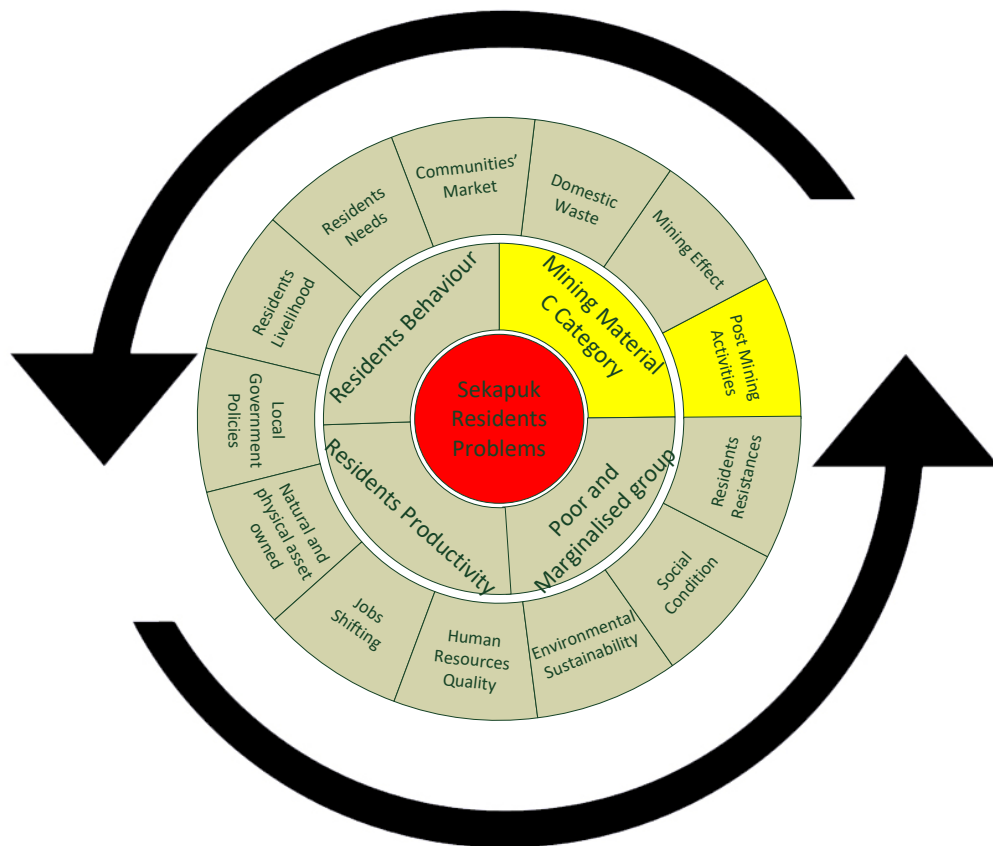


Figure 1: Social problems in Sekapuk village
Source: Field work (2020)

Considering the primacy of participatory methods in the information collection process, which require self-criticism and higher-order thinking, researchers must have an understanding of the concept of social paradigms. Paradigms, in the context of this study, encompass the structural function of a society, as well as potential conflict between individual villagers and their community. Information collection, using a participatory approach, enables a plethora of problems to be mapped and priorities identified (McIntyre, 2008). Because the main purpose of this article is to provide policy recommendations to support the creativity and innovation of communities in the face of environmental challenges, especially those arising from mining, the authors propose a cyclical analysis which draws on previously gathered information and provides a baseline for later community responses.

As may be seen in Figure 1, the participatory information cycle begins with a definition of problems encountered and then continues by observing residents' problem-solving responses. The next step is to collect the data required from various constituents of the village community, such as mining workers, people living near mining areas, and farmers who are also miners. The livelihood strategies of village residents, those that maximise the use of resources available to deal with potential difficulties and vulnerabilities need to be explained. After analysing villager behaviour, the next step is to position the roles of farmers' groups, mining workers' organisations and village government agencies, to match the information gathered from the community. The culmination of the cyclical process is a comparison of each respondent's reaction to perceived threat.

The directional arrows depicted in Figure 1 show the connectivity and evolving nature of potential issues. The study commences by identifying the challenges faced by the community, with a particular focus on mining activities related to Mining Material C Category. Various problems, for example, the management of abandoned mining pits, is typical of this category of mining. Before 2017, abandoned pits were utilised as dumping places for waste. Subsequently, the analysis delves into examining the behaviour of the research subjects, identifying community needs and market dynamics and assessing the initiatives of the village government. In the third stage of this circular process, the analysis examines the productivity of the community by identifying ownership patterns of natural assets, the transition of employment from agriculture to mining and the quality of human resources available. Furthermore, this stage identifies marginalised and economically disadvantaged groups, characterised by impoverished individuals who are unable to benefit from mining activities, those who are affected by emerging environmental degradation and segments of the community opposing the proposed changes.

The data analysis in this paper employs a Participatory Action Research (PAR) framework, in which the gathered data are grouped to map problems, as illustrated in Figure 2. This approach helps to identify problems faced by members of the community and also their hopes and expectations regarding the assets they possess. According to Jacobs (2018) and Kondon (2007), PAR is a framework that encompasses all research approaches that position the community as the primary source of information and culminate in action-oriented studies, including policy-oriented research. The PAR framework offers three advantages in terms of data analysis. First, it facilitates documentation of social transformation by using social actors as key informants in the information gathering process. Second, it serves to educate the community by improving their understanding of the social phenomena under investigation. Third, PAR facilitates dissemination of information through storytelling and community dialogue, thus making it more effective. In essence, this framework not only empowers the community by involving them in the research, but also contributes to their understanding of social issues and the effective sharing of information.

4. FINDINGS AND DISCUSSION

Since the 1950s, villagers have been mining in the limestone hills surrounding Sekapuk. Mining takes the form of excavating limestone slopes above ground level, as well as cutting deep into limestone hills. After years of excavation, the hills exhibit unique physical and artistically interesting features.

As mentioned above, PT Polowijo Gosari owns a 25-year limestone mining concession in Sekapuk village under SIPD No. 545.4/091/116/1991 with usage rights (dated 27 May 1998) issued by the Gresik Regency branch of the National Land Agency. The mining concession covers 365,525 hectares.

Over time, a disused area of the mine site became a garbage dump for the Sekapuk villagers with the inevitable, unpleasant consequences for local residents, such as garbage accumulation and the diffusion of unpleasant odours. This situation gave rise to a conflict between those residents who wanted to rehabilitate the site and those who sought to utilise the area for other purposes. Nevertheless, support for re-purposing the mine site grew stronger after one of its proponents was elected as village head in 2017. The success of a similar strategy in the Brexi hills in Yogyakarta and at Bukit Jeddih in Bangkalan provided further motivation for the Sekapuk villagers to develop the mine site as a tourist destination.

Converting the 2.6 hectares of abandoned mines from garbage dumps to a tourist destination proved to be long and difficult for the villagers. A critical element of the process was mediation by the Sekapuk village government in negotiations between the villagers and PT Polowijo Gosari for the handover by the company of its concession to the village-owned enterprise (BUMDes) and the Sekapuk Village Tourism Awareness Group.

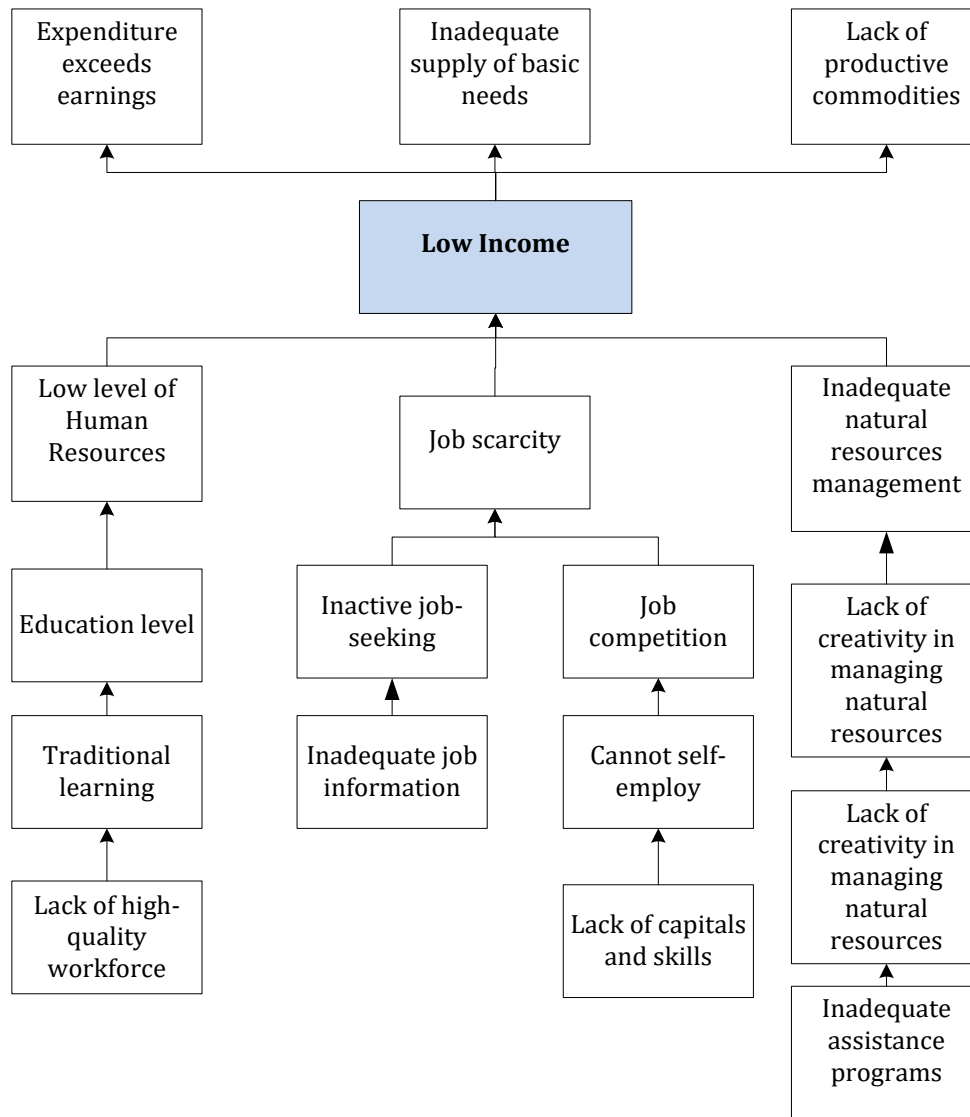


Figure 2: Problem mapping of challenges faced by Sekapuk village

Conversion of the landfill area to a tourist attraction constituted an existential dilemma for Sekapuk villagers. Problem mapping drawn from field observations is depicted in Figure 1. The Figure reveals the village faced challenges in three basic domains. The first domain was human resources. The evidence clearly shows that Sekapuk's human resource complement was a potential driver of development in the village. No fewer than 261 Sekapuk villagers had migrant worker experience abroad and, in terms of education attainment, 246 villagers had graduated with a bachelor degree and 1182 villagers possessed a high school qualification.

The second challenge identified in Figure 2 concerns job scarcity. Village prosperity in Sekapuk depends on agriculture, in particular, the cultivation of rain-fed rice fields. Because most of the villagers are obliged to spend the bulk of their time tending their crops, there are few opportunities for them to fill vacancies in other sectors, such as tourism. Field interviews revealed that as many as 229 Sekapuk villagers worked as farmers and twelve worked as farm labourers, underlining the relative scarcity of work choices in this village.

The third challenge concerns topography. The village is in a flood-prone location that is at the base of a slope adjacent to a national road passing through the village.

In addition to mining, which, as explained above, has been largely overtaken by tourism, Sekapuk village enjoys several commercial advantages. The first of these is the village market which is on the side of the road near the entrance to the village. The market is likely to be popular with tourists. It is not just a place to trade and exchange local commodities but could also be developed as a centre to showcase the local cuisine of the north Java coast (Pantura) community.

The second area of potential economic advantage is the village festival. Sekapuk village hosts several village festivals during the year. One of these is the Ambengan festival. This festival is an expression of gratitude

for God's favours and grace. The Ambengan festival depicts the earth (land) as the living place and embodiment of all God's creatures that must be preserved, whether human, animal, plant or other.

The third economic potential is the village's geographic location. Sekapuk village is near the north national coast road. A road from the village connects this national road with the village, which facilitates visitor access to tourism attractions.

These three areas of potential economic advantage facilitate community-based tourism development and significantly improve the welfare of Sekapuk villagers. At the same time, managing these economic assets poses a number of difficulties. The tourist precinct known as SETIGI (Selo Tirto Giri or stone, water and hills) comprises a disused limestone quarry that has been beautified with a garden, a lake and a waterfall. It is popular with visitors who take selfies and enjoy the use of paddle boats. The establishment of SETIGI as a tourist destination was contentious and several villagers raised objections. From interviews conducted for this article, it emerged that a simple pavilion built in the SETIGI area had been vandalised by being set on fire. Furthermore, sordid practices, such as depositing human faeces in some areas accessible by tourists, created a serious management problem. These incidences of opposition by some villagers to community-based tourism appear to have been motivated by a belief that the area should remain a garbage dump and not be changed to a publicly accessible site. However, as a consequence of community initiatives and assistance from various institutions and higher education institutions, community-based tourism gradually developed in the village and became better known to outsiders. Furthermore, the number of foreign tourists who visited the village influenced the residents' views on the potential of SETIGI.

Once the initial set of challenges had been addressed, with the full support of the village community, the next challenge was financial. The development of a 2.6 hectare mine site as a tourist area obviously requires a significant supply of funds. However, the use of village funds for mainly tourism-focused activities had the potential to be a political problem for village officials. To create a secure and sustainable fund, Sekapuk villagers initiated a savings and investment fund (TAPLUS) to be managed by BUMDes over a defined period of time. The fund would be used to provide capital for the development of the tourist precinct. So far, 400 villagers have been given access to Taplusinvest funds. It is likely that the number of certificates issued under the scheme will increase to 700.

Another source of funding for the development of this tourist area is the profits earned by the BUMDes. Apart from operating businesses ventures in electricity supply and facilitation of tax payments, BUMDes is engaged in managing up to seven hectares of mining allotments and running a leisure centre in SETIGI. The profitability of Sekapuk village BUMDes jumped from IDR70 million in 2017 to IDR450 million in 2018 and has steadily increased from IDR929 million in 2019 to IDR2047 million in 2020.

As a consequence of available funding, the community-based tourism area has substantially expanded. A number of activities started under the program have gained public recognition. The first is the planting of 150 cabebuya trees at the entrance to the SETIGI tourist site. Other publicly recognised activities include the building of new facilities at SETIGI, for instance, the Sekapuk mine museum and the Genthong children's pool. A further example of an activity launched under the scheme is the opening of canteens at SETIGI that are managed by local residents' groups or RTs. Importantly, the Taplusinvest program instituted a soft loan facility allowing single mothers in Sekapuk village access to business loans with an interest rate of only 9 per cent per annum. This soft loan facility gave these women a valuable financial benefit and contributed substantially to their economic empowerment.

As a general observation, development of community-based tourism improves residents' welfare in three ways. First, by augmenting the quality of human resources through creative means. These initiatives are carried out through programs and activities that encourage people to heed the education of their children. A concrete example of the way in which community-based tourism has benefitted Sekapuk village is the scheme set up by the BUMDes that provides student scholarships up to university level.

The second way in which community-based tourism can improve village welfare is through the creation of employment. In managing the tourist area, the village government and BUMDes have successfully created a number of new jobs. At present 175 villagers are employed at the SETIGI site. Moreover, no fewer than 29 RTs operate canteen licences at the SETIGI site. The grant of a canteen licence is an incentive that engenders a sense of entrepreneurialism and contributes to a broader perspective within the community with regard to job creation, either by using its own capital or by collaborating with other parties to start and develop a business.

The third way community-based tourism potentially improves village welfare is by adding value to locally sourced commodities. Value-adding occurs through an android-based application known as JOS (Jualan Online Sekapuk or Sekapuk selling online). The JOS application was developed by the village government and BUMDes to give Sekapuk's local commodities wider public exposure. Apart from using this android application,

the village government and BUMDes also use social media tools such Instagram, Facebook and Whatsapp group.

Opening the SETIGI precinct to visitors, represented a breakthrough for the Sekapuk community. Successful negotiations between the village community and the company holding the mining concession resulted in utilisation of the area for tourism. Moreover, SETIGI tourism in Sekapuk village provides an affordable alternative for family entertainment in terms of proximity and pricing. SETIGI tourism is also an integrative attraction for families and a means of educating visitors about limestone mining in this area of East Java.

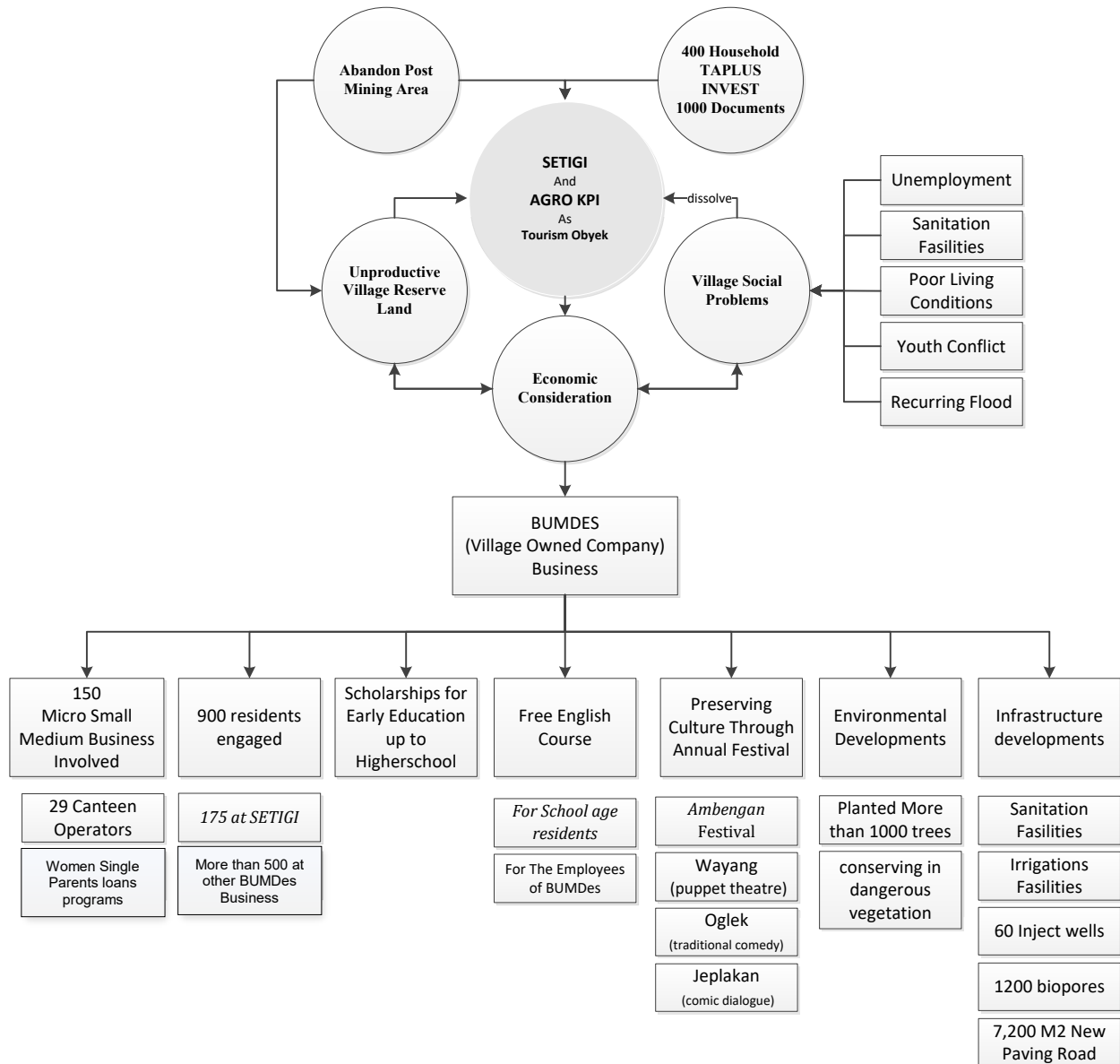


Figure 3: The business circle life of tourism in Sekapuk

Figure 3 shows that the community-based tourism in Sekapuk has been successful in promoting sustainable development and improving the well-being of the local community. Through effective management and collaboration between the community, local authorities and other stakeholders, Sekapuk village has been able to harness the potential of tourism for economic growth and social progress. Statements by visitors interviewed at random indicate support for the various attractions offered at SETIGI. According to these statements, SETIGI not only showcases the beauty of the limestone mountain, fashioned as a consequence of mining and adorned with a variety of flowers, but also has a pool for children and a separate indoor swimming pool for women. As well, SETIGI features an attractive museum that tells the story of limestone mining in the northern area of East Java.

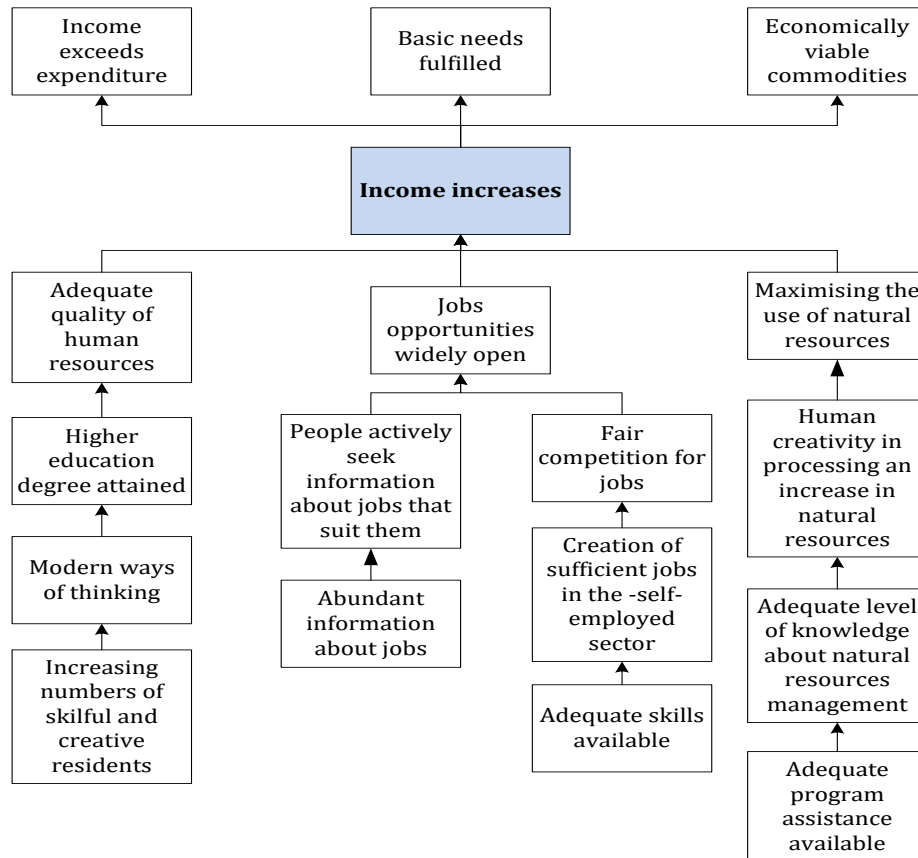


Figure 4: Flow of Sekapuk villagers' hopes and expectations

Sekapuk village efforts to foster village development are conducted on the basis of community sovereignty and independence. Sovereignty and independence are supported by various actors and community groups in the village. As depicted in Figure 4, as income levels rise, the quality of human resources within a community improves. This often means more residents are able to get higher education degrees, which helps them find a wider range of jobs. When there are more skilled and creative people, the community starts to think in more modern ways. People also actively look for information about jobs that are right for them. At the same time, they become more creative in how they use natural resources, which helps make their practices more sustainable.

As residents learn more about managing natural resources, they can use these resources more effectively. This leads to more jobs being created in areas where people work for themselves, like starting their own businesses. This creates fair competition for these jobs. To help with this, there are programs and support available to residents so they have the skills and resources they need to succeed. All of these changes help the community grow economically and sustainably, and they also improve the lives of the people living there.

The collaboration and efforts of these actors and community groups contribute to the economic prosperity of the Sekapuk community, ensuring that income levels exceed expenditure and basic needs are fulfilled through economically viable means, as depicted in Figure 5. As income increases in the community, it surpasses expenditure, allowing residents to fulfil their basic needs and engage in economically viable activities. The BUMDes plays a central role in this economic landscape by providing avenues for income generation and employment opportunities. Village Government officials work to create an enabling environment for economic growth, implementing policies that support the development of local businesses.

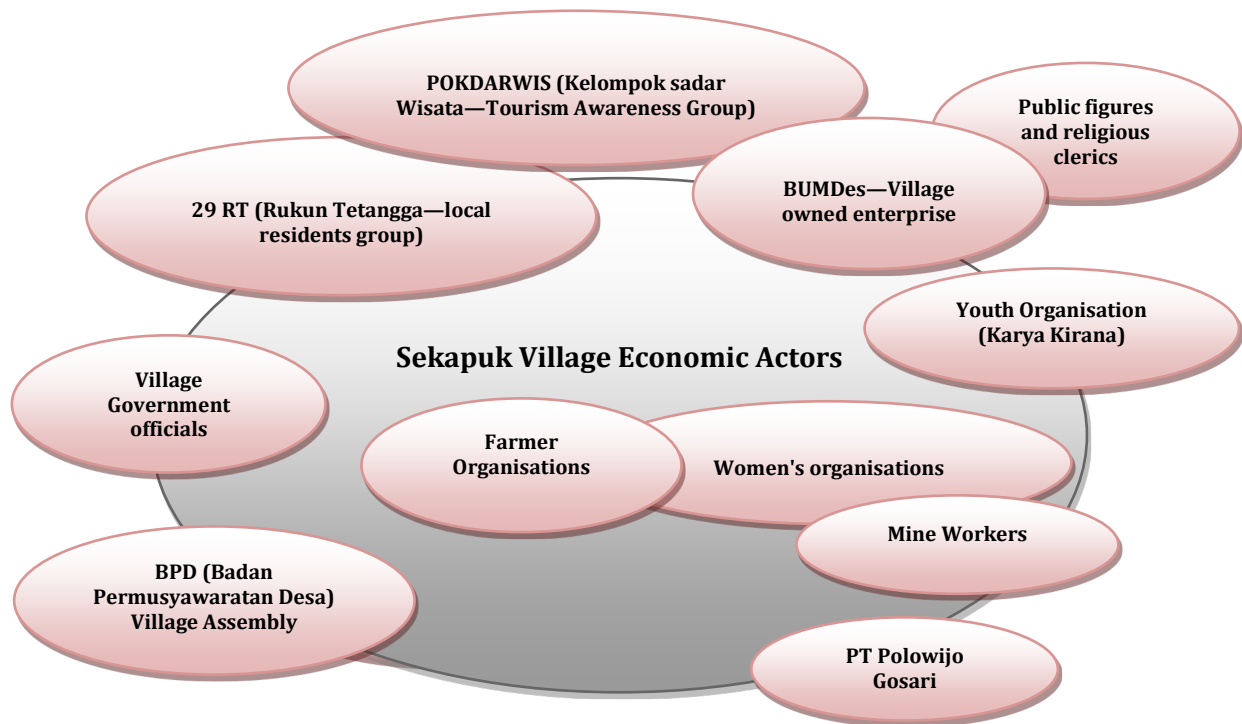


Figure 5: The Sekapuk village stakeholders

Figure 5 is an evident that several community groups have a direct and significant influence on economic activity in Sekapuk village. Public figures and religious leaders support the local economy by providing advice on socio-economic issues. BUMDes, Pokdarwis (Kelompok Sadar Wisata or Tourism Awareness Group) and village youth organisations are the backbones of SETIGI's community-based tourism business promotes tourism activities, which contribute significantly to the local economy. Rural women's organisations, such as Pembinaan Kesejahteraan Keluarga (PKK) operate at village level to educate women on various aspects of family welfare. Traders in agricultural commodities are also significant in supporting village economic development.

Given the dynamic situation in Sekapuk village, their community development and empowerment model could be a prototype for use in other situations. This is particularly true with respect to village economic development, for example, villager's participation in the TAPLUS scheme. It is important therefore, to ensure successful community development and empowerment, for there to be a formal mechanism for mobilising community funds for investment. Formalisation of the funding mechanism is likely to ensure that funds are securely administered. Registering the TAPLUS funding mechanism through the Financial Services Authority (OJK) and the central bank (Bank Indonesia) is likely to strengthen the legal position of BUMDes in managing TAPLUS. The TAPLUS fund-raising model ensures finance is available for investment and provides clients with transferable certification. In this light, TAPLUS may be considered to be a financial product similar to investment bonds but managed by the village. Registration by the financial services authority and Bank Indonesia would allow for classification of TAPLUS as a village bond. The scheme exemplifies good financial practice and innovative community fund-raising originating in Sekapuk village.

5. CONCLUSIONS

There are at least five variables that support the creative economy, in particular, the development of tourist destinations. The first variable is the existence of community awareness and initiative supported by local village officials. Involvement of the broad village community is the key to successful community-based tourism activities. Integrating latent skills and expertise found in the community with the functions of planning, management and job creation is the essence of community-based tourism activity.

The second variable is possession of a potential tourist attraction. A tourist attraction must be supported by excellent services. Creativity in managing community-based tourism depends on local culture and customs, which may be considered highly attractive propositions from a commercial tourism perspective.

As the administrator of a tourist destination, village BUMDes must be able to understand the tourism market and the demand for tourism services.

The third variable is advocacy by a charismatic and tireless advocate for a particular tourism proposal. Exhibiting high levels of enthusiasm, never giving up in the face of adversity and the ability to discover new tourism opportunities while remaining aware of potential problems; these are the basic traits of effective initiators of community-based tourism. These local community-based tourism motivators must be able to foster good communication and personal relations that embody community aspirations about the tourism destination.

The fourth variable is a strong network and support base among third parties. Having the ability to establish networks and communicate with third parties, such as governments and private companies is a fundamental requirement for developing sustainable local tourism. Successfully establishing such a network facilitates procurement of coaching and training functions, as well as the financial assistance that is necessary for long-term development of village-level tourism.

The final variable for effective tourism development at village level is the propagation of a vision that promotes environmental sustainability. A sustainable and high-quality natural environment may be considered a significant stimulus to development of a dynamic tourist industry. Sekapuk village provides a compelling illustration of the potency of messages about environmental sustainability. Because of the generally unpleasantly hot and sticky weather at the former mine site, planting cabebuya trees has provided adequate shade and contributed significantly to land conservation.

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