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# **The Role of Local Wisdom Within Tourism Sector Development in Batu City of East Java Province**

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Indonesia is one of the many countries that have the object of tourism in the world, the object of tourism in Indonesia has a very beautiful cultural diversity that attracts a number of investors to invest in Indonesia, call it some areas that are always ogled by investors to invest between Bali, East Java, West Nusa Tenggara, East Nusa Tenggara, Raja Ampat (Papua), Maluku, Sabang (Aceh), Wakatobi (Southeast Sulawesi), Togean (Central Sulawesi), and others. Investors will undoubtedly invest their fortunes in the existing tourism areas of Indonesia with the consideration that Indonesia is a holiday destination for the world's people. The number of tourists who visit this can be felt in the city of Batu East Java Province, as a city famous geographical and geological conditions are very cool to make the city of Batu has always been a destination of travel both local, national and foreign.

Batu city is one of the existing city in East Java Province which is located in Malang regency has strong appeal as tourism potential area is very big, as for some tourism destinations in Batu City, among others Tour PetikApelKusuma, Jatim Park 1, 2 & 3, Batu Night Spectacular, Selecta Recreational Park and others. The massive development of tourist attraction in Batu City is based on Batu City's vision of "Batu City of Organic Agriculture Based on International Tourism"<sup>2</sup> and is supported by Local Regulation of Batu City No. 1 of 2013 on Tourism Implementation that provides reinforcement to the opening of tourism investment climate in Batu City. However, the investment climate of tourism opens enormous jobs for local people, but concerns over the eroding of existing local wisdom pose considerable threats. Then, how the role of local wisdom in the development of tourism sector in Batu City East Java Province?

Improvement of Tourism Sector becomes the right step which proclaimed by local government in Batu City, beside Batu Town better known by tourists and local, national and international investors, the existence of tourism sector in Batu City is not only a field for city economy but also for society. In improving the tourism sector should be supported by the determination of local regulations by the government that provides legal protection for local wisdom, so that the investment climate in Batu City does not slowly erode existing local wisdom.

Keywords: Investment, Local Wisdom, Local Regulation

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<sup>2</sup><http://website.batukota.go.id/statis-2-visi-dan-misi> is accessed on 15 December 2017 at. 11.28

## I. Introduction

Indonesia is a Tourist Destination (DTW) with a list of very tourist attractions many from Sabang to Merauke . Since 1967, investment in tourism sector in Indonesia has shown a fast growing development. considering that. Until 2017, tourism sector is one of the investment revenue dark horse for Indonesia . Indonesia is a country with a lot of tourist destination. Tourism destination in Indonesia has a very diverse and beautiful culture that attracts a number of investors to make investment in Indonesia. The examples are Bali, East Java, West Nusa Tenggara, East Nusa Tenggara, Raja Ampat (Papua), Maluku, Sabang (Aceh), Wakatobi (Southeast Sulawesi), Togean (Central Sulawesi), and others.

Tourism object will be closely related to the investor. If are interesting tourism areas, the area will be seen by the investors as a place to invest their capital. They will manage the tourism destination or build hotel, restaurant, or other supporting facilities. The investor who has been successful in investing their capital in tourism sector will invite the others investors to do the same. Even in terms of planting capital by investors who have been rapidly growing and succeeding in raising their business, will invite other investors to invest in the same region, which means that the increasingly proliferation of investment in the area.

The tourism sector has a very important role for the main government in the field of income increase both region and country, with the hope that the tourism sector can become a pillar for the tourism sector in Indonesia to answer the global challenges in the world economy. Given the tourism sector has an important role in regional revenue can be seen through the economic equity in the community that does not occur inequality between one area with other regions. One example of a highly developed tourism sector in Indonesia, namely Batu City East Java Province, where Batu has a tourist attraction that is very much and become a tourist destination of local and foreign tourists. Since becoming an independent city, Batu City is increasingly showing improvement of its economy through the tourism sector.

Batu City has a brand image as a tourist destination city, as written in the Vision of Batu City, namely "Batu City as an Organic Agriculture Centre Based on International Tourism"<sup>1</sup>. Its implementation can be seen through the number of tourism places in Batu City. Tourism destinations in Kota Batu are formed naturally and some of them are built artificially. The

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<sup>1</sup> <http://website.batukota.go.id/statis-2-visi-dan-misi> is accessed on 15 December 2017 at. 11.28

examples are Wisata Petik Apel Kusuma, Jatim Park 1, 2 & 3, Batu Night Spectacular, Selecta Recreational Park and others.

Establishment of Batu City as a tourism destination city will facilitate the investors in terms of investing capital which resulted in the development of tourism in the city of Batu is growing rapidly and make the city of Batu as a city that has a Tourist Attraction Object (ODTW), thus opening wide promotion of tourism in Stone Town to the whole world. However, the demands of tourists in the improvement of existing attractions and the opening of new attractions in terms of modern facilities are expected to be implemented in a sustainable manner.

Based on the description above, we can have this problem of analysis :

What is the role of local wisdom in tourism sector development in Batu City?

## **II. The Role of Regional Regulations in the Tourism Sector**

### **1. The role of investment in the Tourism Sector**

"If there is sugar, there are ants" This phrase is more or less same with "if there is tourism destination, the investors will come to place some investments in the tourism area." The tourism sector is one of the investor's destination to do some investments, considering in this era, society is no longer hesitating to travel with considerable distance and spend a lot of money.

Capital investment in the form of Domestic Investment (PMDN) and Foreign Investment (PMA), has a strong role toward economic condition in some area, which one of them is Batu City in East Java Province. Capital investment is holding an important role in increasing local revenue, contributing in technology introduction, skills, management, and employment towards local society. New employment will give people the opportunity to work in the field invested by the investors such as hotels, restaurants etc. Moreover, the community can innovate by opening their own business, such as selling typical region products or souvenirs or snacks. In addition, investment in the tourism sector could also become a stepping stone toward tourism development promotion in terms of information and infrastructure.

According to Phil Janianto Damanik, there are several common threads regarding tourism development which orients in the welfare of the community. First, strategy's implementation regarding expanding the business opportunity for the poor around the tourism area. Second, expanding employment opportunities for local residents. Third,

preventing environmental quality's degradation which is vulnerable and has direct impact towards community. Fourth, emphasizing in minimizing socio-cultural impact from tourism. Fifth, assisting local communities regarding tourism's complementary business development. Sixth, local organization's promotions which was established for tourism concern.<sup>2</sup>

The growth of tourism sector in Batu City through capital investment can be enjoyed by all people around the tourism destination and it should be able to grow sustainably to make the community prosperous. Through investment, the government of Batu City provides reinforcement to manage the tourism destination in Batu City maximally, in order to introduce Batu City to the world. One of the example is Jatim Park 1. Although this destination is built artificially, this tourism destination becomes local and international's interest.

In Jatim Park 1, tourists can find some attractions with several facilities. Jatim Park 1's management also provides a culinary centre and a souvenir hunting place. These places are not solely managed by Jatim Park 1 management, but together with local people. The local people were given a management training in entrepreneurship. Observing Jatim Park 1, it can be seen that the role of investment in Jatim Park 1 towards the tourism sector in Batu City considered to be successful in developing the community in recent years.

## **2. The Relation between Tourism Organizer with Regional Regulation**

Investment in an area will certainly be closely related to the local government, especially in the tourism sector, every investor in the tourism sector, as a tourism developer is required to obey all applicable laws and regulations in Indonesia, commonly referred to Law No. 25 Year 2007 concerning Capital Investment. This acts regulates investment procedures, rights and obligations for every investment in Indonesia etc. Specifically, investment in Indonesia is also regulated by a Regional Regulation (Perda) in each region where the investment takes place.

Coordination among various institutions related to the effectiveness of the legal system, will work well if there is clarity in the main tasks and functions and authority of each institution, so that there is no duplication and even conflict. This is because the coordination function is related to the clarity of the integrated service pattern as well as the division of labor and authority between the central and regional governments. Therefore, coordination mechanisms that are understood and binding are required for

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<sup>2</sup> Phil Janianton Damanik, *Pariwisata Indonesia (Antara Peluang dan Tantangan)*, Yogyakarta, Pustaka Belajar, 2013. Hlm.10

related institutions, such as investment promotion issues, licensing, investment facilities and others<sup>3</sup>.

Batu City is known as one of the leading tourist city in Indonesia because of its extraordinary natural beauty potential. The Dutch admiration for the beauty and natural beauty of Batu makes the Stone City area aligned with a country in Europe that is Swiss and dubbed as De Kleine Zwitserland or Small Switzerland on the Island of Java Together with the City of Malang and Malang Regency, Batu City is part of a known territorial unity with Malang Raya (Metropolitan Region of Malang).

As a fertile mountainous area, Batu and its surroundings also have a beautiful natural scenery and cool air. This will attract other people to visit and enjoy Batu as a mountain region with its own charm. For this reason, at the beginning of the 19th century, Batu developed into a tourist destination, especially for the Dutch people. The Dutch helped build resorts (villas) and even settled in Batu<sup>4</sup>.

The beauty of Batu City awakens the government to utilize the potential of Batu City from the tourism sector. The development of tourism in Batu City is a plan that has been made since Batu became City Government since 2001. The future tourism policies can adopt previous policies and provide new innovations for tourism development in Batu Town. Recently, the Batu's government established it in the Batu City's Vision, which is "Batu City as an organic agricultural centre based on international tourism"

Tourism-related arrangements as a basis for strengthening the vision of Batu City can be seen in Local Regulation No. 4 of 2004 on the Function of Batu City and Regional Regulation of Batu City<sup>5</sup>. 1 of 2013 on the Implementation of Tourism<sup>6</sup>. Furthermore, the Regional Regulation which also sustains the Vision of Batu City which has International Tourism base is also regulated in Article 6 of Batu City Regional Regulation No. 7 Year 2011 on Spatial Plan of Batu City Area Year 2010-2030<sup>7</sup>.

The policy on tourism in Batu Town is regulated in Batu City Regulation with the consideration that there is no overlapping of central and regional government regulations. As in Batu City Regulation no. 4 of 2004 on the function of the City of Stone that is as the City of Agriculture and Tourism City. As an Agricultural City (agropolitan), its development is directed to integrated agricultural development activities where physical, socio-cultural and

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<sup>3</sup> Ana Rokhmatussa'dyah dan Suratman, Hukum Investasi dan Pasar Modal, Jakarta, Sinar Grafika, 2011. Hlm. 92-93

<sup>4</sup> [https://id.wikipedia.org/wiki/Kota\\_Batu](https://id.wikipedia.org/wiki/Kota_Batu) diakses tanggal 10 januari 2018 pukul 10.40 wib

<sup>5</sup> Selanjutnya disebut Perda No. 4 Tahun 2004

<sup>6</sup> Selanjutnya disebut Perda No. 1 Tahun 2013

<sup>7</sup> Selanjutnya disebut Perda No. 7 Tahun 2011

economic conditions tend to be strong and lead to agricultural activities. As a tourism city of Batu City tourism development which includes the development of attractions and attractions, the development of tourism services business, the development of tourist service center, the development of tourist information center.

Seeing the fast tourism development in Batu City, the government of Batu City issued a regulation regarding tourism in Kota Batu, which is regulated in the Regional Regulation No. 1 of 2013 concerning the Implementation of Tourism in Batu City. The supporting facilities are regulated in Article 6, explaining that "tourism business consists of tourism attraction business, tourism area business, tourism transportation service business, travel service business, food and beverage business, accommodation business, entertainment and recreation business, meeting business ventures, incentive trips, conferences and exhibitions, travel information services business, tourism consultant services and tour business. Capital investment in tourism support business is also experiencing a very rapid growth, making tourists regard Batu City as a tourist destination. Furthermore, Batu City Government also provides reinforcement to Batu City Regulation no. 1 of 2013 with the existence of perda that has been issued previously namely Regulation No. 7 of 2011 on Spatial Planning (RTRW Kota Batu). With the Spatial Plan of Batu City Region which is intended for tourism and agriculture.

### **3. Relationship of Local Regulations with Local Wisdom**

Local wisdom is described as habits, values, norms, rules that are adhered to in social life in a region or in a certain place that has been going on for generations and become a habit in social life. This can be reviewed based on three aspects of the domain of local wisdom, namely, the first relationship between man and man, the two human relationships with nature, the three human relationships with the creator. Uniquely, local wisdom that exist in the midst of society, especially in Indonesia will be different from one area to another. This is because the development of local wisdom has been going on for a long time and became the ancestral heritage of each region.

Etymologically, local wisdom consists of two words: wisdom (local) and local (wisdom). At KBBI, local meaning local, as well as wisdom is the same with wisdom.



So that if viewed etymologically, local wisdom can be interpreted as local ideas (wise), wise, good value, which is embedded and followed by members of the community<sup>8</sup>.

The term local wisdom was first introduced by HG. Quaritch Wales which mentions local wisdom as "local genius" which means a number of cultural traits shared by a society as a result of its past experience. Yunus interpreted local wisdom as a culture owned by certain people and in certain places that are considered mamp to survive the flow of globalization, because the local wisdom contains values that can be used as a means of building the character of the nation<sup>9</sup>.

Local Wisdom in an area will always be closely related to the local community culture which is done by people who believe it, which makes it a habit in everyday life. Local wisdom is a blend of the sacred values of God's word and the various values that exist. Local wisdom is formed as a cultural marks of local communities and geographical conditions in a broad sense<sup>10</sup>. Local wisdom begins with ideas, which are then applied in the stages of practice, and the creation of cultural forms. Those factors include several things, such as language, belief / religion / belief, education, economy and art. The general view towards local wisdom within a region is a long-standing view of life that has been run by local communities and acting as a fulfillment regarding problem solving within the community. Local wisdom which becomes tourism attraction becomes an important thing to be developed, so that ancestral values that are embedded and become a culture in a region remain intact as it should have been run by indigenous people. The customary community alliance is *volksgemeen-scappen*, which has its own social system and has a strong relationship with the land, the management of its natural resources, and has the discretion to retain local values or local wisdom<sup>11</sup>. Local wisdom and tourism object is an inseparable unity. With a lot of potential tourism destination in Indonesia which become a target from investors, local wisdom's protection and preservation should be a major focus for the government.

In the context of community development based on tourism sector, it provides a paradigm of thinking in the culture development, which consists four components:

1. Preserving and Appreciating Local Culture. Tradition of local culture is an important part in giving socializing sense, and provide identity to the community. Communities need to identify what is the unique components from their cultural

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<sup>8</sup><http://download.portalgaruda.org/article.php/article-mengangkat-budaya-dan-kearifan-lokal-dalam-sistem-konservasi-tanah-dan-air/> diakses tanggal 06-01-2018 pukul 21.23wib

<sup>9</sup>*Ibid*

<sup>10</sup> Robert Kurniawan Ruslak Hammar, *Penataan Ruang Berbasis Kearifan Lokal*, Calpulis, Yogyakarta, 2017. Hlm. 107.

<sup>11</sup> Ade Saptomo, *Hukum dan Kearifan Lokal ( Revitalisasi Hukum Adat Nusantara)*, Cikal Sakti, Jakarta, 2010. Hlm. 15



heritage are, and determine which components to need to be sustained. All of those requires structured planning, as well as how can we achieve it. For example, building local industries based on local culture.

2. Preserving and Respecting Indigenous Cultures. Preserving and appreciating the culture from indigenous peoples is a main issue in community development. Indigenous peoples who dominate and therefore the community is identified, as well as cases of indigenous people who belong to a society and people of different cultural backgrounds.
3. Multiculturalism. In general, multiculturalism refers to different ethnic groups who are living in a community, but retaining different cultural identities. The multicultural and political policy is a complex issue, but the diversity itself is a reality. Therefore, multiculturalism is an important aspect of community cultural development<sup>12</sup>.

Society culture which has been passed down for generations, is also felt in the city of Batu. Batu City community has local wisdom that has lasted for long and it is worth to be preserved in the midst of investment on tourism sector in Batu City. Because of that, the government need to strengthen the elements of local wisdom in the local regulations as a basic law for all existing investors, so that local wisdom in the community of Batu City will not be eroded by the modernization brought by investors who want to innovate their business.

One of the regulation which must be obliged by every investment in Indonesia, is to execute Corporate Social Responsibility, respect local community's tradition and culture, and obey all regulations in Indonesia, in accordance with Article 15 Paragraph d Law No. 25 of 2007 on investment : "Respect surrounding communities' cultural traditions around the location of investment business activities."

In general, regarding the obligations for every investor in Indonesia. Furthermore, the regulations related to investment in tourism sector are also regulated in Local Regulation No. 1 of 2013 Article 5 paragraph a and b, Article 66 paragraph a and Article 76 which repeatedly affirm that all investors must respect and uphold local wisdom in Batu City. The form of local wisdom existing in Batu city are called Sedekah Bumi and Clean Village activities, which have become a habit of Batu Batu community for generations. The others are another culture that fulfill the elements of art, such as warokan, jaran braid, bantengan, dance sembromo, dance ledrek, ketoprak, ludruk, wayangan, art of hadra flying jidor etc. In accordance with Regulation No. 1 Year 2013, local wisdom of Batu City must be prioritized in investment activity, especially tourism in the Batu City.

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<sup>12</sup> Ife, Jim & Frank Tesoriero, *Alternatif Pengembangan Masyarakat di Era Globalisasi Community Development*, Yogyakarta, Pustaka Belajar, 2008. hlm.449

Local wisdom strengthening and local regulation is heavily connected. As noted in the previous explanation, the investors are required to comply with the prevailing laws and regulations in Indonesia and in the city where the investment will take place. This should implement everything that is done for the development of their business must uphold the existing local wisdom. The example is during Sedekah Bumi ceremonial, every investor should be using that ceremony as a promotion. Therefore, all tourists should see that Batu is not only a mere modern tourist city, but also stills hold it's local wisdom traditions.

### **Conclusion**

Based on the explanation above it can be concluded that, the role of local regulations in the tourism sector is needed. The tourism sector will always become a target of investors in to reap profits from their business. All investors should oblige to local regulations for example Batu City as a guide in running the field of business. Tourism destinations in an area also need support from the investors to develop supporting facilities and promotions. It can be seen that the role of investors is large in the development of tourist attraction. Furthermore, the investors are obliged to preserve and strengthen the element of local wisdom in the field of business, ie, as mandated in the Batu City Regulation No. 1 of 2013 Article 5 paragraph a and b, Article 66 paragraph a and Article 76 which repeatedly regulate that all investors must respect and uphold local wisdom in Batu City. It is hoped that the tourism in Batu City can be developed without forgetting the values of local wisdom in the city of Batu.

### **Suggestion**

Based on the conclusions above, it can be suggested that the local's wisdom presence should be stronger than the culture of modernization. This can be started by using regulation that oblige investors to integrate local wisdom of Batu City in their business. The strengthening of local wisdom should be started from the local community and government must make the regulation as a basis of tourism management, and then it's implementation will be applied by the investor.

Batu City Government should see other areas that also have tourism object as an example for example, Bali Island. The number of investments in the island of Bali does not

erode the local wisdom in the island of Bali. The local wisdom in island of Bali even become another object of interest in Bali. All business in Bali always give an impression of its local wisdom.

In developing tourism based on local wisdom, the approach should involve the culture and values that are existing in the community. This approach must give paradigm of sustainable development (sustainable development paradigm) for local community. Thus, the implementation of Article 5 (a) and (b), Article 66 (a) and Article 76 of Regional Regulation (Perda) No. I Year 2013 can be realized. This can give opportunities for local communities to participate in tourism development, which can also improve their economies. If it has been going on equally the purpose of tourism in preserving Culture, by maintaining the identity of the local community has been achieved its meaning.

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