The Model of Tourism Development: A Study of Talent for Small and Micro-Enterprises in Garut Regency and Sukabumi Regency

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Abstract
Poverty and unemployment are the two main challenges faced by most countries. The struggle to eliminate these two crimes requires a clear and sustainable approach. One of the solutions offered is development in the tourism sector. In this study, the sustainability empowerment orientation model for rural tourism business actors. This is to encourage increased economic growth. This is also one of the achievements of every country, including Indonesia. In this paper uses the Pharmacy small and micro-enterprises (SMEs) empowerment approach to measures for poverty alleviation and eradicating unemployment from the rural tourism sector. This study uses descriptive and verification methods. The objects used are Pharmacy small and medium entrepreneurs engaged in the tourism sector. Location determination is done by cluster random sampling. The sample business comes from two regions, namely Garut and Sukabumi. Typical local products of Garut Regency are Leather Craft, Weaving Craft, and Dodol (sticky cake). Whereas from the City of Sukabumi is a craft of gems, processing salted fish, and chips. This study found the influence of the tourism sector on the sustainability of Pharmacy small and medium enterprises in the two regions.

Keywords: Poverty alleviation, Talent, Small and Micro-Enterprises, Tourism Development

Introduction
Poverty and unemployment are two big challenges faced by developing countries. Both of these crimes are dangerous, they deprive human rights of education, health, employment, and freedom of expression (Hadi et al, 2015). In fact, poverty forces them to live with very limited basic needs to stay alive. Lack of employment makes unemployment increase. This is a major factor in poverty and inequality to form social strata. Ukpere and Slabbert (2009) stipulate that unemployment increases the level of inequality and poverty in society. The Economy Watch (October 13, 2010) also found that unemployment caused a financial crisis.
and reduced the overall purchasing capacity of a country which in turn resulted in poverty and debt.

SEEP Network (2006) calls poverty a multidimensional phenomenon that includes not only low income, but also a lack of assets, skills, resources, opportunities, services, and strengths to influence decisions that affect the daily lives of individuals. The complex and multidimensional nature of poverty makes it a challenge to measure. For a country or region scale, the measurement of poverty used is the lower threshold of per capita income in a region (SEEP Network, 2006). The World Bank, for example, defines extreme poverty as income less than US $1/day, which is seen as the minimum amount needed to survive. To calculate extreme poverty in each country, the size of $1/day is converted to local currency using the purchasing power parity (PPP) exchange rate, based on the relative price of consumer goods in each country (SEEP Network, 2006).

The World Development Report describes the poor as people who live without freedom of action and the basic choices received by the rich. They often lack food and shelter, education and health, deficiencies that make them unable to live a life that is valued by everyone. They also face extreme vulnerability to poor health, economic dislocation and natural disasters. And they are often subjected to ill-treatment by state institutions and the public and are powerless to influence key decisions that affect their lives (The World Bank Development Report, 2000/2001).

Indonesia according to the Central Statistics Agency (BPS) defines poverty based on a poverty line of one dollar per day (Pasandaran and Bisara, 2011). This implies that there are fewer poor Indonesians (Pasandaran and Bisara, 2011). The July 2011 BPS statistics show that the poor population constitutes 12.5 percent of Indonesia's population, down from 13.3 percent from the previous year. BPS said this translated to 30.02 million poor people in Indonesia, in contrast to 31.02 million (Pasandaran and Bisara, 2011) in March 2010. However, according to Laksmono, Dean of the Faculty of Social and Political Sciences at the University of Indonesia, "although it increased figures, the definition of poverty is still worrying for experts" (Pasandaran and Bisara, 2011), because the applicable indicators do not accurately present a clear picture of the reality of poverty in Indonesia (Pasandaran and Bisara, 2011).

Diverse community interpretations of the government's response to poverty may be correct, because it is government action that is used to target the poor. In other words, government action is used as a policy instrument to channel resources to target groups identified under the agreed national poverty line. Such measures usually include reaching the poor with credit, food, employment, access to health and other social facilities and sometimes cash transfers (Weiss, 2005). Steps to reach the poor can be classified in various ways, according to Weiss (2005) among these steps include:

a. Target based on activities, such as basic health care and basic education, where it is determined that the distribution of benefits tends to be progressive. It is not uncommon to argue that this type of activity must be prioritized rather than for
example a city hospital or higher education with reasons for the lower absorption of these services by the poor. This is called 'broad targeting', compared to a narrower form of targeting that seeks to identify poor people more precisely.

b. Targeting based on indicators, where alternative income, which is expected to correlate with poverty, is used to identify the poor. This can include lack, or size, land ownership, form of residence, and type of household, for example, number of children or sex of the head of the family.

c. Location based targeting, where the residential area is a criterion for identifying target groups, as a form of targeting specific indicators. Poor regional programs, where all residents are considered poor, have become relatively common and, for example, are a central element in China's poverty reduction initiatives.

d. Targeting with self-selection or self-targeting, where programs are designed only to appeal to the poor. Examples are job creation or 'labor costs', where payments are made in cash or food, with an equivalent wage level that is below the level of market clearing and hence only attractive to those who do not have the opportunity to work at market wages. Another independent selection procedure is subsidizing low quality food (such as high broken rice).

Based on the steps above, in Indonesia, receipt of food subsidies was previously determined by the classification scheme of the National Family Planning Coordinating Board, which covers households throughout the archipelago (Weiss, 2005). Households are classified into a number of categories based on criteria including food consumption patterns, access to health care and ownership of alternative clothing sets. Village-based programs are also an important part of poverty targeting measures in Indonesia (Weiss, 2005). According to SMERU (2010) the Indonesian National Strategy for Poverty Reduction in March 2003 stated that poverty reduction must be formulated through several steps: 1) identification of poverty problems, 2) evaluation of poverty reduction policies and programs, 3) strategy and policy formulation, 4) program formulation and delivery system, and 5) evaluation of policies and programs. These steps are then integrated and reflected in the results of participatory poverty assessments and gender analysis, policy priorities and five-year action plans.

Government hopes for a new understanding (SMERU, 2010) which is based on mutual cooperation in combating poverty because the strategy of poverty alleviation and policy implementation depends on the relationships, partnerships and active efforts of the central and regional governments (SMERU, 2010). Figure 1 below illustrates poverty alleviation within the national development framework:
Figure 1: Poverty Reduction(s) in the Framework of National Development Plan

![Diagram showing the framework of poverty reduction](image)


The figure 1 above shows how the Government of Indonesia worked to achieve the poverty reduction target in 2009. The RPJM was carried out through government work plans (Government Work Plans), sectoral ministry work plans, and district / city sectoral plans (SMERU, 2010). Poverty reduction is seen from meeting basic needs, population burdens, and issues of gender inequality (SMERU, 2010).

Poverty Reduction Efforts in Indonesia

The period between 1970 and 1997 before the economic crisis that devastated the Indonesian economy, research showed that there was a decline in poverty throughout the archipelago. This is the time when the steps taken by the Government contributed to the reduction in the number of poor people from 47.9 million in 1999 to 37.4 million in 2003, or 17.4 percent of the population (UNEP, 2006). Success in poverty alleviation is linked to strategies or approaches and programs designed by the government. UNEP (2006) mentions four approaches that have been implemented in Indonesia to solve the problem of poverty, namely:

Approach to basic needs: In the 1970s Indonesia adopted a need-based approach to alleviate poverty. This is reflected in the determination of the poverty line at 2100 calories per capita intake per day. It defines five main basic needs for people to survive and live in dignity as food, health, water and sanitation, education, and shelter. This approach aims to eliminate hunger, disease and illiteracy despite scarce resources by targeting the poorest 40 percent of the population. It addresses the problem of poverty rather than income levels (UNEP, 2006). The basic needs approach was chosen to establish the basic level of social services to maintain the livelihoods of the poor. One of the main assumptions is that the government has the political will to increase the resources needed to maintain social welfare for the poorest people. In addition to finance, the government must offer a vision and build capacity for the public to participate in social development efforts (UNEP, 2006; Heinonen, T et al., 2000).
In Indonesia, this needs-based approach raises major problems because it tends to ignore the complexity of poverty, which is a result of poor human resources, lack of social infrastructure and problems in natural resource management. In addition, some development actors believe that success can only occur through the efforts and participation of the people themselves (UNEP, 2006).

**Empowerment approach:** According to UNEP (2006), two decades after implementing a needs-based approach, the 1993 National Policy Guidelines (GBHN) changed development with a new empowerment approach. GBHN recommends developing human resources together with the economy. An important aspect of the empowerment agenda is to reduce inequality by expanding human capabilities through universal basic education, health care and social protection. They also seek distribution of tangible assets such as land or access to capital. Inequality, as understood by this approach, often prevents the poor from benefiting from economic opportunities, which limit the benefits of society from growth and hence the effectiveness of development efforts (UNEP, 2006).

Empowerment also means more participatory and bottom-up development goals, which aim to improve the effectiveness of policies at the local level in terms of design, implementation and outcomes (UNEP, 2006; World Bank, 2002). This emphasizes persuasion to improve the performance of public and private providers and state power to change rules and enforce accountability. It is an approach that concentrates on improving governance and innovation and experiments by public and private actors to develop pro-poor institutional mechanisms (UNEP, 2006; idem). A program known as IDT (Inpres Desa Tertinggal) was launched in 1994. IDT encouraged local communities to start efforts to overcome their own poverty problems. Independent community organizations working on local socio-cultural conditions, known as Pokmas (community groups), were established to manage grants between Rp. 20 million to Rp. 60 million for villages that were considered to be lagging behind the development process (UNEP, 2006; Safotru. M and Rafael, E. B, 2002). The funds are disbursed along with adequate facilities and technical assistance to encourage the economic activities of the poor (UNEP, 2006).

**Rights-based approach:** National PRSP indicates a shift from empowerment to a rights-based approach. The initiator argues that this approach is mandated by the 1945 Constitution, which in Article 28H pays great attention to human rights, namely the right to food, the right to education, and the right to a healthy environment (UNEP, 2006).

A rights-based approach to development establishes the realization of human rights as a development goal. Normative justification is that rights place values, moral dimensions, and politics at the heart of development practice. By establishing a set of internationally agreed norms, supported by national law, this approach provides a stronger basis for citizens to claim states and ask states to take responsibility. In addition, this approach establishes a vision and calls on international apparatus for human rights accountability to support development actions (UNEP, 2006).
While a needs-based approach focuses on safeguarding additional resources for marginalized groups, a rights-based approach requires that existing resources be shared more equitably, making the process politically explicit. Needs can be fulfilled from the intention of charity, but rights are based on legal obligations (UNEP, 2006; Nyambu-Musembi, C and Andrea C, 2004).

Finally, evaluation of past efforts: according to UNEP (2006), when the economic crisis occurred in 1997, it was clear that the poor were very devastated. Steps are implemented including the Social Safety Net program. UNEP (2006) noted that depending on the critical evaluation by the IAP team, it was found that:

- Programs aimed at the poor consist of two types: programs carried out by sectoral institutions such as the ministry of health and education; and special programs that are multi-sectoral and regional / national.
- Policies only consider one aspect of poverty reduction, namely household consumption. Such an approach does not fully understand the multi-dimensional problems faced by the poor and does not know the root causes of poverty. The use of one poverty indicator (such as calorie intake) does not really reflect the level of poverty in the community and cannot anticipate the shift in poverty due to the economic crisis.
- Poverty alleviation programs and policies are not process oriented. There is a lack of participation by stakeholders. In this case, the most important stakeholders are the poor themselves, but they are not consulted in planning, developing, and implementing and monitoring the program. As a result, ownership is low for programs and projects.
- There is coordination and minimal linkages between programs. For example, the relationship between poverty and environmental conditions is not examined.

In connection with the above approach, most rights-based approaches, Indonesia also formulated the concept of poverty alleviation programs in three different groups based on the segmentation of beneficiaries very poor, poor and almost poor (SMERU, 2010). SMERU (2010) classifies clusters as:

- **Social assistance programs**: which aim to meet the basic needs of the poor: in food, health, education, clean water and sanitation and to reduce the burden of their lives, and to improve the quality of life for the poor
- **Empowerment program**: which has the aim to increase the capacity and income of the poor and involve the poor in the development process based on the principles of empowerment; and
- **The Pharmacy small and micro-enterprises (SMEs) empowerment**: which aims to give an access and to enhance the economy of the SMEs, the details are as in figure 2 below:
Figure 2: Three Clusters in the Poverty Alleviation Program

Source: Adapted from SMERU (2010) who also adapted from TKPK (2009).

According to SMERU (2010), the third cluster concept was formulated legally in the Presidential Regulation (Perpres) No. 13/2009 concerning Poverty Coordination. Under the Presidential Regulation, the government consolidates poverty reduction into three groups to accelerate national, provincial and district levels (SMERU, 2010). It was said that the three grouped programs had been implemented at the time the Perpres was implemented.

SMERU (2010) revealed that in early 2002, the distribution of basic necessities was known as Raskin. Raskin stands for rice for the poor. In 2009, the distribution of Raskin was 3.1 tons or about 54.53 percent of the total subsidy for the poor.

An in-depth study by Hastuti et al (2008) in the provinces of West Sumatra, East Java and Southeast Sulawesi. The study found that the main benefits of subsidized programs included facilitating food consumption, reducing the psychological burden of uncertainty, food availability, and allow households to divert financial resources to investment in children’s education. This implies that the reduction in food prices by the government and the provision of free health insurance can help deal with the effects of poverty at the lower levels.

In addition to Raskin, the tourism sector is the core business that is expected to be the largest contributor of foreign exchange from the direct sector (accommodation and restaurants) and the indirect sector and increase revenue for the hosts visited. Therefore, the number of visitors who come to encourage fulfillment of supporting facilities to meet their needs during the tour. And usually, this opportunity is given to local residents with the aim of alleviating poverty.
Research methods

This study uses descriptive and verification methods. The unit of analysis is SMEs Empowerment in rural areas. Location determination is done by cluster random sampling. Business commodity samples are obtained from Garut, namely leather craft, weaving craft, and dodol (sticky cakes) business, and from Sukabumi, namely business in crafting gems, motorcycle parts, processing salted fish, and chips.

Descriptive-inductive data analysis is carried out during the research process, referring to the main concepts mentioned above. Schlegel (1994) proposed that "data analysis has more weight, analysis must be based on data directly from the field". The stages in data analysis take the following steps; data reduction, data study and verification of conclusions. These three stages are carried out simultaneously.

The choice of family as informants is based on the following criteria;

1) Tourist attraction business actors with a turnover of <Rp. 3,000,000 per month
2) Businesses who eat, drink and souvenir kiosk with a turnover of <Rp. 3,000,000 per month
3) Farmers and / or cultivators of rice fields

Findings and Discussion

Rural poverty continues to be high, even though there is an increase in current productivity. One of the drivers of the increase is demand increases are influenced by the number of visits. For example, in the known Dodol Garut outside Garut. Dodol Garut is a visitor's main destination for tasting dodol and for souvenirs. Likewise for Sukabumi Salted Fish. The image of a well-known product makes visitors try these local products.

From these opportunities, researchers developed and tested a sustainability orientation model in terms of tourism in these two locations.

a. Establishment of a local work team and shared vision

In general, Pharmacy small and medium-sized businesses are established from individuals and in the form of business entities (CV). However, specifically from the tourism sector, the local work team was formed by the government, namely the Tourism Awareness Group (Kompepar) as an attraction manager under the ownership of the local tourism agency. And other local residents are given space to build businesses, either as local handicraft distribution or local specialty food vendors.

b. Identification and evaluation of available market opportunities

Collaboration on tourism units and creative economy is an opportunity for millennial youth and Pharmacy small and medium-sized communities to take advantage of the market. First look at the type of tour whether the tour is mass tourism or special interest. In both
locations, this type of tourism is mass tourism, which is attracting visitors in large numbers. This is an opportunity for the community to build a business.

c. Chain Marketing Analysis and Action Plan Design

Both of these regions are located on extensive agricultural land. The market link needs to be measured. Because, the agricultural sector has an indirect impact on tourism. Garut and Sukabumi are rice producers in West Java. Of the two informants who have rice fields, the demand for rice increases every year.

d. Business proposal design. Some of the informants expressed limited funds that made them produce on a Pharmacy small scale. Like arrowroot dodol sold in Situ Bagendit, some of which they made and the rest they bought in dodol maker. For this reason, there is a need for support in making proposals and achievements so that the community is able to compete with entrepreneurs who are already independent.

Conclusion

Poverty is a problem for all countries. It is also the basis for the establishment of poverty alleviation programs. They tend to give out social assistance such as basic needs or better known in Indonesia raskin. However, the selling price is getting higher and higher, so that government subsidies in used up assistance are no longer effective.

In this study, the model of sustainable empowerment in the business community in the tourism sector is one solution. This is evident in direct interviews in two locations, Garut Regency and Sukabumi Regency, which confirmed an increase in demand from the tourism sector. Like the demand for souvenirs and special foods, also the agricultural sector.

References


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