Tourism and poverty alleviation in Bangka Belitung Islands
Nabila Nursyadza¹, Herni Retno Handayani²

Economics Department, Postgraduate Program, Universitas Diponegoro, Indonesia¹,²

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Abstract
This research explores the tourism sector's role in poverty reduction in the Bangka Belitung Islands Province. Independent variables used in this study include the number of tourists, the number of business units in the tourism sector, and the number of employment in the tourism sector. We use data from the Central Bureau of Statistics consisting of 6 districts and one city in the Bangka Belitung Islands from 2013 to 2018. Ordinary least square is used in this study. The results of this study indicate that the three independent variables in the survey simultaneously affect the dependent variable. The number of tourists and the number of business units in the tourism sector has adverse and significant effects on poverty reduction. In contrast, the employment variable in the tourism sector partially can't impact poverty reduction.

Keywords: Tourism; business; employment; and poverty

¹nursyadzanabila@gmail.com
Introduction

The tourism is a promoter sector in global economic activity. Gibson (2009) states that the tourism sector is beneficial for the economic growth of developing countries; in line with Gibson (2009), Ashley (2001) says that the tourism sector is an effective means to reduce poverty. General agreement on trade and service (GATS) opens up opportunities for the tourism industry to become one of the largest service industries in the world. In this case, to continue to develop the government's tourism sector as a development formulator and controller of public policy, the tourism law no. 10 of 2019, wherein the law places tourism as an inseparable part of national development. In line with this, the government also made a "Master Plan for Acceleration and Expansion of Indonesia Economic Development" to make this master plan itself accelerate economic growth based on the potential and advantages of each region in Indonesia.

One area that continues to develop the tourism sector is the Province of the Bangka Belitung Islands, where this province creates and establishes special economic zones (SEZs). SEZs are carried out to grow competitiveness, compatibility, and complementarity with other economic corridors, attracting investors to invest in their respective regions. The development of a tourism SEZ in the Province of the Bangka Belitung Islands impacts the emergence of new tourist destinations so that it attracts both domestic and foreign tourists to come to the Province of the Bangka Belitung Islands. According to data released by BPS, the number of domestic and foreign tourists visiting the Bangka Belitung Islands province continued to increase from 2013 to 2018, wherein in 2018, there were 417,818 domestic tourists and 8,124 foreign tourists.

Indirectly, an increase in the number of tourists impacts the number of tourist expenditures according to the goods and services consumed. In 2017, there were 362,279 thousand domestic tourist visits to the Bangka Belitung Islands Province with total spending of Rp. 727 billion with an average expenditure of Rp. 2.2 million. The most significant expenditure spent by domestic tourists is expenditure on food, beverages, and tobacco, shopping/souvenirs, spending on air transportation, and spending on accommodation. Meanwhile, foreign tourist visits in 2017 were recorded at 7,143 thousand people, with the total expenditure they spent reaching Rp. 53.07 billion. The most significant spending issued by foreign tourists on their travel to the Province of the Bangka Belitung Islands is primarily for air transportation, accommodation, food, beverages, and tobacco. The increase in tourist visits in the Province of the Bangka Belitung Islands also has an impact on the development of business units as providers of tourist needs such as micro, small and medium units that utilize natural resources owned by the
Province of the Bangka Belitung Islands such as souvenir SMEs, batik SMEs typical of Bangka Belitung and SMEs typical of Bangka Belitung food.

The increase in tourist arrivals and the continued growth of business units in the tourism sector in the Province of the Bangka Belitung Islands impact the opening of job opportunities such as tour guides and various jobs in various other tourism service businesses; this is in line with the increasing distribution of tourist attractions and the increasing number of workers absorbed in each tourist attraction from 2013-2018 in the province of the Bangka Belitung islands for natural tourism, cultural tourism, and artificial tourism. Table 1 shows the number of distributions of tourist attractions and the absorption of labor in the distribution of tourist attractions in the Province of the Bangka Belitung Islands from 2013-to 2018.

### Table 1. Total amount of business units and employment

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Business Units</th>
<th>Number of Tourist attraction</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>26,022</td>
<td>398</td>
<td>10,318</td>
</tr>
<tr>
<td>2014</td>
<td>26,815</td>
<td>415</td>
<td>13,591</td>
</tr>
<tr>
<td>2015</td>
<td>30,813</td>
<td>434</td>
<td>16,789</td>
</tr>
<tr>
<td>2016</td>
<td>33,615</td>
<td>460</td>
<td>28,989</td>
</tr>
<tr>
<td>2017</td>
<td>33,557</td>
<td>463</td>
<td>29,065</td>
</tr>
<tr>
<td>2018</td>
<td>34,756</td>
<td>464</td>
<td>29,073</td>
</tr>
</tbody>
</table>

Source: Disbudpar, Bangka Belitung Islands Province. 2019.

### Table 2. Number of populations under the poverty

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Poor Population (Thousand Souls)</th>
<th>Percentage of Total Poor (Percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>69.40</td>
<td>5.25</td>
</tr>
<tr>
<td>2014</td>
<td>67.20</td>
<td>4.97</td>
</tr>
<tr>
<td>2015</td>
<td>74.09</td>
<td>5.40</td>
</tr>
<tr>
<td>2016</td>
<td>72.76</td>
<td>5.22</td>
</tr>
<tr>
<td>2017</td>
<td>74.09</td>
<td>5.40</td>
</tr>
<tr>
<td>2018</td>
<td>76.26</td>
<td>5.25</td>
</tr>
</tbody>
</table>

Source: BPS Bangka Islands Province, Indonesia, 2019.

The development and growth of the tourism sector within the scope of the state and region cannot be separated from a problem that can hinder the growth and development of the state and territory, namely the problem of poverty. In line with these problems, it can be seen that the number of poor people in the Province of the Bangka Belitung Islands continues to fluctuate from year to year. This is due to the difficulty of business, the decline in prices of agricultural products, and post mining conditions, which indirectly weaken
the community's economy. Table 2 shows the poverty rate in the Province of the Bangka Belitung Islands in 2013-2018.

To eradicate poverty, an appropriate and sustainable strategy is needed. Therefore, local governments continue to shift people's livelihoods from the primary to the tertiary sector, especially in the tourism sector. The tourism sector is one sector that is exceptionally strategic in solving the problem of poverty. This is in line with what Ashley. et al. (2001) stated that tourism is an effective sector to reduce poverty through the absorption of labor in the context of providing goods and services needed by tourists.

Previous research conducted by Patera (2015) and Gunadi (2019) stated that the tourism sector would provide opportunities for the poor to work and eradicate poverty in the region. The tourism sector's role is very positive for economic growth, not only in the macroscope through increasing foreign exchange earnings for national development but also in the microscope, especially for the poor, through community involvement in creating a variety of souvenirs products needed by tourists. However, another study conducted by Jamieson. et al. (2004) and Mbaiwa (2005) stated that the development of the tourism sector had not alleviated poverty. Based on the description above, the researcher contributes to a more in-depth study of the tourism sector's role in poverty reduction, especially in Bangka Belitung Islands.

Method

The dependent variable used in this study is the number of poverty. The independent variables used in this study are the number of domestic and foreign tourists, the number of business units in the tourism sector, and the number of employment in the tourism sector. The type of data used in this study is secondary data obtained from the statistical bureau in each district and city in the Province of the Bangka Belitung Islands, the tourism bureau of the Bangka Belitung Islands Province, and the Cooperation and SMEs of the Bangka Belitung Islands Province. This study uses panel data consisting of 6 districts and one city in the Province of the Bangka Belitung Islands from the 2013-2018 period.

This study uses an ordinary least square approach to analyze the variables that affect poverty reduction. This equation model will analyze influencing variables using the t-test and F-test. The specifications of the model used are as follows equation (1). Where: is LnK is the Natural logarithm of the number of poor people; LnWi is the Natural logarithm of the number of domestic and foreign tourists; LnUP is the Natural logarithm of the number of business units in the tourism sector; LnPT is the Natural logarithm of employment in the tourism sector; β0 is Constant; β1 is the value of the variable coefficient of the number of domestic and foreign tourists; β2 is the value of the
variable coefficient of the number of business units in the tourism sector; $\beta_3$ is the value of the variable coefficient of employment in the tourism sector; $i$ is Cross-section; $t$ is time series; $e$ is the error term. This study uses the natural logarithm to equalize the unit variable and minimize the possibility of problems in testing classical assumptions.

$$\ln K_{it} = \beta_0 + \beta_1 \ln W_{it} + \beta_2 \ln U_{Pit} + \beta_3 \ln PTK_{it} + e_{it}$$

(1)

**Empirical Result**

The results of the multicollinearity test value are below 0.9, meaning that the data is free from multicollinearity problems. The results of the heteroscedasticity test showed that the $p$-value was $0.0025 < 0.05$, meaning that there was no heteroscedasticity or the data was homogeneous. Meanwhile, the normality test results obtained a Jarque-Berra (JB) value of 1.633930, meaning that in this study, the data were normally distributed. The statistical test results of the regression equation showed an $R^2$ of 0.971297, the variation of the independent variables; the number of tourists, the number of business units, and the number of employees can explain the variation in the dependent variable by 97.00%. At the same time, the rest is explained by other variables outside the research model.

The $F$-statistical test shows that $F$-statistics > $F$-table (120.3206 > 2.48) means that the independent variables simultaneously affect the dependent variable significantly. While the results of the $t$-statistical test obtained the results: the variable number of tourists has a significant effect on poverty reduction; the varying number of business units in the tourism sector has a substantial impact on poverty reduction and the variable of employment in the tourism sector has no significant effect on poverty reduction.

<table>
<thead>
<tr>
<th>Table 3. Regression result</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variable</strong></td>
</tr>
<tr>
<td>C</td>
</tr>
<tr>
<td>$\ln W$</td>
</tr>
<tr>
<td>$\ln U_P$</td>
</tr>
<tr>
<td>$\ln PTK$</td>
</tr>
</tbody>
</table>

Based on Table 3, the variable number of tourists has a positive and significant effect on poverty reduction in the Province of the Bangka Belitung Islands, meaning that the increasing number of tourists by 1 thousand people has an impact on decreasing poverty 14.38 thousand people. The variable number of business units in the tourism sector has a positive and significant effect on poverty reduction in the Province of the Bangka Belitung Islands,
wherefrom the panel data regression results, the path coefficient of elasticity of the number of business units in the tourism sector on poverty reduction is -0.238434. It is the variable with the most significant influence than other variables in this study. The increasing number of business units in the tourism sector by 1 thousand units impacts the decline in poverty by 23.84 thousand people in Bangka Belitung Islands. Meanwhile, the variable number of employment in the tourism sector has a negative but not significant.

Conclusions
Based on the regression result, the role of the tourism sector in reducing poverty in the Province of the Bangka Belitung Islands, the following conclusions can be drawn: the number of tourists and business units has a positive and significant effect on poverty reduction in the Province of the Bangka Belitung Islands. Meanwhile, the amount of employment in the tourism sector has a negative and insignificant impact on reducing poverty in the Province of the Bangka Belitung Islands.

References


Law of the Republic of Indonesia Number 10 of 2009 concerning Tourism.