

An Analysis of the Impact of Covid-19 on Tourism Development and Economy (Case Study in Gili Trawangan, North Lombok NTB)

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Abstract

The existence of a pandemic that occurs throughout the world. Policy, Impact, Tourism has an impact on economic activity globally. Especially in the economic and tourism sectors which occur in Gili Trawangan, North Lombok, NTB. NTB tourism, which was previously in the progress stage, has been hampered due to the enormous impact of COVID-19 on the economy and tourism sector. By carrying out supervision and establishing appropriate regulations, the tourism sector in North Lombok Regency, especially in Gili Trawangan, can recover and develop in accordance with the expectations of the tourism economy community. The results of the research that has been carried out are that the COVID-19 pandemic has had a huge impact on the decline in the tourism economy in Gili Trawangan, North Lombok, NTB and it takes quite a long time to recover it again.

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1. INTRODUCTION

The pandemic that has occurred throughout the world has had an impact on economic activity as a whole global. According to several economic analysts, one of the economic activities experiencing the most severe impact is industry tourist. The implementation of the social restriction policy has made people's mobility very limited, starting from the prohibition on traveling out of town and gathering in large numbers, causing many potential tourists to cancel visits to tourist attraction objects (ODTW) in certain areas. The ODTW management also chose to close the place to visitors traveler both from within and outside the country as an effort to limit and even break the chain of spread virus Covid-19 has estimated that international tourist arrivals could fall by 20% to 30% in 2020. This has an impact in the form of losses of approximately 300-450 billion US dollars in the form of international tourism exports obtained globally. (UNWTO (United Nation World Tourism Organization), 2020).

The Covid-19 pandemic caused the implementation of lockdowns in countries around the world. The situation continues to change as Covid-19 cases continue to increase. This causes access between countries to be closed so that international airlines close their flight routes. This condition creates the toughest challenge for the tourism industry. The impact of the reduction in international tourists, hotel occupancy rates in Indonesia experienced a significant decline from 56.73% to 28.07% during the July 2019-July 2020 period or decreased by 28.66 points (Ministry of Tourism and Creative Economy, 2020). Tourism is one of the sectors hardest hit by the Covid-19 outbreak, both in terms of supply and demand (Christian & Hidayat, 2020).

The Indonesian economy cannot be separated from the impact of Covid-19, including the tourism sector which has experienced a decline in performance. The total number of foreign tourists visiting Indonesia reached 16.1 million visitors in 2019. After the Covid-19 outbreak broke out, the number of foreign tourists visiting Indonesia fell 7.62% in January 2020 (Christian & Hidayat, 2020). According to the Indonesian Event Industry Council (Ivendo), at least 50 creative workers in the event industry are at risk of losing their jobs. (Kemenparekraf, 2020).

The regional government made a policy in the form of quarantine "work from home" and "stay at home" (Ansori, 2020). Government policy in the tourism sector adopts strategic recommendations submitted by UNWTO, namely tourism sector mitigation and recovery

programs including social protection programs for workers in the tourism sector, labor-intensive programs for tourism sector workers and economic stimulus for tourism sector entrepreneurs (Mutiarin et al., 2021).

Currently, people only hope that the Indonesian economy, especially the Indonesian tourism economy, will soon recover and run normally again (Rachmawati & Alhazami, 2022). Seeing the very promising prospects for tourism development, from an economic perspective the region must be able to optimize the utilization of economic potential in the region (Awaliyah et al., 2009). The recovery of the tourism sector, which is a driver of the economy, must go hand in hand with controlling and handling the Covid-19 pandemic (Argenti & Purnamasari, 2021).

Development of the tourism industry is one of the strategies used by non-government organizations to promote certain areas as tourism areas in order to increase trade by selling goods and services to people outside the area (Rachmawati & Alhazami, 2022). The tourism sector is one of the steps in creating community welfare (AAA Ribeka Martha Purwahita et al., 2021).

Law of the Republic of Indonesia Number 10 of 2009 concerning Tourism states that tourism is an integral part of national development which is carried out in a systematic and planned, integrated, sustainable and responsible manner by providing protection for religious and cultural values that live in society, environmental sustainability and quality, as well as national interests. All business activities collaborate and work together to develop the community's micro-economy into a unified tourism industry economy (Arifianto et al., 2021).

The major changes driven by the devastating Covid-19 disaster have resulted in a new industrial landscape characterized by four characteristics: Hygiene, low-touch, less crowd, and low-mobility. Companies that are successful in the pandemic era are companies that are able to adapt to four characteristics (Ministry of Tourism and Creative Economy, 2020).

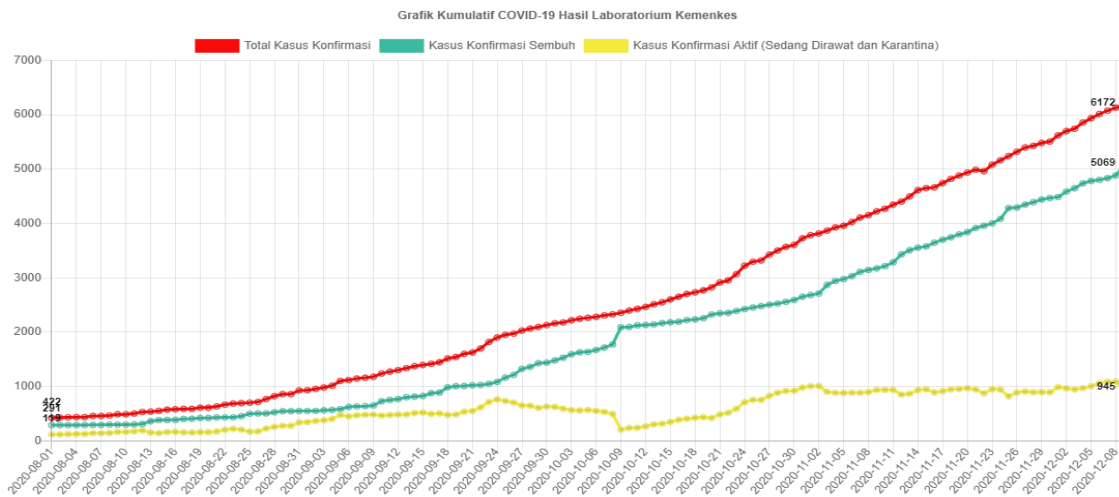
The economy of West Nusa Tenggara province during 2020 cumulatively grew by -0.64%. Even though the contraction was not too big, there are indications that the tourism business sector experienced quite a deep contraction: transportation and warehousing contracted by 31.39%, accommodation and food and drink contracted by 28.24%. This was caused by the national scale PSBB causing all transportation routes to stop operating. Transportation restrictions: closure of ZAM Airport, closure of Mandalika terminal, closure of the 3 Gili tourist area (Ministry of Tourism and Creative Economy, 2021).

The West Nusa Tenggara Provincial Government has closed access to the 3 Gili tourist destinations in North Lombok Regency, especially Gili Trawangan. This policy is a step to anticipate the entry of the CORONA virus (COVID-19) on the island. This decision was taken in a coordination meeting of all regents and mayors in West Nusa Tenggara which was chaired by the Governor of West Nusa Tenggara and attended by the deputy governor of NTB, the NTB Regional Secretary in responding to the NTB Covid 19 outbreak (H. Zulkieflimansyah and Hj. Sitti Rohmi Djalillah, 2020)

The tourism industry in North Lombok district experienced a drastic decline during the Covid-19 pandemic. In 2020, the number of tourist visits was 137,100 people, with details of 113,219 foreign tourists and 23,881 domestic tourists. The number of tourist visits in 2021 is 31,755 people, with details of 17,604 foreign tourists and 14,151 domestic tourists. Meanwhile, in 2019 the number of tourist visits reached 636,436 people, with details of 6,551 foreign tourists and 47,316 domestic tourists. (North Lombok Regency Tourism Office).

Global and national scale social restrictions have provided serious challenges for the tourism industry. This policy has impacted the tourism sector quite deeply because tourists have temporarily reduced their tourism activities. As the implementation of the PSBB transitions to the new normal, the tourism industry also adapts by implementing distance and capacity restrictions and complying with health protocols (Ministry of Tourism and Creative Economy, 2020).

The business and government segments, which contribute a lot to hotel and airplane seat occupancy rates, must temporarily lie down to avoid the risk of transmission of the Covid-19 virus (Ministry of Tourism and Creative Economy, 2020).



(Ministry of Tourism COVID 19 Graph August-December 2020)

Based on the description above, researchers need to conduct research with a title. "Analysis of the impact of COVID-19 on tourism development and economy in Gili Trawangan, North Lombok, West Nusa Tenggara"

2. BASED THEORY

The Covid-19 pandemic has had a huge impact on the economy for the people of Indonesia and countries around the world. Production, supply chains and public consumption experienced a sharp decline. Thorpe and Loughridge expressed different opinions regarding the impact of Covid-19 on the economy. From the modeling results, the economy in all countries affected by Covid-19 experienced a decline in output and productivity for one year with the scale of the impact being measurable in terms of a decline in Gross Domestic Product (GDP).

The economic impact can also be measured in terms of reduced consumption, where household consumption is seen as a better measure of welfare than GDP. According to the ASEAN International Monitoring Directorate (AIMD), the direct impact of Covid-19 on economic activity is a decrease in tourism flows, disruption of air travel, as well as weakening consumer and business confidence due to the implementation of regional quarantine. Apart from that, there are also temporary business closures and travel restrictions 17 Cakti Indra Gunawan and Yulita, Covid-19 Anomalia: The Positive Impact of the Corona Virus on the World, (Malang: CV IRDH, 2020), especially for someone who is carrying the virus (carrier).

The market decline in the stock market and the depreciation of the exchange rate were caused by the impact of rapid capital flows. 18 A number of countries in the world have predicted that economic growth will experience collapse and tend to be negative, which will lead to a decline. According to the IMF, as many as 170 countries will experience negative per capita income. The Director of the World Economic Forum (WEF), through Managing, explained that countries in the world are currently trying their best to compete against Covid-19 because of its impact on the economy. According to Sri Mulyani as Minister of Finance of the Republic of Indonesia, based on estimates by the IMF International Monetary Fund and World Bank, Indonesia is able to grow positively and survive during the Covid-19 pandemic. After reviewing the economic impact of Covid-19, it has greatly impacted the tourism sector, resulting in many employees being threatened with layoffs. Many people have lost their jobs due to a reduction in the number of workers, even many poor people are dependent on 18 Riant Nugroho et al, Impact of Covid-19 on the Economy Food Security Strategy Approach, (Jakarta: Policy Reform House Foundation, 2020), p. 16 25 their lives on their daily income. As a result of the loss of livelihoods, many people have fallen into poverty because they have no income or no income.

Adam Smith (1723-1790), the father of modern economics, is famous for his theory of value, namely a theory that investigates the factors that determine the value or price of an item. His book

An Inquiry into the Nature and Cause of the Wealth of Nations (1776) is famous for the book Wealth of Nations whose main theme is about how the economy grows. Adam Smith saw the process of economic growth from two aspects, namely total output (GNP) growth and population growth. The division of labor is the starting point of Adam Smith's theory of economic development which increases labor productivity. (Economic Development and Planning Guide page 81). According to Smith, available natural resources are the most basic means of production activities in a society.

The amount of natural resources available is the "maximum limit" for the growth of an economy. This means that if these resources are not fully used, then the population and existing capital stock will play a role in output growth. However, output growth will stop if all natural resources have been fully used. Human resources (population) have a passive role in the output growth process, meaning that the population will adjust to the labor needs of a society.

Capital stock, according to Smith, is an element of production that actively determines the level of output. Its role is very central in the output growth process. The amount and growth rate of output depends on the growth rate of the capital stock (up to the "maximum limit" of natural resources). The supporting factor is an adequate level of profit. This profit level is closely related to market size. If the market does not grow as fast as capital growth, then the level of profit will soon decline, and will ultimately reduce the enthusiasm of capital owners to accumulate capital. According to Adam Smith, in the long term the level of profit will decrease and will ultimately reach a minimum level of profit in the position the economy is stationary.

3. RESEARCH METHOD

The method used in this research is descriptive qualitative. Qualitative research methods aim to study, discover and explain the characteristics of social influence that cannot be achieved described with quantitative research. The data used is primary and secondary data. Data was obtained by means of in-depth interviews with tourism economic actors in Gili Trawangan, North Lombok Regency.

4. RESULTS AND DISCUSSION

Cumulative GRDP growth by business field in West Nusa Tenggara in 2020 was -0.64% compared to the achievement in 2019. Growth in the transportation and warehousing business field in the fourth quarter of 2020 was 10.20% compared to the achievement in the third quarter of 2020. The average occupancy of hotel rooms throughout 2020 was 27.57%, down 13.86% compared to the average occupancy throughout 2019. The deepest contraction in GDP by business field in West Nusa Tenggara was -1.41% compared to the previous year's achievement, this achievement occurred in the quarter II-2020. The growth in the provision of accommodation and food and drink in the fourth quarter of 2020 was compared to the achievements in the third quarter of 2020 (Ministry of Tourism and Creative Economy, 2021).

Offices are one of the clusters where Covid-19 transmission is quite high, with the number of infected workers increasing. This makes companies or government agencies more careful in making policies towards their employees. This caused the tourism industry, especially the MICE sector, to be hit for a long time. The business and government segments, which contribute a lot to hotel and airplane seat occupancy rates, must temporarily lay low to avoid the risk of transmission of the Covid-19 virus (Ministry of Tourism and Creative Economy, 2020).

Various efforts have been made to reduce the impact felt by tourism sector players. The Ministry of Tourism and Creative Economy's efforts to overcome the impact of the Covid-19 pandemic are divided into three phases: Emergency Response, Recovery and Normalization. In the emergency response phase, disaster management is carried out which focuses on health. Initiating social protection programs in the form of fiscal and monetary policies for business incentives, encouraging creativity and productivity during WFH, coordinating the tourism crisis with affected areas, and making recovery preparations (Ministry of Tourism and Creative Economy, 2021).

This condition is experienced by almost all tourism actors on Gili Trawangan. However, this condition can be understood by the affected areas because the Governor of NTB Zulkifliemansyah has established a policy of closing access to Gili Trawangan. The spread of the corona virus must be stopped for the benefit of society.

Previously it was reported that the NTB Provincial Government was closing access to the Gili Trawangan, Gili Meno and Gili Air areas starting March 17 2020. Not only direct crossings from Bali Island, the NTB Provincial Government also closed the Bangsal Selamat port, Senggigi Harbor and special terminals that serve tourists in NTB. The closure is valid for 14 days, starting from March 17 2020. (Ifan, Gili Trawangan service provider) March, 2020).

During the pandemic, hotel occupancy has plummeted. If usually monthly occupancy reaches 60 percent in low season and 95 percent in high season, since the pandemic overall occupancy has dropped by 90 percent. "It's really fallen, our business has fallen once. 90 percent," (Asep Solihin, General Manager of Marc Hotel Trawangan Thursday (17/03/2022)).

From the explanation above, the economic condition of tourism in North Lombok Regency, especially on Gili Trawangan Island, has experienced a very drastic decline compared to before the Covid-19 pandemic. Various regulations that have been set by the government have become a reference to reduce the impact of the spread of Covid-19, but have an impact on the economy and tourism in the North Lombok district, especially Gili Trawangan and its surroundings.

In this case, the government needs to be careful in making policies so that the community's economy, especially tourism economic actors, does not deteriorate further considering the burden of the pandemic which has had so many negative effects on the sector, there needs to be review or assistance, both in terms of marketing and regulations related to tourism running in North Lombok Regency so that it can survive and face the normalization of new conditions brought about by the Covid-19 Pandemic.

5. CONCLUSION

The impact of the Covid-19 pandemic resulted in an economic downturn in the tourism sector in North Lombok Regency, especially in Gili Trawangan, so it is estimated that it will take quite a long time for the tourism sector's economy to recover. It is necessary to monitor and establish appropriate regulations so that the tourism sector in North Lombok Regency, especially in Gili Trawangan, does not further decline or experience further losses so that it can increase again to its previous level before the Covid-19 Pandemic.

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