

# CHAPTER I

## INTRODUCTION

### 1.1 Background

Over the decades, a continuous growth and diversification of tourism industry in elevating a country's economy has been acknowledged by numerous sovereign governments as one of the blooming economic sectors in the world especially for developing countries. In Southeast Asia, Thailand is one of the tourism-reliant economy countries that maximizes the use of tourism industry in enhancing its economic power. With its axe-shaped 513.000 km<sup>2</sup> land area, Thailand is well known for its forests, rivers, canals, waterfalls and also the beaches and tropical islands.<sup>1</sup> In 2019, Thailand conquered its own record in number of tourists who visited the country for 39.6 million compared to 38 million tourists in 2018.<sup>2</sup> Thailand sits in the first place as the most visited Southeast Asian country by tourists in 2019,<sup>3</sup> Malaysia sits at second place with, followed by Vietnam, Singapore and Indonesia at Indonesia in fifth place with 16 million visitors in that year.<sup>4</sup>

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<sup>1</sup> Tourism Thailand. "History & Geography & Geology." *Amazing Thailand*. Sep 21, 2019. Accessed Februari 2020, 22.

<https://www.tourismthailand.org/Articles/plan-your-trip-history-and-geography-geology>.

<sup>2</sup> Dusida Worrachaddejchai. "Tourist arrivals hit record of 39m." *Bangkok Post*. December 28, 2019. Accessed February 22, 2020

<https://www.bangkokpost.com/business/1825404/tourist-arrivals-hit-record-of-39m>.

<sup>3</sup> Salikha, Adelaide. "Ranked: International Tourist Arrivals in South East Asia Countries." *SEASIA GoodNews from Southeast Asia*. March 15, 2019. Accessed February 22, 2020.

<https://seasia.co/2019/03/15/international-tourist-arrivals-in-southeast-asia-countries-2018>.

<sup>4</sup> Indah Gilang Pusparani.. "[REVEALED] Tourist Arrival to ASEAN Countries 2019 Reaches 133 Million." *Good News from Southeast Asia*. Good News from Southeast Asia. February 18, 2020. <https://seasia.co/2020/02/11/revealed-tourist-arrival-to-asean-countries-2019>.

Another country that is distinguished for its beaches and tropical islands that are worth exploring and located also in Southeast Asia just like Thailand is Indonesia. With its vast and rich geographical condition, Indonesia is one out of various countries that optimizes the use of tourism sector to generate income in foreign exchange earnings and job creations.<sup>5</sup> As the world's largest archipelago country filled with 17.499 islands along the 81.000 km coastline and 70% territory covered by water, Indonesia is known to have exceptional tourism magnetism.<sup>6</sup> The footprints of tourism industry in Indonesia economy can be seen in 2014, as it unfold workplaces for 11 millions of Indonesian people, generated around Rp 946,09 trillions of Indonesian gross domestic income for Indonesia.<sup>7</sup> Additionally, tourism sector also gives Rp 120 trillions of Indonesia foreign exchange income.<sup>8</sup>

Indistinguishable with Thailand, the strength that Indonesia has consist of islands, flora, fauna, cultures, natural resources, extraordinary landscapes varied from mountains to lakes also immaculate beaches which worth exploring either for research and for recreational purposes.<sup>9</sup> It was not a surprise that around

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<sup>5</sup> Kementerian Pariwisata Indonesia dan Ekonomi Kreatif Republik Indonesia. "Kajian Dampak Sektor Pariwisata Terhadap Perekonomian Indonesia." *Kementrian*. April 5, 2019. Accessed April 22, 2020. <https://www.kemenpar.go.id/post/kajian-dampak-sektor-pariwisata-terhadap-perekonomian-indonesia>.

<sup>6</sup> The Government of West Java Province. 2017. "Indonesia is Maritime Country with the World's Largest Islands." *Berita Official Website of West Java Province*. November 03, 2017. Accessed February 21, 2020. <https://jabarprov.go.id/En/index.php/news/4597/2017/11/03/Indonesia-is-Maritime-Country-with-the-Worlds-Largest-Islands>.

<sup>7</sup> Kementerian Pariwisata Indonesia dan Ekonomi Kreatif Republik Indonesia. "Kajian Dampak Sektor Pariwisata Terhadap Perekonomian Indonesia." *Kementrian*. April 5 2019. Accessed April 22, 2020. <https://www.kemenpar.go.id/post/kajian-dampaksektor-pariwisata-terhadap-perekonomian-indonesia>.

<sup>8</sup> Kementerian Pariwisata, "Kajian Dampak Sektor Pariwisata,"

<sup>9</sup> Kementerian Pariwisata, "Kajian Dampak Sektor Pariwisata,"

16 million tourists came to Indonesia in 2019.<sup>10</sup> As expected, Indonesia experienced around 10 million tourist growth which counted for 12.023.971 tourists since 2017.<sup>11</sup> This data reveals there are high number of tourists who are interested in visiting Indonesia each year. However, Thailand's tourism industry is superior compare to Indonesia and other countries as a tourism destination in Southeast Asia as it shown on the ranking table.

To promote tourism industry in Indonesia, Jokowi has prioritized the tourism industry by implementing policies that are focusing on infrastructure development, for instance 10 new priority tourism destinations called 10 New "Balis".<sup>12</sup> The 10 New "Balis" plan aimed to bring a 7.5% growth in Indonesia's tourism economy with a purpose to accelerate the tourism industry.<sup>13</sup> Moreover, Indonesia tourism diplomacy practices shown by working together with UNWTO (United Nations World Tourism Organization) to use Bali as the subject of development project that supported the SDG (Sustainable Development Goals) as a way to promote Indonesia tourism through the collaboration actors.<sup>14</sup>

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<sup>10</sup> Kementerian Pariwisata. "Kementerian Pariwisata dan Ekonomi Kreatif, Republik Indonesia." *Data Kunjungan Wisatawan Mancanegara Bulanan Tahun 2019*. Februari 10 2020. Accessed February 10, 2020. <https://www.kemenpar.go.id/post/data-kunjungan-wisatawan-mancanegara-bulanan-tahun-2019>

<sup>11</sup> Kementerian Pariwisata. "Kementerian Pariwisata dan Ekonomi Kreatif, Republik Indonesia." *Data Kunjungan Wisatawan Mancanegara Bulanan Tahun 2017*. November 9 2017. Accessed February 21, 2020. <https://www.kemenpar.go.id/post/data-kunjungan-wisatawan-mancanegara-bulanan-tahun-2017>

<sup>12</sup> Humas Sekretariat Kabinet Republik Indonesia. "Menteri Pariwisata: Pembangunan 10 Destinasi baru Untuk Ciptakan 10 Bali Baru." *Sekretariat Kabinet Republik Indonesia*. February 3 2016. Accessed February 22, 2020. <https://setkab.go.id/menteri-pariwisata-pembangunan-10-destinasi-baru-untuk-ciptakan-10-bali-baru/>.

<sup>13</sup> Ariffin, Eijas. "Tourism could boost Indonesia's economy." *The ASEAN Post*. April 12, 2018. Accessed February 22, 22. <https://theaseanpost.com/article/tourism-could-boost-indonesias-economy-0>.

<sup>14</sup> Newsroom. "UNWTO and Ministry of Tourism of Indonesia join forces to promote gastronomy tourism." *Modern Diplomacy*. June 16, 2019. Accessed February 2020, 23. <https://moderndiplomacy.eu/2019/06/>.

Throughout his presidency, Jokowi has also cancelled several infrastructure projects in order to promote the tourism sector so makes the effort of finding the balance between infrastructure projects and the tourism destinations in Indonesia more significant.<sup>15</sup> Especially knowing the fact that Indonesia's still has several improvement to make so it could set foot on the level of Thailand tourism.

The beneficitation of tourism towards the Indonesian economy only estimated for 4,11% which is lower compared to the year 2000 that achieved 9,38% of Indonesian GDP.<sup>16</sup> This display the fact of Indonesia entail to develop it tourism immediately since the tourism sector growth is not as fast as the other sector. There are still abundant potentials that has not being maximizes yet which is unfortunate because tourism industry contributes to several aspects in Indonesian economy. In comparison to Indonesia, Thailand is way ahead in focusing on the development of its tourism industry as it is proven by holding the number one tourism destination in Southeast Asia and visible through Thailand's soft power assets that rise because of the tourism and cultural industry.<sup>17</sup> The world should be aware of the growth of Thailand. The increase in soft power helps Thailand to increase their economic and other aspects too.<sup>18</sup>

The data showed how Thailand is far more superior compare to Indonesia in managing their tourism industry even though Indonesia has more resources and

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<sup>15</sup> Newsroom. "UNWTO and Ministry of Tourism of Indonesia join forces to promote gastronomy tourism." *Modern Diplomacy*. June 16 2019. Accessed Februari 2020, 23. <https://modern diplomacy.eu/2019/06/>.

<sup>16</sup> Taufan Adharsyah. "Jokowi Mau Genjot Infrastruktur Pariwisata, Buat Apa Sih?" News. August 21, 2019. November 20, 2020. <https://www.cnbcindonesia.com/news/20190820153746-4-93360/jokowi-mau-genjot-infrastruktur-pariwisata-buat-apa-sih>.

<sup>17</sup> The Nation Thailand. "Thailand's Soft Power Rises, Thanks to Tourism and Culture." *The Nation Thailand*. July 19, 2017. Accessed February 23, 2020. <https://www.nationthailand.com/breakingnews/30321200>.

<sup>18</sup> The Nation. "Thailand's Soft Power Rises,".

tourism potential. It is critical for both Thailand and Indonesia to prepare their tourism asset to meet the global demand in tourism industry. Hence, Indonesia should make more efforts in ameliorate and promoting its tourism industry, refining its tourism policy to attract investment so Bali will not become the only main promotion of its tourism industry.

Tourism is an ever-changing and fast-growing sector. Each country must elevate their tourism to match the trends the dynamic global tourism that are happening right now. The ten new Balis are only a few out of countless Indonesian tourism destinations. Since a long time ago, Bali is the belle of the ball when it comes to the Indonesian tourism and most of the tourism developments are centered in Bali.<sup>19</sup> The efforts made by the Indonesian government to develop its tourism domestically and internationally has been wonderful. But the existed sectors require more attention compared to the others and admissible to learn from Thailand that is smaller capabilities but performed better than Indonesia.

## **1.2 Research Question**

Based on the conditions explained above, the research suggests the following research questions:

1. What are the strategies of Indonesia's government in developing its tourism industry?
2. What are the strategies of Thailand's government in developing its tourism industry?
3. What Public Diplomacy implementation and strategy could Indonesia learn from Thailand in enhancing its economy through tourism sector?

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<sup>19</sup> Adharsyah, Taufan. "Jokowi Mau Genjot Infrastruktur Pariwisata,"

### **1.3 Research Objective**

The first objective of this research is to identify and recognize the strategy of Indonesian government in developing its tourism industry. The second objective of this research is to identify the Thailand government tourism strategy for their tourism industry. The final objective is this research provide data and explanation about Indonesian tourism strategy and implementation of public diplomacy strategy to find out which public diplomacy strategy that Indonesia could learn and implement from Thailand. The strategy and lesson will be used as a suggestion to promote Indonesia tourism in the future.

### **1.4 Significance of the Research**

The findings from this writing will provide understanding on how significant the contribution of tourism sector in the development journey of a nation, especially in a country like Indonesia that has abundant natural land and maritime wonders compared to other countries in Southeast Asia. This research topic covers the strategy of Indonesia and I hope this research could contribute to the study of International Relations in explaining tourism that falls under the public diplomacy in changing the paradigm on how international relations exercise their diplomatic affairs. Moreover, I believe that this thesis could be used as a reference in the upcoming public diplomacy policies that would impact the future in the discussion to create a long-term development of tourism industry in country that are currently undergo on conducting tourism strategy to enhance their economy and most importantly for Indonesia.

## **1.5 Research Structure**

The first chapter, is the introduction that offers the overall view of the thesis's main content, including the background of the topic of the thesis, research questions, research objectives and the significance of the research.

The second chapter, includes the theoretical framework, explains the theories and concepts of International Relations that can be used as structures to analyze the strategy of Thailand and Indonesia strategy in developing its tourism.

The third chapter, which is the methodology, provide detailed explanation on the research approach, research method, data collection technique and data analysis technique that will be used in the essential data research gathering with the purpose to answer the research question of this thesis.

The fourth chapter or main content of the thesis will analyze and provides data collection regarding the strategy of Thailand and Indonesia tourism in a systematic order which linked with the theories and concepts of International Relations. The result of the analysis is used to answer the research questions.

The fifth chapter is a chapter that provides conclusion, summarizes and concludes the analysis from the previous chapters in this thesis. Moreover, this research will provide several recommendations for future research.