THE DEVELOPMENT OF THE TOURISM INDUSTRY:

A Case Study in Karo Regency,

North Sumatera, Indonesia

Thesis

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LIST OF ABBREVIATIONS

BAPPEDA: Badan Perencanaan Pembangunan Daerah (The Regional Planning and Development Agency)

BUDPAR: Dinas Budaya dan Pariwisata (The Culture and Tourism Department)

GBHN: Garis-garis Besar Haluan Negara (The State Policy Guidelines)

GNI: Gross National Income

IUTO: International Union Travel Organization

MUSRENBANG: Musyawarah Rencana Pembangunan Daerah (The Deliberation of Local Development Plan)

PP: Peraturan Pemerintah (Government Regulation)

WTO: The World Tourism Organization's

GLOSSARY

Development Theory: A conglomeration of theories about how desirable change in society is best to be achieved.

Tourism: The activities of a person travelling to a place outside his or her usual environment for less than a specified period of time and whose main purpose of travel is other than the exercise of an activity remunerated from within the place visited.

Tourism Industry: Tourism activities to encourage and foster the action of consumption and production of goods and services needed by people who involved in tourism activities

Sapta Pesona: Seven conditions that must be developed in the daily life of the community as an effort to increase the attractiveness and competitiveness of tourism in Indonesia

The Medium Term of Development Plan: defining the vision, mission and program which includes the general of regional development, regional finance public policy, strategy, program and activities.

Perkolong-kolong: the name given to the singers who perform during the annual party, the singers are used to be a couple

Siwaluh Jabu: It is Karo's traditional house. The house has 8 rooms and occupied by eight families and each family is generally have a blood relationship.

Landek: Another word for dance in Karo language, usually dance performed at weddings parties, annual party or death event.

Endek: Rhythm used in Karo dancing.

Gendang Guro-guro Aron: Karo's tradition event as a form of thanksgiving to the Creator for His grace through the universe and human life in particular.

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ABSTRACT

This study is designed to describe and analyze the development of tourism industry in Karo Regency, Indonesia. Karo Regency is rich in natural resources and unique culture but the number of tourist both domestic and foreign visiting are not meeting the demand expectation, especially in increasing the local community's income.

The research method used in this study is the qualitative method. For data collection, the researcher conducted field work and used multiple sources of evidence such as documents, web sites, and in depth interviews with relevant subjects from officials of Department of Culture and Tourism. In order to make the research more focused and structured, the researcher arranged the focus of research on development of tourism industry in Karo Regency in terms of: recognizing potency and realization of programs and activities; the role of stakeholders; and identify the constraining factors.

The research shows that even though Karo Regency is rich in natural and cultural resources of tourism local government is unable to maximize it. There are several obstacles make the development of tourism industry is not meeting the expectation, such as, the department of culture and tourism as leading sector is not able to generate synergy of cooperation among government, private sector, and society, limited budget, poor accessibility to tourism area, and the most important is lack of qualified of human resources

In the end of the research thesis, researcher provides some recommendations such as: the development of tourism in Karo Regency must be supported by other types of tourism; department of culture and tourism should be able to enhance the relationships with other relevant departments to create policies, programs, and projects which attract the interest of private sector and society; In human resources factor, the important points are to improve the competency of human resources; the focus of tourism should be in infrastructure and facilities; and It is required financial support from government to sponsor tourism, especially for promotional activities, maintaining tourism's objectives and development.

CHAPTER I

INTRODUCTION

1.1.   Research Background

Indonesia is an archipelagic country which consist of 17,580 islands covering an area 1,919,443 km2 which is strategically located at the cross position between the continents of Asia and Australia, and between the Pacific and Indian Oceans, coupled with a wet tropical climate and the sun shining all the year round. In addition, Indonesia has very large number of natural resources, human resources, and cultural resources. Indonesia has the natural wealth of resources with a variety of flora and fauna, as well as non-biological natural resources with many beautiful mountains. The oceanic resources with a wide range of fish species; amazing marine parks like the Banda Sea Park and Bunaken Marine Park are abundant in the country.

In terms of human resources, the population of Indonesia is quite large, about 245,6 million people (estimates 2011). Besides, Indonesia is inhabited by various tribes of diverse cultures, customs, arts, history and traditions that are specific cultural resources. Therefore, Indonesia has a promising prospect of potency, considering the existence of natural resources, human resources and cultural resources available to it. But it can also be vice versa; if the government, despite creating good tourism policies, cannot manage the potential of the nation's resources and effectively implement policies, it will be unable to capture market opportunities and transform the country's national wealth into economic wealth and progress. If tourism policies are thoughtfully and appropriately made, it can be very prospects of nation and cultural development involving every

aspect of the tourism, the tourism sector will grow into a very profitable industry and bring about high socioeconomic values for the society.

The prospects of tourism will be meaningful for nation and region development, especially in raising local revenues and foreign exchange of State.

The numerous outcome of government in tourism development is seen in the increasing number of tourists' visiting Indonesia. For example, the number of tourist arrivals went up from 5,505,757 in 2007 to 7,649,731 people in 2011, with an average length of stay of 8 days, while the domestic tourists registers has increased from 115,335,000 to 122,312,000 people. In addition, tourism support facilities such as accommodation are growing from 303,376 to 381,457, as well as other accommodation services from 1,615 to 2,916. (http://www.budpar.go.id). According to Budpar's website, foreign tourists visiting Indonesia spent US$8,554 million in the year 2011.

The government receives additional income with the arrival of foreign tourists into the country. According to the Budpar's website, foreign tourists visiting Indonesia spend US$7 603.45 million in 2010. Tourism impacts on other aspects of society and thereby creating jobs in those areas. These areas can pull in an estimated 17.9 million people as a result of job creation. Based on the data of growth and increased tourist arrival as mentioned above, the positive impact of tourism development is on the social economy. Thus, tourism development can play a role to spearhead the solution to economic problems developing in sectors which have strong links with each other, or have multi-sector relationships. For example, the transportation sector, the public works sector, the postal and telecommunications sectors; electricity and drinking water, hotels and restaurants, tourism services and tourism industries and their support

industries which includes small scale industries like art shops, souvenirs, and others.

The tourism sector gives a big boost to labor because it supports industries with labor-intensive activities which translate into a large employment of individuals or groups with different skills necessary for human development. It also brings the enhancement of economic equality of communities with regard to the welfare of their residents, and also improvements in state and local revenue generation. External and internal factors have influenced the rapid growth of tourism. The external factors come in the form of inter nation trade activities resulting in the increase of income per capita of societies in developed countries. Higher incomes per capita mean a higher level of prosperity which inspires people to travel to foreign countries and to visit tourist sites and locations around the world, including Indonesia.

The external factors influencing tourism with regard to international business, in addition to a lifestyle of traveling and vacationing to create quality of life promoting the values of pleasure and comfort in societies of modern developed countries, translates to economic development for countries that properly harness the benefits of tourism and development. It exempts the nationals of 32 countries from having to obtain travel visas to visit Indonesia. Seven airport points of entry and nice sea ports of entry have been set aside to cater to such nationals.

Institutionally, the government has established the Law on Tourism No. 10 of 2009 and has delegated the execution of tourism affairs to its regional areas, through the enactment of Law № 32 of 2004 on Decentralization Regulation. The responsibility to deliver of tourism affairs to local government

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makes the involvement of regions like Karo Regency indispensable to the tourism policy itself. The growth of tourism in Karo Regency is also rising on the whole, the tourism sector in practice has many linkages with other sectors. It is stated in The Medium Term of Development Plan of Karo Regency for year 2006 – 2010 that the third objective said: to optimize agricultural, tourism, industry and trade competitive-based on agribusiness concerns the environment and forest conservation and rehabilitation of critical land. The economic field has established 8 (eight) development programs and one of them is: the improvement and development of tourism and cultural cooperation. This program aims to increase the capacity of resources and cooperation between agencies to support the development of tourism and local culture.

In this regard, the development of Karo Regency is a big opportunity in developing its potential, especially in the tourism sector. Karo Regency has advantages and unique characteristics which is not owned by any other tourist areas, such as customs and culture as well as the cool weather. Karo regency is one of the main tourist destination in North Sumatera and has a development potential not less than others local destinations in Indonesia. The tourism sector is one of strategic source of funds to support its regional development.

Karo Highlands has landscape Nature Mountains with the cool air with the enchanting beauty of nature and supported by the uniqueness of cultural preserved. It should be able to become a powerful attraction for domestic tourists as well as tourists abroad to come to Karo Regency. Karo Regency is known as an agricultural area and also a Tourism Destination in Indonesia with Berastagi as Tourism Centre and Kabanjahe as Government Center.

The existence of Karo Regency as tourist destination started around 1904, when the Dutch governed Karo Regency. Soil fertility in this area raised the Colonial Government's desire to expand branch of the tea plantations, precisely in the Simalungun area (Dairi border - Karo Regency). To meet their own needs, the Dutch government began constructing facilities and infrastructure that allowed them to look over the plantation. As the Dutch desired recreation, they started to construct villas for vacations. Moreover, they also built schools, hospitals and a branch office in this area. The region selected was Berastagi (Government of North Sumatera Province, 1993, p.11). This area has a beautiful mountain scenery, cool weather, and fairly extensive agricultural areas.

The importance of Karo Regency as a tourist destination keeps continuing especially for domestic tourists (Table 1.1). Aside from being as tourist destination in North Sumatra Province, Karo Regency is also well known as an agricultural area with many kinds of fruits, vegetables and flowers. The number of tourist arrivals can be seen in the following table:

Table 1.1. Number of Tourist Visit in 2006 - 2011

Year	Visitor		Domestic/ Foreign (%)	Total
	Domestik	Foreign		
2006	492.568	4.665	0.947077	497.233
2007	522.815	6.242	1.193921	529.057
2008	536.065	6.483	1.209368	542.548
2009	573.472	6.491	1.131877	579.963
2010	530.267	5.796	1.093034	536.063
2011	529.769	5.500	1.038188	535.269

Source: Department of Culture and Tourism of Karo Regency, 2012

The tourism attractions of Karo Regency are dominated by Nature, Culture and Special Interest tourism. The region has many interesting

attractions, although there are some sights that have not been managed optimally. Tourism objects are scattered almost in all sides of Karo Regency.

Related to the low percentage of tourist arrival, it is necessary to find out the reason why of the tourism industry has not been able to attract foreign tourist to Karo Regency.

1.2. Research Problem

In accordance with the background that has been described previously, it could be stated that Karo Regency has natural and culture resources which can be utilized as tourism object. The research is directed to study the development of tourism in Karo regency, how the role of stakeholders, and what are the constraining factors.

1.3. The Objectives of the Study

The study is designed to analyze the development of tourism industry in Karo Regency with perspective of the role of local government. The objectives of the study can be defined as follows:

1. To describe and explore development of tourism industry in Karo Regency.

2. To describe the role of Karo's Local Government, private sector, and society.

3. To indentify and analyze the constraining factors then give solutions.

1.4   The Research Approach

The research is designed to employ qualitative approach. The qualitative approach is mainly employed to obtain a comprehensive description of a phenomenon, i.e. the development of tourism industry. McNabb explained that the descriptive research design is used to develop a snapshot of a particular phenomenon of interest. Descriptive studies typically involving large samples. They provide a description of an event or define a set of attitudes, opinions, or behaviors that are observed or measured at a given time and in an environment. The uses for these data go beyond simple description of events and phenomena: rather, they are used for creating understanding, for subjective interpretation, and for critical analysis as well (McNabb 2002, 267). In this case, the developmental state theory will be used to examine the importance of the role of the state in facilitating successful development of tourism industry.

1.5   Structure of Thesis

This research consists of six chapters. These are:

Chapter I: provides the background of study, research problem and objective of study, the research approach.

Chapter II: presents the definition and concepts. This study will describe the relevant theories used in order to analysis the findings of this research. In this part the researcher using the role of the government in tourism development to describe and analyze the development of tourism industry.

Chapter III: describes the social setting of Karo Regency in terms of location, population, etc.

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Chapter IV: provides research method. This chapter describes a qualitative research strategy, particularly descriptive research study in order to identify, analyze, describe and interpret the development of tourism industry in Karo Regency. This research is about The Development of Tourism Industry: a case study in Karo Regency, Indonesia. In this chapter researcher also explain what focuses of the research are, how to determine source of data, how to collect data, and data analysis method.

Chapter V: provides research results and its discussion. This part explains the development of tourism industry in Karo Regency; natural resources; accommodation; the role of government, private, and societies; the impact of revenue for society, and constraining factors in developing of tourism industry.

Chapter VI: concludes the study and provides suggestion to all stakeholders in order to more develop tourism industry in Karo Regency.

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CHAPTER II

DEFINITIONS AND CONCEPTS

2.1. The Concepts of Tourism

Although tourism has been a concern, in terms of economics, politics, state administration and sociology up to now, there is no academic consensus and standard meaning about the definition of tourism. Etymologically the definition suggested by Theobald (1994) is considered to be most useful, he stated that:

> ..'the word *tour* is derived from the latin, *'tornare'* and the Greek, *'tornos'*, meaning 'a lathe or circle; the movement around a central point or axis'. This meaning changed in modern English to represent 'one's turn'. The suffix *–ism* is defined as 'an action or process; typical behaviour or quality'; while the suffix, *–ist* denotes 'one that performs a given action'. When the word *tour* and the suffixes *–ism* and *–ist* are combined, they suggest the action of movement around a circle. One can argue that a circle represents a starting point, which ultimately returns back to its beginning. Therefore, like a circle, a tour represents a journey in that it is a round-trip, i.e., the act of leaving and then returning to the original starting point, and therefore, one who takes such a journey can be called a tourist'(http://en.wikipedia.org/wiki/Tourism).

Smith (1988) argues that researchers, international, national tourism associations, business entities and government agencies give different definitions based on their own perception and interests. Policy-led and industry sponsored research work, for example, may ensure an inclination towards industry priorities, while scholars would define tourism from within their own intellectual domain. For example, from an anthropological point of view, Jafari (1977, p.6) defines tourism "as the study of man [sic.] away from his usual habitat, of the industry, which responds to his needs, and of the impact that both he and the industry have on the host's socio-cultural, economic, and physical environments". From geographical aspect, tourism is spending leisure time or recreation that requires

night absence from common home (Skinner, 1997) and from social aspect tourism is the common part of ordinary life of local residents with unusual life of tourists (Barnard and Spencer, 1996). This distinctions show that each of these aspects and different fields have studied tourism.

Another definition stated by Rahmatnia, et al (2007), they defined it from different dimensions such as: beneficiary groups, geographical, and social aspect. From one aspect defining tourism needs recognizing beneficiary groups as follows:

a. The first group is tourists. This people want to support their motivation and desires.

b. The second group is economic activists in industry that provide goods and services in tourism destinations.

c. The third group is the political management of destination area. This group believes that tourism industry is the cause of making wealth and promoting citizens economic and social level of life.

d. The forth group is the local society in tourism destination. They believe that tourism is an instrument to cultural interaction and it is a work-producing element, so tourism industry is a set of activities, services and different industries that leads to traveling experience. This industry includes transportation, domicile, nutrition, buying, recreation and other host services, that belong to persons or groups that leave their homes to travel.

Macintosh (Kusmayadi, 2000, p.5) argued that tourism is accumulation of symptoms and relationship arise from the interaction among tourists, businessmen, local government (regional) and local communities, as the process with the intention of attracting and serving tourists and other visitors.

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Meanwhile, Spillane (1994, p.21) said that tourism is the temporary, short-term movement of people from one place to other, conducted individually or in groups, in an effort to find a balance of harmony and happiness in the social, cultural, nature and science. Murphy (Smith, 1988, p.9) on the other hand, defined tourism as "the sum of … the travel of non-residents (tourists, including excursionists) to destination areas, as long as their sojourn does not become a permanent residence. It is a combination of recreation and business".

The International Conference on Travel and Tourism Statistics, sponsored by the World Tourism Organization and Tourism Canada, was held in Ottawa in June 1991, recommended that the definition of tourism as follows: "The activities of a person travelling to a place outside his or her usual environment for less than a specified period of time and whose main purpose of travel is other than the exercise of an activity remunerated from within the place visited".

The most commonly used definition of tourism is one prescribed by the World Tourism Organization (WTO). The World Tourism Organization's (WTO) defines a tourist as:

"Any person residing within a country, irrespective of nationality, travelling to a place within this country other than his/her usual place of residence for a period of not less than 24 hours or one night for a purpose other than the exercise of a remunerated activity in the place visited. The motives for such travel may be (1) leisure (recreation, holidays, health, studies, religion, sports); (2) business, family, mission, meeting" (WTO, 1981, p.89).

Smith (1988, 1995) also contends that the WTO's definition gives guidelines on statistical data collection and therefore gives the most agreed point of reference. Such guidelines give scholars, governments and institutions a means to not only measure the growth of tourism within their own constructed borders but also a means to compare them on a global level. Then The Director

General of Indonesia's Tourism (1989, p.3) said that tourism is all the activities unite in the travel and sojourn, by means of the diverse motivations which rise the demand for goods and services, and all activities implemented by the Government, businesses and communities in the region or destination countries, which raises the overall impact on economic life, social, cultural, political and utilized for the interest of nation and state.

For understanding of these statements, it could be concluded that tourism is an activity that involves people who travel for a while, from one place to another with the intent not to make a living in the places visited, but only for sightseeing to enjoy the journey, to meet diverse desires, such as: admire the natural beauty, know the history, experience art and culture of destination area. It is thus clear that what encourages a person to travel is determined by the circumstances of each individual and also motivations, it depends on the background of their lives.

2.2.   Types of Tourism

To get a clear understanding about tourism, tourism refers to the numerous niche or specialty travel forms of tourism that have emerged over the years, each with its own adjective. Many of these have come into common use by the tourism industry and academics. Others are emerging concepts that may or may not gain popular usage. According Pandit (2003, p.37-38), the types of tourism are:

1.   According to tourist's Origin

   a.   Domestic tourisms: if the tourists come from domestic

   b.   International tourisms: if the tourists come from abroad

2.   According to the influence over the balance of payments

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a. Active tourism: Foreign tourist who carrying foreign currencies means a positive impact to the trade balance, these revenues have a positive impact

b. Passive tourism: Domestic tourists go to overseas mean a negative impact to the trade balance

3. According to the period

a. Short-term tourism

b. Long-term tourism

The length of stay in one place categorized into long-term tourism or short term depends on the provisions by a state to decide it.

4. According to the number of tourists

a. Single tourism: tourism is called single if the tourists come alone

b. Class tourism: tourism called group if the tourists come consists of two or more people

5. According to the transport device

The last type of tourism is based on the device of transport used: plane, ship, train, cars and etc.

In addition to the type of tourism as mentioned above there are also the types of tourism as follows:

1. According to the time period

a. Short time: tourist visit up to 3 days

b. Long term: tourist visit more than 7 days

2. According to destination

a. Organized: tours organized by travel agency

b. Individual: tour organized by their own desires

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3. According to place of destination

   a. International tourism

   b. Domestic tourism

4. According to direction of tourist flows

   a. Incoming tourism: tourists come to our country or area

   b. Outgoing tourism: tourists go out from our country or area

(Http://www.ssag.sk/SSAG% 20study/GEO/Types% 20and% 20of% 20forms% 20tourism.pdf, retrieved on December 11, 2011).

In order to recognize the tourism potential that could be developed better, it is necessary to know the variety of tourism. Pandit (2003, p.33-34) stated as follows:

1. Tourism Appeal; It is often as a tour for comparative studies, it is intended to expand someone's view by organizing it into a good domestic trip or abroad, studying the situation of the people, habits and customs;

2. Health tourism; A tourist trip in order to find a better atmosphere for the benefit of health, such as visiting the onsen in Beppu, a villa in the mountains or other places that provide health facilities;

3. Travel O R; This types of tours aims to take part in sport event in a certain place or in other countries, such as: Olympic, World Cup, Asian Games, etc.;

4. Commercial tourism; It is a kind of commercial trip to visit exhibition, feast festival, such as the exhibition industry, trade, etc.

5. Tourism industry; It is a journey undertaken by a group of students, who do the trip to industry for research purposes.

6. Political Tourism; Trips are made to attend or participate in political activities such as attending a birthday party of a country

7. Convention tourism; It is a journey to attend an event like convention (convention of Indonesian's delegation in ASEAN);

8. Social Tourism; Organizing a wonderful cheap trip for people who can not afford to travel;

9. Agro-tourism; The act of visiting a working farm or any agricultural, horticultural, or agribusiness operations for the purpose of enjoyment, education or active involvement in the activities of the farm or operation." ;

10. Maritime tourism; Tour which is done in water, sea, lake, rivers etc. The activities like fishing, swimming, sky diving etc.;

11. Tourism of natural reservation; This tour is done in the forests where rare animals and plants protected;

12. Hunting tourism; Tourism activities in the form of hunting, usually not all regions or countries providing these types of tours;

13. Pilgrim tourism; referred to as faith tourism, is a form of tourism, where people travel individually or in groups for pilgrimage, missionary, or leisure (fellowship) purposes.

14. Honeymoon travel; Types of tours which is joined by a new couple who want to enjoy their honeymoon by seeing natural beauty;

15. Adventure tourism; it is generally defined as a type of tourism that engages a person in physical, natural or cultural excursions that bring the individual outside his comfort zone, generally through an established tour company.

In addition to 15 types of tourism that expressed by Nyoman S. Pendit, in general the forms of tourism are classified by typical features of spending time in the destination area, such as:

1. Seaside tourism; recreation by the sea, water sports (swimming, rowing, sailing, surfing, windsurfing)

2. Mountain tourism; mountain hiking, climbing, biking;

3. Sport tourism; refers to travel which involves either viewing or participating in a sporting event staying apart from their usual environment. E.g. winter sports - skiing, snowboarding, cross-country skiing, summer sports, extreme sports (rafting, paragliding, sky diving, etc.), sports events (world championships);

4. Cultural tourism; historical sites, buildings and monuments places of historical events, e.g. battles (Waterloo), catastrophes (Pompeii);

5. Health tourism; is a term initially coined by travel agencies and the mass media to describe the rapidly-growing practice of travelling across international borders to obtain health care. It also refers pejoratively to the practice of healthcare providers travelling internationally to deliver healthcare. E.g.: spas, fitness, relaxation, wellness

6. Rural tourism; ecotourism; besides relaxation people work in farms rearing animals, participating in farming processes, ie dairying, processing of vines, taking care of horses, etc.

7. Event and gastronomic tourism; music, theater or beer festivals, trying wines and meals of regions abroad;

8. Shopping tourism; go for shopping abroad due to lower prices of goods

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9. Business tourism; international/national/regional/local conferences, seminars, business trips, etc.

Understanding the form and type of tourism is very important for government. Government as regulator needs to identify, explore, and to take advantage of the tourism potential. So the tourism policy issued may proceed as planned.

2.3. Tourism Component

There are 3 (three) main pillars in the tourism system which decided the success of tourism development, precisely governments, society and private sectors. It is more commonly referred to the actors who responsible for regional tourism. As the opinion expressed by Pitana and Gayatri (2005, p.96), that generally in the tourism system, there are three main pillars of tourism's executer, that is:

1. Society: the general public in destination area, as the legal owner of a variety of resources which is the assets of tourism, such as culture;
2. Private (Investor/Tourism Industry): tourism industry, such as tourism business associations, and tourism entrepreneurs;
3. Government: Government in various areas of administration, from the Central Government, Provincial Government, Regency Government, and etc.

The three actors need to have good collaboration, because the success of tourism development in the area will not be accomplished to its fullness without it, and it will only benefit a few parties. It is similar to the thoughts expressed by Yoeti (1997, p.xxvi) that one of the responsibilities of actors in the development of

tourism is to provide and deliver the best service to the tourists without discriminating of race, nationality and religion.

The three actors are the agents of tourism who will determine the development of tourism sector in the area and have an equal responsibility in creating satisfaction for tourists. They also have the same right to enjoy the progress of the tourism sectors, particularly the communities surrounding the main attraction is the actor who should get more benefit from tourism progress. The community is not just as a spectator or even an object of tourism development. As further argued by Suwantoro (1997, p.85), public participation could be attained if public experienced the benefits directly through employment opportunities in tourism businesses which in turn will be able to increase their income. It is expected that the situation will be able to inspire public involvement so that they would play a role in it.

Normatively, it is also consistent with what has been stipulated in Government Regulation (PP) No. 18 of 1994 on the Exploitation of Nature Tourism, which states that:

> "Exploitation of National Parks, Forest Park and Natural Park as a tourist attraction and appeal in a positive impact in creating employment opportunities and business opportunities, improved public welfare, increasing revenues and foreign exchange earnings. In addition, eco-tourism could enhance a sense of patriotism and national culture, equitable development and regional development and to improve national security".

It required a development efforts and public awareness on the important role of tourism development in their territory. As the opinion expressed by Suwantoro:

> "People around the attraction area are the one who will welcome tourists and at the same time will provide the services needed by the tourists. The communities need to know the different types and quality of services required by tourists. In this case, the government through the appropriate

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agencies should prepare a variety of information for them. One information method is "community building of tourism awareness". By educating society, it will have a positive impact for society and tourists(1997, p.23). "

Tourism development is a multi-sectors activity, so the management is not easy and simple. As noted by Yoeti (1994, p.2), If tourism development neither directed nor well planned, there is no benefit to be gained, but the clash of social, cultural, and interests consequently, it will be end those businesses that have been nurture with difficulty effort. From all of the descriptions, it could be argued that tourism development conducted in the area should also adopt the basic idea of the concept of sustainable development. It is accordance with the opinion expressed by Damanik and Weber (2006, p.25):

"The basic idea of sustainable development is the preservation of natural and cultural resources. These resources are needed by everyone today to live in peace, but its must be maintained and preserved so that it could also be used in the future …, the utilization of these resources must involved the local community and provided the maximum advantage for them. These ideas are mentioned as the concept of sustainable tourism".

It should be briefly explained that sustainable tourism is a process and system development that could ensure the sustainability of tourism or the existence of natural resources, social and economic life, and culture of generations to come (Ardika, 2006, p.9). Consider the resources and potential of tourism are something that is very susceptible to destruct, it is necessary to do conservation efforts and protection of its continuity. The resources and potential of tourism are not only beneficial for present but also for generations to come. Furthermore, in tourism activities, tourists' problem could not be ignored. Tourist is one of the most important elements in the tourism industry; therefore, the success of tourism development in the area depends on the number of tourists visiting in the area.

Related to the International Union Travel Organization (IUTO) (Yoeti, 1994, p.123) states that: Travelers are people who traveled from his home to visit another place, and stay longer than 24 hours or less, with the aim to: spending leisure time for recreation or vacation, for health purposes, learning and experience, and to do religious activity as well as sports or encouraging for business purposes, visits for job-related and conferences. In the meantime, the opinion of Schmoll (Yoeti, 1994, p.122) provided restrictions on tourists: tourists are individuals or groups of individuals who are considering or have bought the power for leisure or vacation trips, which are interested in the journey had taken, on a trip provided by a tourism destination.

2.4. Development Theory

In the beginning, development is merely seen from traditional economic measures. In strictly economic terms, development has traditionally meant the capacity of the national economy, whose initial economic condition has been more or less static for a long time, to generate and sustain an annual increase in its Gross National Income (GNI) at rates 5% to 7% or more. A common alternative economic index of development has been the use of growth of income per capita to take into account the ability of a nation to expand its output at a rate faster than the growth rate of its population. Levels and rates of growth of 'real' per capita GNI are normally used to measure the overall economic well-being of a population-how much of real goods and services is available to average citizen for consumption and investment. Problem of poverty, discrimination, unemployment, and income distribution were secondary importance to 'getting the growth job done'.

Afterwards, based on the experience of the 1950s and the 1960s, when many developing nations did reach their economic growth targets but the levels of living of the masses of the people remained for the most part unchanged, signaled that something was very wrong with this narrow definition of development. The need to redefine the notion of development was widely discussed. As a result, 'the new economic view of development' came to be redefined in terms of the reduction of poverty, inequality, and unemployment within the context of growing economy. 'Redistribution from growth' became a common slogan. Development must therefore be conceived of as a multi dimensional process involving major changes in social structures, popular attitudes, and national institutions, as well as the acceleration of economic growth, the reduction of inequality, and the poverty alleviation (Todaro and Smith, 2006, p.15-17).

In addition, World Bank (cited in Leftwich, 2000, p.50) attempted to make comprehensive and throughout definition about development as: "Development in a broader sense is understood to include otherimportant and related attributes as well, notably more equality of opportunity, and political freedom and civil liberties. The overall goal of development is therefore to increase the economic, political, and civilights of all people across gender, ethnic groups, religions, races,regions, and counties".

On another perspective, the involvement of non-economic factors in defining development also stated by Ogborn (cited in Willis, 2005, p.2), he linked the ideas of development to the concept of 'modernity'. Modernity refers to the circumstances of being modern, new or up to date, so the idea of modernity situates people in time. Due to social, economic, political, and cultural dynamism,

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the term 'modern' is changeable and spatial. The understanding of modernity is different from one place to another. However, in economic terms, industrialization, urbanization, and technology usage are constructed 'modernity'.

In contrast, Leftwich (2000, p.40) has different opinion about development, he did not agree if development is considered as growth, modernization, and structural changed. He argued that although views varied about how development was to happen, and what its main goals were, there was little explicit concern initially with issues such as human development or social development, or simply said that development as the progressive delivery of social justice.

In line with Leftwich, development defined by Todaro and Smith (2006, p.20) as the sustained elevation of an entire society and social system toward a 'better' or 'more humane' life". The definition indicates that the term 'development' has three inner meanings to be understood, those are the continuous efforts, the society and its system that need to be improved, and the good life as the goal of development. Moreover, among those inner meanings of the term 'development', Todaro and Smith are considered that 'the good life' as the most debatable elements as old as poverty debates. Its delineation must be reevaluated and answered a fresh in changing environment of world society. However, there are atleast three core values serves as conceptual basis and practical guideline for understanding the central meaning of development (*ibid, p.*21-22) as follows :

1)   Sustenance or nourishment refers to the ability to meet basic needs as all people have certain basic needs without which life would be impossible. These life-sustaining basic human needs include food, shelter, health, and protection. When any of these basics is absent or in critically short supply, a condition of "absolute under development" is contrived.

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2) Self-esteem, a sense of worth and self respect, of not being used as a tool by others for their own ends. All peoples and societies seek some basic form of self esteem, although they may call it authenticity, identity, dignity, respect, honor, or recognition. The nature and form of this self-esteem may vary from society to society and from culture to culture.

3) Freedom to choose, the final universal value that constitutes the meaning of development is the concept of human freedom. Freedom here is understood in the sense of emancipation from alienating material conditions of life and from social servitude to nature, ignorance, other people, misery, institutions, and dogmatic beliefs, especially that poverty is predestination. Freedom involves an expanded range of choices for societies and their members together with a minimization of external constrains in pursuit of some social goal we call development.

Furthermore, Amartya Sen, the 1998 Nobel laureate in economics, compiled the nexus between development and poverty. He argued that development must be able to transfer knowledge, skills, education, power, and resources to the poor in order to achieve what he called 'functioning capabilities'. Capabilities here defined as the freedom that a person has in terms of the choice of functioning, given his personal features and his command over commodities. Real income is essential, but to convert the characteristics of commodities into functioning, is way more important, surely requires health and education as well as income. The concept of human freedom should also encompass various components of political freedom including, but not limited to, personal security, the rule of law, freedom of expression, political participation and equality of opportunity (Todaro and Smith, 2006, p.17-20).

The 'capability to function' is what really matters for status as a poor or non-poor person. The point is that to make any sense of the concept of prosperity in general, and poverty in particular, we need to think beyond the availability of commodities and consider to functioning the commodities. Finally, development is understood as enduring efforts to improve individual and social conditions in

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order to achieve human welbeing. A social system within a nation should be able to enlarge choices to the people, but on theother hand people are expected to 'functioning' those choices to fulfill their standard of living.

2.5. The Development of Tourism Industry

2.5.1 The Concepts of Tourism Development

Just as regional development in general, tourism development also requires the goals to be achieved. In determining the target, it entails the right approach in the formulation. As the opinion expressed by Yoeti (2001, p.51), that in practice, there are two approaches commonly used in setting targets which can be considered relevant to the areas of tourism, like:

1. Top-down approach

This approach settles targets at all levels within an organization is determined based on top-level goals. When it comes to tourism, this approach implies that the target of an area should be reduced conformed to national targets and at the same time, the target area will be accomplished from sub-regional targets.

2. Flexible and balance

The second approach is more flexible and balanced than the first approach, because it invites participation and interaction among all levels. This approach is more relevant, since all the elements involved in tourism participate and contribute advice or suggestions in the formulation of the target area.

From the description, the development of tourism in Karo Regency actually uses several approaches as it could provide a wider opportunity to all components of community development particularly society, in taking part and seeking the advance of locality of the tourism sector. Basically, the main target

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of the development of tourism, however, is to advance the interests of the region and improving the welfare of local communities concerned. Furthermore, in the development policy of five years to six (GBHN 1993) described as follows:

The development of tourism leads to increasing tourism to be the mainstay that could nurture economic activity, and other related sectors involved, so the employment, public revenues, local revenues and state revenues, increased foreign exchange earnings through the efforts of the development and utilization of various national tourism potential. Normatively, it has been stipulated in Government Regulation No. 67 of 1996 concerning tourism, which states that:

"Managing tourism directed to improve the welfare and prosperity of the people in order to create a just and prosperous society by increasing state revenue (income), the expansion and business distribution and employment opportunities, stimulating regional development, enriching the national culture by preserving national identity and the preservation of the religious values, strengthen friendship among nations, and fostering a sense of patriotism, pay attention to the preservation of function and quality of the environment, encouraging the development, marketing and empowerment of national products through the utilization of all natural resources and human resources".

It can be further stated that the implementation of tourism is also carried out with attention to: a) Ability to encourage and enhance economic development and socio-cultural life, b) religious values, customs and values of life's perspective in society, c) The preservation of cultural and the quality of environmental life, d) Continuity of business tourism. It is consistent with the statement presented by the World Tourism Organization (Picard, 2006, p.167):

"Every culture is a source of tourism's wealthy, and it is the reason that national and international community must ensure its preservation. The tourism organizations are not suppose only to take advantage of cultural and natural heritage available for the purposes of tourism, as well as disseminate information and conduct promotion, but also must play a role in the protection and restoration of heritage, including by taking action to reduce as far as possible the negative effects of tourism management".

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Similarly, the provisions stipulated in Government Regulation (PP) No. 18 of 1994 on Nature Tourism Concession, states that the implementation of tourism development carried out by considering the following:

a. Conservation of natural resources and ecosystem;

b. Ability to encourage and enhance the economic and socio-cultural;

c. Religious values, customs and the perspective and values that live in the community;

d. Cultural preservation and environmental quality;

e. Security and public regulation.

It could be underlined that the development of tourism sector, all the components/actors involved should have responsibility to control and direct the development process, in order not to give negative impact for tourist destination, especially on people's lives and the environment. Moreover described by Gunn in Yoeti (2005, p.52), who determined that the objectives of tourism development in tourist destinations, is as follows:

"First, prepared accessibilities, facilities and tourist attraction in proper way and when tourists visit the destination, they are satisfy and happy as their expectations; second, the companies belonging to the tourism industry earn profits or proportional to the volume of tourists visiting; third, the development carried out should be able to provide protection of environmental degradation, contamination of arts and culture, moral damage and national identity, destruction of religious life and avoid the international narcotics trade".

Hadinoto (1996, p.42) stated that the consequence of unplanned tourism development will give lower revenues from this sector and environmental damages, as well as negative impacts on cultural values. Therefore, it needs a comprehensive Tourism Development Program for the long term in the future; and the tourism sector is expected to be the mainstay and source of income.

Therefore, more information about tourism development program, revealed by Hadinoto (1996, p.76) that the Tourism Development Program conducted in 2 (two) phases, such as:

1. Conceptual Plan, which is an outline of the conception and setting goals, developing strategies and purpose/goal development. It is reflected on the tourist area or destination to be developed in accordance with tourism potential studies identified by the tourism market,

2. Tourism Development Master Plan which includes more detail and better construction techniques. Tourism area in which there is determination and the determination of land use, as well as details of the program working paper that will be needed as well as regulations on standards, the pattern of buildings and so on.

Furthermore, Taroepratjeka in Yoeti (2001, p.151) said that program and the national tourism development needs to be integrated between the various components that define and support its success, such as objects and attractions, accommodations, transportation, telecommunications, electricity, clean water, souvenir industry, cooperative activities and the role of private and public.

Based on the description of the concept of sustainable tourism development, it could be said that as part of the process of regional development, the tourism sector in the development must take attention to the important things into consideration in the implementation of development in general. Tourism development is also a part of the overall regional development, and the success of development of tourism must also consider factors that may affect regional development, as stated by Bratakusumah and Riyadi (2004, p.15): environmental

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factors, human resource planners, system used, the development of science and technology and funding factors.

2.5.2 Tourism Industry

The awareness of tourism as industry In Indonesia (excluding Bali) is very low. Most of foreign tourists are more familiar about Bali than Indonesia itself. However, tourism activities are to encourage and foster the action of consumption and production of goods and services needed by people who involved in tourism activities. Moreover, if we compared tourism industry with other industries which is highly dependent on raw materials, as well as the fuel which is began to decline nowadays; the tourism industry has many advantages. It was expressed by Bambang Sunaryo as follows:

1. The tourism sector is basically a business sector that is relatively unaffected by inflation and quotas;

2. Tourism business sector has great potential to be a strategic industry (leading sector) in Indonesia with prospective business and new job opportunities

3. Tourism industry is a strategic instrument of development equalization, in that, consumers come to manufacturer where a "commodity" is produced. In this term, "commodity" refers to the experience of tourists.

4. Due to the fact that global tourism market trends lead to the need for excellent quality of environment, business tourism sector is a strategic instrument for preserving the environment (Bambang Sunaryo, 1995).

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As an industry, tourism is difficult to measure because it does not have any classification number of standard industrial, but the existence can be explained by the presence of group of companies which depend on the continuance of tourists visiting. These firms are directly provided services to tourists. The absence of this group will lose tourist's comfort, satisfaction, and safety during their travelling. As vice versa, the company will not grow without the tourists. Tourism industry runs on the wheels of other supporting Industries that produce goods or services which is different from each other.

In accordance with Dorodjatun in Yoeti (2008), the purpose of tourism development is not only to raise the foreign exchange earnings, but tourism is expected as a catalyst of development. There are eight advantages to be gained from tourism development, such as:

1. Improving business prospect,

2. Increasing employment opportunities,

3. Raising tax revenue,

4. Growing national income;

5. Accelerating national income distribution,

6. Increasing value added of products culture,

7. Expanding the domestic of product market,

8. Giving multiplier effect in economy, as the outcome of tourist spending, investor, and domestic trade.

Tourism industry requires participation from stakeholders. Government as a policy maker has a strategic position. According to Goodwin et al, the roles of government are:

1. Establishing a 'whole government' agenda for tourism development is rarely achieved; this applies both between departments at national level and between national and local government;
2. How can other departments of government be engaged in the issues of tourism development? Ministries of Tourism are o en seen as junior players in government and it can be very difficult to engage ministries of finance, trade and industry in cross government efforts to harness tourism for development.
3. Tourism is as seen as an industry which benefits elites. When people look at the industry they see hoteliers and tour operators, they see wealth. How do we raise awareness in government, and amongst national decision makers in other sectors, about the contribution which tourism makes to local livelihoods and engage them in joint initiatives to increase the local economic development and poverty reduction impacts?
4. If pro-poor growth and poverty reduction through tourism is to become part of national strategy then it is essential to engage other national government ministries. This requires that the positive impacts on the local and national economy and in particular success in achieving poverty reduction targets can be convincingly demonstrated, measured and reported.

In Indonesia, government's role is mandated by Article 23 of Law No.10 of 2009 on tourism. The article mentions that the government and local governments have an obligation:

1. Provide tourism information, legal protection, as well as safety and security to tourists;

2. Create a favorable condition to develop tourism business which is equal opportunities in business, facilitate, and provide legal assurance;

3. Maintain, improve, and preserve national assets into a tourist attraction and the untapped of potential assets;

4. Supervise and control the activities of tourism in order to prevent and cope negative impacts.

Meanwhile, Nirwandar (2009), states that a series of actions should be done by the government in improving the national tourism is based on several strategies, like:

1. Fiscal policy, by providing various fiscal policies such as tax holidays, capital support, and competitive interest rates;

2. Investment policy, through legislation both at national and local levels to the development of new businesses and development of existing tourism businesses;

3. Infrastructure development, by increasing accessibility to and within the tourism destination - the development of physical infrastructure; roads, ports, airports, telecommunications and other tourism supporting infrastructure;

4. Human resource development, by improving education and training for local people to develop their competence in giving service and provide of goods and services for tourists;

5. Coordinate with other sectors; develop the partnerships of all stakeholders in developing of tourism.

As previously mentioned, the government must ensure that the outcome of tourism industry will not only possess by the elite but also the local communities. In the perspective of new public management and good governance, the government should be able to empower the local communities, so the role shifted from object to subject of development.

Godfrey & Clarke, (2000) stated that local communities have a key role in tourism development as they are crucial in providing a good environmental condition for tourists. Local communities are a basic element of modern tourism development. They are the focal point for the supply of accommodation, catering, information, transport, facilities and services for tourism development.

The role of the local community in influencing the tourism development activities are becoming clearer as stated by McIntyre, et al. (1993, p. 50) that local communities must organize themselves at all levels to play a more effective role in development, and interact with government and role-players at all levels.

They must be able to identify potential tourism resources and attractions within their communities and support responsible tourism and community development.

They should be eager to participate in tourism decision making with respect to major tourism development for communities. Kepe (2004, p. 45) states that local communities should play a proactive role to ensure positive benefits from tourism.

The last role to consider is the private sector. As they are the owners of capital, they have a huge role in infrastructure development of tourism activities. The private sectors have a dominant role whenever the budget scene and human resources of government are very limited.

Based on the explanation, the concepts used in writing of this thesis, researcher will explore and analyze data related to the ability of Karo Regency in recognizing the types and forms of tourism; creating of tourism policy in accordance with the real potential it has; and executing of tourism development, local government needs to collaborate among the three development actors; the private sector, government, and society.

CHAPTER III

ANALYSIS OF SOCIAL SETTING

3.1 General Description of Karo Regency

Karo Regency is one of the regencies in North Sumatera Province that has great potential for agriculture and tourism. Its territory consists of high plains of the Bukit Barisan Mountains at 400 - 1,600 meters above the sea level. This Regency is at distance of 65 km from Medan, the capital of North Sumatera Province. Karo Regency is situated on north latitude $02^{0}50'$ - $03^{0}19'$ and west longitude $97^{0}55'$ - $98^{0}38'$. The Regency of Karo which also known as Karo highland covers an area of 2,127.25 km^2 or 2.97 % of the area of North Sumatera and the population is 350,479 in 2010, spreading in 17 sub regencies.

Administratively, Karo Regency is bounded by 4 regencies:

1. North: Langkat Regency and Deli Serdang Regency;

2. East: Simalungun Regency;

3. South: Dairi and Samosir Regency;

4. West: Aceh Tenggara Regency/Nanggroe Aceh Darusalam (NAD) Province.

Karo Regency is situated on 120-1600 m^2 from sea level with the comparison as well as:

The top level region 200-500 m^2 from sea level 28.606 Ha (13,45%)

The top level region 200-500 m^2 from sea level 17.856 Ha (8,39%)

The top level region 500-1.000 m^2 from sea level 84.892 Ha (39,91%)

The top level region 1.000-1.400 m^2 from sea level 70.774 Ha (33,27%)

The top level region >1.400 m^2 from sea level 10.597 Ha (4,98%)

The slope of mountain can be varied as:

The flat = 23.900 Ha 0,1124

The slope = 74.919 Ha 0,3522

The aslant = 41.169 Ha 0,1935

The cliff = 72.737 Ha 0,3419

Figure 3.1. Map of Karo Regency

Since the Dutch era, Karo Regency was famous as a tourist center. After the independence of the Republic of Indonesia, it became a tourist destination in the North Sumatra province. The objects of tourism in Karo Regency are beautiful panorama of the mountains, waterfalls, hot springs, and the unique culture. Karo Regency producing a variety of fruits and flowers, and the livelihoods of the people are mainly agro-food businesses, horticulture and plantation. State forest is 129.749 Ha or 62.113 per cent of Karo Regency. Karo Regency is the region of the Alto Rio (DHS) and Cuenca (DAS) Wampú basin/Laubiang. The potential of the existing industry is small with industry mainly supporting agriculture and tourism. The potential of mineral resources and mining in Karo requires a field study.

The climate in Karo Regency is as follows:

1. The average temperature in Karo ranges from 18.4 °–19.3 °; humidity in 2011 was an average of 88.39 per cent, the difference between 86.3% to 90.3%;

2. Karo Regency has two seasons: rainy and dry season. The first rainy season starts from August to January and the second rainy season from March to May;

3. In 2011, there were 172 rainy days with average wind speed was 1.32 m/DT;

4. Wind direction split into 2 (two) directions the winds that blow from the West at approximately October to March and from the East and South-East from April to September.

3.2   The Structure of Government

The oldest government system found in Karo Regency was "Penghulu" (Leader) who managed the government at the village level. The village had its own system with the leader who was a landowner. Since Dutch colonization, the governmental system of Karo Regency was described as follows;

1. The government by Orderafdeling Karo Landen was led by "controleur" and government leaders were always in the hand of the Dutch;

2. Landschaap was a native of country (Bumi Putra), it was established under an agreement with the government Onderafdeling. Based on the short contract (Korte Verklaring) in 1907; Karo has five governments which was managed by Sibayak (King), coordinated some urungs (area), and the area managed by Raja Urung (King of area).

During the Japanese occupation (the Japanese army entered Karo area on March 1942), the composition of government in Karo Regency was similar to Dutch colonial period, with the turn of the people that were loyal to Japanese invaders.

At the time of Independence, Karo governance structure was as follows:

1. Karo government as an apparatus of Central Government leaded by Sibayak Ngerajai Milala (King of Ngerajai Milala);

2. Autonomous Government of Landschaap: Linga with 6 Urung, Barusjahe with 2 Urung, Suka with 4 Urung, Sarinembah with 4 Urung, Kuta Buluh with 2 Urung.

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The National Committee of Indonesia in its meeting dated on March 13, 1946, decided to extend Karo regional to Deli Hulu and Cingkes, divided into 3 (three) areas with 5 (five) sub-districts such as:

1. Kabanjahe was supervised with 5 sub-district as follows: Kabanjahe, Tigapanah, Barusjahe, Simpang Empat, and Payung;

2. Tigabinanga was supervised with 5 sub-district as follows: Tigabinanga, Juhar , Munte, Kutabuluh, and Mardingding;

3. Deli Hulu was supervised with 5 sub-district as follows: Pancur Batu, Sibolangit, Kutalimbaru, Biru-Biru and Namo Rambe.

The structure of Local Government was stipulated by Law no. 22, 1999, that parliament was formed in the region as the Regional Legislative and Local Government as the Regional Executive Board. Head of Regency called the Regent, and in carrying out the duties and authority as Regional Head, he/she was assisted by a Vice Regent. Karo Regency territory is divided into 17 sub-districts and 262 villages. We can see it clearly in table 3.1;

Table 3.1. Total of Villages, Size of Area and Population in each Sub-district of Karo Regency

No.	Name of Sub-districts	Total of Sub-district	Population	Size of area
1	Mardingding	12	16 617	267,11
2	Laubaleng	15	20 355	252,60
3	Tigabinanga	19	19 902	160,38
4	Juhar	24	14 217	218,56
5	Munte	22	21 586	125,64
6	Kutabuluh	16	12 507	195,70
7	Payung	8	11 309	47,24
8	Tiganderket	17	14 579	86,76
9	Simpang Empat	17	21 089	93,48
10	Naman Teran	14	12 652	87,82
11	Merdeka	9	13 218	44,17
12	Kabanjahe	13	63 990	44,65
13	Berastagi	9	46 686	186,84
14	Tigapanah	22	33 102	186,84
15	Dolat Rayat	7	8 573	32,25

16	Merek	19	16 130	125,51
17	Barusjahe	19	24 107	128,04
Amount		262	370 619	2.127,25

3.3 The Overview of Culture and Tourism Department of Karo Regency

3.3.1 Main Duty

The main task of Culture and Tourism Department is to conduct the affairs of the Local Government based on the principles of autonomy and assistance (According to Regulation No. 18 of 2004 on the Organizational Structure and Administration of Karo Regency Office).

3.3.2 Functions and authority

The following are the functions and authorities of Department of Culture and Tourism:

1. Formulation of appropriate technical policy in the scope of duty;
2. Organization of government in management of culture and tourism as well as public service in accordance with the scope of their duties;
3. Development and implementation of tasks in management of culture and tourism department in accordance with the scope of their duties;
4. Implementation of other tasks given by the regent related to the scope of their duties.

3.3.3 The number and composition of Personnel of Culture and Tourism Department of Karo Regency

The Ministry of Culture and Tourism has a major task in the field of culture and tourism in particular in maintaining, managing and improving tourism and cultural industries of Karo Regency. The Department of Culture and Tourism of

Karo Regency is led by a Head of Department who is responsible to Regent through Secretary of Regional area. The department of Culture and Tourism of Karo Regency consists of 45 people. The attached table shows the personnel composition and distribution according to their level of education:

Tabel 3.2.Personnel Composition According to Level of Education

No.	Education Background	Amount	Percentage (%)
1	Elementary School	-	-
2	Junior High School	-	-
3	Senior High School	5	11 %
4	Diploma	16	36 %
5	Under-graduate	23	51 %
6	Graduate	1	2 %
Total		45	100 %

Source: Department of Culture and Tourism of Karo Regency, 2012

Graduate and undergraduate staffs serve as Department and Section Heads. Diploma holders serve as chiefs of sections with supporting staff who are normally Senior High School graduated. The number of personnel in accordance with the composition of the class / rank can be seen in the table below:

Tabel 3.3 The Composition of Personnel According to Level

No.	Description	Total	Percentage (%)
1	Level I	-	-
2	Level II	17	38 %
3	Level III	22	49 %
4	Level IV	6	13 %
Total		45	100 %

Source: Department of Culture and Tourism of Karo Regency, 2012

Staff in level IV consists of six people who are under graduated student while in group III has 1 graduated education. Undergraduate and other level of diploma education have also been in level III in Department of culture and

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tourism, Karo Regency. Level II normally consists of Diploma and Secondary school graduates.

3.3.4 Tourism Development Strategy of Culture and Tourism Department

Every organization must have a philosophy which determined the direction of motion of organization. The philosophy of the organization should be known and understood by each member of the organization, and they should have a commitment to follow this philosophy and work towards ensuring that the objectives of the organization is effectively and efficiently met. The department of Culture and Tourism of Karo Regency has an Organizational vision and mission which can be regarded as an organizational philosophy. The vision and mission have been formulated and fixed for the long-term, and it is as basic framework for Strategic Planning.

1. Vision of Organization

Creating the advanced of Karo Tourism, modern and environmentally sound very competitive by maintaining cultural values through community participation and the business as possible to increase local revenue and social welfare.

2. Mission of Organization

a. Utilizing a special interest tourism potential optimally.

b. Empowering the maximum objects and attractions as well as agro-tourism operations and potential.

c. Subjective to medium businesses and the community, particularly employers and local communities.

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d. Enhancing the partnerships between government agencies to achieve the development goals.

e. Improving the quality of Government Apparatus, Tourism Actors and related communities.

f. Fostering a culture as a tourism asset.

g. Encouraging the development of infrastructure, facilities and tourism facilities.

h. Increasing revenue generated from tourist spending.

i. Encouraging tourism awareness among the public.

j. Foster tourism businesses both existing and to be built.

Objectives: Making Tourism Sector as a source of revenue for financing local development and improving standards of living. In addition, Department of Culture and Tourism also have some mission to aim the target as follows:

Target: Increasing the number of visits and extend the length of stay of tourists in Karo Regency.

Mission of strategy:

1. Revamping the fundamental aspects of tourism, such as: Security, Hygiene, Public Order, attractiveness and Social Culture. The aspects of Security, Hygiene, Public Order, Beauty and the socio-cultural have a dominant influence on the development of tourism. These aspects are a reflection of the community socio-culture. All the fundamental aspects of tourism are needed to support the tourism development program in the form of community development of tourism awareness.

2. Using communication technologies (Internet) as a source of information and promotion. The advances of information technology, especially Internet enables the rapid implementation process, accurate and inexpensive both sending and receiving data. Utilization of Internet in the field of tourism will provide a lot of convenience and savings that were once difficult and costly. The Internet can be used as reservations for hotel rooms and restaurant, and Information Travel Attractions available, following supporting facilities, the cost of living (social and economic) communities in tourism destination, and other information complete with pictures. Karo Regency currently has a website with address HTTP://www.karokab.go.id, administered by office of communication, information and electronic data processing. The Department of Culture and Tourism has a blog on http://pariwisatakaro.blogspot.com.

3. Increase accessibility to and between tourism objects. The main purpose of tourist visits is to enjoy the Tourist Attractions. The more of variety number of Tourist Attractions that can be enjoyed, the stronger its influence on the desire of tourists to visit the area. Accessibility is a key factor that needs to improve to give tourists a chance to enjoy tourist attractions available. The smooth and good accessibility to tourism must be the development priorities.

4. Preparing the better regulation of tourism. Sets of rules is a tool of government as the regulator to ensure the direction of tourism development, appropriate and provide maximum benefits for the prosperity of the people and area. Karo Regency has undeveloped tourism potential area. Lau Kawar, Doulu, Sipiso-piso, Berastagi are some of good

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investment and potential area. But up till now, the legislation (law) in the field of investment has not been able to provide guarantees to investors, especially in terms of clarity of the status of the land in those places. Government of Karo Regency must create and enforce legislation about the General Spatial Plan (RUTRP) of Tourism Areas and the other regulations related to the field of investment.

5. Improve human resources both tourism officials and Stakeholder. Human Resources must know the vision and mission of tourism development, by its consciousness has a willingness to participate in the development of tourism. Human resource capabilities for government and private officials and the public needs to be improved continuously. Human Resources as thinkers, planners and actors as well as objects of tourism development need to understand its role in the development and construction of tourism itself.

a. The Government as the regulator should have a clear vision and mission as well as the formulation of rational policies and programs. In order to achieve the vision and mission and provide people's welfare, human resources in government must have the ability to define policies and programs that have been compiled into its activities and has the capabilities to practice it, so the end outcome can be achieved success.

b. The private sector particularly those who directly providing services to the tourists must have the ability of the international standard of tourism services, so the purpose of tourism activity can be achieved as

well as raise the image of Karo's tourism in the eyes of the international World.

c. The community should be aware of their role as actor in the development for the common goal of building itself for the welfare of society. The community especially those living around Tourism attraction able to show the tourism-conscious attitude to life.

6. Making partnership opportunities as much as possible with overseas or across regions. The nature of tourism is to visit other areas and there are situations where the tourists will be strangers in the areas visited. To enhance the comfort and satisfaction during the tour, the tourism's actor need deep understanding of the characteristics of professional services. It is necessary for cooperation with foreign parties or between regions to achieve success in the development of tourism.

7. Leveraging of Karo's Culture became a viable tourism product. Karo culture is one of the Tourist Attractions that have a strong influence for tourists. To improve the quality of traditional cultural performing and preservation of cultural values , it is necessary to cooperate with various parties (the actor of cultural arts, business Hotels and Restaurants, Travel Agencies, Government and Society).

8. Creating a conducive investment condition.
The development of tourism area such as: Lau Kawar and Sipiso-piso, open up many investment opportunities. The conducive investment condition is needed to attract investors to invest in Karo Regency. The effort made to create a conducive investment climate is a simplification of the rules relating to investment, the preparation of General Spatial Plan

(RUTR) and the existing land use and clarity of the status of land and developed tourist attraction.

3.3.5 Tourism Development Program

To translate the strategic plan, Department of Culture And Tourism set program as follows:

1.   Tourism Marketing Development Program include:

a.   Creating a Market Analysis Study

b.   Formulating the Marketing Strategy of Tourism Industry with an emphasis on the integration of products and marketing of tourism, including tourism information of network system development among regions in order to support the strengthening and development of integrated tourism promotion to the global market.

c.   Performing Events and tourist potential.

d.   Performing the events and tourist entertainment which is listed in the Calendar Of Events with better quality.

e.   Developing Package and marketing through tourism agency

f.   Fostering journalism to write reports and articles of tourism

g.   Improving the distribution of information by using leaflets and brochures of tourism as well as utilize the existing of internet facilities.

h.   Preparating of outdoor locations for tourism area Developing cooperation by inviting the foreign tour operators to visit Karo Regency.

i.   Performing Events as Tourism Calendar activities

j.   Increasing cooperation with the actors of Tourism Business Development and Tourism Information System

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k. Advancing professionalism and Tourism Competitiveness of human resources

2. Improvement of Service Quality Program and Tour Destinations as follows:

a. Rehabilitating of public facilities in tourism attractions

b. Preparing the environment, parks and tourism facilities

c. Improving the capacity of local public services by enhancing human resources in tourism sector and provide sets of rules to supportthe development of tourism.

d. Fostering tourism awareness of community, especially around Tourism Object.

e. Expanding the duties and responsibilities among the actors (stakeholders) through the initiative of cooperation across stakeholders in tourism forum.

f. Developingof new Tourism attraction.

g. Coordinating with relevant agencies to improve the quality of Tourism Object

3. Development and Preservation of Cultural Program such as:

a. Inventorying process of historical and cultural heritage

b. Procuring/preparing of Karo's cultural literature

c. Supplying/composing of Karo's legend book

d. Training traditional culture to young generation

e. Performing Karo's culture regularly in Berastagi

f. Making Seminar of Karo's Culture

g. Staging Karo's Culture beyond Karo's area

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Figure 3.2: Organization Structure of Culture and Tourism Department

CHIEF OF DEPARTMENT

SECRETARY

HEAD OF FINANCIAL SUB SECTOR

HEAD OF GENERAL AFFAIR/HUMAN RESOURCES SUB SECTOR

HEAD OF OBJECT GUIDANCE AND TOURISM ATTRACTION DEPARTMENT

HEAD OF ART AND CULTURE GUIDANCE DEPT.

HEAD OF MARKETING AND PROMOTION OF TOURISM DEPT.

HEAD OF PLANNING DEPARTMENT

HEAD OF DEVELOPMENT & TOURISM ATTRACTION SECTION

HEAD OF CULTURE AND HERITAGE SECTION

SECTION OF TOURISM INFORMATION AND PROMOTION

SECTION OF PLANNING, PROGRAMMING AND CONTROLLING

HEAD OF GUIDANCE AND TOURISM DEVELOPMENT SECTION

HEAD OF ART AND TOURISM ATTRACTION SECTION

HEAD OF CONTROLLING AND LICENSING SECTION

SECTION OF COLLECTING, PROCESSING AND REPORTINGDATA

INTEGRATED UNIT SERVICE OF REVENUE

INTEGRATED UNIT SERVICE OF PROMOTION/MARKETING

STAFF OF FUNCTIONAL

Source: Department of Culture and Tourism of Karo Regency, 2012

CHAPTER IV

RESEARCH METHOD

4.1.   Types of Research

This study uses a qualitative research strategy, particularly descriptive research study in order to identify, analyze, describe and interpret the development of tourism industry in Karo Regency based on local policy. The two qualitative research methods used most often in the social and administrative sciences are ethnography and the case study approach.   Ethnographic methods were developed by researchers in anthropology, then expanded upon by sociologists and public administration researchers, among others.   Case studies were used extensively in public administration and business management research (McNabb, 2002, p.21)

The term qualitative research describes a set of non-statistical inquiry techniques and processes used to gather data about social phenomena. Qualitative data refers to some collection of words, symbols, pictures, or other nonnumeric records, materials, or artifacts that are collected by a researcher and that have relevance to the social group under study.   The uses for these data go beyond simple description of events and phenomena. They are used for creating understanding, for subjective interpretation and for critical analysis as well (McNabb, 2002, p.267).

4.2.   Location of Research

This research is about the implementation of Tourism Policy in Optimizing Tourist Visit to Karo Regency.   The process of development is primarily undertaken by Department of Culture and Tourism of Karo Regency.   In doing

this process, Department of Culture and Tourism of Karo Regencyis assisted by other related departments, private sectors, and local society.

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4.3.   The Focus of Research

The function of "focus" research is to limit the study and to complete it using essential and relevant field information. With a research focus, a researcher knows that a certain data is relevant or not to be collected. According to Moleong (2004, p.97) "basically, focus is the main problem based on the researcher experience or scholasticism through scientific literature or another literature". Deciding the focuses of research, the researcher will not make a general and broad area of study. Therefore the primary focus of this research will be on the following:

1.   Development of tourism industry in Karo Regency in terms of:

a.   Recognizing potency of tourism in order to make an appropriate policy/program,

b.   Realization of program and activities.

2.   The role of stakeholders:

a.   Karo's Local Government,

b.   Private sector, and

c.   Society.

3.   Identify the constraining factors in developing tourism industry, in terms of:

a.   Human Resources Competence

b.   A limited Budget

c.   Inadequate of Promotion/Marketing

d.   Poor accessibility to Tourism area

e.   Lack of Political Support

4.4. Data Source

In qualitative research, the data comes from the explanation and information which is given by informant, facts from field, and document.

1. Informant

   The informant is chosen from local government officials who know about research focus. They are head of sections and staff of tourism department. The number of informant could be added by using snow ball sampling method to gain completeness of data.

2. Facts

   Facts got from events, situation, or phenomena which are related to focus of research.

3. Documents

   The data from documents could be derived from official government regulations, regent regulations, official letters, and others legal documents owned by local government.

4.5. Data Collection Process

In this research, the researcher collects and uses primary and secondary data. Primary data is data that is gathered by direct observation and through in depth interviews. Secondary data is gathered by collecting data from formal documents like regulatory documents, government policies and records related with topic of study. There are three steps done by researcher to collect the data:

a. Getting in

   The first stage in collecting the data is in trying to get consent and consensus from the various units which would be researched on. The

researcher would approach procedurally with regards to the desired outcomes of the research and seek permission personally from the regent of the Karo Regency.

b. Getting along

Researcher would also try to develop a good working relationship with various informants. This is to enable a conducive and cooperative environment so that the researcher could gather the data easily.

c. Logging the data

Gathering the data is done by using three methods:

1. In depth interview

In depth interview process, researcher would interview some officers closely related with the implementation of tourism industry in Karo Regency.

2. Documentation

Researcher would also gather data from legal documents issued by the local government (e.g. local government act, official letter)

3. Observation

In the field observation process, researcher will observe carefully

4.6. Design of Data Analysis

In qualitative research, data analysis would be at the on set and also while the research process is undertaken. In this research, the author use the analysis of qualitative data as stated by Miles and Huberman (1994, p.12) through the procedures; data reduction, data display, make a conclusion or verification.

Data collection means that the data gathered from field should be stated on the form of report comprehensively and in detail. Given that not all information would be directly relevant to the research focus, there is a need for the researcher to do data reduction. This reduction of the data is analysis that helps to sharpen, sort, focus, discard, and organize the data in a way that allows for conclusion to be drawn and verified. The data can be reduced and transformed i.e. through selection, summary, or paraphrasing.

Data display is another means to make it easier for researcher to know all or each part of research. Data display refers to the organizing of data into one form in order to understand the data entirely. Coming to conclusions or verification means that researcher would do analysis and search for the meaning of data gathered thus far in the data gathering process. The components of data analysis are as depicted in figure below.

Figure 4.1. Interactive model of data analysis
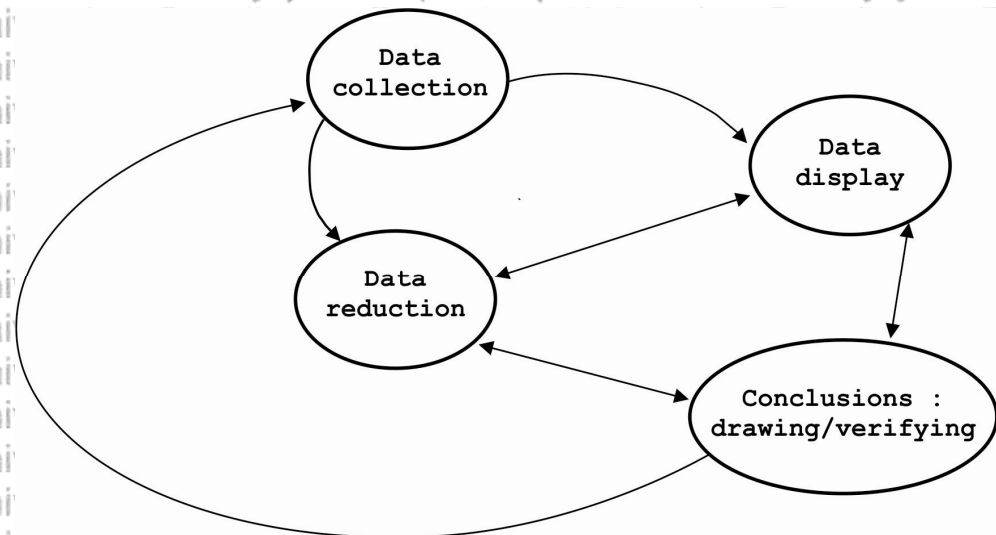
Source: Miles and Huberman (1994, p. 12)

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4.7. Data Validity Technique

The researcher would also need to be aware for the need to ascertain the validity of data collected, particularly those from official government sources and correspondences. These should be verified through data collected from in depth interviews of key informants such as officers and staff closely related with research topic. Therefore, validity of data collected could be fulfilled based on some criteria such as;

1. Credibility

   To reach the credibility of data, researcher does data triangulation and asks informant to check the validity of data. Data triangulation could be done by crosschecking the data from another informant. Another way is comparing the data gathered from different data gathered method. Checking the validity of data by informant could be done by showing the data, information, and data interpretation of researcher to informant. Then, researcher asks the informant to give comment and correction of the data has been gathered.

2. Transferability

   To reach the transferability of data, researcher tries to gather the data accurately and completely, so that the data could describe research object. So, the data and information gathered by researcher could be understood by another person.

3. Dependability

   Dependability of data could be reach by discussing the data that has been gathered to researcher's supervisors. The yield of data will be checked

by supervisors. Besides that, method and strategy to gather and process the data also will be checked by supervisors.

4. Conformability

Conformability of data could be reach by using method and procedure of gathering and recording the data that has been supervised by supervisors. Supervisors will check and evaluate conformability of data. For this purpose, researcher will prepare the data from field from some sources, like legal documents, official letters, and interview report.

4.8. Research Framework

This research is planned to do on March until April, 2012 in Karo Regency, especially at Culture and Tourism Department. Systematically, this research can be described in the following chart:

Figure 4.2. Research Framework
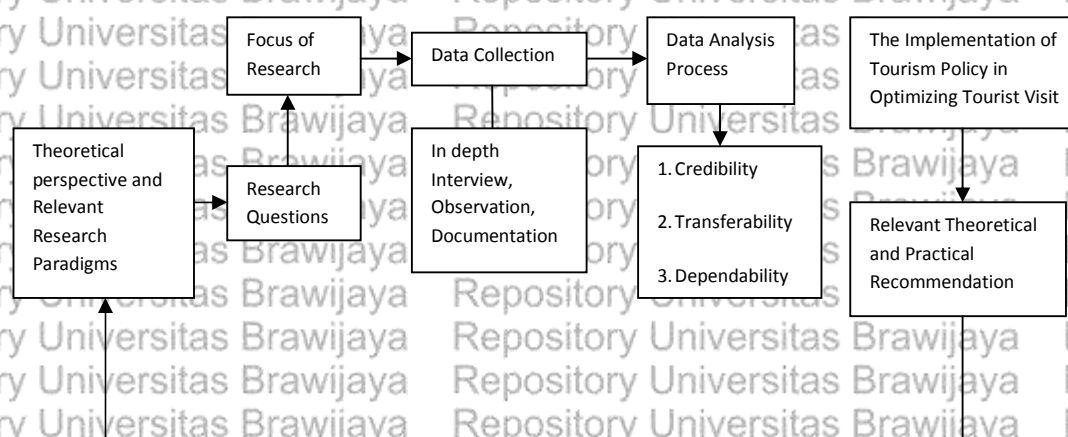
Source: proceed based on research method

CHAPTER V

RESULT AND ANALYSIS

5.1. Potential of Tourism

5.1.1 Natural Conditions

Karo Regency is an area that has a very good and fertile area and it has a cool climate. Most of its territory consists of mountains and hills. Because of the beauty of natural conditions, it would not be surprised if it is stated that Karo Regency is one of the most tourists visited area in North Sumatera. In the South of Karo Regency, stands beautiful scenery of the hill line stands, Sipiso-piso waterfall and Lake Toba. This lake is a miracle because it is located on the plateau about 800 m above sea level and ranks second as the largest lake in the world. The lake is surrounded by hills covered by forests of pine and blue water. Meanwhile in the northern part of Karo Regency, there is Lau Kawar lake, having an area of 20 ha of natural flanked by mountains, covered with tropical forests and alongside the lake, lies an area of 3 ha as the location for camping spots. For tourists who are spirited in adventure, this object is the spot for performing activities such as rock climbing and mount climbing of Mount Sinabung.

One of the potential of tourism in Karo Regency is an opportunity to develop agro-tourism. The vegetable farming, cultivation of plants, flowers, citrus plantations and agriculture are the agricultural sector that can be exposed as an interesting tourist attraction. Almost all areas in Karo Regency can serve as an agro-tourism area. The various attractions exist are as shown below:

1. Natural Tourism

a. Sipiso-piso Waterfall

This waterfall has a height of ± 120 meters and against the background of a beautiful panorama of Lake Toba. It is situated in the highland near the town of Tongging surrounded by paddy fields and surrounding mountains. This tourist attraction is located about 35 kilometreS from Berastagi town.

Figure 5.1. Sipiso-piso Water fall

Source: Department of Culture and Tourism of Karo Regency, 2012

b. Spring Water Lau Debuk-debuk

Lau Debuk-Debuk is hot springs which spouts from the earth. The spring water contains sulfur and reputed to cure skin diseases and itching. It is also used in certain rituals such as "Erpangir Ku Lau" (taking shower) which aims to get rid of evil spirits.

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Figure5.2.   **Spring**   **Water**   **Lau**   **Debuk-debuk**

Source: Department of Culture and Tourism of Karo Regency, 2012

c.   Tongging - Lake Toba

Tongging is a village on the outskirts of Lake Toba. This lake is a miracle because it is located in the highlands of ± 800 meters above sea level and ranks second as the largest lake in the world. The lake is surrounded by hills covered by forests of pine and blue water. It is located next to the northern end of Lake Toba and can be reached by road down the steep and winding along the ± 5 km from the waterfall Sipiso Sipiso.

Figure 5.3. Tongging - Lake Toba

Source: Department of Culture and Tourism of Karo Regency, 2010

d. Lau Kawar

This lake has an area about 200 Hectares, surrounded by mountains with various trees of tropical forest and near the lake at the bank there lies a plain area ± 3 hectares which can be used as camping location. Tourists who like adventures in this tourism object can do some activities namely : climbing up/hiking steep place or hiking to the top of Mount Sinabung through dense forest. This object is 27 Km from Berastagi and transportations used to get to the lake are buses or other 4 wheeled vehicles, passing some villages and agro tourism places (www.karokab.go.id).

Figure 5.4. Lau Kawar
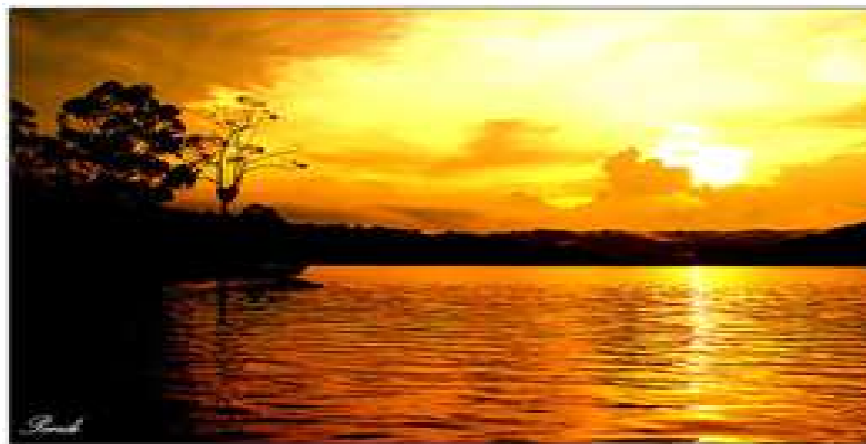
Source: Department of Culture and Tourism of Karo Regency, 2012

e. Bukit Gundaling (Gundaling Hill)

This hill is beautiful and always green because of well planted trees and flowers. Since Dutch colonization, it has been well known as recreation place for youth and families either for domestic or foreign tourists. From the top of Gundaling Hill one can enjoy seeing panorama of Mount Sibayak, Mount

Sinabung and Berastagi Town. It is 2 kms from Berastagi and to get there one can use either small or big bus (www.karokab.go.id).

Figure 5.5. Bukit Gundaling

Source: Department of Culture and Tourism of Karo Regency, 2012

f.   Mount Sinabung

Mount Sinabung is about 2,417 m above the sea level. Hiking through tropical forest and steep places with full of challenge. At the top there is a plain place which is good for camping location. As it is an active volcano, at the top visitors can find a lot of holes from which the smoke is coming out and can enjoy seeing fascinating view. It is about 30 Km from Berastagi to the hiking place. Hiking to the top from Sigarang-garang village, Lau Kawar or Mardingding will take about 4 hours (www.karokab.go.id).

Figure 5.6. Mount Sinabung

Source: Department of Culture and Tourism of Karo Regency, 2012

g.   Mount Sibayak

Mount Sibayak is an active volcano 2,172 m above the sea level. Hiking is through tropical forest with steep places and it is an activity with full of challenge. At the top, there is a plain place good for camping. Near the crater as it is a volcano there are many holes from which the smoke is coming out. Hiking can begin at Jaranguda Village, about 1,5 Km from Berastagi or at Semangat Gunung village, about 15 Km from Berastagi. It is estimated that hiking to the top takes 2 or 3 hours (www.karokab.go.id).

Figure 5.7. Mount Sibayak

Source: Department of Culture and Tourism of Karo Regency, 2012

h. Water fall Sikulikap

This 30 m high waterfall is 11 Km from the monument in Berastagi on the road to Medan. Black Gibbons, Macaques, Squirrels, Hornbills, Pythons, Butterflies and lots of herbal plants and birds can be seen here. Take the stairs down from the road just at the Karo-Deli Serdang border. There are many small stalls along the main road here selling boiled and grilled corn. We can take any bus or minibus to the destination either from Medan or Berastagi (www.karokab.go.id)..

Figure 5.8. Waterfall Sikulikap

Source: Department of Culture and Tourism of Karo Regency, 2012

2. Cultural Tourism

a. Cultural Village of Lingga

Lingga is one of the oldest village in Karo Regency and has a traditional Karo house, known as Siwaluh Jabu. It is more than 250-years-old, and inhabited by eight families.   The materials of traditional houses are made from logs, boards, bamboo and thatched roof without using nails, based on a traditional Karo architectural technique. The village is located in the Sub-district of Simpang

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Empat.

Figure 5.9. Cultural Village Lingga

b. Dokan

Dokan is located between Karo and Simalungun Regency. The village has seven Traditional Houses which the age are more than 100 years. Six houses are still inhabited by rural people. In this village, we can find a mortar, which in the past, people used to pound rice manually. The orange farms surrounding the villages can be the focus of Agro-tourism.

Figure 5.10. Culture Village Dokan

c.   Sempa Jaya (Peceren)

Cultural Village Sempa Jaya (Peceren) is a small village on the outskirts of the city of Medan. The village has several Traditional Houses and still used as a residence until now and the oldest house about 120 years.

Figure 5.11. Culture Village Sempajaya

Source: Department of Culture and Tourism of Karo Regency, 2012

3. Tourism Heritage

a.   Museum Lingga

The Museum has a interesting collection of various relics from the past in the form of the household utensils, agricultural equipment and traditional musical Instruments;

b.   Site of cannon piece of Putri Hijau;

c.   Dutch Heritage Building located in Berastagi.

4.   Agro-tourism

One of the potential of Karo Regency is an opportunity to develop agro-tourism. Vegetable Agriculture, cultivation of flowers and citrus plantation are sectors that can be exposed as an interesting tourist attraction.

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Figure 5.12. Agro-tourism in Karo Regency

Source: Department of Culture and Tourism of Karo Regency, 2012

According to the analysis of the researcher, it can be said that Karo Regency has the potential of nature which is very supportive to the development of a reliable tourism sector in North Sumatera. Natural potential in Karo Regency is an asset that needs attention from various parties. It is local government's responsibility and communities to manage the natural potential to be the pride of Karo Regency. Therefore, the conservation should be maintained and preserved. The government and society are required to manage its potential seriously.

5.1.2 Unique Culture

The ethnic (tribal) cannot be separated from elements of its culture. The unity of nature, culture and art is a manifestation of the whole ethnic. Indonesia as a nation has rich ethnic diversity .Karo's tribe as one of the hundreds of ethnic owned by this country, absolutely has its own cultural uniqueness. The Cultural uniqueness is the pride of Karo's tribe. But the potential development of culture cannot be exempted from how the people appreciate the culture.

Karo dialect is the language used daily in Karo community. The scope of using the language itself is not limited by space and time. Everywhere and at

any time if there is meeting among Karo's people or even outsider who understand the language, they have right to participate in a dialogue in Karo dialect. As other areas in Indonesia, Karo Regency is also rich in legends and folklore. For example, Pawang Ternalem, Putri Hijau, Sibayak Barus Jahe, Guru Pertawar Reme, Si Beru Rengga Kuning, Beru Karo Basukum, Dunda Katekuten, Beru Ginting Pase, Beru Tarigan Tambak Bawang, Kak tengkok bungana, Siberu Tandang Kemerlang, Tera Jile-jile, Kerbo Sinanggalatu, Perpola, Singelanja Sira, Gosing Si Ajibonar and so forth.

The traditional music instrument is Gendang Karo (drum), it is usually called Gendang Lima Sedalinen which means a set of drums consists of five elements. Gendang Karo is completed if it consists of Serune, Gendang si ngindungi, Gendang si nganaki, Penganak and Gung in a ceremony or party accompaniment. The elements of traditional music instruments such as Kulcapi, Balobat, Surdam, Keteng-keteng, Murhab, Serune, Gendang si ngindungi, Gendang si nganaki, Penganak and Gung. These traditional tools are often used to accompany dancing, singing and various ritual traditions. But now the development of music Karo has been contaminated by modern instruments such as a keyboard. The keyboard entered the culture of Karo around the 1990s and has dominated Karo's culture. It has become an indispensable part of Karo performances and accompanies the Gendang Karo.

Figure 5.13. Traditional music instruments

Source: Department of Culture and Tourism in Karo Regency, 2012

Dance in Karo dialect called "Landek." Landek is the archetypal dance posture, hand gestures, up and down movement of the knee (endek) adjusted to the tempo of gendang and foot move.Basic dance patterns coupled with a certain variation of interesting and beautiful dances. The traditional dances usually present in ocassion of entering a new house, weddings, funerals and others. Dance in religious ritual usually led by regular teachers (shaman). For example Mulih-mulih Dance, TungkatDance, Erpangir Ku Lau, Baka Dance, Begu Dance, Muncang Dance, and others. Dance-related entertainment is generally classified. For example Ndikkar Dance, Gundala-gundala Dance, and others.

Figure 5.14. Gundala-gundala Dance and Ndikkar Dance

The diversity of sculpture and carvings of various shades of Karo can be seen in its buildings. The experts in making Karo's traditional house called "Pande Junior." The typical of buildings such as Traditional Houses Siwaluh Jabu, Geriten, Jambur, Batang, Lige-lige, Kalimbaban, Sapo Gunung, and Lipo. The richness of Karo's cultural can be seen in every building like carving Cekili Kambing, Carve-Ipen-ipen, Carve Embun Sikawiten, Lipan Nangkih Tongkeh, Carve Tandak Kerbo Payung, Ukir Pengeretret, and Ciken. Given the influence of globalization, Karo development and cultural preservation are now concerned. The government should try to find out how to make Karo's culture flourish and sustainable. It is not just depending on government's efforts but also the role of Karo's community's appreciation of their cultural richness and distinctiveness. Such efforts would enable the development of sense of belonging, need for conservation and appreciation for the development of Karo culture.

Figure 5.15.   Many kinds of Karo's traditional house

5.2   Stakeholders

5.2.1 Government

As the industry in services, tourism activity is inseparable from the role of government both central and local governments of Karo Regency.   In Karo Regency, the most responsible to the development of tourism is Department of Culture and Tourism. Specifically, Department of Culture and Tourism of Karo has four main roles, such as:

1.   Tourism planning, tourism planning aims to achieve the goals or objectives of tourism development. In general, tourism planning covering several important matters namely: (1) economic development plans that aim to spur the growth of various types of tourism industries, (2) planning of land use, (3) planning of infrastructure related to roads, and other

utilities such as electricity, water disposal, waste and others, (4) planning of social services related to the provision of jobs, employment, health care, education and social welfare, and (5) security plan includes internal security for tourists and tourism destination.

2. Tourism Development,is generally conducted by private sector, especially the construction of tourism facilities and services. However, procurement of public infrastructure such as roads, electricity and water dealing with development of tourism required large scale and huge funds,the transportations (roads, clean water supply projects, and waste disposal projects) are responsibility of the government. In addition to this, the government acts as a guarantor and supervisor of the investors who invest in tourism development.

3. Tourism Policy, tourism policies made by Department of Culture and Tourism, contains the programs, activities and the main tasks that have been implemented. This policy is put into the overall economic policy which covers the structure and long-term economic growth. The Economic policy relates to tourism development is the employment policy, investment and financial, the crucial industries to support tourism, and trade in goods and services.

4. The Rule of Tourism, The important rules made by Department of Culture and Tourism are: (1) rules for protection, especially for travel agency that required travelers to pay a deposit (pre-payment) as guarantee of reservation services such as accommodation, tour, etc., (2) the requirements of fire safety, which include the establishment of minimum number of lights on each floor of the hotel and tools that support the

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safety of other persons (3) food safety and health regulatory standards of healthy food available for tourists (4) standards of competence of employees who need knowledge and expertise, for example; pilots, drivers, and captains.

In addition, the government is also responsible for the management of natural resources such as scarce flora and fauna, water, soil and air to prevent contamination that could disrupt and even destroy an ecosystem. Therefore, the implementations of all government regulations are completely implemented by the government.

In order to make the development more focus, government of Karo issued policy of Local Government of Karo Regency on tourism which has been formulated in Basic Pattern of Local Development. In the pattern, it is explained that the aim of tourism development is to make the Tourism Sector as a source of revenue for financing local development and improving standards of living.

Furthermore, it confirmed that the purposes of tourism development are: to focus in improving quality of the existing attractions and developing new tourist attraction which can support economic growth, foreign exchange, local revenues, expand employment and business opportunities. The efforts to develop tourism as follows:

1. Development or diversification of the objects of interest such as: Nature Tourism, Agro Tourism, Culture, Special Interest and flower tourism.

2. Market policies which allow for the flow of tourists balanced with the ability to regulate tourism and business development of the tourism industry.

The main areas of tourism development policy is formulated as follows:

1. Economic development within framework of development effort and utilization of tourism potential to become a mainstay of the sector which is able to promote economic activity and supported by other sectors to create jobs and business opportunities, increase public revenues, local revenues, as well as foreign exchange receipts.

2. Developing tourism should be organized holistically and systematically with the purpose to maintain national identity and preservation of the function and quality of environment.

3. Developing tourism is an effort to develop objects of interest and tourism attractions as well as promoting them domestically and abroad.

4. Improving tourism services is carried out through provision of good facilities and infrastructure.

5. Promoting public awareness and active role in tourism.

Based on the explanation,it can be concluded thatgovernment policies in the field of tourism isa commitment that inevitably has to be implemented. Tourism development is built upon and is a continuation of the previous tourism development policies. The main role of tourism sector in development is as the main capital of national development, promoter of local culture, local revenue resource, and business and employment opportunity.

5.2.2   Private Company

It is important to engage the private sector in managing tourist attractions in order to make it commercially viable and economically sustainable. The private sector plays a role in managing tourism attractions by making contributions (finances, promotions, conservation) for the further development of tourism. In

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order to further attract investors, the Government should simplify investment regulations and encourage further participation by businessmen.

One of private sector's roles is to develop accommodation. It is a very important factor for travelers because good accomodation can make comfort and good feeling for tourists. The progress of development accommodation in Indonesia are quite rapidly. It is shown by numerous luxury hotels are scattered in many large cities that serve a variety of luxurious amenities offered. The progress is given beneficial for the development of tourism sector.Similarly in Karo Regency, the development is a fairly quick, where hotels and inns are essential facilities for development of tourism. It is indicated by variety of hotels and inns which generally scattered in Berastagi area (especially Gundaling) because this area is the gateway to tourist attractions in Karo Regency. Having adequate accommodation, it will make tourists stay longer around tourism attraction and it is also an advantage to increase local financial revenue.

Based on the analysis of the researcher, it shows that accommodation is showing a significant growth. It can be interpreted that the efforts to develop tourism in Karo Regency run smoothly and also strongly supports by other sub-sectors in development of tourism.

Figure 5.16.   Accommodations in Karo Regency

Source: Department of Culture and Tourism in Karo Regency, 2012

Currently, many private parties are reluctant to manage tourist attraction due to inadequate facilities. The limited budget in government's side is opening opportunities to private sectors to invest in local tourism sector. The role of the private sector is succinctly reflected by the Head of Development Object and Tourism Attraction Section, Mr. M. Ginting, SH as follows:

"The participation of private sector in tourism sector in Karo Regency are business related to tourism such as Travel Agency Services and Tourism Information Services. Business tourism facilities include accommodation such as hotel and lodging, restaurants and cafe, tourist transportation and other facilities which support the development of tourism. (Interview held on 27 April 2012)".

Related to the interviewed, the private sector participation in tourism development in Karo Regency still requires improving, both in its role of tourism management and the provision of facilities/infrastructure to support tourism. In addition, it is also necessary to improve the quality of business services such as accommodation; hotels, restaurants, sports facilities, infrastructure agility, entertainment facilities and object management as well as other tourist attraction. The existence of private participation is expected to empower the better sights of tourism. It was an excellent opportunity to take advantage of its existence because it can generate substantial revenues. By the proper management, these expectations can be achieved within specific facility improvements.

Therefore, the Department of Culture and Tourism has made efforts to

increase private sector participation in tourism development in the form of partnerships to ease the terms of licensing and in the field of provision of facilities and infrastructure. According to the analysis of the researcher, it can be said that the private sector tends to be unsympathetic in investing their funds in Karo Regency. They consider that investing in tourism sector may be too risky because the conditions of tourism less supportive. In addition, the flow of tourists traffic is only at certain times (i.e seasonal) Therefore, if we are dependent on the private sector, the tourism sector may not be able to grow rapidly. However, government assistance is also expected in terms of capital loans and grants, as well as other objects, which allow the sector to grow and develop. The government and the private sector should work together in partnership.

5.2.3 Local Community

The government is trying to boost tourism development over time. One form of government's role in fostering human resources for tourism is in accordance with good service system. Tourism development requires community support and participation. Communities are expected to keep, treat and provide information about tourism's attraction; so it will help tourists to know more about the existing attractions.

The Department of Culture and Tourism realized that in order to achieve the objectives of tourism development it requires the participation and awareness of various stakeholders, especially local communities. In order to achieve it, Department of Culture and Tourism have made the following efforts to expand public participation such as:.

1. providing information and guidance on development of particular importance for tourism at all levels of society, together with the other

programmes on the basis of an integrated approach.

2. conducting coaching, guidance and advice on tourism, in particular of Sapta Pesona and tourism awareness.

In addition, local community has a significant role in the development of tourism industry in Karo Regency. The local community is a subject and object of development, so local government has to engage and empower them. The existence of local community is represented by the availability of labor.

The employee is an important production factor in addition to natural resources, capital and technology. In terms of common understanding, employee is human labors who are able to produce goods and services that contain useful economic value to community needs, the physical ability to work from age. Under the labor law No. 14 of 1969, employment is defined as person who is capable in doing the work both inside and outside the employment relationship to produce goods and services to meet community needs. Employment opportunities identify how much does the actual economy requires workers to be employed in the economy. It certainly requires some criteria, and all workers available can not be absorbed by the existing job opportunities. It will give impact on the creation of unemployment in the economy.

This condition is exacerbated by changing the growth of employment opportunities which generally lower than the amount of labor available. Likewise, the current level of population growth and migration (particularly urbanization) which causes the labor force is concentrated in urban areas. The availability of jobs in Karo is considered poor. The number of local unemployed is less, because generally, unemployed workers will work as casual laborers in the agricultural sector. Lately, the number of job seekers rises by the arrival of Java

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unemployment and other areas closed to Karo Regency. The big amount of unemployment arouse social problem such as; the crime.

One way to overcome the problem is to maximize the potential available. A community of Karo's leader, Mr. R. Tarigan expressed;

"Improving labor sector in Karo is still urgently required. Karo Regency is known as a city of tourism and agriculture. The popularity sector can be used as a priority to be a driver. If it can be implemented well and managed professionally, it will implicitly increase employment in Karo Regency. In addition, the government should active socialize to the public how to receive and serve foreign and domestic tourists. (Interview held on 26 April 2012)"

The participation of community in fostering the development of tourism in Karo Regency has not fully recognized as an important sector. The public's response and behavior are not shown the understanding of tourism life style. This is reflected in the opinions of Mr. A. Ginting, who claims that:

"It is true in the development of tourism must be supported by local community, the majority potential exists belongs to the community, and much less than the name of the land for generations. In case of existing communities around objects have knowledge of the tourist attractions, such as service and hospitality to visitors, because this is one of strategy to promote tourism in this area. If we look at the lifestyle of our society, it still has no conscious of tourist. When entering the area of tourism, there was never any response from them. Less the kindness and opening of the communication, so it needs to give socialization about a real service to visitors. If they are friendly and welcome, visitors will feel comfortable and spend more time. (Interview held on 27 April 2012)"

The forms of community participation in developing tourism sector are:

a. Cottages

Communities provide accommodation for tourists in the form of cottages where tourists can stay or just visit to the cabin. Surely it is helpful to increase income of community. Tourist cottages are generally located in Berastagi which has agro tourism and nature tourism.

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b. Restaurant and Cafe

Restaurants and cafes are widely available at every tourist attraction. By the existence of it, visitors can try local cuisine. Indirectly, it is another way which can use to promote the local cuisine.

c. Souvenir and Gifts

Souvenir is an attraction for tourists. Souvenirs sold at the tourist attraction which are generally afforded by local people. In Karo Regency, the craft is normally a local specialty such as typical of Karo's textile, accessories, miniature of Karo's traditional houses and so on. This is a memorable souvenir for tourists. When they returned to this country, it will be a reminder for those services which they obtained in one place and if tourists got good memories, it will move them to re-visit the tourist areas.

d. Traditional Cultural Groups

Every region has a traditional culture. In Karo Regency, there is a famous traditional culture event called Gendang Guro-guro Aron. Gendang Guro-guro Aron has a special occasion compared to the other party. Gendang Guro-guro Aron is a Karo's tradition as a form of thanksgiving to the Creator for His grace through the universe and human life in particular. It was carried out after harvest crops. Typically, Gendang Guro-guro Aron was accompanied by a drum called Gendang Lima Sendalanen, a Karo traditional music device that consists of five instruments; Sarune (a blow instrument), Gendang Singindungi, Gendang Singanaki, Gong and Penganak (small gong) as a regulator of the rhythm. However, in recent years, many occasions are using only Karo's keyboard (Organ Solo), or in collaboration with Gendang Lima Sendalanen. The presence of Perkolong-kolong (singers) is the most important, they are usually in a

couple, and on special occasions they "competed" with songs which often convey advices or jokes.

Figure 5.17. Group of Traditional Musician

Figure 5.18.   Perkolong-kolong are singing and dancing at Anual Party

According to the analysis of researcher, the efforts to promote tourism by increasing people's participation in tourism sector plays a very important role. The Community as "owners" and players should be given counseling on the importance of tourism in order to provide a good service to visitor.   The society must make good relations with tourists, by doing it, the tourist will feel close in the sense of being accepted and feel at home. It will be useful for the entire community economically. Public participation can also be fostered through efforts by providing information and advice on the importance of tourism as well as how the development takes place through open dialogue, directed, integrated and responsible.

5.2.4   Partnership among Government, Private Company and Society

The government with all its limitations cannot perform development of tourism industry due to the limitations on government, either in capital, human resources or the field of management. Thus government must collaborate with other actors such as private sector and society.   The partnership policy among government, private and society is an integral part in developing tourism and a sense of responsibility as partnership.

Partnership which involved the state, private and social institutions both local and international is essential requirement for the government. In this stage, state policy is very significant, not only as a regulative function in the country but also a strategic function in international relations. Thus, the tourism development policy in one country could not be analyzed without linking to the interests of partnership among government, private and the public. Institutional policy is a system of interacting with boundaries and rules that have been agreed in

partnership between the various parties.

In relation to partnership, each party has its own role and benefits:

a.   In a public-private partnerships, the role of government to develop policies and regulations as well as providing licensing services, and development of cooperation between the regions where the possible business in each region can develop a joint investment. While for private sectors, this partnership will encourage the private sectors to provide an environment conducive to the region as an investment destination, the entry of relevant ministries (industry, labor, etc.), and the need for transparency in relation to licensing and value-added can be obtained from local economic activity.

b.   In partnership between government and society, the roles of government are to develop policies that support the interests of society, as well as transparency and accountability to the public. As for community, partnership is an opportunity to gain business advantages, and get a room for negotiations for government in obtaining justice and equality.

From the description above, it can be summarized that tourism acquires a strategic position as a source of foreign exchange, a catalyst for regional development, business opportunities and employment equalizer, cultural value promoter and environment preserver

5.3   Tourism Development

Tourism and regional development policies basically have a causal relationship which influences each other. It means that regional development and tourism policy are inseparable, because policies in the field of tourism can encourage the pace of regional development and vice versa.

The Act No. 32 of 2004 about Local Government and Act No. 34 of 2004 regarding Revenue Sharing and Central region and related to Act No. 25 of 2004 concerning National Development Planning System provides a great opportunity for local governments and instrumentalities to carry out general administration duties.

According to Head of Bappeda, Mr. P. Samosir, he stated that the mechanism of tourism development of Karo Regency is as follows:

> "Before regional autonomy, the development was centralized. By centralized program, local aspirations were neglected. Development Program was implemented by the central government's desires and interests, not based on the needs of local communities.(Interview held on 26 April 2012)".

The same opinion was said by Head of Culture and Tourism of Karo Regency, Mr. D. Sitepu, S. Sos:

> "The development carried out before the era of autonomy was uniform in all regions in Indonesia so that development was done in accordance with the central government's wishes. The result was that the region needs were ignored because the plan was the desire of central government rather than local needs. " (Interview held on 27 April 2012)".

The informants' views can be interpreted that after regional autonomy, the development is based on what the needs of each region. Collectively, this spurs regional tourism development. With regards to this, the Head of Department of Culture and Tourism Mr. D. Sitepu, S.Sos added that:

> "Regional development in Karo Regency is conducted by the same mechanism for all areas of development, including tourism, namely by using a participatory approach, a top down and bottom-up ". (Interview held on 31 March 2012)"

Top-down approach in regional development of Karo Regency remain to be implemented by delivering development policy direction, the local potential and financial capacity from the higher levels of government to lower levels of government and community through Musrenbang. The approach of bottom up is

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channeling community aspirations and initiatives through Musrenbang. The implementation of development by participatory approach means that all development stakeholders are expected to take part on it. The community involvement is aimed to identify problems and pick up the specific needs of community, so the result reflects and intended to achieve the objectives in accordance with the needs of community. Development should start by considering the skills and desires of community and it should begin by finding potential and needs of community as beneficiaries of development. By participating of community in development, information about conditions, wishes, needs and attitudes of local communities will be obtained.

If proposed activities are later approved to be implemented, it is expected that development activities represent the needs of community. Thus, it can be implemented properly and the end outcome will be beneficial for society. In addition, community participation can motivate people to grow a sense of ownership and responsibility for implementation and development outcomes, particularly relating to maintenance or management of development results. In other words, it can be said that public policy within framework of development cannot be implemented by government itself, because it is communities who know what is the best for them. Based on the interview with informants, it can be interpreted that regional development in various fields including tourism in Karo Regency is implemented by using a top-down, bottom-up, and participatory approaches. The implementation by these approaches is carried out through the forum of Musrenbang.

Having an established public policy through Musrenbang and local requirements, the next stage is the implementation of policies. Through this

stage, a variety of operational activities are carried out, so the desired policy objectives can be achieved as expected previously. The presence of the implementation phase in process of public policy is based on general understanding that policy cannot be done by itself (non-self-execution) but it should be taken into action by various parties/actors involved. Policies in stage of implementation should be done as part of policy implementation process, the first stage should be done is to establish the organizations who will implement the policy. Jones (1991: p. 296) stated that one of the main pillars in the implementation of public policy is to appoint the implementing organization, resources and methods needed. These would clearly demarcate responsibility for the process of implementation, create the necessary resources (personnel, financial resources and equipment), standard methods and procedures applied.

The rationale for the existence of these organizations is surmised by the Head of Department of Culture and Tourism, Mr. D. Sitepu, S. Sos, as follow::

> "After regional autonomy and improvement of organizational structure, then determined by the Regent Regulation No. 18 Year 2008, about the organizational structure and administration of Department of Culture and Tourism in Karo Regency based on duties and functions of the organization, implementation of policies and programs become our responsibility. The Department is handling the affairs and responsible for the implementation of the program. (Interview held on 27 April 2012)"

The statement was put forward by Head of Culture and Tourism and refers to the Karo Regency is Department of Culture and Tourism which is responsible for the implementation of tourism policy. As such the existence of implementing organization is an office job with a better organized and integrated with the regional work unit in Department of Culture and Tourism.

The blending conditions of organization certainly require good coordination so that implementers can run the program properly. In terms of

coordination during the implementation of program policies outlined by Head of Culture and Tourism, Mr. D. Sitepu, S. Sos, he stated that:

> "As the office of managing coordination, the work has gone well to the leadership of the programs and performed well as coordination of other services related to the program. The partners of Department of Culture and Tourism namely Department of public works, Regional planning of board, Department of Transport, Department of industry, trade, mines and energy, Department of Cooperative and Investment, Department of Agriculture, Department of Forestry and Plantations, Department of National Education, Department of Environment and Hygiene and Police Department" (Interview held on 27 April 2012)

From the statement of Head of Culture and Tourism is known that Department of Culture and Tourism did not implement its own but was coordinated with other related office duties and functions of the organization.

5.3.1 The Realization of Programs and Activities

Department of Culture and Tourism in Karo Regency has vision and mission. The vision and mission of Department of culture and tourism in Karo Regency are formulated in the development goals and strategic plan in the form of programs/activities. For each execution of these activities required budget and it framed in the programs and activities of Department of Culture and Tourism in Karo Regency. The realization of Programs/Activities for Department of Culture and Tourism for the year 2011 is as follows:

Table 5.1. The Realization of Programs/Activities of Department of Culture and Tourism Fiscal Year 2011

Program/Activities	Budget (Rp)
Programs Office Administration	492.510.100.-
Facilities and Infrastructure Improvement Program (routine maintenance/periodic vehicle service/ operational)	62.705.000.-
Apparatus of Discipline Improvement Program (Procurement of clothing and equipment)	17.850.000.-
Program Management of Cultural Property (Karo Dance Training for civil servants and young Generation, Performance and Training traditional Music Instrument	229.082.000.-

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for Young generation)	
Tourism Marketing Development Program (Promotion and Implementation of Karo Tourism Promotion in Medan Fair 2010)	231.052.000.-
Tourism Destination Development Program (Maintenance/Setup Routine Karo Regency objects and restoration/rehabilitation of the Statue of attractions in Gundaling.)	51.155.000.-
Partnership Program (Human resource development and professionalism in tourism)	21.640.000.-
Total	1.105.994.100.-

Source: Department of Culture and Tourism in Karo Regency, 2012

In General, the Department of Culture and Tourism in Karo Regency has undertaken the major task which is administered by the organization. Eight of the goals are supported with 7 (seven) programs which consists of 21 (twenty one) activities that have been established in the year 2011, has been carried out entirely and the level of success has been relocated optimally. Target achievement is scaled by the achievement of conditions to be established at the level of outcomes/results and the scaled has been done, although it still requires further refinement. The details of analysis of achievements of each target can be described as follows:

Objective 1 : The realization of the program administrative office (office operations, coordination, licensing, and other supporting facilities) are transparent, efficient and accountable. To support the success of this target, 1 (one) program has been set with 11 (eleven) activities along with budget Rp. 492.510.000, - and the realization Rp. 474.363.164, - or with a success rate 96.3% and 100% achievement of performance targets.

Objective 2 : The establishment of facilities and infrastructure apparatus. To support the success of this target, 1 (one) program has been

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set together with 1 (one) activities with funds Rp. 62.705.000, - and the realization Rp. 61.913.000, - or a success rate 98.7% and 100% achievement of performance targets.

Objective 3 : The realization of the apparatus of discipline. To support the success of this target, 1 (one) program has been set with one (1) activities beside funds Rp. 17.850.000, - and the realization Rp. 17.850.000,- or by 100% and success rate 100% achievement of performance targets.

Objective 4 : Improve the promotion of tourism products at local and abroad. To support the success of this target, 1 (one) program has been set with two (2) activities along with funds of Rp. 231.052.000, - and the realization Rp. 151.077.000, - on these activities from the activities carried out by the realization 100%, while another activity was not carried out.

Objective 5 : Realization of tourism and cultural product marketable at home and abroad that are implemented through the preservation of Karo's Cultural. To support the success of this target, 1 (one) program has been set with one (1) activities with budget Rp. 20.265.000,- and the realization Rp. 12.419.000, - or with a success rate 61.3% and 100% achievement of performance targets.

Objective 6 : Provide tourist attraction. For the success of this target, 1 (one) program has been set with two (2) activities with budget Rp. 51.155.000,- and the realization of Rp. 48.961.000, - or

with a success rate 95.7% and 100% achievement of performance targets.

Objective 7 : Increase public awareness of the maintenance and preservation of Karo's culture. To support the success of this target, 1 (one) program has been set with two (2) activities together with budget Rp. 208.817.000, - and the realization of Rp. 204.287.000, - or with a success rate 97.8% and 100% achievement of performance targets.

Objective 8 : Realization Tourism Business Development. To support the success of this target, 1 (one) program has been set with one (1) activities with budget Rp. 21.640.000,- and the realization Rp. 21.640.000, - or by 100% and success rate of 100% achievement of performance targets.

5.3.2 Increasing Promotional Activities and Marketing of Tourism

Tourism promotion and marketing is intended to introduce tourist objects in order to attract tourists. Promotional activities will help tourists to have better understanding about the existence of such attractions. It also serves to introduce these attractions to the outside world as tourism destinations. Promotion and marketing activities conducted by Department of Culture and Tourism in Karo Regency is well expressed by the Head of Marketing and Tourism Promotion Division, Mr. P. Putra, SE as:

"For promotion, we have done promotion activities such as the annual Feast of Flowers and Fruits in Berastagi, North Sumatra Fair, Danau Toba Fair and Penang Fair (Malaysia). Besides carrying out cultural and artistic events, the party once again focused on introducing attractions of Karo Regency. The activity has indirectly helped us to introduce tourism to the people who come to this event. In the previous year, we conducted a campaign to Jakarta. On occasion, we promoted the attraction of Karo's

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dance and also distributed brochures and catalogues. It is intended that people outside of Karo Regional obtain clear information about tourist attractions in Karo Regency. Another promotion that was held this year in the form of activity: Berastagi Run Race 10 km, Cross Country Race, Rafting Race in Lau Kawar, Horse Racing in Gundaling dexterity, and performing art culture.   (Interview held on 26 April 2012)"

In promotional activities, the Department of Culture and Tourism cannot work alone. The involvement of other parties in an effort to promote the attraction is very necessary. This is expressed by Mrs. P. Br. Pinem, the Head of Information and Promotion:

"For promotion, we work closely with Department of Trade and Industry, Department of Information and Communication of Karo Regency. They assist us in providing information to communities about the tourism in Karo Regency. In addition, we provide a brochure to travel agencies and hotels in Karo Regency, to be given to any user of travel and hotels services.   She also added that currently, there is an official website of tourism in Karo Regency that can be accessed via Internet at the address: http://pariwisatakaro.blogspot. com/, the information about Karo's attraction can be seen clearly in this website. (Interview held on 27 April 2012)"

Based on the interviews, it is apparently notified that Department of Culture and Tourism has made a step in promotion which is considered quite good and fit the needs of the current attraction. Department of Culture and Tourism is also doing promotions on the sidelines of the annual Feast of flowers and fruit. This activity was very helpful in promoting the tourist attractions to everyone who attended the event. The Department of Culture and Tourism Department is also working with other parties in terms of promotion of tourist attractions such as Department of Trade and Industry, Department of Information and Communication, hotels and agencies in Karo Regency. For promotion activities in 2011, Department of Culture and Tourism participated in The North Sumatra Fair in Medan and also held several activities which involved the community such as: Berastagi Run Race 10 km, Cross Country Race, Rafting

Race in Lau Kawar, Horse Racing in Gundaling dexterity, Rafting Competition and performing arts culture. The availability of financial resources or limited budget to support promotional activities remains a challenge for Department of Culture and Tourism in Karo Regency.

All activities are shown below:

Figure 5.19. Fruits crops from Karo Regency in North Sumatera Fair

Source: Department of Culture and Tourism of Karo Regency, 2012

Figure 5.20. Vegetables crops from Karo Regency in North Sumatera Fair

Source: Department of Culture and Tourism of Karo Regency, 2012

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Figure 5.21.   Traditional Dress of Karo

Figure 5.22. Performance of Traditional Dancing

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Figure 5.23. Head of Marketing and Tourism PromotionDivision, Mr. P. Putra, SE was explaining about the traditional musical instrument

Figure 5.24. Horse Racing in Gundaling

Figure 5.25. Rafting Race

Figure 5.26. Berastagi Run Race and Cross Country

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5.3.3 Contribution of Tourism Industry to Increase Revenue

Basically, the development of tourism sector is an effort to develop the potential in the region, in planning, integrating and sustainable means in order to attract more tourists with the intention to get profit from such visit. The impact of the tourism development policy can be seen from the number and development of tourist visits to Karo Regency from year to year which is described in the table as follows:

Table 5.2. The Number of Tourist Arrival Year 2001 – 2005

Year	Visitor		Total
	Domestic	**Foreign**	
2001	365.115	43.300	408.415
2002	527.385	45.496	572.881
2003	519.130	45.156	564.286
2004	605.669	6.557	612.226
2005	610.497	8.334	618.831

Source: Department of Culture and Tourism in Karo Regency, 2012

The table shown that number of foreign tourist came in 2001was 43.300and domestic tourist was 365.115 people. In 2002, the number of both foreign tourists and domestic were slightly increased 45.496and527.385people. The number of foreign tourists has decreased drastically in 2004 to6.557and 2005increased to 8.334, while the number of domestic tourist was increasing every year. The number of foreign tourists in the year2001 - 2003increased, but In 2004 - 2005 shown a decline which caused by the political situation was not stable. It was greatly affected to the coming of foreign tourist to Indonesia especially to Karo Regency. At the same time, the number of domestic tourists

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(local tourists) increased as the local tourist enjoyed the attractions which were easy to reach from their homes.

The overview of tourist development in the next 6 years could be perceived as listed in the table below:

Table 5.3. The Number of Tourist Arrival Year 2006 - 2011

Year	Visitor		Total
	Domestic	Foreign	
2006	492.568	4.665	497.233
2007	522.815	6.242	529.057
2008	536.065	6.483	542.548
2009	573.472	6.491	579.963
2010	530.267	5.796	536.063
2011	529.769	5.500	535.269

Source: Department of Culture and Tourism in Karo Regency, 2012

Due to the uncertainty of Indonesia's political condition in 2004, the government advised tourism was more focused on the domestic market, working on domestic tourists seriously. It made the number of tourist arrivals after a slump in 2004, did not experience a significant improvement in the subsequent years. As the data shown, in the next 5-years period starting from 2006 to 2010, the average number of international tourists was only 5.935 per year. However, the number of domestic tourist was stable around 531.037 people. In 2010, the number of domestic tourists decreased slightly due to unforeseen natural disasters, Mt. Sinabung in Karo Regency erupted. The number of tourist arrival on 2011 did not have any improvement, and slightly decreased to 529.769, in the mean time foreign tourist was 5.500 people.

The increasing number of tourists is also included the increase of length of stay and the improvement of tourist satisfaction in order to get a stable number of tourist visit. The existing data shown that length of stay of tourists in Karo

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Regency is still low. To overcome these matters, some steps could be taken such as create an interesting events and attractions that make tourists feel comfort when visit to Karo Regency.

Table 5.4. The Average Stay of Tourists in Year 2001 - 2006

No	Year	Average amount of day
1	2001	2.64 days
2	2002	2.97 days
3	2003	2.45 days
4	2004	2.21 days
5	2005	2.98 days
6	2006	3.12 days

Source: Department of Culture and Tourism in Karo Regency, 2012

Creating an interesting events and attractions will make tourist feel more at home. The length of stay will give a positive effect which will be enjoyed by many other sectors such as hotels, telecommunications, restaurants, banks, entertainment venues and stores/souvenir sellers which will increase local economic activity. The economic impact of tourism development can be seen from the revenue related to tourism. Tourism as well as other economic activities can be a source of government's revenue. The description of revenue can be seen below:

Table 5.5. Income Retribution of Tourism Attraction Year 2007 - 2011

No	Year	Target (Rp)	Realization (Rp)	%
1	2007	839.300.000.-	670.076.900.-	79.84
2	2008	1.005.820.000.-	796.609.500.-	79.20
3	2009	1.285.500.000.-	767.600.500.-	59.71
4	2010	1.285.500.000.-	702.364.000.-	54.64

| 5 | 2011 | 1.085.500.000.- | 648.166.000.- | 59.71 |

Based on table 5.5 it can be interpreted that Karo Regency's revenue of charge to access attraction and the acquisition of it from year to year has not been able to meet the targets set by government. The retribution amount is tending to decrease during the years.   In 2008, total revenue is Rp. 796.609.500, and decreased year by year to Rp. 648.166.000,- in 2011. The decrease was caused by unstable political condition and natural disasters which are difficult to predict and avoid, and it made tourists a bit scared to come to Karo Regency.

The other source of government's revenue in form of charge is Tax. The revenue from Hotel and restaurant tax can be seen in the following table:

Table 5.6. The Revenue of Hotel and Restaurant Tax in 2005 – 2009 (IDR)

No	Year	Target	Realization	(%)
1	2005	1.523.000.000,00	1.525.470.329,00	100,16
2	2006	1.744.000.000,00	2.244.900.434,00	128,72
3	2007	1.961.000.000,00	2.167.435.805,00	110,53
4	2008	2.065.700.000,00	3.075.071.663,00	148,86
5	2009	3.137.000.000,00	3.990.829.182,00	127,22

Table 5.6 shows the revenue of hotels and restaurants is increasing. It indicates that contribution of tourism attractions in the part of tax and charge acquisitions of Karo Regency for the tourism sector, as well as revenue of the Regency experienced a significant increase time to time. The income of taxes has increased, but it still below the government's targeted as compared with other sectors in terms of revenue. In Fiscal Year 2011-2015, it is expected that contribution of tourism is 20%.

5.4.   Constraining Factors in Implementing Tourism Policy

Tourism policy cannot always move along to the predetermined targets, or in accordance with the expected goals. The constraining factors affected the success of quality improvement such as: human resources, accessibility, promotion and marketing of tourism products, the quality and quantity of professional institutions dealing with tourism, and etc.

1.   Human Resources Competence

In relation to the implementation of tourism policy in Karo Regency, it should be supported by inadequate of human resources, both in terms of formal education/technical skills and experiences in tourism sector. According to Head of Department of Culture and Tourism, Mr. D. Sitepu, S. Sos:

> "The constraining factor in implementing of tourism policy in Karo Regency is the inavailability of functional planning staff in Department of Culture and Tourism in Karo Regency. Tourism development is managed by the structural staff.   If there is a functional planner, it is likely that the program will be better. (Interview held on 27 April 2012)"

The surveillance of tourism areas cannot be monitored thoroughly because of the shortage of apparatus. Obviously in this case, less attention and supervision will give an impact on tourism attractions where tourism area cannot be well-organized. The same opinion was expressed by Head of Object Development and Tourism Attractions Section, Mr. M. Ginting, SH:

> In terms of competence, it is necessary to increase Human Resource competence. Up till now, there is no staff has specialized education background in planning or management of tourism. There are some staffs graduated from tourism school but during their study, they got skill in serving tourists but not making plan in tourism sector. However, undergraduatedstaffsare generally from Department of Law, Economics and Literature, and Master graduated from Economic Management Department. Department of Culture and Tourism does not have an expert

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who truly understands how to make planning and managing tourism.In terms of number of employees is also limited and they cannot handle whole tourism areas(more than 26 attractions).We have done "Study Tour" to Pantai Cermin so far witht he purpose to increase the knowledge of employees, (Interview held on 27 April 2011)".

Table 5.7. Education Background of Employees in Department of Culture and Tourism in Karo Regency

Class	I	II		III		IV		Total
	-	1		1		6		45
Education (Majoring)	Senior High School	Diploma		S1		S2		Total
		General	Tourism	General	Tourism	General	Tourism	
	5	6	10	23	-	1	-	45
Sex	Male			Female				Total
	27			18				45

Source: Department of Culture and Tourism of Karo Regency, 2012

As of the interviews and observations of researcher, Department of Culture and Tourism's staff in terms of competency and quantity are inadequate and the understanding about tourism sector is very limited. The staffs who graduated from tourism specialization only know how to serve tourists but not to make tourism's planning. The solution to improve the competency of human resources is to provide education and training for employees and conduct study tour to visits tourism destinations such as Pantai Cermin. The focus should be rather on creating a tourism plan that aims to make tourism develop properly.

2. Limited budget

Another constraining factor is limited budget available. The limited budget is a very classic problem encountered by various organizations. The limited budget in this case can be divided into two; a limited budget to support programs and a limited budget to carry out programs or activities which have planned.

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According to Kunarjo (2002, p.24), one of standard requirements for good program is the program should include physical and financial aspects, the limited budgets to support the program will make the mission incomplete.

The shortage of funding problems revealed by Head of Bappeda, Mr. P. Samosir that:

"The problems we deal with is about limited budget to fund our planned activities to be implemented. These funds are very significant issues affecting the development process of influence in Karo Regency (including the regional development of tourism). For example, the limited budget made all village's representatives could not invite in *Musrenbang*. Although *Musrenbang* have tried to absorb aspirations of society, but the fact is that not all villages can be accommodated their aspirations (Interview held on 27 April 2012)".

The same opinion was conveyed by Head of Marketing and Promotion division, Mr. P. Putra, SE:

"Due to the limited budget, it was only some planned programs were implemented. It always happened and this condition made employees discourage in making programs because they have assumption that whatever they had planned would be useless due to the programs were not approved by representatives. It seemed that local government considered tourism sector was not crucial, but the potential of tourism in this area is very promising. (Interview held on 27 April 2012)"

While Head of Information and Tourism Promotion section, Mrs. P. Br. Pinem revealed the same thing:

"The realization of proposed programs was not same as our desired and it made the motivation of employees were reluctance. It was probably due to limited budget and tourism sector was still regarded less important" (Interview held on 27 April 2012).

Based on interviews and analyzing on the program realization, the researcher saw that tourism programs (activities) in Karo Regency are not completely implemented because of several factors:

1. Programs which had been planned well were not fully approved by parliament because the annual budget for each department was limited.

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Department of Culture and Tourism was difficult in implementing the programs due to the proposed programs related one another. However the approved programs were only part of it, so only particular programs can be implemented.

2. The delay in approving of budget and execution time is also restriction. The limited time only let certain programs to be applied.

3. The activities of each programs was not planned well. This is clearly shown when there is a lack of priority in setting aside budget for urgent activities such as treatment and maintenance. In some cases, unimportant activities have huge funds but were not executed. It would be wise if Department of Culture and Tourism plans a comprehensive plan focusing on the most important activities which would increase tourist visits to Karo Regency.

Shown below are some tourism attractions which poorly maintained due to lack of funding.

Figure 5.27.   The condition of Traditional House in Desa Lingga

Source: Personal Documentation, 2012

Figure 5.28.   The condition of Traditional House in Desa Dokan

Source: Personal Documentation, 2012

Figure 5.29.   The condition of Traditional House in Desa Sempajaya

Source: Personal Documentation, 2012

Figure 5.30.   Foundation of house with 7 pillars in Desa Ajinembah

Source: Personal Documentation, 2012

Figure 5.31.**2 shelters burned some years ago and its keep that way without any improvement**

Source: Personal Documentation, 2012

Figure 5.32. Tourism site which are not maintained

Source: Personal Documentation, 2012

Figure 5.33. Damaged footpath to tourism sites in Gundaling

Source: Department of Culture and Tourism in Karo Regency, 2012

3.   Inadequate of Promotion/Marketing

Tourism marketing approach is an effort to introduce and convince about assets and resources of tourist destination in accordance with potential visitor's desire.   The object and tourist attractions are key elements in promotion. In marketing-oriented, visitor's satisfaction and motivation are major elements concerned.   It requires integrated planning and prepared marketing and sustainable tourism destination in order to attract more visitors. Promotion is conducted by Department of Culture and Tourism cannot be implemented in an integrated manner because most of it was done individually. Hotels, travel agencies,   local   governments   and   other   institutions   involved   in marketing/promotion of Karo Regency had not been well coordinated. Conversely if promotion related to Karo's tourism is conducted well (joint promotion), it will give a lot of advantages.

In 2011, Department of Culture and Tourism participated in The North Sumatera Fair (PRSU) and carried out some promotional activities such as

performing traditional dancing, traditional dress, display agriculture's product from Karo Regency likes fruit and flowers and also giving brochures to visitors, while other promotional activities were not implemented because of budgetary problem. From the observations and realization of programs and activities for fiscal year 2011, Tourism Marketing Development Program has not been implemented in accordance with the programs decided. It can be seen that program has set two activities and each activities has budget. But only one was carried out. It suggests that budget problems are not the basic reason for the implementation of activities, perhaps the major factor in this regard is the inability of Department Culture and Tourism's personnel in implementing programs that have been planned.

4. Poor Accessibility to Tourism Areas

Accessibility of potential tourism market should be scaled in terms of time, frequency, cost, and convenience. Transportation helps to provide and introduce the attractions for tourists. The tourists only want to visit "convenient" tourism areas. The existence of adequate transportation would be enabling to reach of the attractions easily. The researcher concludes that infrastructure (road) in Karo Regency into tourism attractions are terrible. This is a serious bound. The access to Karo Regency from Medan (Capital City of North Sumatera) to Kabanjahe, Sub-district of Merek to Kabanjahe , and Sub-district of Tiga Binanga to Kabanjahe is severely damaged since the beginning of 2010. The road conditions are terrible and full of holes.

Figure 5.34. Terrible access from Medan – Kabanjahe, Kabanjahe – Merek and Kabanjahe - Tigabinanga

Source: Personal Documentation, 2012

According to researcher analysis, the infrastructure in Karo Regency needs to upgrade further. In spite of heavy traffic, there has beenno improvement in road works up till now. The roads are damaged and it affects the distribution of goods and overall economy of Karo Regency. Karo government seems to be very slow in anticipating these losses. Presumably the Parliament of Karo Regency and related department should take greater concern with such conditions.

5.   Lack of Political Support

The other constraining factor is the political factor. This was disclosed by Head of Bappeda of Karo Regency, Mr. P. Samosir. He said that:

"One factor which is constraining the development process of tourism in Karo Regency is political factor. When listing the proposed activities which discussed in Parliament, there are many priority activities were cancelled by parliament. The reasons are: 1) the list of programs are not same as what some members of parliament had promised during the campaign, 2) the location of programs do not correspond to the location of legislator (Interview held on 26 April 2012)".

It can be interpreted that the parliament member's only approved programs if the programs were same as their agenda and also the location of development programs planned were in their campaign location. The statement of Head of Culture and Tourism, Mr. D. Sitepu, S. Sos, was as follows:

"Political factors become the main constraining factors in implementing of tourism policy. What had planned in *Musrenbang* was not approved by Parliament though energy (cost, time and effort) that have been issued not less. (Interview held on 27 April 2012)

From the results of these interviews, it can be interpreted that members of parliaments did not consider the cost spent for undertaking programs planning, but rather concerned only about their own benefit. It is clear that political factor is one of the constraining aspect in the implementation of tourism policy in Karo Regency. To sum up, the development of tourism industry has not been conducted through extreme efforts, and lot of tourism resources have not been utilized as maximum as possible.

Based on this fact, the development of the tourism industry in Karo Regency does not have a clear direction and goals, and the private sector and community involvement is very limited. It is mainly due to the limited quality of human resources and financial of the government as the leading sector. The tourism sector is inability to absorb the labor force and increase the revenue income of community.

The best potential of tourism to be developed in Karo Regency is a natural kind of tourism such as mountain tourism, seaside tourism, and rural

tourism. These types of tourism need to be an advanced program to support the most superior type of tourism for Karo Regency which is cultural tourism.

CHAPTER VI

CONCLUSION AND SUGGESTIONS

6.1. Conclusion

Based on the analysis described in the previous chapters, some conclusions can be made as follows:

1. The development of tourism in Karo Regency has not shown any progress, there are almost no tourism programs which are able to attract tourists to come to Karo Regency significantly;

2. The role of stakeholders in the tourism industry is very small. The Government, private and public are less enthusiastic to build the tourism sector, it is due to the weakness of government leadership which diminish the private and public interest to participate in the development of tourism industry;

3. The tourism potential in Karo Regency has not been able to develop to its fullness due to the following: Human Resources Competence, Limited budget, Inadequate of Promotion/Marketing, Poor Accessibility to Tourisms Area, and lack of political support;

4. The development of tourism industry has not been able to give a positive contribution to grow public revenue.

6.2. Suggestions

Based on these findings, there are some recommendations noted as follows:

1. Karo Regency has the natural and cultural potential which is appropriate to use as tourism object. In accordance with the analysis of researcher,

cultural tourism is suitable to be developed in Karo Regency. The development of cultural tourism must be supported by other types of tourism such as mountain tourism, rural tourism, and etc;

2. Department of culture and tourism should be able to enhance the relationships with other relevant department, such as public works department for better construction and maintenance of accessibility, the parliament to gain support for funding the programs;

3. Department of Culture and Tourism as the leading of tourism development should be able to do collaboration in creating policies, programs, and projects which attract the interest of private sector and communities in developing tourism industry in Karo Regency.

4. In human resources factor, the important points are to improve the competency of human resources, to participate in education, training and seminars on tourism. The department of Culture and Tourism of Karo Regency is expected to have the resources who able to make the planning and managing tourism in accordance with requirement of tourism.

5. The focus of tourism should be infrastructure and facilities especially for Karo traditional House, the numbers of which are reduced and it is a concern, it will become extinct if no action takes immediately.

6. Accessibility is the important factor needs urgent undertaking. The condition of infrastructure (access) to Karo regency was badly damage. The accessibility plays important role to increase tourist visits, therefore government must take action.

7. Financial support from government is required to sponsor tourism, especially for promotional activities, maintaining tourism's object and etc.

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