Case study—the impact of tourism in Bali

Bali is located in the Indonesian Archipelago, a chain of approximately 17,500 islands. Known for its tropical climate, sunny beaches and volcanic mountain peaks, Bali is one of the most popular tourist destinations in the world. With a population of more than 3 million, tourism is an important industry, although farming is still a primary way of life for many. In recent years tourist numbers have fluctuated in Bali due mainly to political unrest.

Social impacts of tourism in Bali

With the increase in tourism in Bali has come the movement of more people from the rural areas to the cities to cash in on the tourist dollar. Traditionally, farming was the biggest income earner for the locals of Bali. However, tourism has now overtaken that, and many people have moved to the major regions of Bali to earn a living selling souvenirs.

Cultural impacts of tourism in Bali

With tourism has come the commercialisation of the Balinese culture. In order to keep tourists happy, many Balinese traditional dances have been shortened or changed to appeal to a wider audience of tourists. Dances that were once performed only every sixty years now happen weekly. Sacred temples are overcrowded with tourists and in some cases resorts are built too close to areas of sacred land. Handicrafts are mass-produced and copied so that they are losing their significance.

Environmental impacts of tourism in Bali

Unfortunately, with the influx of tourism, rapid and unplanned development occurred in Bali, which then led to an increase in pollution, localised flooding due to poor drainage after heavy downpours, the generation of extra waste from tourists and resorts, destruction of coral reefs, loss of important farmland due to encroaching development of more resorts and water scarcity due to the upkeep of golf courses and high usage of the resorts.

Economic impacts of tourism in Bali

The United Nations Development Program and the World Bank aided Indonesia in the 1970s to develop a plan for future tourism development with a focus on Bali. Their initial plans were to cater for well-to-do tourists from neighbouring countries such as Australia and Japan and wealthy visitors from Europe and North America. It soon became apparent, though, that there was a significant market of young budget-conscious travellers wanting to see more of the island than just the resorts.

In the 1980s the Indonesian Airline Garuda was hit by increasing oil prices. Threatened with the collapse of the airline, the Indonesian Government allowed foreign airlines into the market. Tourism soared. Tourist arrivals increased twenty times more than in the previous ten years (the 1970s).

By the beginning of the 21st century Bali’s economy had become reliant on the tourist dollar. However, several factors threatened Bali’s popularity between 2002 and 2009: incidents of political unrest; the 2002 bombing, which killed 202 people; and the 2005 bombing, which killed 20 people. There were also bombings in Jakarta in 2003, 2004 and 2009. Health-related scares about SARS (severe acute respiratory syndrome) and H1N1 (swine flu) also resulted in lower tourist numbers, at least in the short term.

By 2016 Bali had regained its title of ‘Best Island in the World’ awarded by International Tourism Magazine, beating the Galapagos Islands, Hawaii and the Maldives. And despite the ongoing political unrest in other parts of Indonesia, there was a 10 per cent increase in tourism in 2009.
Unit review

Geographically remembering
1. Describe the location of Bali. Use direction, distance, scale and place names in your answer.
2. List three environmental features that would attract you to Bali for a holiday.
3. List one political event and one social event that have led to a downturn in the tourism industry in Bali in the past.
4. Describe how tourism can both positively and negatively affect a country's economic and social development.

Geographically understanding
5. Why did it take so long for Vietnam's tourist industry to develop?
6. Compare the tourism experience of Bali with the tourism experience of Vietnam.

Geographically applying
7. Prepare a tourist brochure on Vietnam or Bali. (You will need to do further research—go to Geography Place at Pearson Places to find information.)
   a. Draw a map showing major landforms and two to three key tourist sites. Use annotations to indicate how the government/tourist authority is endeavouring to introduce sustainable practices at each site (remember, sustainable could mean economically OR environmentally OR culturally sustainable practices).
8. Create a PMI table about the impacts of tourism.
9. Conduct a class debate on one of the following topics:
   - The negative impacts of tourism outweigh the positives.
   - Natural disasters are more devastating on the tourist industry than terrorism.