

## Strengthening the Resilience of Tourism Actors from the Supply Side Towards Bali's Economic Transformation

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**ABSTRACT:** The tourism of Bali was hit by the Covid-19 pandemic. The cessation of tourism activities has an impact on weakening the competence of trained tourism human resources, which has led to a decrease in competitiveness. As a result, it is difficult for Bali's tourism industry to restart its activities immediately. The situation is not only detrimental to the tourism industry in Bali, but also has a negative impact on the resilience of Indonesian tourism as a whole. The main goal of Bali's economic recovery program is to prepare its economy so that its growth can accelerate at the end of the Covid-19 pandemic and return to its pre-pandemic level by 2024. The recovery of the tourism sector also means the recovery of Bali's economy. Although not yet optimal, tourism actors at the moment must prepare themselves to capture the momentum of tourism opening and global tourism trends, including new normal conditions, so that Bali can compete with other tourism destinations in the world. Therefore, a strategy is needed to improve the resilience of tourism actors from the supply side towards the transformation of Bali's economy which is targeted to create higher economic growth in the long term at 7.7 percent by 2045.

**KEYWORDS:** Economy, Tourism, Transformation

### I. INTRODUCTION

When viewing based on data in the last 6 years, Indonesia's economic growth is supported by the oil and gas, coal, crude palm oil, tourism, and apparel sectors. At present, tourism is a growing sector that has become a leading sector of national development in reducing poverty, unemployment, and also inequality due to the multiplier effect for the country and society. Indonesia's tourism is one of the largest and fastest-growing economic sectors, and tourism is said to be the country's core economy in the future because it is a highly sustainable commodity that touches various levels of society in Indonesia. Every year, Indonesia's tourism foreign exchange earnings increase while several other commodities such as oil and gas, coal, and CPO continue to decline. The development of Indonesia's foreign exchange earnings from the tourism sector in 2015-2020 is presented in Table 1.

**Table 1. The development of Indonesia's Foreign Exchange Earnings from Tourism Sector in 2015-2020**

No	Year	Foreign Exchange (Billion US \$)	Development (%)
1	2015	10.7	-
2	2016	11.2	4.67
3	2017	13.1	16.9
4	2018	16.4	25.1
5	2019	16.9	3.04
6	2020	3.2	-81.8

**Source:** (Bank Indonesia, 2021)

The role of the national tourism sector is becoming increasingly crucial along with the development and contribution that the sector provides through foreign exchange earnings, regional income, regional development, as well as in the absorption of investment and labor and business development spread in various corners of Indonesia. Contribution of the tourism sector to the national Gross Domestic Product (GDP) in 2014 has reached 9 percent or IDR 946.09 trillion (Kemenparekraf, 2016). Meanwhile, foreign exchange from the tourism sector in 2014 has reached IDR 120 trillion and the contribution to employment opportunities is as many as 11 million people (Anggraini & Riyanto, 2017).

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Development in the tourism sector is one of the innovations to accelerate the state and regional revenues (Hamsal & Abdinagoro, 2021). Bali Province is becoming an integral part of the Unitary State of the Republic of Indonesia which is also one of the world's most famous international tourist destinations. The tourism sector has been the driving force of the economy and development in Bali since the 1970s. Looking at the competitive advantages of Bali's regional economic structure, the tourism sector as a locomotive driving the Balinese economy which has a dazzling natural panorama, art, culture, traditions, customs, hospitality and unique characteristics, has resulted in the tertiary economic community becoming more dominant when compared to other economic sectors. The tourism sector contributes the most to economic growth (Sanjaya, Dewi, Martini, & Dewi, 2018).

However, behind the significant development, Bali tourism is faced with a complex global market situation, especially due to shifts in tourist market orientation (Urmila, 2013). In the last two decades, a shift has occurred in the orientation of tourist travel. Tourist orientation no longer focuses on conventional tourism products that offer recreational activities because it has now shifted to special products that emphasize elements of experience, uniqueness, authenticity and respect for the environment and local culture. This trend has implications for the increasing interest of tourists to visit areas that offer tourist attractions in the regions, especially rural areas. A survey conducted by the Countryside Commission found that 84 percent of UK residents went on holiday and took vacation in rural areas each year, 25 percent of French local residents went on holiday and took vacation in suburban areas and 17 percent went on holiday and took vacation in mountainous areas.

Bali Province is still a destination for tourist visits to date, both foreign tourists and domestic tourists. Potential of Bali's tourism are quite diverse, supported by the many natural tourism destinations, cultural tourism, culinary tourism, historical tourism, and religious tourism (I. N. M. Yasa, 2015). In addition, there are several other factors that become additional reasons for tourists to choose Bali as a destination for tourism visits, such as comfortability and safety, the quite affordable cost of living and price of souvenirs, as well as the environment and local culture that is still thick and rooted in the lives of Balinese people.

Bali's economy experienced the deepest contraction among other provinces in Indonesia. In 2020, the area contracted by 9.3 percent, the deepest among other provinces in Indonesia. Before Covid-19 hit, Bali's average economic growth was 6.3 percent, higher than the national average growth of only 5.3 percent. After Covid-19, Bali's economy experienced negative economic growth since the first quarter of 2020. The policy of limiting activities in various countries which began at the end of 2019 caused an economic contraction. Even up to the first quarter of 2021, Bali's economic growth is still experiencing a contraction. In the second quarter of 2021, Bali began to record positive growth, but recovery was still limited when compared to that in other provinces in Indonesia (Badan Pusat Statistik, 2022).

The tourism of Bali has been hit by the Covid-19 pandemic. The pandemic has caused the number of foreign tourists to decline drastically. The decline reached 82.96 percent in 2020 compared to the condition the previous year. In 2019, before the pandemic emerged, Bali accounted for almost 40 percent of total foreign tourists visiting Indonesia. The number of tourists visiting Bali has increased every year, with visits reaching around 6.3 million in 2019. Given the high dependence on foreign tourists, Bali is the region whose economy is most affected by the Covid-19 pandemic. The cessation of tourism activities has an impact on weakening the competence of trained tourism human resources, which leads to a decrease in competitiveness. Consequently, it is difficult for Bali's tourism industry to restart its activities quickly. This situation is not only detrimental to the tourism industry in Bali, but also has a negative impact on the competitiveness of Indonesian tourism as a whole.

The condition of Bali's economy as described above urges a study that substantially examines the models or strategies to strengthen the resilience of businesses engaged in the tourism sector, especially from the supply side, to realize the transformation for the economy of Bali, which is formulated into several major problems, among others: 1) how is the resilience of tourism businesses in Bali in terms of supply? 2) What is the most effective economic transformation for Bali? and 3) What are the strategies to transform the Balinese economy?

## **II. REVIEW OF LITERATURE**

### **Economic Transformation**

In essence, economic development comprises four main dimensions, namely: (1) growth, (2) poverty reduction, (3) economic change or transformation, and (4) sustainability of development from an agrarian society to an industrial society. Structural transformation is an important indicator of the increase and sustainability of growth and poverty reduction, as well as a support for the sustainability of development itself. The process of changes in the structure of the economy is characterized by several elements, such as: (1) the decline in the share of the primary sector (agriculture), (2) the increase in the share of the secondary sector (industry), and (3) the share of the tertiary sector (service) which also contributes to an increase in line with economic growth.

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### **Tourism Supply**

Tourism supply includes everything that is offered to tourists both actual and potential tourists. The supply in tourism shows natural and artificial tourist attractions, services and goods that are expected to attract people to visit a particular tourist attraction in a country (Eidin Abdel Wahab, 1975).

### **Tourism and Sustainable Development**

#### **Tourism**

Tourism is the activity of a person traveling to or staying in a place outside the usual environment for no more than one year continuously to get pleasure, do business or other purposes. On the other hand, (Liu, 2021) suggests that tourism activities are activities that bring together humans with a situation outside their environment and can cause a sense of awe, feel comfort and can even pose a challenge to themselves. The situation in question can take the form of natural, cultural and special conditions, both as objects and attractions (Bing & Ji-gang, 2012).

Tourism concerns about objects and attractions, their development, preservation and human excellence in the development, utilization, and preservation of tourism objects and tourist attractions. Services to tourists in facilitating the fulfillment of their interests and developing a supportive atmosphere will always intersect with other fields, or in other words, tourism activities are essentially an effort to utilize objects and tourist attractions that are tangible in, among other things, natural beauty, diversity of flora and fauna, diversity of traditions and culture, as well as historical and ancient heritage.

Tourism activities constitute activities that prioritize services oriented towards the satisfaction of tourists, entrepreneurs in the tourism sector, government and society (Adi, Utama, Budhi, & Purbadharmaja, 2017). As one of the physical and psychological activities of humans, tourism is defined by many experts with almost the same definition (Sharpley & Harrison, 2017).

#### **Sustainable Development**

Sustainable development aims to improve the welfare of society in order to fulfill human needs and aspirations. Sustainable development is essentially aimed at seeking equitable development between present and future generations (Salim, 1990).

According to the Indonesian Ministry of Environment (1990), the sustainability of development (which is basically more economically oriented) can be measured based on three criteria, namely: 1) no depletion of natural resources; 2) no pollution and other environmental impacts; 3) the activities must be able to increase useable resources or replaceable resources.

In line with the concept, (Gantait, Swamy, & Mathew, 2019) argues that the objectives of sustainable development include efforts to realize equitable distribution of the benefits of intergenerational development results (intergenerational equity), safe guarding or securing the preservability of existing natural resources and the environment and preventing ecosystem disturbances, utilization and management of natural resources that is solely for the sake of pursuing economic growth in the interests of equitable utilization of sustainable natural resources between generations, maintenance of the welfare of the people (community), maintenance of the benefits of development or management of natural resources and the environment that have long-term beneficial impacts, and maintenance of the quality of human life between generations in accordance with their habitats (Mowforth & Munt, 2015).

From an economic perspective, (Fauzi, 2004) argues that there are at least three main factors why economic development should be sustainable. These factors are 1) moral reasons, which include not extracting natural resources that can damage the environment, which can deprive future generations of the opportunity to enjoy the same services; 2) ecological reasons, namely that economic activities can threaten ecological functions and; 3) economic reasons, which concern whether economic activities have or have not met the criteria for sustainability (Lickorish, L.J., Jefferson, A., Bodlender, J., & Jenkins, 1994).

#### **The Role of Government in Tourism Development**

According to (Nguyen, Diane, & Newsome, 2020), the role of government in tourism includes a) planning, b) development, c) policy, and d) regulation. In line with that, (González Fonseca, 2011) suggest that the role of government in tourism development includes a) the role of government in regulation, which means that with regulation, tourism-related activities will run orderly and smoothly; b) the role of government in providing facilities and infrastructure, which emphasizes that with good facilities and infrastructure, tourists will be attracted to visiting tourist attractions; c) the role of government in planning, meaning that planning is made so that tourism activities are in accordance with what is expected; and d) the role of government in supervising, which means that good supervision will lead to effective and efficient tourism activities (Lee, 2020).

#### **The Role of Private Sector in Tourism Development**

The role of the private sector in developing the tourism sector is also quite massive and is the key to the success of tourism construction and development itself (Boy, Djinar, Urmila, & Marhaeni, 2019). The role of the private sector in tourism is to implement policies for the contribution of experts, infrastructure development, and technology. The freedom of the role of the

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private sector as tourism business management must of course be opened as widely as possible so that their creativity in managing the tourism industry can be well honed. The private sector as the owner of capital certainly plays a very crucial role in creating new motivations in the tourism industry and unique changes in the tourism business so that the business they manage is profitable.

### **The Role of Community Participation in Tourism Development**

Community participation is the key to success in developing a tourism village. This is because the community is the party that understands more about the potential and problems of the village. The community is the party that will directly feel the impact of the existence of a tourism village, such as the opening of new jobs that can increase community income. The increase in income will in turn encourage an increase in community welfare.

(Nguyen et al., 2020), state that information disclosure and access to good education for stakeholders is necessary so that the process of community participation in developing countries can be bottom-up. Community participation is the key to success in developing tourism villages (ROSLIANA, 2017). (Chambers, 2014) community participation is a process in which tourism is utilized as a tool in community development, starting from the active participation of local communities in building the capacity of their communities when managing tourism, so the government sector and the private sector can interact directly with the community in the tourism development process.

Research conducted by (Bjärstig & Sandström, 2017) revealed that encouragement and motivation from stakeholders to the local communities as well as improving coaching and training to be able to participate is still needed. (Anuar, Ridzuan, Jaini, Sulaiman, & Hashim, 2019) also found that the response of communities that were not involved in playing their role in tourism was more likely to give a negative reaction to tourism development. Research conducted by (Xu, Jiang, Wall, & Wang, 2019) found that community participation was still lacking and it is caused by the dominance of the government and the private sector, as well as the existence of rules that limit the active involvement of the community.

### **III. METHOD**

This type of research is regional macroeconomic qualitative research, the data and analysis are aggregate. The nature of the research is a documentation study, which is a study that studies and explores Bali's regional macro data and information sourced from documents or secondary data sources spread across various government agencies.

Location of the research is Bali Province, which was chosen based on several considerations. These considerations include: (1) before Covid-19 hit Bali, the average economic growth of the region was 6.3 percent, higher than the average growth of the national economy which was only 5.3 percent. After Covid-19 hit, the Bali experienced negative economic growth since the first quarter of 2020. The policy of limiting activities in various countries since the end of 2019 has caused economic contraction, and as a consequence, even until the first quarter of 2021 Bali's economic growth is still contracting. In the second quarter of 2021, Bali began to record positive growth, but recovery activities are still limited when compared to that in other provinces in Indonesia, (2) Bali's economy is remarkable compared to that of other provinces, which in fact Bali is heavily dependent on the tourism sector and connectivity needs to be built by exploring other tourism-related potential sectors, (3) real effective strategies to accelerate the Bali's economy which is severely affected by the Covid-19 pandemic have not been found and (4) the study is conducted to help accelerate the vision and mission of the Provincial Government, the so-called Nangun Sat Kerthi Loka Bali through the Planned Universal Development Pattern towards a New Era Bali.

The data collected for this study are Bali regional macro secondary data, sourced from several Indonesian government agencies. These agencies are Ministry of National Development Planning, Central Bureau of Statistics, and other relevant technical offices within the regional apparatus organizations of the Bali Provincial government.

Data for this study were collected using two methods. These methods are (1) documentation study, a method used to study documents and annual reports spread across various agencies of regional apparatus organizations (OPD) of the Bali Provincial government, (2) observation, an activity conducted to observe situations or activities related to the tourism business sector in the field.

The data for this study were analyzed using the descriptive-qualitative method, a method that provides a qualitative or narrative description of the quantitative and qualitative data obtained, so as to provide meaning or interpretation of real data and information to answer the problems under this study.

**IV. RESULT AND DISCUSSION**

**A. Resilience of Bali's Tourism Actors**

Bali is still heavily dependent on tourism as the sector has a large contribution to the Gross Regional Domestic Product (GRDP). Unfortunately, the province is highly vulnerable to various security-related turmoil, natural and non-natural disasters. Bali has experienced security disturbances (Bali Bombing I, Bali Bombing II), natural disasters (Mount Agung eruption), and non-natural disasters (SARS Virus, Bird Flu, and Covid-19 Pandemic).

These various events have a direct impact on tourism, including the Bali's economy. Among such events, the emergence of the Covid-19 pandemic that hit the whole world and lasted for almost 2 years paralyzed Bali tourism. Tourism business actors have certainly been the hardest hit by the pandemic. Many of the workers were laid off and their employment was terminated, and many of the products offered to tourists did not sell. Of course, this situation has implications for income and welfare levels, which all lead to the aggregate economy of Bali.

The economy of Bali contracted in almost all sectors during 2020 and contracted again in the third quarter of 2021. The main sectors in Bali recorded negative growth again in the third quarter of 2021 (BPS, 2022). Limited mobility led to a decline in the performance of the transportation and warehousing sector and the provision of accommodation and food and beverage. The lack of transportation and storage sector is in line with the decline in vehicle and passenger volumes at Gilimanuk and Padangbai crossings, which amounted to 32.7 percent year on year (yoy) and 16.7 percent (yoy), respectively.

The Covid-19 pandemic has hit tourism in Bali and caused the number of foreign tourists to decrease drastically by 82.96 percent in 2020 compared to 2019. Before the pandemic hit, Bali accounted for almost 40 percent of total foreign tourists visiting Indonesia. The number of foreign tourists visiting Bali increased every year, with the number of visits reaching around 6.3 million in 2019. Given the high dependence on foreign tourists, Bali is the area whose economy is most affected by the Covid-19 pandemic. The cessation of tourism activities has an impact on weakening the competence of tourism-trained Human Resources (HR), which leads to a decrease in competitiveness. In the end, it is difficult for Bali's tourism industry to restart its activities quickly. This is not only detrimental to the tourism industry in Bali, but also has a negative impact on the competitiveness of Indonesian tourism as a whole. Comparative data on the number of foreign tourist direct arrivals to Indonesia and to Bali during 2014-2020 are presented in Table 2.

**Table 2 Tourist Visit to Bali Province**

Year	Foreign Coming to Indonesia (person)	Tourists to Bali (person)	Foreign Coming Directly to Bali (person)	Bali's Contribution to Indonesia (%)	Tourist to Bali (%)	Bali's Foreign Growth (%)
2014	9.435.411	3.766.638	3.766.638	39,92	11,16	
2015	10.406.291	4.001.835	4.001.835	38,46	6,24	
2016	11.519.799	4.927.937	4.927.937	42,78	23,14	
2017	14.039.799	5.697.739	5.697.739	40,58	15,62	
2018	15.806.191	6.070.473	6.070.473	38,41	6,54	
2019	16.106.954	6.275.210	6.275.210	38,96	3,37	
2020	4.022.505	1.069.473	1.069.473	26,59	-82,96	

Source: (Dinas Pariwisata Provinsi Bali, 2022)

**Transformation of Bali's Economy**

Tourism sector has a significant contribution to Bali's Gross Regional Domestic Product (GRDP), but the sector is highly vulnerable to various security-related upheavals, natural and non-natural disasters. Bali has experienced security disturbances such as Bali Bombing I and Bali Bombing II. Bali has experienced natural disasters (Mount Agung eruption), and non-natural disasters such as the Sars Virus, Avian Flu and this time the Covid-19 pandemic. These events have greatly impacted Bali's tourism, by causing the decline in tourists visiting the area, and having an impact on the deterioration of the economy. Among these events, the emergence of the worldwide Covid-19 pandemic has paralyzed Bali's tourism which has resulted in its economy experiencing the worst contraction in Indonesia.

In response to above experience, it is time for Bali to develop an economy that is no longer dependent on one sector, that is to say, the tourism sector. Bali must make a choice to develop an economy that is based on the originality and excellence of existing local resources, which include: Nature, Krama and Balinese Culture as potential resources in the agricultural, marine and fisheries sectors, as well as the folk craft industry (Sanjaya, 2020). On the other hand, Bali's economic development should accommodate the development of science and technology including digital technology that can be utilized to develop a creative and digital economy in accordance with the potential of Bali's Krama in an effective, efficient, productive, and value-added manner.

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In developing the economy, the tourism sector must be positioned as an additional source in the economy of Bali (Bappenas, 2021). In fact, the tourism sector must act as a locomotive for the movement of the agricultural, marine and fisheries sectors, as well as the people's handicraft industry so as to significantly benefit the improvement of the welfare of Bali's Krama. In this correlation, policy directions, approaches, and principles are needed to organize and develop the Balinese economy with a structure and fundamental based on Balinese local resources that are of higher quality, added value, resilient, competitive, environmentally friendly and sustainable, which is realized by the transformation of the Bali's economy (Koster, 2021).

Bali's economic transformation is an economic development process that has a long-term impact, encompassing six major strategies and executed with various development programs, as outlined below.

- 1) *Bali Pintar and Sehat* (Smart and Healthy Bali), which is executed through the transformation of health and education development aimed at increasing the productivity of Bali's Human Resources (HR). Improving the quality of human resources is carried out by strategies to realize healthy and nutritious human resources, smart human resources with strong character and creative and innovative human resources.
- 2) *Bali Produktif* (Productive Bali), which is executed through strategies to increase middle-class labor productivity, modernize agriculture, modernize marine and fisheries, increase industrialization, strengthen the tourism sector, develop the creative economy and strengthen MSMEs and strengthen the tourism sector, Bali's labor productivity will increase by three times compared to the average productivity in 2015-2019.
- 3) *Bali Hijau* (Green Bali), which is executed through a scenario of implementing ambitious climate change mitigation and adaptation policies, so as to achieve a reduction in Green House Gases (GHG) at the Net Zero Emission level by 2060 or sooner, and employment growth in the green economy sector between 50,000 and 100,000 new jobs.
- 4) *Bali Terintegrasi* (Integrated Bali), which is executed through improving connectivity facilities and infrastructure, developing Bali as an air logistics hub, strengthening Bali-Nusra cooperation, and developing innovative infrastructure financing schemes.
- 5) *Bali Smart Island*, which is executed through strengthening digital infrastructure (100 percent coverage and quality), increasing digital skilled human resources, developing various digital public and private services and digitizing the Balinese economy, including digitizing MSME start-ups and the creative economy and developing digital tourism services.
- 6) *Bali Kondusif* (Conducive Bali), which is executed through strengthening enablers or business leverage factors from the aspects of ease of doing business, and aspects of bureaucratic reform, as well as improving governance and institutions.
- 7) The Covid-19 pandemic crisis that has been going on for more than a year has shaken Bali's tourism economy. As a leading foreign tourist destination, the economy in Bali has become sluggish since the absence of tourist visits. Bali's development performance so far is generally relatively good in terms of economic, social, political and security. However, in 2020, Bali experienced the deepest economic contraction compared to the conditions experienced by other provinces in Indonesia, that is to say, -9.31 percent. This decline continues and is even expected to remain in 2021.
- 8) The significantly declining conditions due to the Covid-19 pandemic have revealed various problems and challenges faced by Bali Province going forward. Bali's economic structure needs to be improved and reorganized to realize a Green, Resilient and Prosperous New Era Bali in various sectors.

### Strategy for Bali's Economy Transformation

Bali's economy experienced the deepest contraction among other provinces in Indonesia. The province in 2020 contracted by 9.3 percent, the deepest among other provinces in Indonesia. Before Covid-19 hit, Bali's average economic growth was 6.3 percent, higher than the average national economic growth, which was only 5.3 percent. After Covid-19 hit, Bali's economy has experienced negative economic growth since the first quarter of 2020. Activity restriction policies in various countries since the end of 2019 have caused economic contraction. Even until the first quarter of 2021, Bali's economic growth was still contracting. In the second quarter of 2021, Bali began to record positive growth, but the recovery was still limited when compared to that in other provinces in Indonesia.

Bali's economic recovery has short-term goals and targets that are expected to immediately encourage economic movement during the pandemic and immediately restore the economy when the pandemic ends (Ace, 2021). Bappenas through the Bali's Economic Transformation Road Map has proposed 3 (three) stages consisting of 6 (six) major strategies or quick wins that must be immediately implemented by all stakeholders in Bali's economic recovery efforts involved, as described below.

#### Preparation Stage

- 1) Strengthening the control of the Covid-19 pandemic and accelerating the vaccination program. The main targets are to adapt health protocols, complete vaccination of Balinese residents, and coordinate increased observation of Bali's entrances following health protocols.

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- 2) Continuing efforts to protect the purchasing power of the Balinese people, especially the underprivileged community through social assistance programs and labor-intensive programs.

### Transition Stage

- 1) Continuing to provide incentives and facilities to businesses. This is implemented through credit restructuring under IDR 10 billion and financing facilities, tax incentives, import duties and export facilities, providing ease of starting a business and simplifying business licensing.
- 2) Improving Bali's image to strengthen tourist confidence. The goal is to build Bali's image as a healthy and safe tourist destination and make Bali a remote working destination.

### Recovery Stage

- 1) Stabilizing the opening of tourism and increase collaboration between parties, among others, through bilateral and multilateral cooperation, and ensure that Bali's tourism business activities can immediately resume during the end of the pandemic.
- 2) Improving non-tourism economic activities, which include infrastructure development, increasing activities in the agriculture, fisheries, and industrial sectors, and improving the quality of the workforce, supporting the creative economy sector and accelerating digital transformation in Bali.

Based on these six strategies, it is expected that the implementation of the Bali economic recovery program will have an integrated and simultaneous impact on the business actor side so that the recovery of tourist visits with an optimistic target can be achieved, that is to say, the number of tourist visits to Bali in 2024 is expected to be relatively the same as the number of visits in 2019 (before the pandemic). Along with the projection of domestic and foreign tourist visits, the economic growth of Bali Province is targeted to return to positive in 2022, and Bali's economic growth is expected to return to pre-pandemic levels in 2024 with a projected growth of 8.1 percent.

The main goal of the Bali economic recovery program is to prepare Bali's economy to accelerate at the end of the Covid-19 pandemic and return to pre-pandemic levels by 2024. Recovery of the tourism sector also constitutes recovery of Bali's economy. For this reason, tourism in the area must be able to adapt during the pandemic and be ready to face post-pandemic demand changes. Currently, although not yet optimal, tourism players must prepare themselves to capture the momentum of tourism opening and global tourism trends including new normal conditions so that Bali can compete with other tourism destinations in the world. Therefore, successful control of the spread of Covid-19 and implementation of health protocols during and after the pandemic are mandatory requirements to drive tourism.

Simultaneous empowerment from the business actor side is needed in order to be able to rise to support tourism (I. Yasa, 2020). In addition, stimulus must be given to business actors, especially those engaged in the tourism sector, to survive and be able to recover from the situation of the downturn in tourism due to the Covid-19 pandemic.

## V. CONCLUSION

### A. Conclusions

With reference to the objectives and the results of the analysis explained in the discussion section, the conclusions of this study are drawn as outlined below.

- 1) The cessation of tourism activities has an impact on the weakening of the resilience of tourism actors, which leads to a decrease in competitiveness. As a result, it is difficult for Bali's tourism industry to restart its activities quickly. It is not only detrimental to the tourism industry in Bali, but also has negative impacts on the competitiveness of Indonesian tourism as a whole.
- 2) The most effective transformation for Bali tourism is to take the option of developing an economy that derives from the originality and excellence of local resources, which include: Nature, *Krama* and Balinese Culture as potential resources in the agriculture sector in a broad sense, marine, fisheries, industry, MSMEs, cooperatives, creative and digital economies and the tourism sector for a long-term economic transformation process towards a Green, Resilient and Prosperous New Era Bali.
- 3) The strategy to make a transformation to the Balinese economy includes six major strategies and is carried out with various development programs, such as: 1) *Bali Pintar dan Sehat* (Smart and Healthy Bali), 2) *Bali Produktif* (Productive Bali), 3) *Bali Hijau* (Green Bali), 4) *Bali Terintegrasi* (Integrated Bali), 5) Bali Smart Island dan 6) *Bali Kondusif* (Conducive Bali).

### B. Recommendations

As a follow-up to the analysis, the author gives some recommendations. The Covid-19 pandemic period can be utilized as a momentum for rethinking, redesigning, and restarting Bali's tourism. The main goal of the Bali's economic recovery program is to prepare Bali's economy to accelerate at the end of the Covid-19 Pandemic and return to pre-pandemic levels by 2024. The recovery of the tourism sector also means the recovery of Bali's economy. For this reason, tourism in Bali must be able to adapt during the

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pandemic and be ready to face post-pandemic demand changes while maintaining the resilience of business actors, especially those engaged in the tourism sector.

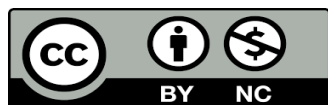
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