Social Capital as the Main Pillar of Tourism Industry in Bali

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Article Info

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ABSTRACT

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This paper has an objective to analyze the role of socio-culture in the tourism sector by posing a central question: how does social capital attract tourists in Bali province? The study uses a qualitative approach by collecting data through observation on human behavior and social capital phenomenon and systematic in-depth interview. Based on the research, the social capital dimensions that have been formulated are Personal Relationship, Social Network Support, Civic Engagement, and Trust and Cooperative Norms. The social capital dimensions play significant roles as the four elements have attracted or sustain tourists to come to or stay permanently in Bali. These four dimensions have been confirmed by the local societies and authorities, and how the local activities to maintain their traditions, engage with visitors, and build trust. On the other hand, the degradation of social capital values has been also been shown in several touristic areas, along with massive investments and tourism development.

INTRODUCTION

In recent years, the tourism sector has been one of the important sectors for the Indonesian government. It comes with solid reasons, as the statistics show the tourist arrivals increased from around 8 million visitors in 2013 to more than 14 million visitors by 2018, which have placed Indonesia in the fourth place amongst the ASEAN countries member (ASEAN Statistics); 50% of foreign tourists visiting Indonesia, come through the door of Ngurah Rai International Airport and Benoa Harbour in Bali. Furthermore, the Ministry of Tourism and the authority of Ngurah Rai International Airport confirmed that around 6.070.473 tourists had visited Indonesia through the Bali Airport. Thus, Bali is still considered as the main gate for international visitors to enter the country.

Moreover, to increase the quantity from both domestic and international tourists, the government has set up a national project which plans to build ten new destinations designed like Bali, later branded as "New Bali". This project consists of several destinations include Lake Toba, Belitung Island, Tanjung Lesung, Kepulauan Seribu, Candi Borobudur, Mount Bromo, Mandalika Lombok, Komodo Island, Wakatobi National Park, and Morotai.

In connection with this goal, various forms of physical investment, such as airports, harbors, and other facilities, are carried out intensively by the government, which valued up to 10,1 Billion US$. These investments will be collected through foreign private investment, government investment, and cooperation between central and provincial governments. One of many examples is Mandalika in Lombok, where the national government prepared a typical strategy when they developed the Nusa Dua tourism area in Bali. Indonesia Tourism Development Corporation (known as ITDC) as public destination management was appointed to carry out this project. The prominent company has established Nusa Dua at the beginning of 1975. Mandalika is given a high enough target as a new tourism destination in Indonesia, by holding Moto GP 2021 "motor race" sports event.

However, this situation has raised a critical question of whether the preparation of physical infrastructure can attract tourists to come to the destinations and become the only goal? As it has happened several years ago when the central government invested nearly 1 billion dollars in developing Lombok Island as an alternative tourist destination besides Bali. The results were not optimal. Foreign tourists still spend more time in Bali than Lombok province.

Moreover, some domestic flights from outside Bali to Bali, which are dominated by foreign tourists, indicate that although these tourists visit a destination outside the island, in the end, they still decide to spend their stay in Bali. Other factors make tourists feel more comfortable staying in Bali rather than other islands, which may be more than just a reason for access and infrastructure. One of the possible factors could be the socio-culture aspects that are embedded in Balinese society. These socio-culture traits could be seen as an indication for capital in this island, to enhance its tourism activities. Those traits can be taken as what we call social capital, where its presence is necessary for better economic development, both in province and country's context (Kuncoro, 2010).

Furthermore, social capital is not only important for tourism business activities (Zhao, 2011; Sainaghi and Baggio, 2014) but also should be taken as an instrument to access the international market which influenced by several managerial, information, collective, commercial, and other types of determinants (Culiuc, 2014; Eilat & Einav, 2004; Tavares & Leitão, 2016; Hjalager, 2007; Williams & Shaw, 2011). Thus, it suggests that priority barriers are more often associated with the actors' internal capacities, than with the international environment.

Social capital has been adopted in a diverse field of the following research. This is done as an attempt to understand complex human behavior in various social contexts. These contexts range from individual behaviors, knowledge, and information sharing to collective action involvement. The concept of social capital derives from questioning upon two traditional perspectives dominating the festivity of intellectual discussion on the matter of understanding and explaining human behavior; rationalists and structuralists (Bourdieu, 1986; Coleman, 1988).

In short, rationalism is the epistemological view that regards reason as the chief source and test of knowledge or any view appealing to reason as a source of knowledge or justification. More formally, rationalism could be seen as a framework in which the criterion of the truth is not sensory but intellectual and deductive. Whereas, structuralism is the framework that implies elements of human culture must be understood by way of their relationship to a broader, overarching system or structure.

It works to uncover the structures that underlie all the things that humans do, think, perceive, and feel. The social capital framework maintains that a comprehensive understanding of human behavior requires multi-dimensional approaches, social capital theory, which integrates considerations of both an individual's rational decision making and the social, relational, and structural aspects of that decision making. Start with Ostrom (2000), who defined that social capital is where the values, understanding, and rules that maintain the social interactions between groups of individuals in their activity. Along with that, Putnam et. al (1993) believes social capital is where the society has trusts, norms, and networks as their attributes to develop or in other words as described by Coleman (1990) social capital is the capability of the society to work together to achieve their common goals (in Durlauf and Fafchamps, 2004). The values and willingness to do cooperation between individuals from various backgrounds for the well-being of all members are called social cohesion (Stanley, 2003, p.5).

Various ways to measure social capital, one of them is the work from Scrivens and Smith (2013), which concludes that social capital consists of personal relationships, social network support, civic engagement, trust, and cooperative norms (Scrivens and Smith, 2013). As summarized by Durlauf and Fafchamps (2004) that shared trust and norms are the main features to form social capital, which become the important analysis variables at this study to define tourists inbound to Bali province. Thus, social capital can be an asset that is rooted in society and utilized by the actors in their social relations (Lin, 2001).

Several pieces of research have been conducted to analyze the role of social capital in socio-economic activities in Indonesia, scholars such as Febriani and Saputra (2018) who has analyzed the social capital which consists of trust, norm, enabling and empowering activities within the society in Lubuk subdistrict, Bangka Tengah Regency. With those traits, the community has been able to utilize honey production as an economic activity and tourist attraction (Febriani and Saputra, 2018). Another study from Sunkar et.al (2016) in Cibalay Megalithic site, West Java province, has found that social capital in the form of trust becomes the crucial element that would enhance the community lives and conserve the cultural heritage-based tourism (Sunkar et al., 2016). Moreover, Affandi et al. (2016) emphasized that social capital should become the main foundation when it comes to implementing Sustainable Development Goals in the context of tourism village enhancement such as Pentingsari, Mangunan, and Bleberan village in Yogyakarta province (Affandi, et al., 2016).

In Bali province, Tri Hita Karana (THK) becomes the values and understanding that are shared amongst Balinese society in daily life (Adnyana & Sadia, 2018), which automatically made Tri Hita Karana becomes the social capital in Bali province, as defined by Ostrom (2000) and Lin (2001). The THK as social capital has influenced the Balinese society from their personal daily life to economic activities such as tourism (Pemayun & Meirejeki, 2016; Ningrum, 2014). As

studied by Karya, et al. (2019) in Karangasem regency have concluded that social capital has a positive and significant relationship with information, communication, and technology (ICT) implementation. Thus, it becomes a necessary component for enhancing the performance of Smart Tourism Destinations in the regency (Karya, et al., 2019). Meanwhile, on the other regencies such as Badung, social capital in the form of trust, norms, and networks has a positive and significant influence not only to the activity and quality of Tourism Village Badung destination but also towards the people's welfare (Putri, et al. 2019). This would be important as Badung regency is one of the most developed regencies in Bali, which count on sub-sector in tourism such as food and accommodation to increase its economic growth (Raeskyesa, et al., 2019).

In overall, the literature review at this study shows some various ways and dimensions were used to analyze the nexus between social capital and tourism sector in Bali and other provinces in Indonesia; one of the studies develops the topic by integrating the social capital theory with a field of strategic management, to accomplish sustainable development goals project (Affandi et.al, 2016). Furthermore, both quantitative (Putri, et al., 2019; Karya, et al., 2019) and qualitative approach (Febriani & Saputra, 2018; Ningrum, 2014; Sunkar, et al., 2016) have been used to elaborate the nexus. Most of these studies only focus on one area as their object of research and utilize one of the frameworks from Coleman (1988), Putnam (1993), Fukuyama (1995), to Bourdieu and Wacquant (1992).

This study enriches the literature by using the social capital matrix described by Scrivens and Smith (2013), which gives an interconnected perspective while identifying the social capital traits in tourism activities. Also, this study focuses on numbers of different areas and informants, which produces more fruitful insight into the study's result.

Along with this phenomenon, this paper sets an objective to analyze the role of socio-culture in the tourism sector by posing a central question: how does social capital attract tourists in Bali province? This research will use qualitative approach by using observation on human behavior and social capital phenomenon, and through systematic in-depth interviews. This study is expected to give both practical and academic contributions, particularly in the tourism industry. But, it will be limited to the social values, understanding, norms, and rules that could maintain the social interactions between groups of individuals. The paper is organized as follows; after the introduction part, we present the current research in social capital and tourism then continue with methodology as the third part, finished with results and discussions.

METHODS

This research has been designed by using a qualitative method utilizing the matrix from Scrivens and Smith (2013) as guidance. This approach has been chosen because it is considered to be appropriate when the research focus is on ensuring the process of a phenomenon of social capital on the tourism industry in Bali and not on a measurement of the outcome. This research has done exploration for studying human behavior, participant's opinion, and people's motivation, related to tourism activities in Bali.

The data were obtained during some research that has been conducted between 24 until 31 October 2019, in several places in Bali, including Nusa Dua, Jimbaran, Canggu, Seminyak, and Ubud. The clustering was made by considering the type of travelers who visited these areas. Nusa Dua is visited by tourists who like to enjoy tranquility, or they need to attend an event. Jimbaran has the same characteristics as Nusa Dua, but there are fewer meeting facilities in this area. Canggu and Seminyak are quite similar, tourists who come here enjoy the nightlife activities, near the beach. Meanwhile, Ubud is very close to traditional activities.

However, these places are the main concentration of tourist activities and observed as the most popular tourist destination for those who want to enjoy local cultures. The data have been collected through observation on human behavior and social capital phenomenon, also through systematic in-depth interview. During the interview process, ten informants have been selected purposely. These ten informants are divided into three main criteria, which are from the local societies, international tourists who still travel to Bali, and local authorities. These key informants were selected through a close pre-screening observation, by considering their cultures, place of origins, and their roles to make a construction mapping on social capital in Bali. These informants are selected diversely according to their place of origin (5 from Bali and 5 from outside Bali), occupation, social status, and gender. Researchers maintain the diversity of informants, to ensure all of the insights that gained could lead to valuable data.

No	Name	Place of Origin	Occupation
1	Ayuning	Seminyak/Balinese	SME Owner
2	Kerta Yasa	Ubud/Balinese	Private worker
3	Ayuni	Canggu/Balinese	Private worker
4	Suwinten	Nusa Dua/Balinese	SME Owner
5	Budiantara	Jimbaran/Balinese	SME Owner
6	John	Australia/Seminyak	Retired
7	Cathy	UK/Canggu	Retired
8	Ronny	NZ/Ubud	Business owner
9	Cynthia	Singapore/Jimbaran	Business owner
10	Ade	S. Africa/Nusa Dua	Private worker

Table 1:   Informants Information

After all the data are collected, it is analyzed by using a qualitative analysis with interpretations of Social Capital based on Scrivens and Smith (2013), where there are four interpretations regarding social capital which contain personal relationship, social network support, civic engagement, trust and cooperatives norms. As it shows in figure 3.0, the variables placed in the upper row focus on individual activities and outcomes, while the other variables in the bottom row focus on collective activities. Similarly, the feature in the left column reflects the structure of networks and to the activities that enable them, while those in the right body correspond to the resources diversity and outcomes produced by the networks. Furthermore, all these elements of social capital have possibilities through policy relevance. However, as each of them focuses on different phenomena, which gives different implications for data collection and measurement.

	Network Structure and Activities	Productive Resources
Individual (Private Activities)	Personal Relationship	Social Network Support
Collective (Public Activities)	Civic Engagement	Trust and Cooperative Norms

Table 2:   Four Elements of Social Capital
Scrivens and Smith (2013) [source]

For the first elements, personal relationships concern people's networks or the people they know. It mentions the importance of natural forms of social contacts than about what they could gain from the relationship. Moreover, the second element; social network support which simply means as an outcome from the personal relationships element. This second element also touches on the available resources within the network, which can be in the form of emotional, financial, up to professional. In the third element; civic engagement consists of actions that give an impact on society and the community. These actions could be in the form of volunteering, becoming a group member, and participating in a political movement. Thus, the element focuses on the importance of collective activities. Lastly, the fourth element; trust and cooperative norms, which touch on the importance of the intangible asset to make the society to be more cooperative and well-function. This element emphasizes the informal structure in society that is taken as the 'productive' role both in economic and social aspects. This element is rooted in the collective resource and correlates with other outcomes such as economic growth, social cohesion, and government policy (Scrivens & Smith, 2013).

RESULTS AND DISCUSSION

At this section, the following information is constructed based on the dimensions explained by Scrivens and Smith (2013) where their work provides a perspective beyond the broad notions of social capital by identifying the social capital concepts from prominent theories such as Putnam (1993) Coleman (1988), and Bourdieu (1986,1992). The identified elements are personal relationships, civic engagement, social network support, trust, and cooperative norms.

Personal Relationship
The personal relationship side can be found when tourists arrive in Bali. Most informants and discussions mentioned that on this island, foreign tourists are considered as friends. Taxi drivers, hotel employees, and including one of the festivals (URWF - Ubud Readers and Writers Festival) organizers still consider tourists as friends, even part of their family. On the other hand, tourists and expatriates (tourists who decide to stay), as well as tourists who are repeaters, said that the Balinese have strong emotional bonds with natural hospitality. This hospitality in the future raises positive feelings even before they land in Bali. Tourists consider the warmth of Balinese citizens, especially Ubud, as an authentic character that cannot be imitated by other regions. Personal relationships are also part of the natural side of Balinese society, which is embedded in the teaching process of their religion.

As nomadic tourism is expanded, and tourists with digital motivation begin to emerge, hubs or co-working spaces emerge, which are generally located near tourist attractions. Both inside and

at other locations, tourists who come to Seminyak have stayed more than one week in Bali. Most of the nomadic tourists are Australians, who spend one month in Bali, and five more months working in Australia.

> "*I and my family are always glad to welcome tourists, and even more happy if they stay longer*" (Informant 2)

Through discussion activities with nomadic tourists in Australia, data were obtained that Seminyak people are seen to have a high empathy attitude and strong companionship side. This form of companionship arises when nomadic tourists need answers to their confusion when traveling. Companionship was exemplified as easy for Seminyak people to absorb the culture of tourists so that nomadic tourists assume that there is no rejection of their lifestyle while living in Seminyak.

> "*When I ask about the meaning of offerings, and where I can buy it as a gift, locals are happy to explain, without any hesitation*" (Informant 10)

The progress of the tourism economy in Bali, also attracted the interest of other immigrants from outside Bali to take part in enjoying the luxury of the tourism industry. Observation results show that there is intimate hospitality that arises between the public, tourists, and expatriates. The presence of migrants who are not distinguished from the tourists who arrive also provides a strong form of personal relations. Foreign tourists also argue that the strength of personal relationships shown by the people of Bali is not only for tourists but also for migrants from other islands. This process then results in partnerships that support the tourism industry ecosystem itself. What was then quite interesting was the adoption of local values from migrants, which they obtained from the personal relationship power of the Balinese people.

The results showed that there are still foreign tourists who argue there is a degradation of personal relationships along with the massive growth of the tourism industry. However, one informant then expressed the opinion that tourists who expect the same conditions in Bali as other destinations in the world should not live in Bali. "Expatriates" tend to leave if they have a type of personality and expect to have the same outcomes to be the same as western countries. If they are not, they get frustrated and leave. "The consistent level of personal relationship by the Balinese people in welcoming tourists who come also contributes to the increasing number of expatriates in Bali. On the other hand, tourists who later decided to enjoy their pension in Bali also increased considerably from year to year. A personal closeness between residents in Bali also makes many expatriates decide to find work in Bali. Those who are then uncomfortable with the personal relationships of people in Bali, normally, they will leave over timeliness and punctuality.

> "*Not only me, even my relatives always feel welcomed when they make a visit. That's one of the reasons why I finally prefer to retire here.*" (Informant 7)

Social Network Support
Social network support emerged before Bali had invasion from Europe, specifically the Netherlands and Britain. Social network support in Ubud has been established since the order established in the Ubud royal scheme long ago. Tourists who then come to Ubud begin to

realize this, especially when visiting cultural festivals that involve all elements of the Ubud community. The support network built by community leaders was then followed by civil society who were very enthusiastic in helping in the process of following up an inquiry from tourists. Results of the discussion showed that the strength of the social network system was more felt in some areas of southern Bali Island such as Ubud when compared to metropolitan areas or modern tourism, such as Denpasar and Kuta.

In contrast to Ubud, social network support is beginning to become fragile in the Seminyak and Canggu Regions, which are indeed more modern ecosystems. The value shift occurred with the entry of foreign products and selling them to foreign tourists. It began with the modernization of the area, the transfer of land functions is quite high, although the affection side of the community is still in harmony with other Balinese citizens. Social networks began to be marginalized by conflicts between races as well as between tourists and residents in Seminyak and Canggu. Some issues, such as irresponsible tourists with rented vehicles, tourists who do not pay room rent, tourists who carry out anarchist acts on the highway, to the commotion in public spaces, signal the decline of social network systems in the region. On the other hand, foreign tourists believe the materialistic feelings of Seminyak and Canggu are increasing.

> "*Current situation is a bit different than a couple of years ago, sometimes I can see act of anarchies occurred on the street nearby*" (Informant 6)

The massive investment for the construction of tourism amenities often disrupts the social network ecosystem that has been going on for quite a long time. This appeared in Jimbaran when there was an unfair distribution of corporate social responsibility (CSR) funds from the hotel and restaurant industries. This then establishes the characteristics of thuggery by using culture and customs as a shield. Customary activities and traditions that are difficult to carry out when the community works in the industry, then provide an option for the community to join the mafia organization. The results of the discussion show the fragility of the social network system due to the existence of the organization. A financial orientation that is above the harmonization between elements of society gives the fact that the level of social network support is always decreasing from year to year.

> "*It is not elegant to watch kids today prefer to join with mafia syndicate, just after they have been rejected to be hired by a company*" (Informant 5)

The next question is, does the fragility of the social network system always have a bad effect on tourism itself? The facts revealed from the results of the discussion show that sometimes, social capital in the form of social network support can foster new egocentric backgrounds with customs and culture. Some communities in the regions of Bali who adhere to a strong tradition system, provide the spirit of the establishment of community unity in the name of culture and customs above all, even above other entrepreneurial capital such as education, community welfare, and health. The existence of this community unity is then likened as a mafia. This ecosystem, which was founded by mob mobs, is not healthy. Some cases that occur, such as the prohibition of online transportation operating in several areas, the prohibition of passing several publicly owned roads, to the customary sanctions imposed on foreign tourists. The power of social network support can threaten tourism itself, if not accompanied by control.

Regardless of the controversy and where the social network support is directed, a measurable adjustment from the tourism industry is needed to stabilize this element of social capital. Real expiration will adjust itself to the local culture and its social system. There is also a statement that says: you don't stay in Bali unless it invites you to stay. This is because Bali, especially truly Bali (Sanur and Denpasar) offers privileges, social, and personal benefits. Now the keyword privilege is interesting because tourists or Caucasian race somehow get different privileges when they are in Bali.

Civic Engagement

In the macro ecosystem, namely society, a dominant engagement is needed between civil society, tourism industry entrepreneurs, and tourists themselves. The majority of tourists who come to Bali, especially to the Ubud Region, initially come with leisure motivation. Some of them later felt a strong civic engagement with regular events held each year. The activity used to welcome tourists always receives support, starting from the government, the media, and the local community itself. Through the power of a dominant ambiance culture, many of the tourists who come repeatedly (repeaters). They are present consistently to attend several events or activities such as Wellness Tourism, Bali Spirit Festival, Ubud Readers and Writers Festival, or other events organized by the Kingdom of Ubud (Puri Ubud). Consistent activities held in Ubud attract tourists and then decide to stay. The high interest of tourists to stay provides opportunities for them to retire, to work in co-working space, or to open a business (garment business, jewelry business, and tourism business). This has further implications for the strength of civic engagement because the activities carried out by foreigners have a socioeconomic impact on the surrounding community.

> "*The last time, royal family invite all foreigners to attend royal cremation ceremony, we saw beautiful engagement process among locals and tourists*" (Informant 8)

Civic engagement that runs can be easily found from a large number of international students studying at several public and private universities in Bali. The quality of education in Bali is not the best in Indonesia. However, the intention of creating connectivity from students, lecturers, and the environment, provides comfort for international students to study, both summer school and full degree. Several international standard schools have also been established in Bali, with full support from the local government, which gives the impression of the importance of civic engagement among tourism stakeholders in Bali. Foreign students who continue their education in Bali, not only have an economic impact and cross-cultural communication, with local students who are studying. Philanthropic activities and social activities become their regular agenda. Engagement between civil society and foreign tourists has greatly helped the tourism industry. One of the movements carried out was beach cleaning along the southern coast of Bali, which of course, had a positive impact on giving a positive impression on the sustainability of tourism in Bali.

In addition to educational motives, civic engagement also appears in the form of eco-motives. The expansiveness between foreign tourists and the local community, where foreign tourists are comfortable shopping at shopping centers or stalls in the local community, undermines communication barriers in creating strong civic engagement. In some festivals, such as the Nusa Dua Festival, interactions between civil society and foreign tourists can easily be found. Civic engagement has created a paradigm that tourism is not an enemy of the lives of civil society.

However, the tourism industry is also a friend to the daily lives of civil society. The traditional market in the Kuta area is also an example of mixing between civilians and foreign tourists. This strengthens the civic engagement dimension, which is getting stronger along with the growth of the tourism industry.

> "*It is so lovely to see international tourists are interested to buy local fruits from traditional markets, that is the place where most of the interactions taking place*" (Informant 4)

The tourism industry in Indonesia is increasingly stretched. The central government is trying to inject millions of US dollars to form new priority destinations. They tried to use ten new Balinese brandings. Unfortunately, the level of civic engagement in Bali is very difficult to replicate the model in these ten new destinations. Although this is not impossible, it takes time to appreciate the existence of civil society in the introduction phase of the tourism industry. Of course, in terms of community, language, religion, arts, music, and food, other destinations certainly have their standards and uniqueness. Social capital, in this case, civic engagement, is then seen as a dimension whose crucial position is needed to explore the dimensions to increase the tourist-local engagement of a destination.

Trust and Cooperative Norms
The dimensions of trust and cooperative norms are needed when the growth phase of the tourism industry begins to emerge in the region. Several indicators become a reference if the dimensions of trust and cooperative norms have gone well. The interaction between foreign tourists and local people in Bali has arrived at the partnership phase in terms of business and cultural mission. This cannot be separated from the trust of foreign tourists in the local community. Besides, the high trust of tourists to the local community is evidenced by the low crime rate in almost all regions, including in Ubud. Some unscrupulous perpetrators of criminal acts are secured directly by residents. This is to strengthen the image of Bali which is always safe and not easily used as a place for criminal behavior.

Norms owned by local people are run without coercion (which is different when compared to other regions). In some local traditions and activities, such as the *ogoh-ogoh* parade, *Tumpek landep* (iron objects celebrations), or Galungan (making penjor), tourists or expatriates are invited to work together with each other. Both the driver and hotel worker mentioned local philosophies such as Tri Hita Karana (three harmonious lives) and Tri Kaya Parisudha (3 holy deeds) as principles in interacting. These philosophies form the basis of every norm that has been adopted by the people of Bali for generations.

> "*We held many ceremonies, to say thanks to our creators, and mother nature, for all of their blessings, to keep harmony spirit of our livelihood*" (Informant 1)

Favorite tourist destinations in Bali have a crime rate that is not as high as other metropolitan cities in Indonesia. The low economic gap between the middle and upper classes is one of the reinforcing factors. However, along with the decline in public awareness in upholding local norms and ethics, had raised the criminal lift. The Balinese are starting to realize the importance of safety as a tourist comfort when visiting Bali, since the tragedy of the Bali bombing one and the Bali bombing two. This is inseparable from the alertness of local societies, such as forming a

strong shield to prevent criminals. For example, by giving customary sanctions. These customary sanctions are also applied to foreign tourists who violate local customs. One case was when a tourist made violence by sitting on a statue in a temple. Indigenous peoples then set sanctions accompanied by an educational process. This was then accepted by foreign tourists, and supported by the expatriate community in Bali, for the sake of preserving the culture and traditions in Bali. There is a local value that is affirmed like the principle of Tat Twam Asi (I am you). The Nusa Dua Fiesta and the Bali Spirit Festival are forms of cultural activities that synergize the local community and these tourists.

> "*If we are kind to our guests, they will be kind to us. If we are not kind to them, maybe they are still kind to us, but not with nature*" (Informant 3)

Disruption cannot be denied in maintaining these trusts or cooperative norms. This form of disruption occurs when the emergence of racism practices, which unfortunately hit the local community itself. The discussion shows that the beach club forbids local people from entering. Local people are considered not to have sufficient financial capacity so that when in a restaurant, sometimes it is considered not going to order food/drinks. Some norms begin to erode, but still in a stage that is not too serious. This is also inevitable and will be able to grow like a snowball. The inferior-superior side between tourists and locals is very much felt in Bali. Whereas on the one hand, sometimes it can be a key factor in social capital for tourism, but on the other hand, as the level of education increases, it can also be degraded.

> "*It is pathetic to see racism carried out, not only to tourists but even from tourists to locals*" (Informant 9)

Research is carried out through a process of discussion both through focus group discussions (FGD) and interviews, which are conducted qualitatively. The FGD activities took place in several events that had been scheduled beforehand, such as the Ubud Readers & Writers Festival, Nusa Dua Fiesta, and several discussions on coworking space, namely at Biliq and at Hubud. Separate interviews were conducted with foreign tourists, community leaders, and business owners who deal directly with the tourism industry.

Bali is a difficult place for those who like to control or expect traditional outcomes. One must surrender to it, time, and outcomes are flexible. Discussions were also held together with academics and practitioners who carried out a movement for the good of the tourism industry. Bali is seen as the only province currently in Indonesia that consistently has social capital advantages that are pillars for natural and climate resources. In general, pull factors for tourists coming to Bali include geographical benefits, climate, culture, community, arts, vibrant international networks, large ex-pat communities, and for sure low cost of living.

For other destinations that will grow new destinations, capacity building programs are key through tourism education. Locals should be stimulated for social interactions, and time to devote personal development. Thus, before infrastructure investment is built, the community will be ready both physically, mentally, and spiritually. Along with the digital era, opportunities to travel can attract and identify the ability of social capital from various locations or tribes in Indonesia. Writing, photography, blogging, and learning are activities that must be stimulated from the beginning in these priority destinations.

The development of ten priority destinations throughout Indonesia has encouraged the government to prepare financial support. Infrastructure projects are being upgraded to make natural attractions more beautiful. Priority projects are also built to facilitate accessibility from the area of origin of tourists to predetermined destinations. Investors, mainly foreigners, were invited to develop tourism accommodation and tourism support facilities. The attention of the current government does tend towards physical investment. At the same time, this study encourages the need to balance social and physical capital, including financial capital. This balance is needed to achieve sustainable tourism as desired.

Although on the other hand, it cannot be denied, the existence of social capital in Bali has begun to erode, along with the massive industrial growth on this island. Some foreign tourists have felt the difference from social closeness, and harmony of Balinese people in an ecosystem, which is degraded from day to day. Degradation of the value of social capital shows the vital role of social capital in developing the tourism sector. Thus, this paper reminds the importance of social capital development as a complement to the development of physical capital in the tourism industry.

CONCLUSION

The objective of this study is to analyze the influence of social capital elements on tourism activities in Bali province. Based on the research through the four elements, the social capital plays significant roles as the four elements have attracted or sustain tourists to come to or stay permanently in Bali. It has been confirmed by the local societies and how the local activities maintain their traditions. Social capital plays its roles through the application of personal relationships, civic engagement, social network support, trust, and cooperative norms. Personal relationships occurred during the expansion of nomadic tourism, and tourists with digital motivation begin to emerge, hubs or co-working spaces emerge, which are generally located near tourist attractions, as shown by Balinese people with their emotional bonds. Meanwhile, expansiveness (eco-motives) between foreign tourists and local communities, where foreign tourists are comfortable shopping at shopping centers or stalls in the local community, undermines communication barriers in creating strong civic engagement. Social network support built by community leaders, then followed by civil society, who were very enthusiastic in helping in the process of following up an inquiry from tourists. Trust and cooperative norms occurred during the process of interaction between foreign tourists and local people in Bali who arrived at the partnership phase in terms of business and cultural mission.

Degradation of social capital values has also been shown in several areas, mainly in the area that has a massive tourism development. The social capital which is captured through the four elements used in this study has played a significant role as a tool for tourist attraction and reason to stay in Bali. As noticed by the informants, the importance of embedded values applied by Balinese society, from daily to economic activities. Both locals and tourists, foreigners and residents, intellectuals, and leaders have to maintain a level of consistency in these four dimensions of social capital.

The study believes the social capital should be taken as an important consideration during the development of physical infrastructure and financial capital in the tourism sector. Several

destinations that are currently developing tourism destinations, including ten destinations that are categorized as ten New Bali, can start identifying their social capital. Tourism stakeholders can also begin to activate and strengthen the social capital dimensions that have been identified and explored. The process of anticipating forms of cultural degradation also needs to be done from the beginning. Some dimensions of social capital already exist amid society, but the norm has begun to diminish. The next step is promoting innovation and acculturation in social capital. The budget for the capacity building process in developing social capital should also be compared with the budget for physical capital.

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