Since January 2020 Elsevier has created a COVID-19 resource centre with free information in English and Mandarin on the novel coronavirus COVID-19. The COVID-19 resource centre is hosted on Elsevier Connect, the company's public news and information website.

Elsevier hereby grants permission to make all its COVID-19-related research that is available on the COVID-19 resource centre - including this research content - immediately available in PubMed Central and other publicly funded repositories, such as the WHO COVID database with rights for unrestricted research re-use and analyses in any form or by any means with acknowledgement of the original source. These permissions are granted for free by Elsevier for as long as the COVID-19 resource centre remains active.
Returning to paradise: Investigating issues of tourism crisis and disaster recovery on the island of Bali

Yetta Gurtner
Centre For Disaster Management, James Cook University, Townsville Campus, Queensland, Australia

ARTICLE INFO

Article history:
Available online 17 May 2016

Keywords:
Bali
Terrorism
Tourism vulnerability
Tourism crisis management
Disaster risk reduction

ABSTRACT

The past decade has seen the rapid proliferation of theory, literature, and research, in the field of tourism disaster and crisis management, however very few empirical studies of destination recovery consider the pre-crisis context, or extend beyond a particular crisis catalyst and subsequent return to "business as usual". As a longitudinal case study, the island destination of Bali provides insight into tourism crisis vulnerability, particularly in relation to issues of unplanned development and host community over-dependence on tourism revenue. Furthermore, the experience of two separate targeted terrorist attacks on the island reveals a number of challenges and tangible lessons for stakeholders engaged in destination disaster management and crisis recovery. While the restoration of consumer confidence and arrival numbers are often considered to be indicators of successful tourism recovery, the broader disaster management literature advocates for proactive vulnerability reduction premised in sustainable development and comprehensive, integrated disaster risk reduction.

© 2016 The Authors.

1. Introduction

In October 2002 the innocence, peaceful reputation, and perceived safety of the popular tourist island destination of Bali was devastated by a violent, premeditated act of terrorism (Lewis, 2006; Sobocinska, 2011). As it became evident that the main attacks were specifically targeted at international tourists and associated commerce (Australian Federal Police AFP 2005) the mass exodus of travellers from the region was almost immediate. Lacking any degree of formal disaster management planning or preparation, the coping mechanism and strategies adopted by the majority of destination stakeholders were completely ad hoc and reactive (Bali Recovery Group, 2003; Ellis, 2002; Pacific Asia Travel Association PATA 2003). The significant tourism crisis evidenced over subsequent months and even years, exposed the relative vulnerability of the local tourism industry and a community that had developed an overreliance on the tourist economy (BaliSOS, 2004; Consultative Group of Indonesia CGI 2003; Gurtner, 2007).

With moderate improvements in visitor arrival statistics and industry revitalisation steadily achieved by 2005 (Badan Pusat Statistik BPS 2015; Bali Discovery, 2004; June 21), the destination was further destabilised by a second series of terrorist attacks targeting tourists (AFP 2005). Although less severe in terms of casualties and physical damage, Bali again suffered a substantial reduction in tourist numbers and related revenue (Bali Discovery, 2005a; December 26, BPS 2015). In response to the attacks, the national and regional government, local industry, and the host community, implemented a variety of strategies to increase and promote general safety and security, and to improve overall tourism crisis and disaster management capacity (Asian Disaster Reduction Centre ADRC 2013; Gurtner, 2007; Parum Samigita, 2012). Experience, awareness and the subsequent commitment of resources have fostered a destination that should be better prepared to respond to future internal or external threats (Badan Nasional Penanggulangan Bencana — National Disaster Mitigation Agency 2015, UNISDR 2015).

Whether as a consequence of improving destination management, consumer latitude, diminished risk perceptions, and/or inherent destination attractiveness and value, official statistics for Bali over the past fifteen years have demonstrated both the resilience and recovery of the local tourism industry. Foreign visitor arrivals at the international airport on the island, Ngurah Rai, exceeded 3.73 million people in 2014 compared to 1.38 million in 2001 (BPS 2002; 2015). Similarly domestic tourism numbers to Bali have increased from 1.64 million to 6.39 million over the same period (Bali Government Tourism Office, 2015). While such figures suggest effective recovery from disaster, crisis and adversity,
further analysis indicates residual risks of destination vulnerability and tourism resilience. Greater comprehension of the lessons and challenges in empirical case studies like Bali remain integral to the development of strategic and comprehensive planning for improved disaster management in any tourist destination.

1.1. Background

With improved transportation options, greater accessibility, and new emerging markets, tourism continues to be one of the world’s largest and fastest growing industries (United Nations World Tourism Organisation UNWTO, 2015). Generating hundreds of billions of dollars annually through income revenues, employment, investment and infrastructure, it has been widely endorsed as a practical and lucrative economic development opportunity, especially in developing nations. Although such positive benefits are widely evident, tourism development also generates a number of challenges (Sofield, 2003). Of particular relevance to destinations which are reliant on tourism revenues is the industry’s inherent sensitivity to disasters and crises.

Since the turn of the century, the global tourism industry has been exposed to an increasing and diverse range of high profile shocks including: terrorism (September 11, 2001 airline-hijacking, Bali Bombings 2002 and 2005, Madrid train bombing 2004, London public transport bombings 2005, Mumbai shooting and bombings 2008, Boston Bombing 2013, Kenya mall attack 2013, Tunisian beach resort and Paris terrorist attacks 2015), disease pandemics (Foot and Mouth 2001, Severe Acute Respiratory Syndrome [SARS] 2002–3, Avian influenza [H5N1] 2003–6), ongoing civil unrest (Israel, Thailand, Greece, Turkey, Egypt), earthquakes and tsunamis (South Asia 2004; Japan 2011: Christchurch 2011), hurricanes and cyclones (Hurricane Katrina 2005; Hurricane Sandy 2012), wildfires/bushfires, volcanic eruptions (ash cloud from Eyjafjallajokull eruption in Iceland 2011), and a global financial and economic downturn (2008–2010). As each incident has triggered tourism industry instability and/or uncertainty, impacts are felt most significantly at the localised region or tourism destination level.

Reflecting the relative frequency and consequences of such events there has been a growing industry emphasis on reducing hazard risks for tourist destination (Asia Pacific Economic Cooperation APEC 2006; Pacific Asia Travel Association PATA, 2011; United Nations World Tourism Organisation UNWTO, 2013). While the resultant strategic management models and guides consistently advocate proactive planning and preparation, many destinations continue to remain highly vulnerable to hazards, and have experienced substantial disaster losses and crisis. Resolution of this problem recommends further understanding of the complex and dynamic relationship between tourism, risk, and hazards, and the development of more holistic strategies to facilitate comprehensive destination resilience and sustainability.

1.2. Context of analysis

In an article published in 2001, tourism academic Bill Faulkner observed that

With the increasing incidence and prevalence of disaster events at popular tourism destinations there has been a parallel growth in relevant literature from a variety of disciplinary perspectives. Discourse in development studies, disaster risk reduction, and strategic tourism disaster management remain prominent in this sphere of research. As each theoretical paradigm provides a different context to vulnerability and hazard reduction, the synthesis of these ideas provides a broader scope to understand the issues and challenges associated with effective crisis prevention, impact mitigation, and destination recovery.

Based in anthropological or sociological research, development theory examines the processes and consequence of change in society. In terms of tourism development it examines the transition or reorientation of existing social and economic activities in relation to processes of modernisation, economic growth, dependency and sustainable development — particularly stressing the diversity of short term, intermediate and longer term impacts (Calgaro, 2005; Calgaro & Lloyd, 2008; Nankervis, 2000; Sofield, 2003). Increased sustainability and livelihood security in development initiatives is envisaged to minimise the vulnerabilities associated with tourism dependency and reliance.

As a destination’s social, cultural, political, economic, and environmental conditions are variably influenced by development processes, such changes alter both the level and types of risks. Disaster studies employ relative concepts such as hazard, vulnerability, resilience, capacity, and adaptation, to measure and assess this risk context (UNISDR 2009). Rather than relying on purely reactive emergency response and disaster recovery strategies, disaster risk management emphasises a more systematic, proactive planning approach for every phase of a potential disaster. Informed by comprehensive risk identification, such strategies are intended to reduce the risks, mitigate potential impacts, and facilitate more sustainable disaster recovery (UNISDR 2015).

Given the apparent benefits of making tourist destinations more risk averse, a number of researchers such as Drabek (1995), Gee (Drabek & Gee, 2000), and Faulkner and Vikulov (2001) modified existing disaster and risk management initiatives to develop industry relevant approaches. With the significance of positive image and reputation to prosperous tourism, appropriate crisis management strategies were similarly integrated to address issues of consumer confidence and risk perceptions (Fink, 1986; Gee & Gain, 1986). As one of the earliest published models, Faulkner’s ‘Tourism Disaster Management Framework’ (2001) is perhaps the most cited and well-known approach to managing significant tourism disaster or crisis.

In further appreciating the dynamic and chaotic nature of any event Ritchie (2004) modified Faulkner’s model to present a more holistic, Strategic Management Framework accommodating greater flexibility, adaptation, learning and feedback mechanisms. While Ritchie (2009) has expanded on a number of issues related to destination vulnerability and the idea of crises/disasters as positive transformative agents, current frameworks still remain principally focused on the interests of the tourism sector and notions of industry resolution and “pre-crisis” restoration.

Although it is widely recognised that hazard risks, vulnerability, and the impacts of significant disaster are not limited to the tourism industry (Calgaro, 2005; Calgaro & Lloyd, 2008; Nankervis, 2000), there have been few attempts to integrate key understandings of destination vulnerability and sustainable redevelopment within current tourism disaster management modelling. Similarly, there appears to be little consideration of the unique complexity of social, economic, and environmental dynamics within each destination.

As historical processes of development, hazard risk context, and the extent of disaster and crisis management planning can each
influence destination vulnerability and recovery capacity, a more holistic, integrated approach is recommended to appreciate the practical relevance and consequence of such intrinsic destination characteristics beyond the rhetoric of strategic models and frameworks.

1.3. Research design

Realised as an iterative continuum, tourism disaster and crisis management reflects a constant, ongoing system of prevention, preparation, mitigation, adaptation, and recovery strategies (Ritchie, 2008). As the uncertainty, demands, and diverse impacts of any significant adverse event cannot be effectively reproduced, the capacity and limitations of any management strategy is most directly assessed through hazard exposure and the experience of disaster conditions. Consequently, case studies of genuine disaster in tourist destinations can assist in understanding and providing transferable lessons for effective crisis recovery and improved destination resilience (Faulkner, 2001).

In both contemporary disaster management and tourism research, case studies are utilised as “a holistic empirical inquiry … to gain an in-depth understanding of a contemporary phenomenon in its real-life context, using multiple sources of evidence” (Beeton, 2005:42). With prior research and fieldwork experience conducted on issues of tourism development in Bali, the high profile terrorist attacks provided an invaluable opportunity to further explore concepts of tourism vulnerability and the variable influence of different stakeholders and strategies through destination recovery and redevelopment. As few tourism studies have attempted to follow the disaster continuum from hazard impact through to long term recovery and proactive disaster risk reduction, the case study research has been intentionally longitudinal.

Commencing two months following the initial terrorist attacks on the island, several intensive fieldwork periods were scheduled to observe, document, and describe, key behaviours and activities corresponding with recognised disaster phases (from response, reconstruction, recovery, preparation and prevention). The advent of the second attacks in 2005 added a new hazard dimension and subsequently augmented the research endeavour. This specific research interest has been sustained for over fourteen year.

Fieldwork methods involved direct observation, participant observation, informal and semi-structured interviews with tourist, informants from the host communities and key stakeholder groups. Informal documents, photography and secondary data (newspaper articles, traveller blogs, forums, meeting minutes, manuals, journal articles etc) have been systematically collected and collated to supplement the empirical data. The continuous monitoring and compilation of contemporary material assisted the identification of general facts, assumptions, values and priorities. Quantitative data such as demographics, socio-economic indicators and tourism statistics (where available) were also gathered for comparison and analysis. Systematic coding and qualitative thematic analysis enabled the identification of key impacts, behaviours, issues and transferable knowledge.

With the triangulation of various research methods and utility of primary and secondary data sources it is possible to establish the context of vulnerability and capacity, accurately document the diversity of impacts and issues associated with the experience of tourism crisis, and examine both formal and informal processes of mitigation and recovery.

1.4. Bali: the context of tourism vulnerability, disaster and crisis

As a small tropical Indonesian island reflecting long established historical patterns of migration, settlement, exchange, subsistence living, war and civil unrest, foreign tourism in Bali remained relatively small scale and low budget prior to the expansion of the local airport to receive international flights in 1968 (Vickers, 1989:184–191). With the assistance of government sponsored development planning and initiatives, tourism progressively grew around the “sun, surf and sand” ethos, primarily concentrated on the southern peninsula of the island (Sobocinska, 2011; Vickers, 1989). The 1980’s saw an expansion towards small scale cultural tourism, while the 1990’s heralded a period of rapid un restrained growth, consistent with mass tourism (averaging 12–15% per annum) (BPS 2015; Sobocinska, 2011). Despite short-term consumer and market uncertainty associated with international and regional events such as the Gulf War, political instability, the Asian Financial Crisis, and even the September 11, 2001 terrorist attacks in America, Bali continued to increase its popularity as an international tourist destination (BPS 2015).

Continuing national government development strategies, economic planning and private investments supported an increasing number of resorts, hotels, restaurants, transportation services, guides, crafts, performances, and related tourist services and facilities to meet the growing demand (BPS 2015; CGI 2003; Sobocinska, 2011). The prospect of greater employment, income, and economic opportunity resulted in significant migration to the island with many residents also reorienting their livelihoods around tourism based enterprise (Collinson, 2012). Although hotels and restaurants only accounted for 5% of formal employment in the 2000 census, given the highly dependent, integrated service-based nature of tourism, the Consultative Group Indonesia (CGI 2003:3) estimated that more than 50% of Bali’s official income was derived indirectly from tourism. The tourist centres of the island additionally supported a flourishing informal economy including, guide services, beggars, touts, criminal activity and a prevalent sex industry. Inclusive of such informal sector income and related remittances, between 50 and 80% of the island’s residents had become reliant on tourism expenditure (CGI 2003).

Despite the transformative impact of increasing tourism reliance and rapid tourism development on the traditional physical, environmental, socio-cultural, economic, governance, and organisational character of Bali, there had been limited consideration or preparation for any type of hazard or threat to the island’s flourishing tourism sector (PATA 2003). As the first series of terrorist bombings occurred in Kuta during peak tourist season, October 2002, chaos and confusion ensued (Ellis, 2002). Lacking adequate awareness, experience, planning or resources, the emergency and medical response, media communications, government, industry, and community stakeholders had a limited, reactive capacity (Bali Recovery Group, 2003). With 164 foreign nationals recorded amongst the 202 fatalities, and a further 350 people injured (AFP 2005), the impact on tourism confidence was direct and abrupt. Within a week, occupancy rates at many hotels on the island had dropped to single figures (BPS 2015).

Subsequent government, industry, and community assurances and strategies, had limited influence on extended travel advisories and safety and security concerns, intensifying conditions of tourism crisis (BaliSOS, 2004; Bali Discovery, 2002; November 24). The downturn in tourism numbers and associated economic slowdown had a direct impact on the host community and businesses including, job losses, unemployment, unresolved credit, social tension and migration (Bali Recovery Group, 2003; Parum Samigita, 2012). When flow-on impacts to small-scale industries and the informal sector were taken into account, tentative predictions suggested that up to 300,000 residents were likely to lose their livelihoods (CGI 2003). Less conservative forecasts speculated that more than 1,000,000 Balinese would be significantly affected (BaliSOS, 2004).
Lacking significant options for economic diversification the majority of the host community were forced to adapt and adopt drastic coping measures, often aided by donor initiatives and funding (Bali Recovery Group, 2003). The government focused its efforts on increasing security measures, bringing the Bali Bombing perpetrators to trial, and preventing further terrorist activities (AFP 2005; Bali Discovery, 2002; October 21). With the advice and support of international consultants and organisations such as Pacific Asia Travel Association (PATA 2003), the tourism sector actively engaged in heavy promotion, marketing and discounting measures. While a gradually recovering international market proved more sensitive to national and regional events, consumer demand was maintained by a growth in domestic tourism to the island (BPS 2015).

By late 2004, Bali’s foreign tourist arrival numbers reflected a return to pre-crisis levels, although visitors were staying for shorter periods and spending less (BTB 2015). Despite the apparent vulnerability and sensitivity to threats, investment and development in the tourism sector resumed, and significant numbers of the host community again oriented their livelihoods around tourism revenues (Parum Samigita, 2012). Safety and security measures with related education and training had improved, however Bali still lacked a formal disaster management plan (ADRC 2013). In October 2005 this capacity was tested through a second smaller series of terrorist attacks at a number of popular tourist locations on the island (AFP 2005). In contrast to the original attacks in 2002, government and tourism officials demonstrated a relatively efficient and coordinated response to this new crisis event, with tourism numbers only gradually declining by about 30% over the subsequent month (The Guardian, 2005; December 3). However, with a precedence for terrorist attacks now established, consumer confidence in the destination had become increasing volatile.

Host communities, private enterprise and other tourism stakeholders were once more faced with the adversity and challenges of reduced revenues (Parum Samigita, 2012). Further reactive, adaptive strategies were developed and implemented to cope with the renewed tourism crisis (Putra, 2010). Over subsequent months countless residents and small scale businesses were progressively forced to seek alternative prospects. While many people again advocated for a rapid restoration of tourism image and a return to “business as usual” government and local industry directed additional efforts and resources towards the objective of improved proactive crisis and disaster management strategies with greater destination sustainability (Bali Hotel Association BHA 2015). Successive years have evidenced a number of different plans and approaches, with variable effect (BTB 2015).

1.5. Government initiatives: safety, security and risk perceptions

With travel and tourism continuing to contribute approximately 8.8–10.4% of the national GDP of Indonesia over the past decade (WTTC 2015), restoration of tourism destination image and consumer confidence after each successive terrorist attack became a national government priority. While increased funding assistance was provided to the tourism industry towards marketing and promotion initiatives, the primary focus was improving safety and security (PATA 2003). After the 2002 bombings the government introduced a new Presidential decree to develop national policies and strategies to deal specifically with the threat of terrorism (Williams, 2015). Newly established collaborative regional and international intelligence sharing arrangements concentrated on the restraint of identified terrorist operatives and local extremist groups such as Jemaah Islamiyah (AFP 2005; Williams, 2015). Despite concerns regarding the level of financial and human resources committed at the local level (Bali Recovery Group, 2003), the smaller scale and impact of the second series of attacks in Bali was directly attributed to these enhanced security procedures and monitoring (Bali Discovery, 2005; October 3). Representatives from the police, tourism and hospitality sector, medical personnel, media, private enterprise and the host community have continued to be involved in terrorism focused safety and security audits, crisis training and workshops at various scales (BHA 2015). While international travel advisories regarding terrorist threats for Bali and Indonesia have been regularly revised since 2005, other international tourist destinations have similarly experienced high profile terrorist attacks including Dahab (Egypt), Nairobi (Kenya), Marrakesh (Morocco), Sousse (Tunisia), Bangkok (Thailand) and Paris (France) (Beirman, 2011).

Despite the relative frequency of disasters and natural hazards in Bali and other areas of Indonesia, it was only after the destruction of the 2004 earthquake and tsunami in Aceh and northern Sumatra (over 165,000 fatalities and a further 532,000 affected) that the Indonesian government began to actively consider preventative risk and disaster management planning (ADRC 2013). The BNPD (Badan Nasional Penanggulangan Bencana – National Disaster Mitigation Agency) National Disaster Management Plan for 2010–2014 was not formalised into the legal and political framework until 2008 (Asian Disaster Reduction Centre ADRC 2013). Consistent with a national government policy of decentralisation, the national disaster preparedness, mitigation and reconstruction plan proposed the establishment of provincial and regional centres with their own disaster management plans incorporating local risk identification, education, warnings, evacuation, and response strategies.

In Bali, each region was designated an Area Office – Badan Penanggulangan Bencana Daerah (BPBD) structured into 3 divisions: Prevention & Preparedness, Emergency Logistics and Reconstruction & Rehabilitation (ADRC 2013). By 2012 the BPBD Kota Denpasar was the only office in Bali to have developed a working website with risk information limited to Denpasar and the popular beach tourism areas in southern Bali (Wynn, 2012). A submission within the Indonesian country report for the 2015–2030 Sendai Framework for Disaster Risk Reduction identified that a continuing lack of adequate data, knowledge, financial resources, infrastructure, training, warning signs or support, left many large local populations in Bali, including tourists, at risk (IDEP Foundation, 2015).

Although the BNPD has made significant efforts towards hazard and vulnerability mapping regionally, the majority of publically available data and web content still remains focused on higher profile earthquake and tsunami events (IDEP Foundation, 2015; Wynn, 2012). National statistics show that Bali is regularly exposed to other natural hazards including floods, landslides, drought, volcanic activity, cyclones, storm surge, and monsoonal rains (BPS 2015). While there has been some recent efforts to develop natural hazard education material and basic seasonal threat forecasting, contingency planning for alternative hazard agents (eg disease epidemic, social unrest, high impact transport accidents, technological and/or environmental disaster) and climate change scenarios appear to have received little consideration or commitment (BPBD 2015).

Despite the media headlines and common risk perceptions, statistically, the greatest hazard for most travellers to Bali has not been terrorism, natural disasters, unsolicited attacks or endemic corruption (Department of Foreign Affairs DFAT 2014). The majority of fatalities and serious injuries recorded each year, primarily relate to tourist risk-taking behaviour, particularly motorcycle and traffic accidents. Natural causes are considered the second highest cause of tourist deaths (DFAT 2014). Other common incidents include drug possession and/or trafficking and criminal behaviour,
methanol/alcohol poisoning, drunken behaviour, drownings, STDs/ADs or rabies infection. While local acts of violence, robbery, extortion and other crime do occur, these rates are not inconsistent with similar tourist destinations in Southeast Asia (BHA 2015). The introduction of the Bali tourism “liaison” police in popular locations, has been a moderately successful government initiative to facilitate reporting and resolution of such issues (BTB 2015).

Although the Indonesian government has achieved significant improvements in safety and security standards and formal disaster management planning for Bali over the past decade, international visitor confidence and destination image has been frequently undermined by other government policy decisions, actions and political relationships (Beirman, 2014). Visa-on-arrival arrangements, severe penalties for drug possession and trafficking, and recent executions of convicted foreign nationals have attracted significant negative media attention and criticism (Brown, 2015). Despite an enhanced capacity for disaster risk reduction, Bali’s once enviable reputation for peace, tranquillity and industry stability has become characterised by increasing sensitivity and volatility.

1.6. The tourism sector: promotion, marketing and industry diversification

With the national and regional governments of Indonesia formally committed to addressing prevailing issues of terrorism, safety, and security, the tourism sector directed collaborative efforts towards the development and expansion of tourism markets and revenues (BHA 2015; Putra, 2010). In the aftermath of the terrorist attacks specific strategies led by the Bali Tourism Board (BTB 2015) included: discounting and promotion; market diversification into potential new regional areas and niche markets; greater promotion of the domestic market; increased “package deal” options; effective engagement of technology and social media platforms; and a focus on quality consumer service and products (Nanda & Hargreaves, 2013; Putra, 2010).

While extensive discounting and promotions, expansion into new regional market sectors including China and India, “package deals”, and the growth of the domestic market, each proved to be successful strategies to stimulate tourist arrivals, associated revenues were not significantly improved (BPS 2015). With the trend of selling accommodation and services cheaper to a changing, predominantly short-haul market, Bali has experienced a diminishing length of visitor stay and daily spending per day (BPS 2015; BTB 2015). Competition for limited tourist dollars has led to further price wars for tourism transportation, tourism attractions, restaurants, art centres and the creative economy (Bali Discovery, 2014, 17 August).

Rather than rely on traditional “sun, surf and sand” or cultural tourism, another popular tactic has been to identify niche markets to improve or diversify the tourism product (BTB 2015; Putra, 2010). While the introduction of quality standards did marginally increase wholesale exports of arts, craft and furniture, greater return was realised in new or developing industry sectors (BPS 2015). Through extensive government and industry investment in port and cruise infrastructure, Bali has progressively established itself as a hub port for yachts and cruise ships within Southeast Asia (The Jakarta Post, 2016; March 3). Similarly, entrepreneurial businesses have traded on Bali’s long established image of “exotic mysticism and tranquility” to develop a burgeoning commerce in health/wellness/medical spa tourism. More recent endeavours include traditional Balinese cooking experiences, agro tourism (particularly based in a growing demand for kopi lewak coffee) and ecotourism/safari adventures (BTB 2015).

In recognition of the value of timely information, communication, and transparency in maintaining tourism reputation and image, Bali’s tourism sector has continued to increase a formal, united social and print media presence (BHA 2015). With numerous dedicated websites and brochures containing tourist information, promotions and regular news items – in the advent of a significant event or crisis, the industry will also release an official media and public relations statement on behalf of the Bali tourism industry. While there are innumerable blogs, travel sites and tour companies, Bali Discovery Tours, Bali Tourism Board and Bali Hotel Association (BHA) are considered more credible sources of accurate information.

The Bali Hotel Association, in particular, has extended beyond the traditional tourism media marketing and promotions role, into proactive risk reduction and planning. Although active membership lists only star rated hotels, villas and resorts in Bali (representing almost 30,000 employees), the intent is to foster a collaborative, non-competitive environment to exchange information of general interest, promote counter terrorism and disaster risk reduction, and to be capable of reacting to any perceived threat (BHA 2015). Additionally, the BHA supports and promotes both the short and long term development of communities, education and environment through a variety of local initiatives and programs. The award winning Tsunami Ready Toolbox developed by the Indonesian Ministry of Culture and Tourism (BUDPAR) in cooperation with the BHA, and supported by the German Centrum für Migration und Entwicklung (CIM) in 2008, has since received international recognition and been widely adopted by other regional tourist destinations (BHA 2015).

With the active support of regional organisation such as the Association of Southeast Asian Nations (ASEAN) and PATA over the past decade, the tourism industry and government of Indonesia has successfully attained significant growth in tourism numbers and a restoration of Bali’s image (BPS 2015; Putra, 2010). Fig. 1 shows direct foreign visitor arrivals to Bali over the period of 2001–2014. In recognition of both quality and tourism product, the Bali Tourism Board was recognised with the award of “World’s Leading Island Destination” in 2014 by the World Travel Awards (BTB 2015). Despite this evident revival from disaster, adversity, and prevailing tourism crisis conditions, recovery rates for businesses and the host community have been far from equitable or homogenous.

1.7. The host community: adaptation and resilience

Consistent with Berke, Kartez, and Wenger (1993) disaster afflicted communities should not be perceived as dependant, passive, victims, but key stakeholders in any recovery process. Lacking significant government or tourism industry engagement however, the host community of Bali was primarily left to support its own recovery after the terrorist attacks. Given the significant level of dependency on tourism revenues that had developed over the previous decades, the priority for most businesses and community members was a restoration of income and economic opportunities (Nanda & Hargreaves, 2013).

Residents with influential family/contacts, access to extensive assets and resources, or well developed entrepreneurial skills managed to adapt and in some cases expand and prosper following each disaster event. Others received direct assistance from overseas contacts and networks of loyal return customers. Empirical evidence however, suggests that most members of the host community that were dependant on tourism for their livelihoods were forced to adopt difficult coping strategies (Cassrels, 2011; Gurtner, 2014; Nanda & Hargreaves, 2013; Parum Samigita, 2012).

With limited local opportunities for livelihood diversification or retraining, alternative employment was difficult to attain. Unreliable tourism income and revenues resulted in extensive migration and continued hardship for many families (Nanda & Hargreaves,
2013). As locals persevered through successive years of instability, extensive social and psychological support was provided within familial, communal and extended kinship groups. The collectivist style society maintained through Hindu belief systems provided stability, strength, and resilience in shared faith, culture and understanding (Parum Samigita, 2012; Wardana, n.d.). For many, increased religious, ritual and ceremonial observance functioned as a primary coping mechanism.

Established within the community, local grass roots based organisations such as Parum Samigita and IDEP Foundation have continued to work on initiatives to strengthen and improve the inherent resilience and social capacity of all community members (IDEP Foundation, 2015; Parum Samigita, 2012). Beyond targeted education, health, sanitation, and poverty reduction programs for the most vulnerable and marginalised, extensive efforts have been made to inform and empower locals to become more involved in formal governance and decision making processes. Increased knowledge and awareness has resulted in active local campaigns against further unsustainable tourism development, issues of increasing foreign ownership and environmental concerns (IDEP Foundation, 2015).

Although a number of non-profit organisations have worked to implement more sustainable tourism strategies to build stronger communities and support greater conservation efforts (Bali Community Based Tourism Organisation BCBTO 2013; BHA 2015; Sutawa, 2012), such endeavours remain reliant on donor agendas and limited resources. As larger scale tourism developments continue to encroach on holy/sacred sites and temples, and land is further alienated from traditional agricultural use, local community members have advocated for more investment in niche market, small scale, high quality, “boutique style” accommodation or village based/ecotourism (Sutawa, 2012; Wardana, n.d).

While more cognisant of the negative impacts of mass tourism on the local economy and natural environments, many locals appear willing to support tourism redevelopment as long as they experience benefits such as increased income, employment and business opportunities, improved infrastructure and a better standard of living.

1.8. Tourism recovery and sustainable redevelopment

As government and tourism initiatives over the past decade successfully managed to restore Bali’s popular image and reputation, increasing international demand generated a resurgence of economic growth and investment. With Bali contributing approximately 30% of Indonesia’s national tourism revenues in 2010 (BPS 2015) the government recommitted to support and improve associated infrastructure. In 2012, Cole identified that up to 80% of the island’s income was again derived from tourism and about 85% of the tourism economy was estimated to be in the hands of non-Balinese (McRae 2010 cited in Cole, 2012). Additionally, reports suggest that an estimated 400,000 unregistered internal migrants from regional Indonesia have now moved to Bali and its popular tourist centres seeking new employment opportunities (Cassrels, 2011).

With the inequitable distribution of benefits, mounting foreign business partnerships and ownership, and associated economic leakages, the growth of tourism has created even greater marginalisation of certain individuals, ethnic groups, small businesses and rural and remote communities (Parum Samigita, 2012). In areas of extensive investment and tourism revenue, particularly around the southern peninsula, residents and host communities have resumed conditions of pervasive tourism reliance. Further identified issues include rampant commercialisation, commodification of culture, decreased employment and livelihood alternatives, and rising criminal activity (Cassrels, 2011). Economic conditions in popular mass tourist destinations such as Kuta reveal low wages, seasonal employment, competition and escalating costs of living (Nanda & Hargreaves, 2013).

As government and industry have actively promoted the charm and beauty of Bali’s unique environment and culture, the extent of unsustainable tourism growth has progressively eroded such qualities, foreboding a potential looming environmental crisis (Parum Samigita, 2012). Consequential of rapid overdevelopment and poorly regulated planning decisions, Bali has endured extensive environmental degradation, exploitation of natural resources, pollution, and progressive native species loss. Even prior to the terrorist attacks, issues such as water consumption patterns and the decreasing availability of agricultural land had raised misgivings about tourism saturation, sustainability and carrying capacity (Wardana, n.d.). Intensified tourism infrastructure and real estate expansion appear unsustainable at current levels (Cassrels, 2011; Cole, 2012).

Plagued by increasing problems of saltwater intrusion, water pollution and excessive consumption (attributed primarily to tourism resorts), natural water supplies have continued to rapidly dwindle on the island (Cole, 2012). More than a resource or commodity, water is revered in Balinese culture and remains integral in maintaining the unique irrigation system (subak) that supports the panoramic rice fields (sawah). Despite the fact that over a thousand hectares of rice paddies are cleared every year, traditional rice farmers are increasingly competing with the tourism industry for the allocation of water resources (BPS 2015). A study by the Japan International Cooperation Agency (cited in Collinson, 2012).
predicted that Bali would face a water crisis as early as 2015 if nothing was done. Current government planning and development strategies still fail to adequately address this issue of water security. Although sections of the tourism industry have implemented strategies to monitor water usage (BHA 2015) there appears to be no formal contingency or crisis planning to address what is perceived as a significant concern.

For the host community and resident stakeholders of Bali, the terrorist attacks and subsequent threats have created a direct and personal awareness of the sensitivity of tourism. Those who have persevered have demonstrated an inherent resilience with proven adaptive and coping capacities. Although lacking the same type of experience, new migrants similarly have an increased appreciation and understanding of the tourism sectors’ vulnerability and volatility. Yet despite an increased familiarity and comprehension, there is little to indicate an overall improvement in the culture of safety, security and disaster risk reduction at the individual, household or community level.

Biophysical exposure to natural hazards has not significantly changed, and in some cases has increased due to poor planning decisions, over-development and further environmental destruction (BPS 2015; Cassrels, 2011; Cole, 2012). Socially and economically, a return to a strong reliance on tourism revenues means that the host community remains equally vulnerable to the threat of tourism crisis. Recent experience with disaster events may have improved coordination and response capacity, but there has been limited organisational commitment to comprehensive integrated prevention, mitigation or preparedness strategies (IDEP Foundation, 2015; Wynn, 2012). Bali and its burgeoning tourism industry continue to remain vulnerable and exposed to potential future threats.

1.9. Lessons and challenges in tourism crisis recovery

In providing a longitudinal view of Bali in its crisis management and recovery process it is apparent that there have been transitional improvements in government, industry, and community, hazard awareness, response, and preparedness capacity, yet there are continued limitations to comprehensive, integrated disaster risk reduction. Rather than adopting extensive new strategies to meet existing and future challenges related to the changing destination context and tourism reliance, destination stakeholders have enabled a return to pre-crisis operational conditions.

Ritchie (2008) contends that understanding such challenges and impediments is integral to the development of strategic and comprehensive planning for improved disaster management. As afflicted destinations struggle to recover from depressed economic conditions, the urgency of political and economic priorities exert pressure on government and industry decision makers to expedite a “return to normal” rather than support longer term social capital strategies such as better education, training, and livelihood diversification. While the return to tourism approach has generally proven to be viable for the host community and businesses of Bali, the vicious cycle of dependency and vulnerability continues.

Consistent with the Sendai Framework for Disaster Risk Reduction 2015–2030 (UNISDR 2015), key recommendations for government and management decision makers at all levels (national, regional and local) should include improved knowledge, understanding and commitment. Effective change relies on good governance, leadership, vision, political will, mandates and authority, informed by relevant networks, good communication, collaboration, partnerships, mutual respect and trust. More significantly, proactive planning and transformation needs to be supported by appropriate levels of finance, incentives, funding and resources (UNISDR 2015). A comprehensive assessment and evaluation of potential risk, threats and hazards for both tourism crisis and disaster risk reduction is achieved through active consultation and engagement with relevant destination stakeholders (Calagro 2005).

In addition to working with government and non-government agencies Twigg (2002) and Henderson (2007) recommend that private enterprise, specifically a profitable tourism sector, demonstrate greater moral and corporate social responsibility, investing in the intellectual development of employees and host communities towards greater adaptability. Such strategies include skills training, education, environmental conservation and social welfare. At the grass-roots level, most examples of sustainable recovery have been founded in community based planning and decision making (BCBTO 2013; IDEP Foundation, 2015; Sutawa, 2012). Despite popular misconceptions, disaster afflicted communities are not perpetually vulnerable, static or passive victims. As key stakeholders with a direct interest in the recovery process, communities represent a significant and undervalued resource. When effectively engaged locals can play an active role in identifying priorities, needs and demands, and implementing positive actions (UNISDR 2015).

Investment in social capital initiatives such as education, empowerment, equity and welfare provides enhanced resilience and more opportunities to diversify livelihoods (UNISDR 2015). Similarly, access to appropriate knowledge, data and information can generate improved hazard awareness, preparation and capability. Rather than exploit or destroy the natural environment communities can be shown how to live more sustainably and even benefit from conservation efforts and ecotourism. While such integrated strategies towards social and economic change can reduce vulnerability and risk, the difficulty is in maintaining relevance to avoid apathy or competing interests which undermine sustainability efforts (McEntire, 2004). This remains a particular challenge within developing economies and communities with limited capital, assets and resources.

To improve destination crisis/disaster risk reduction, planning, and management capacity, there needs to be an emphasis on developing strategies which actively involve and integrate community stakeholders and available resources (UNISDR 2015). Although there is evidence of existing partnerships between tourism industry and government, industry and emergency service providers, and/or government and private enterprise, there are few examples of effective host community participation and integration within the formal destination disaster management process (IDEP Foundation, 2015). Beyond existing rhetoric of greater collaboration and cooperation, the issue of achieving and maintaining such stakeholder integration remains a priority. Additionally, further longitudinal studies of tourism crisis are recommended to assess the real sustainability and viability of destination recovery management strategies beyond a direct restoration of destination image or visitor arrivals numbers.

2. Conclusion

Destinations impacted by crisis and adversity, such as Bali, provide a valuable opportunity to understand the dynamic roles of both context and key stakeholders in effective crisis management and recovery. As an iterative process, lessons learnt — both positive and negative — should be continuously documented and evaluated to guide and improve disaster risk reduction and crisis management capacity for any tourist destination. While Bali’s successful recovery and growth in visitor arrivals over the past decade may suggest a “Return to Paradise” for the tourism sector and host community, the destination continues to remain vulnerable and exposed to the threat of crisis.
Acknowledgements

This empirical case study of crisis management and recovery in Bali was based on extensive longitudinal research and fieldwork, initially conducted as part of a PhD dissertation. Direct insight and content was provided by tourists, industry and local members of the host community in-situ. Similarly, the research endeavour was supported by my supervisors and colleagues Associate Professor David King and Associate Professor Alison Cottrill.

References

ADRC. Asian Disaster Reduction Centre. (2013). Information of disaster risk reduction of member countries (online) http://www.adrc.asia/disaster/index.php Accessed 2 December 2015.

AFP. Australian Federal Police. (2005). Operation alliance. Investigating the Bali bombings of 12 October 2002. Canberra: Australian Federal Police.

Asia Pacific Economic Cooperation. (2006). Tourism risk management. An authori- tative guide to managing crises in tourism. Singapore: APEC International Centre for Sustainable Tourism (AICST).

Bali Discovery. (2002, November 24). Editorial: The best use of promotional funds. Bali Update. (online) http://www.balidiscovery.com/messages/printmessage.asp?Id=1012 Accessed 18 August 2003.

Bali Discovery. (2005b). Dialogue: Ian McKie of Bali hilton international: Ending a 4-year assignment in Bali, Iain e. McKie offers some parting thoughts on the state of the local tourism industry. Bali Update (online) http://www.balidiscovery.com/ update/update495.asp Accessed 12 February 2005.

Bali Discovery. (2005a). Bali tourism leaders respond to Bali Bombing II. Bali Update (online) http://www.balidiscovery.com/update/update473.asp Accessed 24 November 2015.

Bali Discovery. (2014, 17 August). A bad bargain tourism leader warns Bali tourism is discounting itself into a second-tier destination. Bali Update (online) http://www. balidiscovery.com/messages/message.asp?Id=10920a Accessed 26 November 2014.

Bali Discovery. (2002, October 21). Minister: Considered approach to travel bans. Bali Update (online) http://www.balidiscovery.com/messages/message.asp?Id=944 Accessed 31 October 2002.

Bali Discovery. (2004, June 21). Reinvigorating tourism investment: Government looking to ‘kick-start’ investor sentiment. Bali Update (online) http://www. balidiscovery.com/update/update406.asp Accessed 07/07/04.

Bali Government Tourism Office. (29 October 2015). Statistics. Bali Provincial Gov- ernment (online) http://www.disparda.baliprov.go.id/en/Statistics Accessed 8 December 2015.

Bali Recovery Group. (2003). Homepage (online) http://www.disparda.baliprov. go.id/en/Statistics Accessed 4 June 2004.

BCBITO. Bali Community Based Tourism Organisation. (2013). Bali community based tourism (online) http://www.cbbito.org Accessed 4 April 2013.

Beeton, S. (2005). The case study in tourism research: a multi-method case study approach. In B. W. Ritchie, P. Burns, & C. Palmer (Eds.), Tourism research methods: Integrating theory with practice (pp. 37–48). UK: CAB International.

Beirman, D. (2011). The Integration of emergency management and tourism. Australian Journal of Emergency Management, 26(2), 30–34.

Beirman, D. (2014, January 22). Saving face and promoting tourist safety in south east Asia. The Conversation (online) http://theconversation.com/saving-face-and-promoting-tourist-safety-in-south-east-asia-20792 Accessed 10 March 2016.

Berke, P. R., Kartez, J., & Wenger, D. (1993). Recovery after disaster: achieving sus- tainable development, mitigation and equity. Disasters, 17(4), 193–202.

BHA Bali Hotel Association. (2015). Bali hotel association homepage (online) http:// www.balihotelsassociation.com Accessed 29 November 2015.

BPDR Badan Penanggulangan Bencana Daerah - Provincial Disaster Management Agency Bali. (2015). Bali Mandara. http://balisafety.baliprov.go.id/selamat- datang.html Accessed 2 December 2015.

BPS Badan Pusat Statistik. (2002). Statistical yearbook of Indonesia 2002. Badan Pusat Statistik.

BPS Badan Pusat Statistik. (2015). Statistical yearbook of Indonesia 2015. Badan Pusat Statistik.

Brown, C. (2015, February 4). “Bali Two” executions could set back Australia-Indonesia relations. The Conversation (online) http://theconversation.com/bali- two-executions-could-set-back-australia-indonesia-relations-36704 Accessed 11 March 2016.

BTI Bali Tourism Board. (2015). Bali tourism board homepage (online) http://www. balitourismboard.org Accessed 28 November 2015.

Calgaro, E. (2005). Paradise in Tatters: An analysis of vulnerability of the tourism community of Khao Lak, Thailand to the 2004 Indian Ocean tsunami. Stockholm: Stockholm Environment Institute.

Calgaro, E., & Lloyd, K. (2008). Sun, sea and sand and tsunami: examining disaster vulnerability in the tourism community of Khao Lak, Thailand. Singapore Journal of Tropical Geography, 29(3), 288–306.

Cassrels, D. (2011, May 21). Threat of paving Bali Paradise. The Australian (online) http://www.theaustralian.com.au/news/inquirer/threat-of-paving-bali- paradise/story-e6fg6z52-1226059575843 Accessed 18 March 2012.

CII. Consultative Group of Statisticians (online) 2003. Bali beyond the tragedy Impact and challenges for tourism-led development in Indonesia. Consultative Group of Indonesia.

Cole, S. (2012). A political ecology of water equity and tourism: a case study from Bali. Journal of Ethnographic Research, 39(2), 1221–1241.

Collinson, L. (2012). Is Bali doing as well as it should be? (online) http://www.abc.net. au/foreign/content/2012/Bali%20Article.pdf Accessed 19 November 2013.

DPAT Department of Foreign Affairs and Trade. (2014). Department of foreign affairs and trade annual report 2013 – 2014. Canberra: Department of Foreign Affairs, Drabek, T. E. (1995). Disaster responses within the tourism industry. International Journal of Mass Emergencies and Disasters, 13(1), 7–23.

Drabek, T., & Gee, C. (2000). Emergency management principles and applications for tourism, hospitality, and travel management. Washington DC: FEMA.

Ellis, E. (2002). Ground zero Kuta (online) http://bulletin.ninemsn.com.au/bulletin/ EdDesk.nsf/printing/AEE7B31E18557050CA256C51006 Accessed December 2002.

Faulkner, B. (2001). Towards a framework for tourism disaster management. Tourism Management, 22, 135–147.

Faulkner, B., & Vikulov, S. (2001). Katherine, washed out one day, back on track the next: a post-mortem of a tourism disaster. Tourism Management, 22(4), 331–344.

Fink, S. (1986). Crisis management- planning for the inevitable. New York: American Management Association.

Gee, C., & Pettigrew, C. (1986). Coping with crisis. Travel and tourism analyst (pp. 3–12), Guinness (2007). Crisis in Bali: lessons in tourism recovery. In E. Laws, B. Pridoux, & K. Chon (Eds.), Managing tourism crises (pp. 81–97). United Kingdom: CABL.

Gurtner, Y. K. (2014). Internal threats: a dynamic model for crisis management and recovery in resilient tourist destinations: case studies of Bali and Phuket. PhD thesis. James Cook University.

Henderson, J. C. (2007). Corporate social responsibility and tourism: hotel com- panies in Phuket, Thailand, after the Indian ocean tsunami. International Journal of Hospitality Management, 26, 228–239.

IDEP Foundation. (March 31, 2015). Indonesia: Bali at high risk of disasters (online) http://www.preventionweb.net/english/professional/news/v.jsp?id=-43484 Accessed 2 December 2015.

Lewis, J. (2006). Paradise defiled. The Bali bombings and the terror of national identity. European Journal of Cultural Studies, 9(2), 223–242.

McEntire, D. (2004). Development, disasters and vulnerability: a discussion of divergent theories and the need for their integration. Disaster Prevention and Management, 13(3), 193–198.

Mandala, G., & Hargreaves, K. (2013). Restructuring of post-crisis GPNs: tourism in Indonesia. Capturing the gains. Economic and social upgrading in global produc- tion networks. September 2013 Working Paper 37.

Nandkeol, A. (2000). Vulnerability and sustainability in the tourism industry, Nepean University of Western Sydney, Parum Samingita. (2012). Somigita – The Bali forum (online) http://groups.yahoo. com/groups/samingita Accessed 9 November 2012.

PATA. Pacific Asia Travel Association. (2003). The PATA Bali recovery task force. Report and recommendations. Bangkok: Pacific Asia Travel Association.

PATA. Pacific Asia Travel Association. (2011). Bounce back: Tourism risk. Bangkok: Crisis and Recovery Management Guide Pacific Asia Travel Association.

Putra, D. (2010). Image reconstruction strategy of Bali tourism destination. The Journal of Communication Sciences, 5(1) (Muhammadiah Islamic University, Yogyakarta).

Ritchie, B. W. (2004). Chaos, crises and disasters: a strategic approach to crisis management in the tourism management. Tourism Management, 25, 669–683.

Ritchie, B. W. (2010). Tourism planning and management: from response and recovery to reduction and readiness. Current Issues in Tourism, 11(4), 315–348.

Ritchie, B. W. (2009). Crisis and Disaster Management for Tourism. United Kingdom: Channel View Publications.

Sobocinska, A. (2011). Innocence lost and paradise regained tourism to Bali and Australian perceptions of Asia. History Australia, 8(2), 199–222.

Soutis, T. (2003). Empowerment for sustainable tourism development. Oxford: Elsevier Sciences.

Sutawat, G. K. (2012). Issues on Bali tourism development and community concerns and expectations for Sustainable Tourism (AICST).

Thompson, J. (2002). Corporate social responsibility and disaster reduction. In Conclu- sions and recommendation in corporate social responsibility and disaster reduction a global overview (online) http://www.bendfieldwrc.org/ Accessed 12 January 2010.

UNISDR United Nations Office for Disaster Risk Reduction. (2009). UNISDR termin- ology on disaster risk reduction (online) http://www.unisdr.org/ accessed 14 March 2011.

UNISDR United Nations Office for Disaster Risk Reduction. (2015). Sendai

framework
for disaster risk reduction (online) http://www.unisdr.org/we/inform/publications/43291 Accessed 12 December 2015.
UNWTO United Nations World Tourism Organisation. (2013). Risk and crisis management (online) http://rcm.unwto.org/ Accessed 26 November 2013.
UNWTO United Nations World Tourism Organisation. (2015). UNWTO highlights 2015 edition (online) http://www.e-unwto.org/doi/pdf/10.18111/9789284416892 Accessed 11 November 2015.
Vickers, A. (1989). Bali: A paradise created. Penguin Books (Australia).
Wardana, G. P. (n.d) Sustainable tourism in the Balinese perspectives. Government of Bali Province (online) http://www.itop-forum.org/ezbbs/index.php?job=download&ebcf_id=sesions&eb_seq=20&eb_serial=1 Accessed 18 March 2016
Williams, C. (2015, October 2). How has terrorism risk changed in Indonesia since the Bali Bombings (online) WAtoday.com.au http://www.watoday.com.au/ comment/the-ides-of-october-in-bali-20151001-gjz1xf Accessed 21 November 2015.
World Travel Awards. (2015). Bali tourism board. World Travel Awards (online) http://www.worldtravelawards.com/profile-29325-bali-tourism-board Accessed 8 December 2015.
World Travel and Tourism Council. (2015). Travel and tourism economic impact 2015 Indonesia. World Travel and Tourism Council.
Wynn, I. (2012). Are you ready for the next disaster? Bali Advertiser (online) http://www.baliadvertiser.biz/articles/feature/2012/disaster.html Accessed 4 February 2013.

Yetta Gurtner is a lecturer and researcher with the Centre for Disaster Studies at James Cook University, Townsville, Australia. With a multi-disciplinary background in Southeast Asian Studies, her core research interests include integrated disaster and crisis management, tourism crisis, and sustainable development in disaster recovery. Related research interests include social impact assessment and an appreciation of dynamic contexts of vulnerability, capacity, adaptation, resilience, mitigation and sustainability, particularly within developing nations.