

## **CHAPTER I**

### **INTRODUCTION**

#### **1.1 Background**

The tourism sector is a sector with the potential to be developed as a source of local revenue. Enlarge the business revenue, then the program development and utilization of resources and tourism potential of the region is expected to contribute to economic development. Tourism broadly viewed as a multidimensional activity that has a series of development process. The construction sector involves socio-cultural aspects of tourism, economy and politics (Spillane, 1994: 14). This is in line with those contained in Law No. 10 of 2009 on Tourism which states that the implementation of the Tourism aimed to increase national income in order to improve the welfare and prosperity of the people, trying to expand and equalize opportunities and employment, encourage local development, introducing and utilizing objects and tourist attraction in Indonesia as well as foster a sense of patriotism and strengthen friendship among nations.

Tourism development also encourage and accelerate economic growth. Tourism activities create demand, both consumption and investment, which in turn will lead to the production of goods and services. During the tour, travelers would do the shopping, so it leads directly to the request (Tourism Final Demand) market goods and services. Furthermore traveler final demand indirectly raises demand for capital goods and raw materials (Investment Derived Demand) to produce to meet tourist demand for goods and services. In an effort to meet the tourist demand required investment in transport and communications, hotels and other accommodation, craft industry and consumer products industries, service industries, restaurants, restaurants and others (Spillane, 1994: 20).

Advancement of a local tourism industry relies heavily on the number of tourists who come, because it must be supported by an increase in the utilization

of Tourist Destination Region (DTW) so that the tourism industry will thrive. State of Indonesia which has beautiful natural scenery is very supportive for the growth of the tourism industry in Indonesia. As an island nation, Indonesia's potential to develop tourism industry is enormous.

The development of the tourism potency in the region can increase revenue (PAD) by implementing the concept of eco-tourism management. Local Revenue which is a picture of the financial potency of the area in general rely on the element of local taxes and levies. Relating to revenue from sector levies, the area can explore the potential natural resources in the form of tourist attraction. The government recognizes that the tourism sector is not a sector, the largest contributor to revenues in the region, but potentially in increasing revenue.

To enhance the role of tourism, strongly linked among themselves the good in the form of attraction that can be sold with the facilities and infrastructure that support them are involved in the tourism industry. Effort to develop a tourist destination must consider a variety of factors that affect the existence of a tourist destination, (Zain and Taufik, 2011). One of the attractions that began to grow in South Sumatra, especially in the district of Pagaralam was Dempo mountain which established as a tourism area by the local government. Management of this area is quite good with the facilities construction and infrastructure that supporting attractions. Almost every week Dempo mountain visited by tourists both local and from outside the region, which includes the entire community started from children, teens, and even to adults. The existence of natural tourism area is depending on the condition or state of the nearby community. According to Alikodra (1994), nature tourism activities can improve the economy of the informal sector, as well as the tourist area around the community's economy. Recreational activities in addition to good effect for travelers will also have an impact for the community around the tourist areas. Usually the people will take advantage of the tourism activities to make a living.

The tourism sector as an economic activity has been the mainstay of potential and priorities for the development of a number of countries, especially for growing countries such as Indonesia, which has the potential for a large area

with a tourist attraction which is quite large, the amount of natural beauty, a variety of cultural heritage, and the life of the community (ethnic). Tourism in Indonesia is one of the major economic activities that have a bright prospect, but until today have not been demonstrated role in line with expectations in the development process in Indonesia (Zain and Taufik, 2011). Based on the explanation above so the writer writes this final report entitled “Dempo Mountain as a potential tourism destination in Pagaralam”.

## **1.2 Problem Formulation**

Is Dempo Mountain potential as a tourism destination in Pagaralam?

## **1.3 Purpose**

The purpose of this study is to know whether Dempo Mountain is potential as a tourism destination in Pagaralam.

## **1.4 Benefit**

The finding of this study is hoped to give knowledge to readers about Dempo Mountain as a tourism destination that has natural resources that is given by God that should be kept and conserved by everyone.