



# Paradox in Coastal Area: Capitalism in Hotels and Resorts Development

Adwidya Yoga, Noor Diana Arrasyid, Erma Estiana

Faculty of Cultural Sciences, Universitas Gadjah Mada, Indonesia

Corresponding email: [adwidya.s.yoga@mail.ugm.ac.id](mailto:adwidya.s.yoga@mail.ugm.ac.id)

## Abstract

The resort development in Gunungkidul Regency has risen significantly, particularly in coastal areas. In this case, the resorts were initiated by investors outside Gunungkidul. It was seen as a practice of capitalism and commodification. Capitalism is believed to have adverse effects because it is only controlled by limited privates for profit, which possibly led to inequality, monopoly, and environmental cost. Thus, this research aims at analyzing the resorts development's effects in coastal areas in terms of economics, environment, and language-culture. The data were collected through questionnaire, semi-structured interviews, observations, and documentation. In this preliminary research, twenty informants from the local community were randomly involved. The obtained data were then categorized into economic, environmental, and language-cultural effects. This research found that the resort developments initiated by the capitalists quite positively impact the coastal life as the resorts bring more tourists, though it also led to some negative effects. It allowed the coastal stall seller to increase sales from those overnight tourists. On the contrary, the resorts' waste is being a homework, though it has not drawn instant impact yet to the environment. The language-culture was also impacted as the Javanese language started to be used in mix with Indonesian language. However, in general, this research gives another perspective that capitalism in the context of coastal resort development is quite positive. All related parties regarding coastal tourism have to stick together to keep the synergy between capitalism and coastal life and to prevent possible negative effects from getting worse.

**Keywords:** *coastal tourism; capitalism; language-culture; critical island; over-tourism*

## 1. INTRODUCTION

It is commonly found that the hotels and resorts development in Yogyakarta has been hugely rising. The data released figure out that the hotels and resorts development in Gunungkidul are increasing [1]. The hotel industry is commonly taking place in the coastal areas as the new beaches are expanded and publicly accessible [2]. One of the districts possessing many beaches and resorts-hotels is Tanjungsari. In particular, from Tanjungsari district, Kemadang is the third village possessing many beaches with its nine developed beaches as stated by the Tourism Authority of Gunungkidul Regency (Dinas Pariwisata Gunungkidul; 2022). Furthermore, in a single village, Kemadang has approximately seven hotels and resorts according to the Yogyakarta Statistics Center (BPS Yogyakarta; 2022). In addition, due to the quick business expansion, authors find ten hotels and resorts observed from Google Maps (Google Maps, 2023; Field Observation, 2023).

Starting from the situation, authors see that Kemadang village is representative to conduct preliminary research about the effect of hotels and resorts development in coastal areas. The hotels and resorts development in Kemadang village cannot be separated from the influence of capitalists. Capitalism in development in rural areas is an ideology that tends to have a negative impact on small and medium investors in the economy. Meanwhile, beach traders tend to be small-medium traders. In general, the widespread opening of resorts and hotels in coastal areas by large investors (capitalists) tends to disrupt the market for small-to-medium traders because innovation and technology tend to use large amounts of capital. Apart from that, the sovereignty of local communities is also threatened by capitalists from outside the region because they will only be spectators at home or at most employees of the resort and hotel. Tourism has negative impacts on the environment and society. Smith et al. claims that it has conversely positive effects on the economy (but only of actual benefit to a few) [3].

Various challenges on tourism may include high energy consumption, food waste, overall waste management, weak business environment (especially in developing countries), shortage of skilled labor, limited access to finance, and low levels of investment. Then the key cross-disciplinary elements in sustainable tourism--including green energy, green transportation, etc-- are needed according to Pan et al. [4]. The reliance on tourism creates pressure to incentivize investors to undertake construction projects which may exacerbate the risk exposure of the local population following Bernard and Cook [5].

Tourism development can herald economic modernization leading to employment creation, injection of income through the multiplier effect, improved local business viability, regeneration and restructuring of economies in towns and cities. The negative economic impacts can include inflation, seasonality, forgone opportunity costs, low-paying jobs, and potential over-dependency on tourism according to Andereck et al. and Pratt et al. [6], [7]. Tourism can have both positive and negative effects on local populations; It results in the commodification of the local's culture, the displacement of the local population, and changes in the lifestyle and values of local communities. On the other hand, it decreased quality of life for residents by increasing housing costs, limited the diversity of economic opportunities, and exposed residents to the misuse of public spaces according to Glup [8].

The hotels and resorts developments in Kemadang village will surely earn several positives and negatives. This statement is in line with the research from Miswanto and Safaat Miswanto & Safaat (2018) that the development of the tourism industry has an impact on land conversion in tangible and Intangible ways. From the economic aspect, the hotels and resorts development will positively impact the local community income. Adinugroho Adinugroho (2017) claims that the hotels and resorts development will increase income in the trade sector and entertainment services sub-sector. However, from the environmental aspect, the community and all parties need to get aware of the development's negative effects. This statement has been investigated by Sfarliana et al. Sfarliana et al., (2021) that the liquid waste originating from hotels or industries around the coast lead to water pollution. Moreover, rural development may also negatively impact the indigenous languages and cultures, as stated by Sfarliana et al. Sfarliana et al., (2021) in their research that society's changing culture tends to be more money oriented and consumerist behavior due to the development.

The background as just mentioned triggers authors to conduct a preliminary study about coastal area development. Hence, the objective of this research is to describe the impact of hotels and resorts development based on the positive and negative categories.

## **2. METHOD**

Research Data is in the form of information from local community residents and coast guards in Kemadang village, Tanjungsari, Gunungkidul, Yogyakarta. Kemadang village, Tanjungsari district is selected because it has the most resorts and hotels. There are also iconic beaches, namely Baron and Kukup Beaches in the village. There are at least five resorts and hotels in this village, namely Baron Hills Resort, Bintang Resort, Inesya Resort, Segara by Innesya, Acacia Resort, and so on. Meanwhile, the construction of hotels in other coastal areas within the Kemadang village area is also mushrooming, especially at Watu Kodok Beach. Apart from that, currently two large resorts are being built by giant capitalists: Obelix and Nararya. Therefore, according to the author, the scope of Kemadang Village is quite representative of the development of resorts and hotels in the Gunungkidul beach area.

The data were gained by distributing questionnaires to local residents and beach vendors in the Kemadang village area, followed by conducting interviews and observations. The raw data obtained were then compiled and analyzed to classify positive and negative impacts in the categories of economics, environment, and language-culture. The following analysis was then about seeking possible solutions to prevent the negative impacts from getting wider and worse.

### 3. FINDINGS AND DISCUSSION

#### 3.1 The impacts of hotels and resorts development

##### 3.1.1. Economics (local community's income)

The economics of the local community is quite impacted by the hotels and resorts development. At least, they have more tourists coming to the beaches after the resorts and hotels are built. One of the informan said that after the hotels are built, at least there are more tourists coming to the beach and staying overnight.

*“In the past, tourists only stayed up until evening for sunset. Luckily after homestays and hotels are built, the tourist number is increasing, and they stay overnight. They order hot coffee, cigarettes, and meals at night.” (Interviewee 1. Interview transcript, 2023)*

The existence of hotels and resorts in the coastal areas positively impacted the income of the people living around the beaches. During their observations, the authors experienced staying overnights and found that the meals ordered to the hotels were forwarded to the external foodstall sellers. It means that there is a mutual symbiotic relationship where the hotels engage the foodstall sellers to provide meals for the hotels' guests.

The positive impact on the economic aspect is also strengthened by the data of questionnaire showing that most respondents claim that hotels and resorts development generate more income for them. This argument is proved by the data in table 1.

**Table 1.** Respondent Statements about Their Income after Hotels Development

Total Respondents	Income Increase	Income Stagnan	Income Decrease
20	16	4	0

Source: Research Data, 2023

Hence, in this case, the development of hotels and resorts initiated by giant capitalists positively impacts the local people's income. It feels like a paradox between worrying about capitalism and needing it at the same time.

##### 3.1.2. Environment

The development of hotels and resorts in Kemadang village is found to generate both zero and negative impacts to the surrounding environment. Zero impact in this case regarding the availability of clean water after the hotels are built. All respondents coherently claim that there is no significant impact to the clean water availability. They answer that they still have adequate clean water supply for their daily needs. Their responses in regard with the clean water supply are presented in table 2.

**Table 2.** Respondent Statements about The Clean Water Availability after Hotels Development

Total Respondents	Increase	Adequate	Decrease
20	0	20	0

Source: Research Data, 2023

Furthermore, moving to the quality aspect of clean water, five of twenty respondents answered that there is a decrease of clean water quality. The data statistics are shown in table 3.

**Table 3.** Respondent Statements about The Clean Water Quality after Hotels Development

Total Respondents	Increase	Adequate	Decrease
20	0	15	5

Source: Research Data, 2023

Investigated deeper through semi-structured interviews, it is found that the quality decrease of clean water is indicated by waste management that is not completely well managed.

*“Some hotels do not manage their waste well and wisely. They just utilize some space or yards to bury or burn their waste.” (Interviewee 2. Interview transcript, 2023)*

*“As far as I know, there is no separation between organic and non-organic waste.” (Interviewee 3. Interview transcript, 2023)*

Yes, the water quality is still adequately consumable for the local people. However, it should have been an alert that there is a potential threat for the water quality in the future.

### 3.1.3. Language and Culture

The hotel development has successfully increased the number of tourists visiting the beaches in Kemadang village particularly. The tourists come from various cities in Indonesia. Hence, to promote their commodities, the local people mostly use Indonesian language rather than Javanese as it is in java island.

*“We use Indonesian language to offer tourists our goods, foods, and merchandise because the tourists come from all around Indonesia” (Interviewee 4. Interview transcript, 2023)*

To strengthen it, the language phenomenon can be seen by using language contact theories. Language contact happens when a new language is introduced into a speech group. [12] Mesthrie et al. state that language contact is divided into two components. The first three linguistic occurrences are language maintenance, language change, and language death. In this case, the massive use of Indonesian language to accommodate tourists who cannot speak Javanese because they come from all around Indonesia forces the Javanese to be aside. On another occasion, the campaign to use proper Bahasa Indonesia is seen as one of the reasons why Javanese krama is declining. Another major reason is that the universe is getting small due to the existence of the internet and its all-related things, including messengers, social media, and the likes.

## 4. CONCLUSION

The analysis concludes that resort development, especially in Gunungkidul, has different economic, environmental, and cultural impacts. The widespread development of resorts increases tourist attraction and significantly impacts the local communities' income. However, on the other hand, resort development harms the environment. Based on the analysis, poor resort management decreases clean water quality. Regarding local culture, resort development tends to threaten the use of the local language. Since a large number of tourists are coming from various regions, the use of Indonesian is increasing, resulting in the vulnerability of the Javanese language. In addition, this research implies to propose a point of view that capitalism is not always and not entirely bad as long as citizens and small and medium traders benefit from it and the environment is not harmed. In addition, this research can be a reference for stakeholders to formulate a formula for beach management and its various potential attractions through a cooperation scheme with entrepreneurs or large investors to have a positive impact on all parties, including entrepreneurs, residents of coastal residential communities, beach vendors, and the environment around the beach.

## 5. COMPETING INTEREST STATEMENT

This article is free from any conflict of interest regarding the data collection, analysis, and the publication process itself. Either replicate or modify the previous sentence for this part.

## 6. AUTHORS' CONTRIBUTIONS

All authors equally contribute to designing the research, building up the conceptual framework, analyzing the data, and interpreting the research findings.

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