

## Political Contestation of Territorialization Between Conventional and Online Transportation Services in Bali Tourism Industry

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**Abstract:** *This article describes the political contestation of territorialization between conventional and online transportation services in pursuing space in the tourism industry in Bali. This article utilized an institutionalism-constructivist theoretical approach. The method is a qualitative approach with data collection by observation, interviews, and documentation. The results show that the tourism industry in Bali has encouraged new space for actors pursuing political and economic interests, especially after the inclusion of online transportation in areas that are convenient for actors who operate behind conventional transportation services supporting tourism. They actively form new institutions against the dominance of online transportation services by creating their governance amid regulations. Under the cooperative institution, governance is run by actors who control the two modes of transportation services. They include regional tourism associations (Sanur, Kuta, Canggu, Ubud, and Nusa Dua), airports, hotels, villages, and terminals. These modes of transportation services negotiate their respective political and economic interests.*

**Keywords;** *Tourism; Territorialization; Institutional.*

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## **Introduction**

This article examines power contestation in the territorial context of conventional-based transportation services, involving the powers of local actors such as traditional villages, hotels, airports, terminals, and local governments against application-based (online) transportation services. Online transportation services, because of global products, inevitably compete with conventional-based transportation services (Silmi & Wahyudi, 2022) to pursue the 'cake' of the increasingly limited tourism economy in Bali. Several studies describe the contestation for this economic sector, which simultaneously illustrates how the logic of the tourism market is, in the end dividing Bali into various capital interests with rapid growth (Adawiah & Wardhana, 2021). Many resistances have been actualized in various territorialization political expressions, such as the local Balinese, who have to face a series of capitalization threats over the existence of their sacred territories, and the movement against the reclamation of Tanjung Benoa, Padang Galak Beach, Serangan Island, and Uluwatu, where most are controlled by capital channels from Jakarta. The capital power, in turn, involving the various actors who name themselves tourism (business) industry actors, does not involve only the hotel and entertainment industry but also traditional village community entities as well as the local government (Pemayun & Maheswari, 2017).

The space territorialization in Bali has also become increasingly boisterous because there are not only many parties overseeing it, especially in the tourism sector, but also efforts to territorialize space, which increases intense friction when including the tourism-support

industrial sector, such as online and conventional transportation services. Online transportation services are one of the global products of the tourism market. Its presence in a region with a large tourism industry, such as Bali, confirms specific findings regarding the emergence of spatial production in the contestation over territorialized space. Its existence always seeks to produce spaces of power over political and economic interests with certain territorialized ties of loyalty toward identity. The production of this space is framed into territorialization, the limitations of which are given or embedded by the actors of traditional villages, airports, terminal management authorities, hotel industry owners, community organizations, and government. Referring to the study from (Hobart, 2017) analogy in this territorialization effort, social boundaries must ultimately be subject to political and economic forces as part of capitalist power.

The fact becomes even more interesting when corporations and large companies that oversee nationalized online transportation, such as Gojek, Grab, Gocar, and others, are practically followed by the presence of new actors at the local level. Its existence is often sheltered under the formation of each institution so that interactions between actors are built up in its governance, determined by the innovated and communicated discourses, while maintaining the interests of hegemonic old power practices, such as preserving Balinese constancy and traditional village. The findings of this article show that the territorialized politics taking place in the contestation do not only produce the dynamics of spatial production but also the reproduction of institutions previously known to be very rigid and static. This article emphasizes

the synthesis of arguments between territorial spaces for the creation of new institutions in online and conventional transportation that tend to compete with the rigidity of old institutions. In creating these new institutions, they can protect and defend their interests from the rigidity of the old institutions.

### **Method**

This research uses a qualitative descriptive approach in describing the territorial area's determination in both the online and conventional transportation areas of Bali (Clark & Coggin, 2018). Data collection is carried out by means of interviews, observations, and informant documentation sourced from online and conventional transportation actors. The government should establish regulations governing transportation mapping in each region, especially in Bali, which is known as a tourist area, so it can be used as a reference in determining the rates and operating hours of each mode of transportation, both conventional and online (Serdar et al., 2022). The implementation of transportation regulations should be able to reduce conflicts between transportation actors (Ambarwati et al., 2019) because, prior to the regulation, transportation actors demonstrated dissatisfaction and injustice toward each other, especially in determining tariffs and operational area boundaries. The existence of online transportation is considered to interfere with conventional transportation that has previously been operating for a long time because it provides full convenience and safety for passengers and tourists in Bali (Indriyarti & Wijihastuti, 2021). For this reason, the government is obliged to set regulations in accordance with transportation problems in Bali.

### **Result and Discussion**

Nowadays, the tourism space in Bali is increasingly dense, marked by the emergence of two newcomers competing for new economic spaces (Wiweka & Sylvine, 2022). There are both online and conventional transportation services (local tourism) in Bali. As a result, Bali, well-known as a national and international tourism destination, also has the title of the area with the most conflicts between the two major modes of transportation. This condition is worsened by new institutional actors interested in protecting and obtaining new business fields in tourism. This results in more and more groups of interest playing in the two modes of transportation. In this way, the source of the conflict between the two is not the contestation for money and customers only but also for economic space in the tourist area, such as Sanur, Seminyak, Ubud, and several beaches (Petitenget, Canggu, Nusa Dua, and Berawah) in all areas of Bali deluged by the power of money (capital) and customers. Bali wants to maintain the authenticity of its traditional culture and customs so that they still exist in global transportation by generating a sense of solidarity with conventional transportation, even if the authority of traditional institutions or villages can protect them.

### **Initial Conditions: The History of The Contestation Between the Two Modes of Transportation**

Long before Bali was considered a tourist attraction for digital transportation, the image that online transportation is destroying the conventional transportation system has become a common opinion. Conventional transportation services strongly reject the presence of online transportation because they are seen as stealing or taking their

workspace, so group conflicts often occur between online and conventional transportation. Controversies between online and conventional transportation led to sweeping actions and deprivation of attributes, which often occurred at the beginning of the arrival of online transportation in every region of Indonesia (Ford & Honan, 2017).

Unlike other regions in Indonesia, Bali is a tourist destination with many tourist attractions. In that place, many workers worked in the conventional transportation sector with special rules, especially regarding the transportation rates that apply to each tourism area (Komang et al., 2022). They existed earlier, which certainly must be addressed when application-based transportation operates. In Bali, there are several areas, such as Ubud, Seminyak, Nusa Dua, Sanur, and mountain tourism, such as Bedugul. What is in conflict differs from conventional transportation based on motorcycling taxis, often found in other regions of Indonesia or outside tourism areas. However, there is a conflict between application-based online transportation and conventional transportation services operating in local tourism, such as beaches, hotels, airports, terminals, and other tourist spots in Bali (Tallo et al., 2022).

### **Bali: Dissimilar to Other Areas**

In Bali, what is meant by conventional transportation other than motorcycling is taxis, markets, terminals, and several other places, as well as transportation that has existed so far, such as cars, taxis, and motorcycles, in tourist destinations such as beaches, hotels, and others that sell Bali as a tourism brand (local tourist spots). The transportation conflict then shifted from initially involving all transportation classified as

conventional (two-wheeled or four-wheeled, based in public places and places that serve tourism) to a pure conflict between local transportation centered in tourism areas and application-based (online) transportation. According to the study from Saidi & Mayhuni (2020) stated that Bali is a tourism area, and transportation fares should not be so low without any rules. With the low rates, Bali will become a cheap tourist destination. This statement was confirmed by the local Seminyak tourism driver, who stated that the government seemed to allow the tourism rates in Bali, including in the area of tourist sites, to apply nationally, following the online rates, whereas as a world tourism destination, Bali should be able to set special rates that apply in tourism-based local areas where the drivers operate.

Therefore, the local tourism drivers want the Bali provincial government to intervene in the transportation fares, especially in tourism areas. The government should maintain Bali because Bali is considered global tourism. Apart from that, it also protects the interests of those who have worked as local tourism drivers for so long and maintains the good name of Bali tourism as classy tourism, as well as supporting their lives as citizens and the people of Bali, especially in the Sanur beach tourism area. However, this effort did not get the attention of the government. On the contrary, the regional government supported the tariff policy imposed by application-based (online) transportation. According to them, the government should be able to make decisions or apply special tariffs in Bali, for example, by enforcing a policy of differential rates between transportation in tourism areas and non-tourism areas or applying some kinds of differences in tariffs between conventional

transportation services that operate around tourism destination areas and application-based (online) transportation services that operate outside tourism areas (Dewantara, 2019).

Traditional villages, hotels, terminals, airports, and governments emotionally bond with local tourism transportation services. In Bali, traditional villages are very powerful; even every inch of land in Bali belongs to traditional villages (Udytama et al., 2021). Anyone who has a lawsuit in the area of a traditional village in Bali will certainly have to deal with traditional villages. Rationality is lifted from the term *wewidangan*.

*Wewidangan* is customary territory that is included in *perarem*, a concept that states that all activities that take place in customary territory areas must be included in customary rules because whatever happens, intentionally or unintentionally, the traditional villages will bear the consequences. Likewise, the traditional villages will automatically intervene in the problem between application-based (online) and conventional transportation services when competing in the economic space in certain areas throughout Bali. In this case, traditional villages in Bali are dilemmatic (Adnyana et al., 2019). On the one hand, traditional villages see that local transportation can contribute to the running of *wewidangan* in traditional villages because local transportation can contribute to traditional village activities.

The traditional villages will side with the local tourism transportation. Some of the areas (Nusa Dua, Kuta, Canggu, and Sanur) are protected by traditional villages, such as traditional village associations (Sanur Bersatu), Canggu Batu Bolong Transport (CBBT), traditional *banjars*, and hotels located around the tourism area. Some of the

strong efforts made by local tourism transportation drivers are recognized by their traditional villages, for example, in Ubud and Canggu. Even Canggu has passed regulations to tighten online motorcycling taxi rules. In Canggu, they do not allow online transportation to pick up passengers in their area. Traditional *banjar* has made *perarem*. Other areas, such as Ubud, are also doing the same thing, even stronger because they can ally with the local communities around them so that online transport services are not free to pick up their customers. They cooperate with local community leaders and receive support from the local community. Hotels, for the sake of excellent service, prefer local tourism transportation over online transportation because the hotels understand the skills and abilities of the local tourist transportation drivers very well. They can provide good service. Hotels operating in tourism areas (Sanur, Ubud, and Seminyak) do not accept online transportation because the human resources of online transportation are below hotel standards. Hotels around tourism desire several criteria or minimum standards; for example, drivers must speak English actively to foreign customers and understand tourism in Bali. Conventional transportation drivers consider that the rates or transportation services that apply in tourism areas are reasonably expensive because service and operational costs, especially cars used in services, are of a high standard (Wiradnyana & Suthanaya, 2021).

### **Conventional and Application-Based (Online) Transportation Relations**

In the eyes of conventional transportation, online transportation is the destroyer of transportation rates that apply throughout Bali. Online

transportation is considered to require more human resource skills for servicing customers. They need to assist in understanding Bali tourism, hospitality, and communication with customers. Such things are not found in online transportation human resources. They only accept and pick up customers at their destinations. A transaction occurs, then stops and finishes. For them, it is too easy to give up Bali tourism at such low prices, while conventional transportation is struggling to maintain the tariffs because they have maintained Bali's values in the eyes of both domestic and international tourists. In an era of technological advances, the assumption that there is competition and feelings of being ostracized should begin to be abandoned (Wagiarto et al., 2022). Conventional transportation is considered arrogant and feels like they always want to win when they control a certain area. This unpreparedness causes most conventional motorcycling-taxi drivers to be reluctant to switch to online motorcycling taxis. They feel their income is being competed with when online motorcycling taxis start operating.

Customers often order online motorcycling taxis to wait in areas controlled by conventional motorcycling taxis. Misunderstandings are inevitable because conventional motorcycling taxis consider online motorcycling taxis to rob their territory (Djuyandi, et al., 2019) without asking why they are in their area. Conventional transportation drivers assume that customers who order transportation outside the application are theirs, and friction becomes unavoidable when these customers are not willing to use conventional motorcycling taxi services. Online motorcycling taxis often become the victims when a commotion involves customers and conventional

motorcycling taxis. Online motorcycling taxis are accused of acquiring conventional motorcycling taxi customers. Market competition is still a problem because both have reasons. First, conventional motorcycling taxi drivers think that online motorcycling taxi drivers are taking over their customers. Second, on the part of online motorcycling taxis, they think technological advancement should be expanded. Wherever they operate, looking for consumers, if customers order, they think they have the right to enter an area. On the contrary, conventional motorcycling taxis pick up passengers in their area, and online motorcycling taxis are not allowed to enter and operate in this area (Situmorang et al., 2020).

## **Conclusion**

The history of the formation of cooperatives as transportation partners for both online and conventional transportation in Bali began when Mangku Pastika, the Governor of Bali, was suspected of owning shares in Blue Bird taxis, causing jealousy among the free line drivers, so that regulation to control was released in the form of a cooperative organization as a partner for an inter-institutional cooperative. The airport adopts this policy to ensure orders. Cooperatives formed by free line drivers are invited to cooperate by forming an organization. The airport auctions the partnership, and the winner is then entitled to operate at the airport. The thug model that applies at the terminals (Mengwi and Ubung) is left to compete freely. Something that cannot be avoided because the strength of local transportation is a continuation of the power from the old terminal (Ubung) to the new terminal (Mengwi). Now that it is organized, a partner model at the airport

will be practiced. However, conventional transportation is still hard to change. Nevertheless, the partnership model, as evidenced by the emergence of several cooperatives at the terminal, is significant progress in avoiding unhealthy competition, proven by the banners and billboards displayed in several corners of the terminal (Mengwi). The high estimated income from the tourism economic space becomes a competition involving several actors, such as traditional villages, which have to make regulations to protect conventional drivers.

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