

Research Article

Economic Learning: Implementation of Tourism Strategy in Driving Local Economy

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Abstract

This study aims to find the best way to teach the concept of economic growth to students. The research method uses mixed methods, namely qualitative methods with interpretative phenomenological analysis techniques that aim to find out the best way to teach economic material the concept of economic growth and quantitative methods with descriptive analysis techniques to prove the occurrence of economic growth in Banyuwangi Regency and the strategies carried out by the tourism sector to encourage growth that occurs. Banyuwangi Regency was chosen because it is an area that has experienced accelerated economic growth in Indonesia. The results showed that the best way to teach the concept of economic growth is with the tourism economy, which is the direct involvement of students in experiential education activities to provide contextual understanding that encourages the development of soft skills, critical thinking, and cross-sectoral understanding that is needed in real life.

Keywords: economic learning, local economic growth, tourism economy

INTRODUCTION

Economic education has an important role in shaping students' understanding of the dynamics of community life, especially in the aspect of economic activities in the surrounding environment. Research on economic studies has long-term effects for economic education because it affects students' thinking in the future (Salemi et al., 2001). In addition, findings from economics research can guide education policy, ensuring that the curriculum used is aligned with current economic realities and challenges (Thao, 2024). Furthermore, curriculum development in economic education can be seen in the shift of learning methods from traditional methods to interactive methods that emphasize student activities that foster critical thinking and problem-solving abilities, this shift is supported by research findings that emphasize the effectiveness of experiential learning and case studies to develop practical skills (Gandhi, 2024; Henderson, 2016).

Through contextualized and local potential-based education, students can be invited to analyze the economic, social and environmental impacts of activities in their area (Tilaar, 2004). This is in line with the goals of 21st century education that emphasizes critical thinking, collaboration, and problem solving based on the reality of life (Trilling & Fadel, 2009). Thus, economic learning does not only function as a transfer of knowledge, but also as a medium for empowering students to be part of the solution to regional development in a sustainable manner (Suastra, 2017).

Based on the facts that occur in the world of education, especially economic learning, so far it is still memorizing concepts and formulas. In fact, the integration between subject matter and real conditions is very important to foster contextual understanding and students' critical power towards regional economic dynamics (Zhang & Deng, 2024). This gap causes economic learning to be unable to optimize local potential as a learning resource. So do not ever imagine big changes such as building students' critical awareness of local economic issues and regional development strategies after learning economic material, especially the concept of economic growth if learning activities only focus on the theoretical.

The selection of Banyuwangi Regency as the center of research is due to the fact that Banyuwangi Regency is one of the cities experiencing accelerated economic growth in Indonesia (Gemar et al., 2023). The Banyuwangi Regency has made tourism a leading sector to improve the regional economy that is integrated with all sectors, namely education, agriculture, and health to support tourism development (<https://banyuwangikab.go.id>). In the Indonesian context, tourism has become the country's main foreign exchange contributor and opens up economic opportunities for local communities in various regions (Ministry of Tourism and Creative Economy of the Republic of Indonesia, 2020) through encouraging the creation of jobs, the growth of micro, small and medium enterprises (MSMEs), and strengthening local cultural identity (Cooper et al., 2008). Thus, this research becomes very interesting to find how best to teach economics, especially the concept of economic growth by making Banyuwangi Regency as a research source. Therefore, the problem formulation in this study is:

1. How to learn the concept of economic growth appropriately?
2. As an economic learning material, how do you know whether there is economic growth in Banyuwangi Regency?
3. As an economic learning material, what strategies are carried out by the tourism sector in Banyuwangi Regency to encourage local economic growth?

METHOD

This research used mixed-methods, namely qualitative methods through in-depth interviews to answer the first problem formulation. Interview activities were carried out with teachers and the government, namely the Banyuwangi Regency Tourism Office. The interview data were analyzed using interpretative phenomenological analysis techniques to examine the participants' experiences in teaching economics and implementing tourism strategies that are applied in an effort to drive the local economy. The second and third problem formulations will be answered using quantitative methods with descriptive statistical analysis techniques and sectoral contribution analysis (location quotient) on secondary data.

The phenomenological approach was chosen because it is able to explore the meanings, views and practices that occur in real educational environments and local communities. (Smith et al., 1997) asserts that interpretative phenomenological analysis is used to examine the lived experiences and personal perceptions of research participants. The key informants used in this research activity are the Economics Teacher of Purwoharjo High School and the Head of the Tourism Office. The secondary data used is the gross regional domestic product GRDP for the last 5 years of Banyuwangi Regency to determine whether or not there is an increase in the local economy, sectoral rate data to see the sectors that are most influential on the increase in the local economy that occurs.

Average annual economic growth:

$$Growth (\%) = \left(\frac{PDRB_t - PDRB_{t-1}}{PDRB_{t-1}} \right) \times 100\%$$

Measures 5-year average annual growth rate (CAGR):

$$CARG (\%) = \left(\left(\frac{PDRB_{5^{th} \text{ year}}}{PDRB_{1^{st} \text{ year}}} \right) - 1 \right) \times 100\%$$

To identify the sectors that are most influential in increasing the GRDP of the Regency using the location quotient:

$$LQ_i = \frac{\left(\frac{PDRB_{sector \ i \ district}}{Total \ PDRB_{district}} \right)}{\left(\frac{PDRB_{sector \ i \ province}}{Total \ PDRB_{province}} \right)}$$

RESULT

Figure 1 illustrates educational visit program for students to the Tourism and Culture Office of Banyuwangi Regency. This program aims to introduce students to the potential of their region. Students not only learn through books, but also through direct experience. Students can learn first-hand about local culture and learn strategies to preserve culture and sell it for local economic growth. In addition, there are 99 festivals organized in 1 year, most of the festivals are attended by youth, namely students as a sustainability strategy.

Figure 1

Student activities at the hall of the tourism & culture office of Banyuwangi Regency.



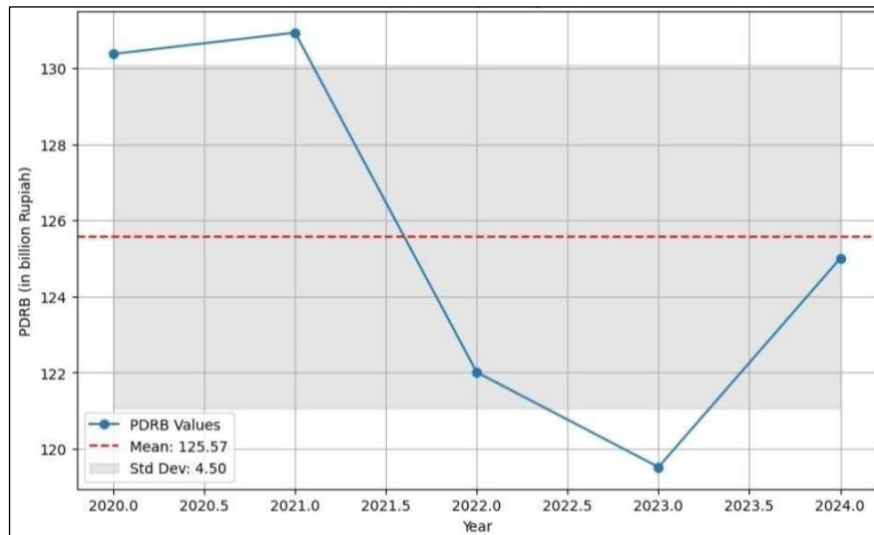
Data on the gross regional domestic product (GRDP) of Banyuwangi Regency is presented in Table 1. The average GRDP over the last five years is IDR 125.57 billion, with a maximum value in 2021 of IDR 130.93 billion and a minimum value of IDR 119.52 billion in 2023. There was a very significant increase from 2020 to 2021 and a decline in the following year. Furthermore, there was an economic recovery after experiencing a significant decline and gradually improved in 2024.

Table 1
GRDP of Banyuwangi in 2020-2024 (Billion Rupiah)

2020	2021	2022	2023	2024
119.52	130.93	125.00	122.00	128.00

Source: BPS Banyuwangi Regency

Figure 2
GRDP Analysis of Banyuwangi Regency 2020-2024



In Figure 2, the blue line shows the annual GRDP value, the dashed red line shows the average GRDP during the period of Rp. 125.57 billion and the gray area shows the standard deviation range around the average of Rp. 121.07 billion to Rp.129.57 billion. Based on Figure 1, during the 5-year period, the economy of Banyuwangi Regency experienced fluctuations. The early years, namely 2020 to 2021, showed a significant increase of Rp. 11.41 billion. Furthermore, there was a very sharp decline in 2022 and continued in 2023. In 2024 there was a fairly high economic recovery, higher than the previous increase with a positive growth of 4.68%.

Table 2
Growth rate of each sector in Banyuwangi Regency

Sector	2020	2021	2022	2023	2024
Agriculture	-0.75%	3.12%	2.80%	3.50%	4.00%
Industry	-1.20%	4.00%	3.50%	3.80%	5.00%
Trade	-0.50%	2.90%	2.70%	3.00%	4.50%
Services	-0.80%	3.50%	3.20%	3.60%	4.68%

The results of the CAGR (Compound Annual Growth Rate) calculation of 1.73% show that the average annual economic growth was low during the period 2020- 2024, but still positive, indicating a long-term economic recovery. This can be attributed to the weakening global economy due to the Covid-19 Pandemic in 2020 to 2021. Based on the results of the LQ analysis, the sectors that have the most influence on economic growth are agriculture, industry, and services. However, if it is more detailed by looking at the growth rate of each sector against GRDP growth, it shows that the sectors that have the highest growth rate are industry, trade services, and agriculture (see Table 2).

DISCUSSION

Based on the research findings above, it can be used as material for economic learning, namely the introduction of the concept of community empowerment, micro and small business development, and the importance of innovation and local resource management. Learning can emphasize the relationship between the tourism sector and job creation, income generation, and sustainable development. Students can be taught the importance of collaboration among stakeholders and the role of technology and entrepreneurship in developing local economies through tourism.

Teachers can use the results of this research as a real case study on the improvement of the local economy in Banyuwangi Regency through Tourism as the main sector that drives other sectors, and then introduce the concept of endogenous development theory. The findings provide a comprehensive picture of how tourism is not only an economic sector, but also a tool of community empowerment and cultural preservation that can be incorporated into economic learning for students. Interview data obtained from several teachers in schools in Banyuwangi.

Teacher 1: “So far, economic learning materials are still focused on concepts by explaining the meaning of growth, how to calculate the amount of growth and the factors that drive growth. Not many teachers have linked the material directly to regional potential such as the tourism sector. One of the reasons is because not all teachers have a deep understanding of the local tourism industry. The curriculum also does not explicitly direct teachers to use local contexts as teaching materials.”

Teacher 2: “I know Banyuwangi has many tourist attractions, such as Ijen Crater, Red Island Beach, Kemiren Tourism Village, and Gandrung Festival. But in Economics lessons there has never been an assignment or material that discusses that. Usually we learn from books only, and the examples are more about the national economy, not local. If it is explained with examples in our area, I think it is easier to understand, especially if students are invited to come directly to the tourist attractions around them to learn how economic growth occurs through the activities they do.”

The research findings above represent a gap between the economic subject matter in schools and the local economic reality close to students' lives, especially the tourism potential in Banyuwangi. From a pedagogical perspective, this shows that economic learning has not been contextualized and has not been based on the environment around students, even though the principle of Contextual Teaching and Learning (CTL) actually encourages teachers to link subject matter with real situations so that learning is more meaningful and easy to understand.

One form of innovation that can be applied is the application of a local potential-based Project-Based Learning model, where students are invited to directly examine the contribution of the tourism sector to the economic activities of the local community. In addition, teachers can develop contextual teaching materials that contain case studies of MSMEs, cultural festivals, or the economic impact of tourist visits. Through this approach, students not only understand economic concepts theoretically, but are also able to relate them to real phenomena in their environment.

Based on the results of the secondary data analysis above, the service sector (tourism) has the second highest growth rate after the industrial sector. This growth was obtained due to the implementation of strategies carried out by the Banyuwangi government, especially the Banyuwangi Culture and Tourism Office. The strategy carried out based on the results of in-depth interviews conducted is the first strategy in the form of building tourism literacy through collaboration between the Tourism Office and educational institutions, literacy is important for cultural preservation. One way to preserve it is to make the younger generation love culture.

Government tourism office 1: “We at the Banyuwangi Tourism Office believe that the younger generation should get to know the potential of their region early on, not only through books, but also through direct experience. Therefore, we opened an educational visit program for students to the Tourism and Culture Office of Banyuwangi Regency, so that they can learn first-hand about local culture and how our strategy is to preserve culture and sell it for local economic growth. There is a museum there as a medium for them to get to know their heritage. In addition, we appointed several schools as pilot schools, there is an Ijen corner in schools, and several competition activities to increase the younger generation's love for local culture.”

Government tourism office 2: “We do not only deliver theories, but also invite them to the field, see firsthand how tourist villages are managed, how the community is involved, and how digital promotion is done. This is not just a visit, but an applicative and fun learning of tourism economics.”

The data above shows that the Banyuwangi Tourism Office has initiated an innovative approach to learning tourism economics through direct student involvement in experiential learning. This reflects an integrated effort between the education sector and local government in shaping a contextualized understanding of economics among students. This learning model is relevant to the concept of place-based education, which is a learning approach that utilizes local potential as the main learning resource (Smith, 2002). By bringing students directly to the institution, students get information, witness the decision-making process, marketing strategies, and collaborative work between sectors. Experiences that are difficult to obtain through conventional learning in the classroom. In addition, this kind of activity also encourages the development of soft skills such as communication, critical observation, and cross-sectoral understanding which are needed in the future. The Banyuwangi Tourism Office, through this program, has demonstrated a model of synergy between public policy and economic education based on local potential that is worth replicating in other regions.

The second strategy is Community-Based Tourism Development (CBT), a strategy that emphasizes the importance of local communities' active involvement in tourism, for sustainable economic, cultural and environmental benefits. CBT is important for long-term tourism success as it fosters a sense of ownership and responsibility within the community. CBT emphasizes the integration of local cultural values and sustainable practices that create immersive experiences for tourists while preserving cultural heritage and natural resources.

A key aspect of community-based tourism development is the active participation of local communities, which includes integration with schools as tourist education

centers. CBT promotes economic growth by generating direct income from ecotourism activities, local crafts, and agricultural products, such as Subak Teba Majelangu (Arı et al., 2024). Communities around tourist destinations such as Ijen Crater, Baluran National Park, and Plengkung Beach, are empowered to play an active role in tourism activities, ranging from local tour guides to lodging and culinary businesses. This is in line with the Endogenous Development Theory which states that economic growth is driven by internal factors, namely human capital accumulation, technological progress, innovation, and institutional development (Wardhani, 2024). Endogenous development theory also emphasizes changes rooted in local contexts and ecosystems (Omi, 2024). Therefore, an important success factor of this internal factor is government regulation to maintain a balance between generating and implementing innovations, and the involvement of local communities to achieve sustainable economic growth (Bodnár et al., 2022).

Building positive attitudes and improving perceptions of the benefits of sustainable tourism is important to encourage active community involvement (Lestari et al., 2025). While community-based tourism offers many benefits, it is not without its challenges. The success of CBT depends on continued collaboration among local communities, government authorities and external partners. Strategic planning and education are essential to ensure the preservation of cultural heritage and natural resources while supporting local economic growth. In addition, exploring the role of policy and technological support can increase community participation and sustainability in tourism development (Lestari et al., 2025; Jin et al., 2024).

The third strategy is to develop community-based tourism. Research conducted by Liputo et al. (2023) remarked that success in involving local communities in the management of tourist destinations can directly increase their income and create new jobs. Research conducted in 2023 found that areas that implemented a community-based tourism model were able to increase local household income by 15 - 20% within two years. MSME players involved in the tourism industry get the opportunity to introduce local products such as handicrafts, coffee, and Banyuwangi specialties that are in high demand by tourists.

The fourth strategy is tourism product diversification, which is the diversification of tourism products to attract tourists with various interests. Banyuwangi, which is famous for its natural charm, has also begun to develop cultural tourism, arts and festivals. The organization of major events such as Banyuwangi Ethno Carnival (BEC) Festival and Banyuwangi Jazz Festival has been able to attract domestic and foreign tourists. In addition, these events also have a direct impact on the local economy, especially for the service sector such as transportation, restaurants and hotels. The diversity of tourism products is also supported by improving the quality of infrastructure that connects various tourist destinations, such as the construction of Blimbingsari airport which further facilitates transportation access to Banyuwangi. Research conducted by (Dos Santos et al, 2024) revealed that increased accessibility through the construction of a new airport attracts more than 500 thousand tourists each year, which has a direct impact on regional economic growth.

The fifth strategy carried out by Banyuwangi is to make large investments in tourism infrastructure development, including improving the quality of roads, managing tourist destinations, and providing public facilities for the convenience of visitors. In addition, according to the report (Arijanto et al., 2024) the utilization of information technology in tourism promotion-through social media and digital platforms-has strengthened Banyuwangi's global appeal. This digitalization makes it easier for tourists

to obtain information and book tickets online, which in turn supports the activities of local tourism industry players.

CONCLUSION

Based on the analysis and discussion previously, it can be concluded that the most appropriate way to teach the economic concept of economic growth is tourism economic learning. This learning is done through direct student involvement in experiential education activities that are relevant to the concept of place-based education, which is a learning approach that utilizes local potential as the main learning resource. Project-based learning based on local potential, such as in Banyuwangi Regency, can emphasize the relationship between the tourism sector and job creation, income generation, and sustainable development. Students can be taught the importance of collaboration among stakeholders and the role of technology and entrepreneurship in developing the local economy through tourism.

The concept of economic growth can foster critical thinking skills and the emergence of development innovation ideas for future economic growth. Banyuwangi Regency experienced fluctuations in economic growth, namely significant growth in 2024 due to the contribution of the tourism sector with a growth rate of 4.68%. There are 5 strategies carried out by the tourism sector, namely: (1) building tourism literacy through collaboration with educational institutions; (2) implementation of community-based tourism development; (3) building community-based tourism; (4) diversification of tourism products and; (5) tourism infrastructure development. Thus, based on the experience of economic learning that occurs in Banyuwangi Regency, economic learning is one way to build sustainable economic growth.

Implication

The integration of economic learning through direct practice in the tourism sector to drive the local economy can be done with project-based learning, case-based learning and direct learning. These learning activities can improve student competencies, provide real experience and encourage the creation of innovations in economic management in the future.

Limitation and Future Direction

This research focuses on how to teach economics appropriately through direct experience by proving the occurrence of economic growth and revealing tourism strategies carried out in encouraging economic growth in Banyuwangi Regency. Future research recommendations include the development of economic learning models based on economic phenomena.

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