

DOI: <https://doi.org/10.38035/gijea.v4i4><https://creativecommons.org/licenses/by/4.0/>

Received: 22 April 2026 | Revised: 19 May 2026 | Accepted: 01 October 2026

Empowering Local Economy Through Cultural Tourism in Kertalangu, Bali

Milla Permata Sunny¹, I Komang Gede², Komang Endrawan Sumadi Putra³, Gede Crisna Wijaya⁴

¹Universitas Hindu Indonesia, Bali, Indonesia, millapermata@unhi.ac.id

²Universitas Hindu Indonesia, Bali, Indonesia.

³Universitas Pendidikan Ganesha, Bali, Indonesia.

⁴Universitas Udayana, Bali, Indonesia.

Corresponding Author: millapermata@unhi.ac.id¹

Abstract: This study examines how cultural tourism, grounded in the indigenous philosophy of Tri Hita Karana, contributes to local economic empowerment in Kertalangu Cultural Village, Bali. Using a qualitative case study approach, data were collected through observations, in-depth interviews, and document analysis, including the 2024 Village Revenue and Expenditure Budget (APBDes). The findings reveal that the principles of spiritual, social, and environmental harmony shape tourism governance, community participation, and environmental sustainability. Village fiscal policies also support empowerment-oriented programs such as MSME development, tourism training, poverty alleviation, and infrastructure improvement. The study demonstrates that Tri Hita Karana functions not only as cultural heritage but also as a socio-cultural governance framework that supports sustainable tourism and local economic transformation. This research contributes to community-based tourism and sustainable development literature by emphasizing culturally embedded governance and participatory development. Practically, the study offers insights for policymakers and tourism planners in developing inclusive and culturally grounded tourism strategies. Kertalangu represents a replicable model for sustainable tourism development in rural and peri-urban contexts.

Keyword: Cultural Tourism, Local Economic Empowerment, Community-Based Tourism, Tri Hita Karana, Sustainable Rural Development.

INTRODUCTION

Tourism has long been recognized as a strategic driver of regional development, particularly in culturally rich and community-oriented destinations. In recent decades, cultural village tourism has evolved into a model of inclusive and sustainable development that emphasizes community participation, local ownership, and equitable benefit-sharing. This approach aligns closely with the United Nations Sustainable Development Goals (UN SDGs), especially those related to poverty reduction, cultural preservation, and sustainable

local economies. Within this framework, community-based tourism (CBT) has gained increasing scholarly attention as a mechanism through which local communities can actively participate in tourism governance while strengthening economic resilience and preserving cultural identity.

Bali, Indonesia's leading tourism destination, offers several examples of CBT implementation, one of which is Kertalangu Cultural Village in East Denpasar. Unlike conventional rural tourism villages located in remote areas, Kertalangu represents a peri-urban tourism model positioned between urban expansion and rural cultural traditions. This unique socio-spatial context enables the village to integrate cultural preservation with entrepreneurial activities such as handicrafts, culinary tourism, wellness services, and digitally promoted local products. The hybrid characteristics of Kertalangu provide an important setting for examining how tourism can simultaneously support economic transformation and cultural sustainability in transitional communities.

The development of Kertalangu reflects broader shifts in tourism governance, where local communities increasingly act not merely as tourism beneficiaries but as active stakeholders involved in decision-making, resource management, and economic distribution. Mendoza (2025) emphasized that successful CBT initiatives are characterized by participatory governance, institutional collaboration, local ownership, and cultural sensitivity. Similarly, Haochen, Zumitzavan, and Yang (2025) argued that tourism-driven empowerment depends heavily on authentic community engagement and fair economic distribution. Nevertheless, existing CBT literature predominantly focuses on remote rural communities, while limited attention has been given to peri-urban tourism villages that experience simultaneous pressures of modernization, commercialization, and cultural preservation. This indicates a theoretical gap concerning how indigenous cultural values interact with economic empowerment mechanisms within peri-urban tourism governance.

In the Balinese context, tourism development cannot be separated from the indigenous philosophy of Tri Hita Karana, which emphasizes harmony between human beings (pawongan), nature (palemahan), and the spiritual realm (parahyangan). This philosophy serves not only as a cultural identity but also as an ethical and ecological framework guiding social and economic activities in Balinese communities. Within tourism practices, Tri Hita Karana offers an alternative paradigm that positions tourism beyond economic objectives by integrating social cohesion, environmental balance, and spiritual legitimacy. In line with the UNWTO Framework Convention on Tourism Ethics (2020), tourism development should preserve cultural authenticity, ensure equitable community participation, and safeguard local heritage from exploitative commercialization. Therefore, integrating Tri Hita Karana into tourism governance is essential for ensuring the long-term sustainability and legitimacy of cultural tourism development in Kertalangu.

Several recent studies further support the importance of culturally grounded tourism governance. Mendoza (2025) highlighted the transformative role of CBT in empowering local communities, protecting cultural heritage, and promoting environmental sustainability through participatory mechanisms. Visiana (2025) demonstrated that women-led MSMEs significantly strengthen community resilience and local economic empowerment within tourism ecosystems. Meanwhile, Purnomo and Purwandari (2025) emphasized the importance of leadership, innovation, technological adaptation, and institutional governance in supporting sustainable tourism villages. Dewi, Rudy, and Sri (2025) additionally argued that tourism sustainability requires balancing modernization pressures with local wisdom-based governance approaches. These studies collectively reinforce the importance of integrating socio-cultural values with institutional and economic dimensions in tourism development.

However, despite the growing body of literature on CBT and sustainable tourism, limited studies have specifically examined the integration of indigenous philosophical values with local economic empowerment mechanisms in peri-urban tourism settings. Most prior studies discuss Tri Hita Karana primarily within environmental or spiritual dimensions, while CBT studies tend to emphasize operational participation and economic outcomes separately. Consequently, there remains insufficient theoretical explanation regarding how indigenous philosophies can function as governance frameworks that shape economic inclusion, entrepreneurship, and community resilience within hybrid peri-urban tourism contexts.

The novelty of this study lies in its integrative analysis of Tri Hita Karana as a culturally embedded governance framework for community-based tourism and local economic empowerment in a peri-urban setting. Unlike previous studies that examine CBT and indigenous philosophy independently, this research bridges both perspectives by investigating how local cultural values influence tourism governance, economic participation, entrepreneurial development, and sustainability outcomes in Kertalangu Cultural Village. By focusing on a peri-urban cultural destination, this study also expands the applicability of CBT theory beyond conventional rural tourism contexts and contributes to the broader discourse on culturally grounded sustainable tourism governance.

Accordingly, this study investigates how cultural tourism functions as a mechanism for local economic empowerment in Kertalangu Village, Bali. The research focuses on identifying the ways in which CBT contributes to economic inclusion, cultural sustainability, and entrepreneurial development through both formal and informal community participation mechanisms. Formal initiatives include MSME training programs, village-owned enterprises (BUMDes), and creative economy workshops, while informal mechanisms involve traditional banjar networks, mutual cooperation practices, and community forums. These participatory structures enable a more inclusive distribution of tourism benefits across the local community.

The study further observes that tourism development in Kertalangu operates not merely as a commercial activity but also as a platform for preserving and revitalizing Balinese cultural heritage. Traditional performances, religious rituals, handicrafts, and local cultural expressions are incorporated into tourism activities while maintaining their social and spiritual meanings. The active involvement of adat leaders, local elders, and temple custodians in tourism ensures the preservation of cultural authenticity and social legitimacy. This finding aligns with Chauhan's (2025) argument that responsible tourism must protect intangible cultural heritage while promoting socially equitable development.

Entrepreneurial development also emerges as a significant outcome of tourism expansion in Kertalangu. The growth of micro and small enterprises in culinary tourism, handicrafts, agro-tourism, wellness services, and digital creative industries demonstrates the catalytic role of CBT in encouraging localized economic diversification. Capacity-building initiatives related to business management, digital marketing, and financial literacy further strengthen community resilience and entrepreneurial adaptability. In particular, women-led MSMEs play an increasingly important role in sustaining household economies and preserving local cultural production, consistent with Visiana's (2025) findings regarding gender-inclusive tourism entrepreneurship.

Finally, the Kertalangu case contributes to broader discussions on sustainable tourism governance by offering a culturally rooted yet adaptable model of peri-urban tourism development. Unlike conventional tourism models that rely heavily on external investors and centralized governance structures, Kertalangu demonstrates how endogenous development strategies grounded in local values, participatory governance, and cultural legitimacy can generate inclusive economic outcomes. This reinforces the argument that sustainable tourism in transitional communities requires not only economic strategies but also culturally

embedded governance frameworks capable of balancing modernization pressures with local identity preservation.

METHOD

This study employed a qualitative research design to explore the mechanisms, values, and outcomes of cultural tourism-based economic empowerment in Kertalangu Cultural Village, Bali. The qualitative approach was selected because it is particularly suitable for understanding complex social phenomena embedded within cultural, social, and spiritual contexts. According to Creswell (2014), qualitative research is appropriate for exploring meaning, interpreting social interactions, and examining human experiences within their natural settings. In the context of community-based tourism (CBT), this approach enables a deeper understanding of how local communities construct, negotiate, and sustain tourism practices through cultural values and participatory governance mechanisms.

The primary research site was Kertalangu Cultural Village, located in Kesiman Kertalangu Village, East Denpasar, Bali. This location was purposively selected due to its strategic relevance as a recognized model of sustainable cultural tourism in Indonesia. Kertalangu received third place nationally among 131 tourism destinations across 17 provinces through an award granted by the Ministry of Culture and Tourism via the Directorate General of Destination Development. The recognition highlighted Kertalangu's environmentally conscious tourism management model rooted in agricultural traditions, local wisdom, and community participation. Furthermore, the village was officially designated as a Cultural Village through Mayor's Decree No. 25 of 2008, reinforcing its policy relevance and suitability as a case study for examining culturally grounded tourism governance and local economic empowerment.

Data collection was conducted through field observations, in-depth interviews, and document analysis to ensure comprehensive understanding and methodological triangulation. Field observations were undertaken in several tourism-related locations within the village, including agricultural tourism areas, traditional craft centers, culinary tourism spaces, and cultural performance venues. These observations aimed to capture both the tangible and intangible dimensions of tourism activities, including patterns of community participation, cultural interaction, entrepreneurial practices, and environmental management. Observational data were recorded systematically through field notes, visual documentation, and reflective memos during the research process.

In-depth interviews constituted the primary source of qualitative data. The study involved 15 informants selected using purposive sampling techniques based on their active involvement and relevance to tourism development activities in Kertalangu Village. The informants consisted of village officials, customary leaders (adat leaders), tourism managers, MSME actors, local artisans, cultural performers, community members, and tourism workers. Selection criteria included: (1) direct involvement in tourism activities or governance; (2) knowledge of local cultural practices and tourism development; and (3) willingness to participate in the research process. Semi-structured interview protocols were used to ensure flexibility while maintaining consistency across interviews. The interview questions focused on several key themes, including community participation, local governance, economic empowerment, entrepreneurial development, cultural preservation, and the implementation of Tri Hita Karana values within tourism activities.

Document analysis was also conducted to complement observational and interview findings. The analyzed documents included village regulations, tourism planning documents, tourism promotion materials, government policies, organizational reports, and archival records related to cultural tourism development in Kertalangu Village. These documents were

used to identify institutional frameworks, development strategies, governance mechanisms, and cultural narratives that support tourism activities and local economic empowerment.

The data analysis process followed an interactive qualitative analysis model consisting of data reduction, data coding, thematic categorization, interpretation, and conclusion drawing. Interview recordings and field notes were first transcribed and organized systematically. Subsequently, open coding techniques were applied to identify recurring concepts, patterns, and issues emerging from the data. The coded data were then grouped into broader thematic categories related to community participation, cultural sustainability, tourism governance, entrepreneurial development, and socio-economic empowerment. Thematic analysis was employed to interpret relationships among themes and to understand how Tri Hita Karana functions as a socio-cultural governance framework within tourism development practices.

To ensure the credibility and trustworthiness of the findings, this study applied methodological triangulation by comparing data obtained from observations, interviews, and document analysis. Source triangulation was also conducted by cross-checking information from different categories of informants, including government representatives, tourism managers, local entrepreneurs, and community members. In addition, member checking was conducted with several key informants to verify the accuracy and interpretation of interview findings. These validation procedures were intended to strengthen analytical rigor, minimize researcher bias, and enhance the reliability of the study's conclusions.

Overall, the qualitative case study approach enabled this research to generate a contextual and holistic understanding of how community-based tourism, local governance, and Tri Hita Karana interact in shaping local economic empowerment within a peri-urban cultural tourism destination. By integrating participatory observation, in-depth interviews, and document analysis, the study provides a nuanced exploration of culturally grounded tourism governance and its implications for sustainable local development.

RESULT AND DISCUSSION

The empirical findings of this study reveal that the development of cultural tourism in Kertalangu Cultural Village has produced a multidimensional impact on the local community, particularly in terms of social cohesion, cultural revitalization, and institutional alignment between tradition and governance. Social cohesion is strengthened as community members engage collectively in tourism related activities, fostering shared responsibilities and mutual support networks that transcend economic transactions. Cultural revitalization emerges as a central outcome, whereby traditional Balinese art forms, rituals, and crafts are not merely preserved as static heritage but actively reinterpreted and integrated into contemporary tourism products. Institutional alignment manifests through the evolving collaboration between local customary institutions (*desa adat*), government bodies, and private actors, ensuring that governance structures remain both culturally legitimate and administratively effective.

At the heart of this transformation is the practical implementation of the *Tri Hita Karana* philosophy, which serves as both an ethical compass and a strategic framework in the planning, execution, and sustainability of tourism related empowerment initiatives. *Tri Hita Karana's* three core dimensions *pawongan* (human relations), *palemahan* (harmony with nature), and *parahyangan* (spiritual balance) are operationalized through structured community engagement mechanisms, environmentally sustainable tourism practices, and the preservation of sacred sites and rituals within the village. For instance, community-based workshops and decision-making forums embody *pawongan*, while environmental conservation programs linked to agro-tourism and eco cultural attractions reflect *palemahan*.

Likewise, continued observance of temple ceremonies and cultural festivals exemplifies parahyangan as an essential component of the village's tourism narrative.

Moreover, the integration of Tri Hita Karana into Kertalangu's tourism governance illustrates a distinctive model of culturally embedded development that bridges indigenous values with contemporary policy frameworks. Unlike generic community-based tourism models that may focus predominantly on economic metrics, Kertalangu's approach underscores the importance of balancing material progress with socio cultural integrity and environmental stewardship. This alignment positions Kertalangu as a reference case for peri-urban cultural villages globally, demonstrating how localized philosophical frameworks can be mobilized as guiding principles in sustainable tourism development.

The values of *Tri Hita Karana* harmony with God (*Parahyangan*), with fellow humans (*Pawongan*), and with the environment (*Palemahan*) have been fully embedded into the structure of tourism governance in Kertalangu. These values do not merely function as abstract ethical guidelines but are translated into tangible institutional practices that shape day-to-day tourism operations. For instance, the village regularly incorporates religious rituals and communal prayers into tourism events (*Parahyangan*), ensuring that spiritual balance is maintained as a visible and participatory aspect of tourism experiences. This spiritual dimension serves to differentiate Kertalangu's cultural tourism offering from generic tourist destinations, highlighting authenticity and reinforcing the village's cultural identity in line with the observations by Ardiana, Sujana, Natalia, and Yanthi (2025).

Simultaneously, Kertalangu promotes strong interpersonal relations through collective work models and capacity building programs (*Pawongan*). Community members are actively engaged in joint tourism activities, including artisan workshops, cultural performances, and hospitality services, where mutual assistance and social solidarity are fostered. Training programs focusing on entrepreneurship, language skills, and service quality enhancement further strengthen human resource capacity within the village. These initiatives align with broader CBT principles emphasizing local ownership and participatory governance, as outlined by Mendoza (2025) and supported by empirical findings from Visiana (2025), who stressed the role of human capital development in community economic empowerment.

At the same time, Kertalangu demonstrates environmental responsibility through sustainable farming practices, waste management systems, and the development of green tourism infrastructure (*Palemahan*). Agro tourism activities such as organic farming tours and eco education programs not only generate additional income streams but also contribute to environmental preservation and awareness-building among both locals and visitors. This integrated approach exemplifies how Balinese philosophical values can inform not only cultural preservation but also practical governance strategies that ensure long term ecological and social sustainability.

Table 1. Operationalization of Tri Hita Karana in Kertalangu's Tourism Development

Dimension	Activities Implemented	Empowerment Outcome
Parahyangan	Temple rituals, spiritual tourism, prayer ceremonies	Cultural continuity and spiritual legitimacy
Pawongan	Artisan workshops, youth training, women's participation in tourism	Social inclusion and capacity enhancement
Palemahan	Agro-tourism, eco-path trails, green public spaces	Environmental stewardship and rural resilience

Source: Constructed by the authors based on field data and the *Tri Hita Karana* philosophical framework

The transformation of Kertalangu Cultural Village into a community-based tourism destination is strongly supported by institutional and regulatory frameworks. The legal foundation of this transformation is rooted in Mayor's Decree No. 25/2008, which officially

designates Kertalangu as a cultural and agro-tourism zone. This policy framework restricts uncontrolled land commodification while ensuring that tourism development remains aligned with Balinese agricultural identity and environmental sustainability principles. Local stakeholders emphasized that “the concept of eco-agricultural tourism must be preserved, as the city government strongly supports environmentally driven development.” This indicates that tourism in Kertalangu functions not merely as a commercial activity but as a regulated development strategy embedded within ecological and cultural values.

The governance structure of tourism development in Kertalangu reflects the operationalization of Tri Hita Karana as a socio-cultural governance framework. The philosophy is not treated symbolically; rather, it actively shapes decision-making processes, community participation, and tourism management practices. These findings are consistent with Pradana (2021), who argued that Tri Hita Karana functions as a practical governance mechanism influencing social behavior, institutional arrangements, and tourism sustainability. In Kertalangu, the dimensions of Parahyangan (spiritual harmony), Pawongan (social harmony), and Palemahan (environmental harmony) are integrated into village governance, tourism activities, and community empowerment programs.

The institutional alignment between tourism governance and fiscal planning is also evident in the Village Revenue and Expenditure Budget (APBDes) of 2024. Analysis of the fiscal report shows that IDR 312 million out of a total IDR 325 million was allocated to community empowerment programs, representing a realization rate of approximately 96 percent. This allocation demonstrates a deliberate policy orientation toward strengthening community-based tourism and local economic empowerment. The budget was primarily directed toward MSME development, creative economy programs, tourism governance training, and community capacity-building initiatives. Such findings indicate that tourism development in Kertalangu is supported not only culturally but also institutionally through strategic budgeting and policy implementation.

Economic Impact and Community Empowerment

The implementation of community-based tourism in Kertalangu has generated significant economic impacts through the empowerment of local communities and MSMEs. Tourism-related economic activities have stimulated the emergence of local entrepreneurship in sectors such as culinary tourism, handicrafts, eco-tourism services, agro-tourism, and creative industries. Structured training programs funded through village allocations have strengthened technical skills, product quality, marketing capacity, and managerial competencies among local entrepreneurs.

Capacity-building initiatives focus not only on improving production skills but also on enhancing financial literacy, cooperative management, and digital platform utilization. These interventions are particularly important in the context of peri-urban tourism contexts where tourism competitiveness increasingly depends on digital adaptation and market responsiveness. The findings suggest that economic empowerment in Kertalangu operates through both individual entrepreneurship development and collective community participation.

In addition, the village government allocated approximately IDR 198 million for poverty alleviation and income-generation programs. These initiatives included cash-for-work programs, micro-enterprise seed funding, and direct subsidies aimed at strengthening household economic resilience. Such policies contributed to increased local income opportunities and stimulated the growth of village-based businesses. Importantly, the integration of social welfare programs with tourism development demonstrates that community empowerment in Kertalangu extends beyond profit-oriented tourism activities toward broader socio-economic inclusion.

The multiplier effects generated through tourism spending, MSME development, and employment creation indicate that tourism in Kertalangu functions as a self-reinforcing local economic system. Visitor expenditures create market opportunities for local products and services, while entrepreneurial growth contributes to employment generation and household income diversification. These findings support endogenous development theory, which emphasizes the role of internal community assets, local participation, and cultural capital as drivers of sustainable local development.

Cultural Sustainability and Tri Hita Karana Operationalization

One of the major strengths of Kertalangu's tourism model lies in its ability to integrate cultural preservation with economic development. Tourism activities are designed not merely to commercialize Balinese culture but to revitalize and sustain local traditions, rituals, and social practices. Cultural performances, religious ceremonies, traditional crafts, and agricultural activities are incorporated into tourism experiences while maintaining their spiritual and communal significance.

The implementation of Tri Hita Karana is particularly visible through the integration of its three philosophical dimensions. First, Parahyangan is reflected in the preservation of religious rituals, temple activities, and spiritual ceremonies that remain central to community life despite increasing tourism activities. Second, Pawongan is operationalized through participatory governance, communal cooperation, and inclusive community engagement in tourism management. Traditional banjar-based collaboration mechanisms continue to function as important social institutions that facilitate collective decision-making and equitable participation. Third, Palemahan is demonstrated through environmental conservation practices, eco-agricultural tourism development, and village policies that prioritize sustainable land use and ecological balance.

These practices reinforce previous studies emphasizing that Tri Hita Karana represents not only a philosophical concept but also a practical governance system capable of sustaining tourism ecosystems and strengthening social cohesion. The active involvement of local elders, customary leaders, and community institutions ensures that tourism development remains culturally legitimate and socially accepted. Consequently, tourism growth in Kertalangu is measured not solely through economic indicators but also through its contribution to cultural continuity, environmental sustainability, and community harmony.

Infrastructure Development and Institutional Commitment

Infrastructure development has also played a significant role in strengthening tourism-based economic empowerment in Kertalangu. Village investments were directed toward improving road access, tourism facilities, cultural performance areas, and connectivity to local craft centers. These improvements enhanced visitor mobility while simultaneously expanding market access for local MSMEs and tourism entrepreneurs.

The integration of infrastructure development with tourism governance demonstrates a strong institutional commitment to holistic village development. Rather than implementing tourism programs in isolation, Kertalangu integrates infrastructure enhancement, cultural preservation, poverty alleviation, and entrepreneurial development into a unified development strategy. This multidimensional integration reflects governance maturity and contributes to long-term program sustainability.

Furthermore, the case of Kertalangu illustrates the importance of fiscal decentralization and village autonomy in supporting culturally grounded tourism development. The effective utilization of APBDes funds demonstrates how local governments can formulate development strategies tailored to their socio-cultural contexts while maintaining accountability and inclusiveness. Unlike top-down tourism models dependent on external

investors, Kertalangu adopts a bottom-up development approach rooted in local participation, cultural identity, and institutional collaboration.

These findings contribute important insights to the literature on sustainable tourism and cultural economics. Most tourism development models in Southeast Asia emphasize exogenous investment and centralized planning, whereas Kertalangu demonstrates how indigenous philosophy, local governance, and participatory budgeting can function collectively as drivers of sustainable economic transformation. The integration of *Tri Hita Karana* within fiscal policy, governance systems, and grassroots economic activities highlight the potential of culturally embedded governance models in promoting inclusive and sustainable tourism development.

Overall, the Kertalangu case illustrates that community-based cultural tourism can become an effective mechanism for local economic empowerment when supported by culturally resonant governance frameworks, participatory institutions, and strategic fiscal allocation. The alignment of ethics, culture, policy, and economic development provides a holistic pathway toward sustainable empowerment that simultaneously strengthens community welfare, cultural preservation, environmental sustainability, and local economic resilience.

Discussion

This study has explored how cultural tourism, rooted in the local philosophy of Tri Hita Karana, contributes to community empowerment and local economic development in Kertalangu Cultural Village, Bali. The findings reveal that the integration of spiritual, social, and environmental harmony into tourism planning and implementation fosters not only cultural preservation but also inclusive economic participation. Through structured community involvement, strategic fiscal alignment via the APBDes, and eco-agricultural tourism policy frameworks, Kertalangu demonstrates that sustainable tourism can function as an effective instrument for community empowerment and localized economic resilience.

From a theoretical perspective, this study contributes to the development of community-based tourism (CBT) literature by positioning Tri Hita Karana not merely as a cultural philosophy, but as a socio-cultural governance framework that operationally shapes tourism institutions, participatory mechanisms, and local economic behavior. While most CBT studies emphasize participation, empowerment, and sustainability in managerial or economic terms, this research extends the discourse by explaining how indigenous philosophical systems can institutionalize governance norms, strengthen collective action, and guide resource allocation within tourism ecosystems. In this regard, the study advances endogenous development theory by demonstrating that local cultural values and community knowledge are not supplementary elements of development, but constitute core institutional drivers of sustainable economic transformation.

The study also contributes to the field of cultural economics by illustrating how intangible cultural values can generate tangible economic outcomes through tourism governance. The operationalization of Parahyangan, Pawongan, and Palemahan within tourism practices creates an integrated development model where spiritual legitimacy, social cohesion, and environmental stewardship collectively reinforce economic sustainability. This finding is theoretically important because it challenges conventional tourism development models that tend to prioritize external investment, market expansion, and growth-oriented indicators without sufficiently considering cultural legitimacy and community ownership. The Kertalangu case suggests that culturally embedded governance systems may produce more durable forms of economic empowerment due to their alignment with local social structures and ethical norms.

Furthermore, the findings enrich sustainable development discourse by highlighting the strategic role of village fiscal governance in strengthening tourism-based empowerment. The integration of APBDes allocations with MSME development, tourism infrastructure, and poverty alleviation programs demonstrates how local budgeting mechanisms can function as institutional instruments for sustainable tourism transformation. This expands previous discussions on CBT by emphasizing the importance of fiscal decentralization, participatory budgeting, and local institutional capacity in achieving inclusive tourism outcomes. Thus, the study bridges tourism governance literature with institutional development and local public finance perspectives.

Comparatively, the findings resonate with international experiences of culturally grounded tourism development in countries such as Thailand, Bhutan, and New Zealand, where indigenous values and community participation play significant roles in tourism governance. However, Kertalangu offers a distinctive contribution due to its peri-urban context, where traditional cultural systems coexist with urban economic pressures and modernization processes. Unlike many rural CBT models discussed in global literature, Kertalangu illustrates how culturally embedded tourism governance can remain resilient even within transitional socio-economic environments. This expands the applicability of CBT theory beyond isolated rural communities toward hybrid peri-urban tourism contexts increasingly found across Southeast Asia and other developing regions.

Practically, the study highlights the importance of institutional commitment, community participation, and policy coherence in sustaining tourism-led empowerment. The alignment between tourism strategies, fiscal priorities, and cultural preservation initiatives demonstrates that successful tourism governance requires multidimensional coordination rather than fragmented interventions. The Kertalangu model therefore offers actionable insights for policymakers, development planners, and local governments seeking to design tourism frameworks that simultaneously promote economic growth, cultural preservation, and environmental sustainability.

Future research should further examine the long-term socio-economic impacts of culturally embedded tourism governance, particularly regarding intergenerational sustainability, youth participation, gender inclusion, and digital transformation within community-based tourism ecosystems. Comparative cross-regional and cross-country studies may also provide broader insights into how indigenous philosophies can be adapted as governance frameworks within different cultural and institutional settings. Such research would contribute toward building a more pluralistic, context-sensitive, and globally relevant theory of sustainable tourism and local economic development.

CONCLUSIONS AND RECOMMENDATIONS

This study concludes that the application of the Tri Hita Karana philosophy in cultural tourism management at Kertalangu Cultural Village, Bali, plays a pivotal role in fostering sustainable community economic empowerment. The principle of harmony encompassing the spiritual, social, and environmental dimensions serves not only as a cultural legacy but also as a foundation for tourism governance, enhanced community participation, and environmental conservation. Furthermore, village fiscal policies implemented through MSME development programs, tourism training, poverty alleviation initiatives, and infrastructure development have strengthened the community's economic capacity and supported local economic transformation.

The research findings indicate that integrating local cultural values with participatory governance can create a tourism development model that is more inclusive, sustainable, and focused on community well-being. Thus, Tri Hita Karana serves a strategic function as a

socio-cultural framework that guides tourism development while maintaining a balance among economic, social, cultural, and environmental interests. The management model at Kertalangu Cultural Village offers a valuable reference for local governments and tourism planners seeking to develop adaptive and sustainable culture-based tourism strategies in both rural and peri-urban areas.

REFERENCES

- Ardiana, P. A., Sujana, I. K., Natalia, S. A. P. D., & Yanthi, K. D. L. (2025). Tri Hita Karana: Balinese local wisdom and its role in the triumph over corruption. *Journal of Accounting & Organizational Change*.
- Bahasoan, H., Wargadinata, B., Ansari, A., & Fauziansyah, F. (2025). Pemberdayaan Pemimpin Desa dalam Mendorong UMKM dan Ekonomi Kreatif Lokal Berbasis Desa Wisata. *Jurnal Pengabdian Masyarakat: Pemberdayaan, Inovasi dan Perubahan*, 5(2).
- Chauhan, N. (2025). Empowering communities and preserving heritage: Case studies on socially responsible travel through fair trade tourism. In *Meaningful Tourism: Strategies and Future Development* (pp. 163-182). Emerald Publishing Limited.
- Creswell, J. W., & Creswell, J. D. (2017). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage publications.
- Dewi, S., V Rudy, H., & Sri, J. W. A. (2025). Empowering Local Communities for Sustainable Tourism: A Case from Indonesia. *Journal of Posthumanism*, 5(2), 671-690
- Haochen, H. E., Zumitzavan, V., & Wei, Y. A. N. G. (2025). Integrating Local Communities into Sustainable Tourism Development: Strategic Policy Perspectives along the China-Laos High-Speed Railway. *International Journal of Environmental Sciences*, 1-17.
- Mendoza, G. (2025, March). EMPOWERING LOCAL COMMUNITIES THROUGH TOURISM: SUCCESS STORIES OF COMMUNITY-BASED TOURISM. In *International Conference "Actual economy: local solutions for global challenges"* (pp. 222-222).
- Pemerintah Desa Kesiman Kertalangu. (2024). Laporan realisasi APBDes Pemerintah Desa Kesiman Kertalangu tahun 2024. <https://kesimankertalangu.desa.id/perencanaan/apbdes-2024-2>.
- Pradana, G. Y. K. (2021). Aplikasi filosofi tri hita karana dalam pemberdayaan masyarakat tonja di denpasar: Application of the thk philosophy in empowering tonja society in denpasar. *Jurnal Abdi Masyarakat*, 1(2), 61-71.
- Purnomo, S., & Purwandari, S. (2025). A Comprehensive Micro, Small, and Medium Enterprise Empowerment Model for Developing Sustainable Tourism Villages in Rural Communities: A Perspective. *Sustainability*, 17(4), 1368.
- Ramadan, R., Fasandra, F., & Hibatullah, N. (2025). Strategi Manajemen Pariwisata Berbasis Masyarakat dalam upaya Pemberdayaan Ekonomi Lokal di Desa Wisata Kubu Gadang Provinsi Sumatera Barat. *Jurnal Projemen UNIPA*, 12(2), 72-84.
- Visiana, K. (2025). The Role of Women in Community Economic Empowerment and Tourism through Women's Knowledge-Based MSMEs. *Saudi J Bus Manag Stud*, 10(2), 64-74
- Wali Kota Denpasar. (2008). Keputusan Wali Kota Denpasar No. 25 Tahun 2008 tentang Penetapan Desa Kesiman Kertalangu, Kecamatan Denpasar Timur. Pemerintah Kota Denpasar.
- World Tourism Organization. (2020). Framework convention on tourism ethics. World Tourism Organization (UNWTO). <https://doi.org/10.18111/9789284421671>