

INFORMAL MICRO-BUSINESS DEVELOPMENT AND THE INFLUENCE OF
ADAT ON THE TRADITIONAL MARKETS IN GIANYAR REGENCY,
BALI, INDONESIA

By

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ABSTRACT

This study examines the development of the informal micro-business sector and how it is influenced by *adat* in the traditional village markets of Gianyar Regency on the island of Bali, Indonesia. Informal micro-business is an important element of the Indonesia domestic economy. The *adat*, commonly defined as customary ancestral laws and cultural traditions, refers specifically to customary laws, both oral and written, and is ingrained in the everyday lives of the Balinese, especially at the local village level. These “laws” act as codes of conduct that the citizens of the community must maintain and abide by. The traditional village is the place where the *adat* is firmly entrenched and inextricably linked to economic activities. The traditional village market is also the place where informal micro-businesses gather and perform daily economic transactions. Using ethnography and mental map research methods, this research seeks to further the knowledge and understanding of the informal micro-business sector in and near the traditional village markets of Gianyar Regency and how their development is influenced by the *adat*. The district markets of Payangan, Ubud and Sukawati, along with several random village markets, are selected as the research sites to demonstrate the commonalities, differences and tendencies in the traditional markets despite the presence of various economic forces.

This research finds that the *adat* significantly influences the informal micro-business sector and provides an opportunity for entrepreneurs to satisfy village customary and cultural needs. Further, the research finds that the traditional village, known as the *Desa Adat*, is the primary source of the *adat*'s influence in the traditional market.

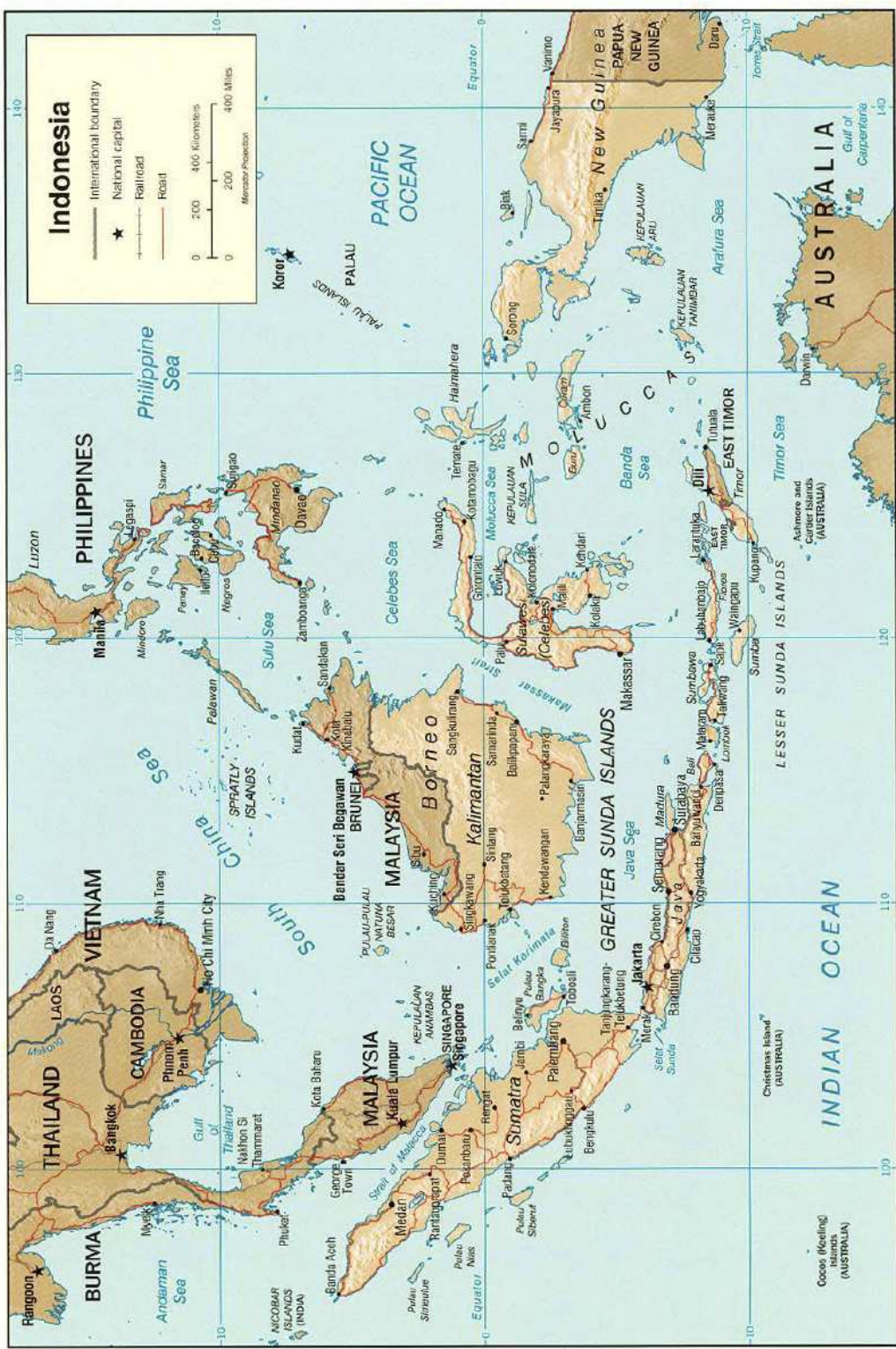
Key Words: *Indonesia, Bali, Traditional Market, Informal Micro-Business Sector, Adat, Social Capital*

INTRODUCTION

The research examines the informal micro-business development within the traditional village markets in Bali Indonesia and how *adat*, the customary laws, influences the cultural and economic landscape of the traditional markets. An ethnographic study and a mental map study are employed as the main research methods to understand this traditional economy and the influence of *adat* in Gianyar Regency on the island of Bali.

With a population of nearly 245 million, Indonesia (Figure 1) is the fourth largest country in the world, following China, India and the United States respectively (CIA World Fact Book, 2010). It is also the largest archipelago in the world, consisting of 17,508 islands, of which over 6,000 are inhabited, containing an estimated 350 ethnic groups and 583 languages and dialects (Weightman 2006). Dominated by an Islamic population (Muslim 88%, Protestant 5%, Roman Catholic 3%, Hindu 2%, Buddhist 1%, other 1%) Indonesia, the largest Islamic country in the world, still remains significantly economically and culturally diverse (Brown 2003).

Trade and religion are the primary factors influencing Indonesian history (Brown 2003). For centuries, Indonesia has been a focal point for international trade in Southeast Asia. Its location between the Indian and Pacific oceans places Indonesia on a vital trade route between China and India, two of Asia's most dynamic emerging economies (Weightman 2006). Regional trade coupled with the historical influence of the Dutch East Indies Company (VOC) has impacted Indonesia's culture and religions by dispersal of ideas, merchandise and religious beliefs. Buddhist, Hindu, Islamic and, more recently,



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Figure 1. General map of Indonesia, Source: CIA, 2008

Christian influences, carried through these international and local trade processes, have significantly influenced the cultural landscape of Indonesia. Yet, these primary religious ideologies present in Indonesia have often blended and intermingled with local cultures and belief systems, taking on dynamic and unique qualities. Local animism and customs have often changed original religious doctrines, such as with Islam, into unique religious beliefs. These dynamic beliefs have formed unique customary and cultural laws, known as *adat* in Indonesia.

Since the Asian financial crisis of 1997, Indonesia, with its emerging global and national economy, has been recovering quickly to almost pre-crisis levels with an emerging global and national economy (World Bank 2007). Although its major trading partners are China, Japan, Korea and Malaysia (US Department of Commerce 2006), Indonesia is an emerging economic force throughout the world and is expanding into the global economy. However, even as Indonesia enters the global economic system with its natural resource assets comprised of petroleum, minerals, agricultural products and limited light manufacturing, it is the small business sector that represents the bulk of the nation's economic activity. According to the Indonesian World Bank Country Report (2001) 78% of non agricultural enterprises in Indonesian are in the informal sector.

After the financial crisis in 1997 that caused the fall of President Suharto in 1998, there was a national power vacuum within which local provincial authority once again began to assert itself (Weightman 2006). Recognizing this "grassroots" groundswell, President Susilo Bambang Yudhoyono (elected in 2004 and known by citizens as SBY) began promoting the "Reform Era," a program that recognized what was already

occurring. The program's goal was to liberalize the economy through decentralizing control over local regions in an attempt to promote local authority of community development (Warren 2005a). Because of this liberalization, the local economic and cultural landscapes of Indonesia are entering a period of rapid change (Weightman 2006). This change and sense of autonomy is currently allowing local people to reaffirm traditional customary values and laws, diminished under Suharto's rule, into local development decisions (Warren 2005a). In Bali, for example, local *Banjars* (traditional village social and civic organizations) are now asserting their authority to determine and define village boundaries based on *adat*.

Indonesia is divided into 33 provinces, each of which currently has significant autonomy from the central government. The Province of Bali (Figure 2) has especially significant autonomy due to its lucrative tourist industry and international visibility. The regencies, in which the province is divided into, have gained significant control over local cultural and land use issues. This local control is currently gaining strength in terms of political power as local village authorities are reasserting their renewed power to maintain and control land-use and cultural determination (Warren 2005b). There is now clearly a lack of respect for the national law which is evident through several observable actions: non licensed vehicles, refusal to obey traffic regulations, and most recently the refusal of the Balinese government to accept and implement a national law regarding pornography (M. Tika, personal communication 2008).

As Indonesia forges ahead into the global economy with the export of natural resources and importation of modernity, the national economy is made up primarily

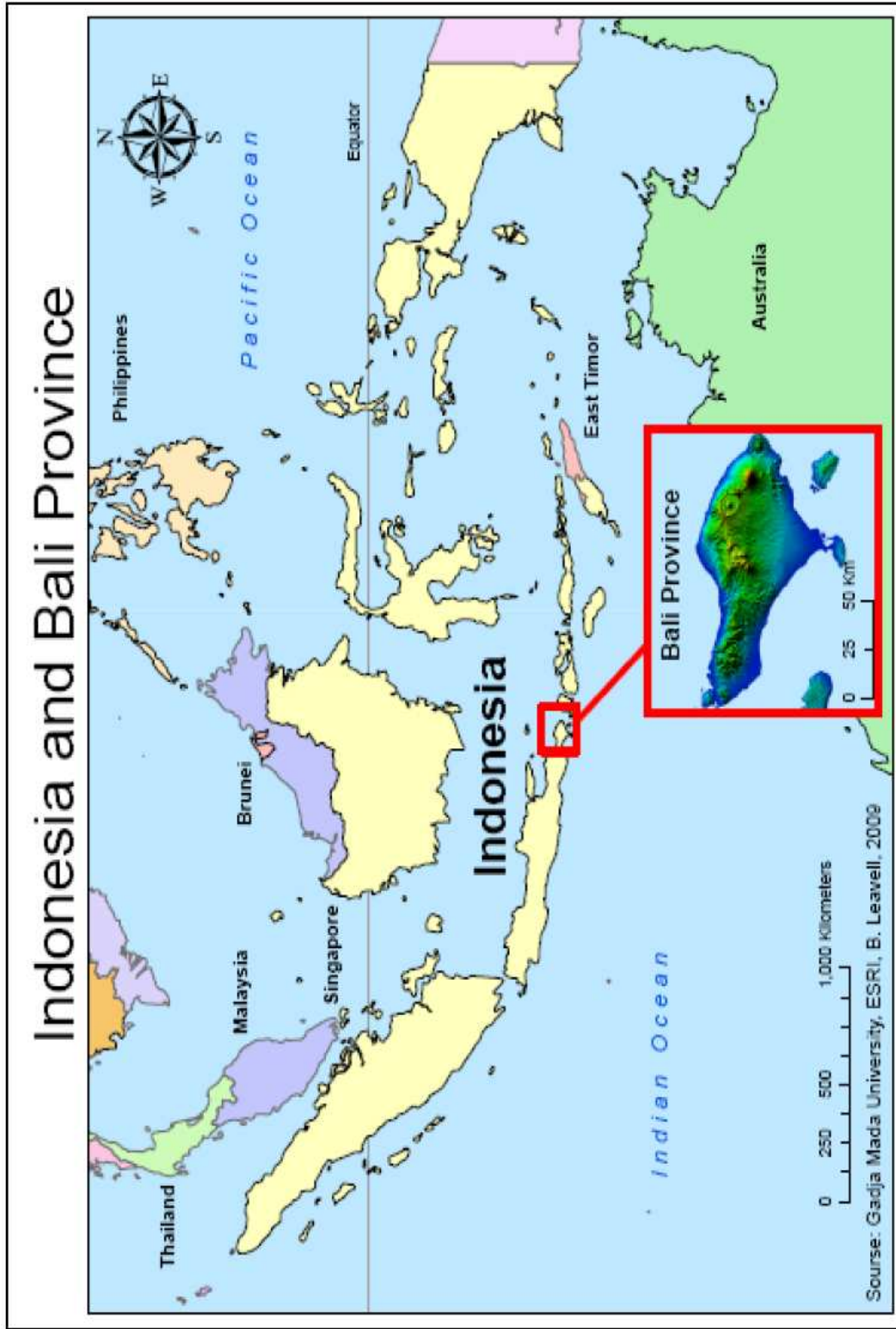


Figure 2. Indonesia and Bali Province.

of informal enterprises. The informal sector, encompassing unregulated micro-businesses, is commonly linked to localized culture and religion. Impacting this sector is the vast and diverse geography of the archipelago. Beyond this geographical diversity, what happens to local traditional economies is influenced by what form the regeneration of local authority takes. In Indonesia, *adat* (local traditional and customary law) has deeply influenced informal micro-businesses development. This influence is especially apparent in the traditional village markets which support the *adat* and the daily consumptive needs of villagers.

Although Bali includes a large Hindu unlike most of Indonesia, the islands informal economic landscape typifies the general economic situation throughout the Indonesian Archipelago in that it contains a sizable informal micro-business sector and it includes localized traditional village market systems. Both of these economic features serve the public by providing affordable necessities for both consumption and for the purposes of satisfying the requirements of *adat*. The dominance of a single religion and ethnic group, as in Bali, are also common demographic features in the different regions of Indonesia. However, small pockets of diversity that have been propagated by transmigration programs and economic opportunity are also evident throughout Indonesia. Gianyar Regency, one of eight administrative units, on the Island of Bali, is one place where the influence of *adat* on the local economy can be measured.

Bali's culture has long been a tourist attraction and the island has been developed into a worldwide tourism destination. The Dutch first encouraged cultural tourism in Bali

during the early 1900's (Picard 1996). In the year 2000, over four million tourists visited Bali (DeMeulenaere, Lietaer 2003). Gianyar Regency has been the focal point of this recognition. Known for its handcraft, art and cultural significance, Gianyar Regency is well established in the tourism, trade and export sector. Although tourism and the export economy are significant factors reflected in the economic and cultural landscape in Gianyar Regency, a vibrant relatively unstudied local economy that supports the culture exists. This research seeks to understand this local economy by examining the informal micro-business sector in the traditional village markets of Gianyar Regency and analyze how *adat* influences this sector.

Research Objective

Indonesia is a diverse country in physical and human geography. Each ethnic, regional and religious enclave has its own *adat* that defines its local cultural and economic landscapes (Weightman 2006). *Adat* is an integral part of Indonesia's culture and provides a model for acceptable behavior (Turner 2007). It is a primary influence in the social economic situation in the city (Turner 2007). The defining features of *adat* are also evident in the informal micro-business development in and near the traditional village markets of rural Indonesia. In the Province of Bali, *adat* and its influences are especially apparent and seemingly a substantial driving force in the local economy.

Adat is commonly defined as customary ancestral laws and cultural traditions. The laws are often written but can be oral as well. *Adat* is ingrained in the everyday lives of Indonesians, particularly at the local village level, and act as "codes of conduct" that

the community and all of its residents must follow. In Bali, *adat* is written into village law, known locally as *Awig-Awig*, and orally discussed at village, civic, social and ritualistic gatherings. The traditional village market is one place where the *adat* is firmly entrenched and inextricably linked to local economic activities. The traditional village market is also the place where micro-businesses from the informal sector gather and perform daily economic transactions.

Through a qualitative approach using ethnographic and mental map study methods, this research seeks to further the knowledge and understanding of the *adat's* influences on the informal micro-business development in and near the traditional village markets. Gianyar Regency (Figure 3) in Bali has been chosen as a geographic area in this research due to its apparent strong traditional landscape. Examining the role of the *adat* will produce a greater understanding of how culture influences the traditional economy in Bali and possibly throughout the Indonesian Archipelago.

There are two types of traditional markets in Bali: district markets administered by the Regency government and village markets administered by local traditional village leaders. Both districts and village market sites are included in this research in order to get a comprehensive understanding of the traditional markets in Gianyar Regency. In particular, the district markets of Payangan, Ubud, and Sukawati and several random village markets are thoroughly examined.

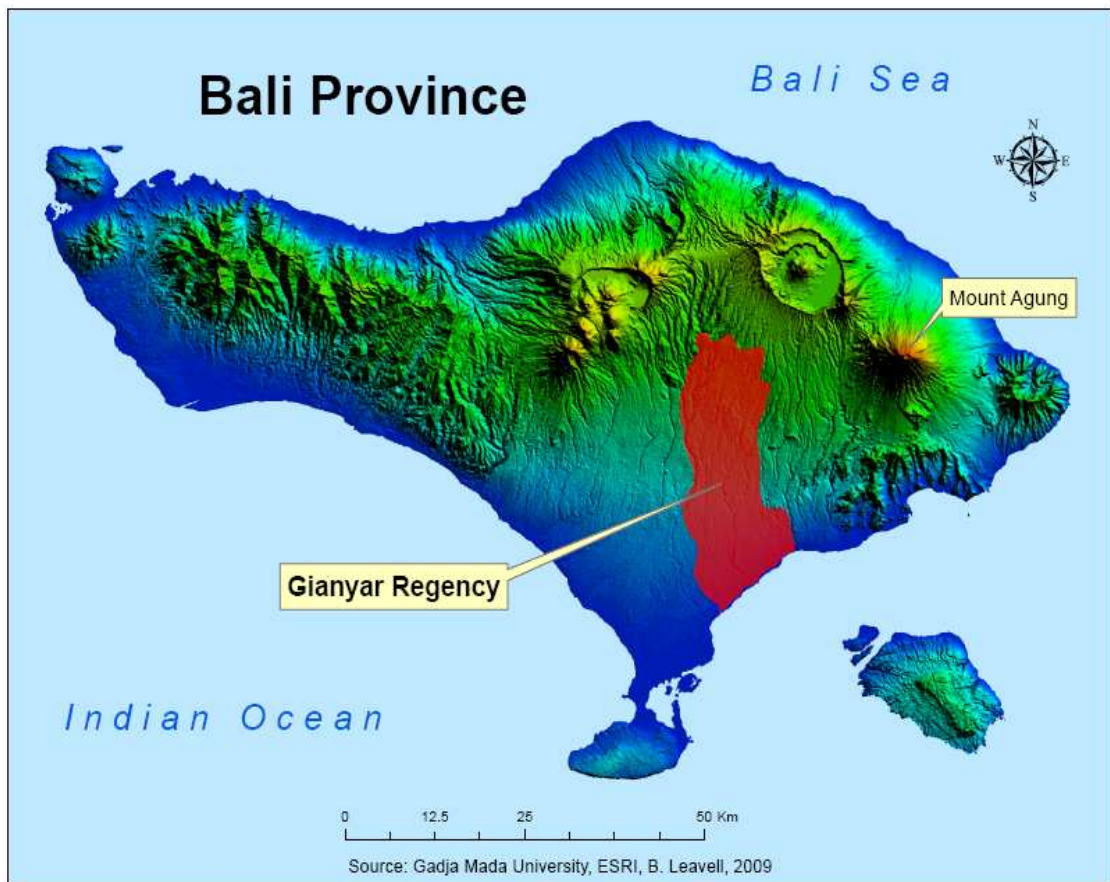


Figure 3. Bali Province and Gianyar Regency. Also identified is Mount Agung which has particular cultural significance within the region.

This research will focus on the traditional market economy. However, each of the district and village markets in this study has their own defining dominant economic activities that characterize their economic landscapes. The Payangan market is purely a traditional market that serves the surrounding communities by providing traditional (*adat* related) products and agricultural goods for consumption. The Ubud market is a traditional market and also acts as a tourist market. The Sukawati market is a combination of traditional, tourist, art, and export market. Village markets primarily provide traditional and consumptive goods for daily use. The markets are examined and

described comprehensively in order to understand the complete picture of the market landscape and to determine the influence of *adat* on informal micro-business development.

Main Question

The primary question of this research is how *adat* influences informal micro-business development in and near the traditional village markets in Gianyar Regency. Furthermore, this research describes the informal micro-business sector in the traditional village market and its economic and cultural landscape. Researching the dynamic relationship between the informal micro-business sector and local customary rule of *adat* is essential for gaining a comprehensive understanding of local economics in Bali and throughout Indonesia. This knowledge can be applied to determine how best to sustain and promote a stable village economy while simultaneously addressing local cultural and customary issues. A deeper understanding of the interactions between village economy and local customary laws will generate more research topics that explore local cultural differences, local market theories, and global issues in other developing countries.

Academic thought about the phenomenon of the informal sector as being a marginal, residual, black-market oriented, and an insignificant economic activity has shifted to consider this sector as a central aspect of the economic and social dynamics of any developing country (Gërkhani 2004). Yet, the main issue discussed in the literature has been the significance of the informal sector and its relation to the formal economy (Gërkhani, 2004). Often, the informal sector is described as the enterprises with low

productivity comprised of those who cannot find work in the formal sector (Poffenberger, Zurbuchen 1980). However, the informal village economy is also an integral part of the cultural and economic landscape. It is ever changing and influenced by socio-cultural phenomena, history, politics, demography, religion, and social structure (Poffenberger, Zurbuchen 1980).

Recent research has challenged the earlier literature that described the informal sector and village economy as insignificant and a petty trade performed by marginalized groups. The informal sector in the village economy is now often looked at as an important catalyst that promotes entrepreneurship and business skills (Yaw 2007). This research acknowledges the informal sector and the traditional markets as dynamic forces of the village economy and emphasizes its cultural and economic significance. Additionally, the Balinese government seemingly supports this view and considers the informal sector as an important cultural and economic component of Balinese society according to Pak Wayan, the Industries and Trade manager in Gianyar Regency (Pak Wayan, personal communication 2009).

The traditional markets are places where many of the needs of the Balinese are satisfied. Although the market acts as a social and spiritual setting, as people socialize and conduct merchant rituals, its primary purpose is in providing a venue for economic activity that satisfies societal demands. In short, the traditional market reflects a traditional market economy based on custom and culture: the traditional village (*Desa Adat*) creates the demand and the traditional market is the venue where informal businesses satisfy that demand.

In the traditional markets, it is common for many of the products that are bought and sold to be closely associated with the Balinese *adat*. Products such as Hindu offerings, clothing for ceremonial dress, temple and shrine material for decoration, Buddhist statues and temple offerings are prevalent at the market. Agricultural products also represent a significant portion of the products sold in the market and are purchased for both consumption and ceremonial use. Seasonal rice seed linked to celestial planting periods, along with orchids, flowers, palm, fruit, vegetables, spices, incense, pigs, chickens, ducks, and cakes used for temple ceremonies and daily offerings are evidence of the connection between *adat* and the informal economic activity.

The notable majority of items found in the market are directly linked to specific use in relation to Balinese *adat* (Ketut Mendra, personal communication 2008). Homemade elaborate offerings for ceremonies that occur daily in Bali are sold at the market and surrounding area. Textiles for temple attire and hardware for temple renovation are apparent in the market. Bamboo, forest products and materials for the construction of ceremonial shrines are apparent. Decorative fixtures used for decorating temples in order to perform special rituals such as tooth filings, weddings, cock fights, and ancestral reckoning are abundant at the market (Figure 4).

In a global context, products related to the global economy and from other parts of Indonesia are emerging rapidly at the local market level. Recent field investigations in 2008 and 2009 found vast amounts of imports from China and Singapore at the local



Figure 4. *Adat* Fixtures. Decorative *adat* product (top photo) for temples ceremonies (bottom photo). Photo by author.

village markets. Commodities packaged with UPC codes and written in English were present at several markets within Gianyar Regency. Motorcycles, hand phones (cellular phones), new and used textiles, imported drinks, watches, and jewelry were present in larger numbers than were identified in the preliminary field study of 2007. Palm leaves from Java and apples imported from New Zealand and Washington State are now common place at the markets and used for Balinese ceremonies. The traditional markets are also changing to include more products from other parts of Indonesia and the world. However, the majority of products sold at the markets in Gianyar Regency continue to be associated with the *adat*. The traditional village markets are seemingly maintaining their cultural vibrancy and local commercial activity even as modern superstores encroach and modernity persists on the island's economy (Pak Wayan, personal communication 2008).

A field examination performed during January 2007 and again during January and February 2008 investigated the apparent connection between informal micro-business in the traditional markets and the *adat*. More recently, supported by the Fulbright program for 10 months, this study analyzed in detail the micro-business environment and how it relates to the traditional market and to the penetrating influence of *adat* on the local economy. The two preliminary field investigations and the 10 month Fulbright research grant offered an opportunity to observe and examine the informal micro-business activities in relation to local culture and *adat* in and near the traditional village markets of Gianyar Regency.

LITERATURE REVIEW

There has been a significant level of research defining, understanding and evaluating the informal sector, traditional economies and the economic importance of culture in developing countries throughout the world. In Southeast Asia, the topic of *adat*, as having cultural and economic significance, has created research interest focused on land tenure, local economies, and cultural vitality. However, very little research has particularly focused on *adat* and how it influences informal micro-business development in the traditional market place. This research seeks to both understand this dynamic from a geographical perspective and to create more interest in this topic.

For a century, the Balinese society has been one of the most intensely studied societies in the world (Poffenberger, Zurbuchen 1980). Most of the research has evolved in relation to the cultural significance in Bali through an anthropological perspective. However, there has also been significant attention given to the economic influences of the village, especially in relationship to the *adat* and how it is related to the cultural and economic landscape in Indonesia. Current literature has focused on the implications of local autonomy in the Indonesia legal system and how local cultures and peoples are affected by this change in governance.

Culture is, and has been, developed alongside markets (McMillan, 2003). Mathematics was first recorded in the Fertile Crescent as a tool to aid in the computing of buying and selling. Writing originated thousands of years ago partly to aid in recording economic information (McMillan, 2003). McMillan recently writes, in *Reinventing the Bazaar, a Natural History Of Markets*, that markets are not only important to consider

culturally but are also an important venue for the poor in providing income opportunities. Vendors at markets provide affordable food and goods to the local population. Farmers are able to create a living for their families through the market system. Much of the market history has passed through feudal systems that have been mostly abolished in recent times (McMillan, 2003). Many markets in the world are dominated by the informal sector as is the case in Indonesia, yet literature has been inconsistent in both defining and in determining the importance of the informal sector throughout the world, culturally and economically. Much of the inconsistency stems from the perspectives of the researchers involved and whether they regard the informal sector as an important component of the economy or as a marginalized sector that drains society and the economy. The latter perspective seems to be changing in recent times. Seemingly, the informal sector is gaining substantial capital as being a free market economy that satisfies local community needs. Free markets and laissez-faire theorists hold that markets, if left to operate without interference from the government, will automatically satisfy the preferences of individuals and as well as those of society (Gerry 1987).

There has been a considerable amount of literature published about the informal micro-business sector throughout the world. This is especially the case in Africa and Southeast Asia, where traditional economies are a considerable component of the local economy. The informal sector was first described by Hart(1973), in his research performed in Ghana, as a sector that falls outside organized labor and is often thought of as a poor and marginalized population (Parthasarathy 1996). Price inflation, inadequate wages, and the increased levels of restrictions within the urban labor market are identified

as the driving forces causing this informality in the sub-proletariat (Hart 1973). Consequently, income and expenditure patterns in the informal sector are more reflective of petty capitalism and often are a supplemental income to wage employment (Hart 1973). Hart interestingly notes that this sector offers itself as a means of salvation and recognized that the sector may provide an avenue for creating revenue for the poor and lifting them from disparity.

Some research suggests that the size of the informal sector depends on apparent tax burden and restrictions to the labor market (Loayza 1997). The informal sector arises when excessive taxes and regulations are imposed (Loayza 1997). The informal sector depends largely on the quality of government institutions, and its sizable prevalence inhibits growth by reducing the availability of public services for everyone within the economy (Loayza 1997). This perspective assumes that government provides adequate public services if the tax base is significant enough. Ironically, the timing of this research coincided with the Southeast Asian financial crisis. This crisis was especially destructive to Indonesia's economy and was created by misguided policy of governmental and financial institutions (Stiglitz 2003).

Parthasarathy (1996) suggest that this "petty" and "unorganized" sector is best reexamined under a different lens. Parthasarathy (1996) contends that a new approach is needed to understand how these enterprises are made agents of social transformation throughout their own organizations which bring them economic resources and capital to build upon. Also, it is incorrect to classify them as under-unemployed or marginalized

(Parthasarathy 1996). Gërxhani, (2004), agrees with this notion of the informal sector being an agent of social change that is central to societal development.

More recently, Debrah's (2007) article, *Promoting the informal sector as a source of gainful employment in developing countries: insights from Ghana*, expands on the marginalist and structuralist debates on the informal sector. In short, his research asks if the informal sector is a marginalized group or part of the economic structure. The paper explores the Ghanaian government's attempt to transform the sector into a source of national economic development, entrepreneurship and self-employment. The research argues that the Ghanaian government's attempt to support the sector is bound to have difficulties, yet is a worthwhile effort to help combat unemployment and generate a survival mechanism for the informal business sector.

The informal food markets in Zambia, which are also representative of the informal sector, are made up of complex networks of interaction and are more resilient and more competitive than previously thought (Abrahams 2009). Abrahams describes the complex and interesting social elements of the food markets which have given them a competitive edge. This competitive edge is critical for their survival given the recent proliferation of supermarkets in urban Africa (Abrahams 2009).

In the Philippines, research has suggested that the informal sector provides a wide range of income opportunities and often overlaps between the formal and informal sector. Additionally, the informal sector is difficult to measure given the complex social structures that exist as enterprises intermingle between the formal and informal economy.

The research findings also demonstrated that often the income levels of the informal sector surpass those in the formal sector (Koo, Smith 1983).

There are several internationally recognized experts and academics that have published research pertaining to economics, *adat*, and land-use in Indonesia. Most of the attention has been focused on the cultural attributes in the Balinese society. However, a few notable studies link the culture of Bali with the traditional economy of the village.

Informality is an important economic influence of the Balinese village economy (Poffenberger and Zurbuchen 1980). Poffenberger and Zurbuchen (1980) completed a research project in Bali that sought to measure the incomes of Balinese villagers. The purpose of this study was to develop a strategy capable of revealing aspects of the Balinese village and family economy and to gain an understanding of specific patterns of change within that economy. Their study, *The Economics of Village Bali: Three Perspectives*, attempted to understand the local economics of the Balinese village by examining the rice production, village income patterns and the expense of ritual activities. Their research used ethnography to identify the village economy. The focus was particularly on villager expenditures in the village economy. The framework of their research is different in that it does not directly examine the *adat's* influence and micro-business development in the traditional market but it is insightful in recognizing the demand for *adat* products that the village social and civic structures create. The research provides an ideal baseline for the cost of ceremonial goods in 1980 and also highlights the importance of studying the local economy in order to understand how culture influences development. The research also identifies interesting status-related findings.

One in particular is interesting in describing the village control mechanisms that are in place, through social pressures, that keep ceremonies from being too flamboyant. The research found that villagers often complain if other members are too extravagant in their ceremonies and will make their discontent known to the village leader as to their disdain of the display of wealth. There is also critique by villagers of those being too stingy in their offering to the Gods (Poffenberger, Zurbuchen 1980). They also find that the high caste Balinese spend considerably more money for ceremonies than the lower caste groups.

Clifford Geertz, an anthropologist from Princeton University, performed several remarkable research projects over a course of thirty years that explored culture and economics in Indonesia and specifically Bali. Geertz (Geertz 1963, Geertz 1975) examined social changes and economic modernization within two Indonesian towns; one in central Java and the other in Bali. His study was published in 1963 and although admittedly it was performed decades ago, it still stands as a pillar of anthropological evaluation on the Balinese society. Geertz's research and findings delve into the structure of Indonesian, particularly Balinese society. The social organizations such as *Desa Adat*, *Banjar*, and *Subak* are well documented by Geertz in an anthropological and ethnographic narrative. Geertz's research findings are relevant to this research. He notes that the *seka* (social and civic organizations), evident in each *Desa Adat*, have considerable influence in the economic landscape. Geertz finds that these organizations can be both obligatory and voluntary and describes them as "almost the whole of Balinese economic life". These *seka* are grouped by Geertz into five categories: the *Desa*

Adat, the *Banjar*, *Subak*, clan membership and voluntary social groups. Further he found that each member of the village likely belongs to at least four of these groups (Geertz 1963, Geertz 1975). The economic power of the *seka* and their influence on the village economy is well established by Geertz. Most of Geertz's economic work describes and analyzes the Balinese society and the village economy but does not directly link the *adat* and its influences the traditional market.

Since Geertz's notable research, there have been many articles and published works that have focused on community development and cultural traditions of Indonesia. Carroll Warren's article, published in the *Danish Journal of Geography* (2005b), describes research conducted in Gianyar. Warren relates the *adat* and community development through perception of space by discussing the growing assertiveness of the *Desa Adat* and social organizations in Bali. This assertiveness is directed at redefining village borders, reallocating local resources, and creating alternative land-use strategies for local planning (Warren 2005b). Warren also discusses the structure and strength of the Balinese society in relation to land use issues. One example Warren uses alludes to conflicts that occur while attempting to define *Desa Adat* borders. These conflicts are brought about by the recent assertiveness of the *Desa Adat*. The recent autonomy capitalized by the *Desa Adat* is a significant political force currently in Gianyar Regency. Many respondents have referred to it as "going too far" and "out of control". One respondent, Pak Ketut (2008), discussed at length the assertiveness of the competing *Desa Adat*. His land lies in an area of conflict and he must pay tax to both villages to

avert retribution by either village. Autonomy will be discussed in this thesis as an influential agent of the market.

David Zurick published the *Water Temples of Bali in Focus on Geography*, 2002. This article reflects the profound influence the *adat* has on the physical structure of the Balinese village and especially their water irrigation systems. Zurick also explains the remarkable connection between the *adat* and agricultural products. Zurick points to rice production and to the celestial timing that determines when it can be planted and harvested as evidence of this connection. The timing of when rice is planted and how it is integrated into the local economy is highly regulated by the *Subak*, the sole purpose of which is to allocate and control paddy rice irrigation and plantings (Zurick, 2002). Zurick's study describes the resilient Balinese societal organizations (*seka*), especially the *Subak*, and how they have persevered for centuries.

Sustaining Cultural Vitality in a Globalizing World, the Balinese Example by DeMeulenaere and Lietaer (2003) was published in the *International Journal of Social Economics*. The article expands on the topic of the dual economy that is apparent in Bali. The dual economy denotes both monetary units and time commitments in the *Banjar* (social and civic organization). This research identifies and discusses the obligatory time, monetary and material contributions by each member of the *Banjar* in Bali. These monetary and time commitments are especially upheld for purposes of village religious affairs. Obligation and voluntary agency is central in the performance of village ceremonies and rituals (Geertz, 1975). Each member is said to be evenly obliged, despite caste or economic status, in the performance and outcome of each event.

Nirtarta Samadhi has recently published two articles of great relevance to this research. The first article, published in the *Journal of Architectural and Planning Research* (2005a), discusses three town form determinants in Gianyar: The *Desa Adat*, the great crossroads and the nine fold spatial division. Each of these determinants was directly linked to the Bali Hindu Agama (Balinese religion) and *adat* in Gianyar Regency. The paper elaborated on several points regarding community determinants in geographical orientation of societal elements. The power of place was examined by identifying key features in the Balinese cultural landscape. The research presents a foundation to expand upon regarding the orientation of market merchant temple. Once again, the *seka* are defined as influential societal influences in the *Desa Adat*.

In a separate, yet related article, by Samadhi (2004), the veridicality (correct perception) of mental maps is examined. Again, Gianyar city is the focal point of the research. Samadhi studied the veridicality of mental maps in relation to actual community features. Samadhi performed a mental map study interestingly similar to this research despite different goals. The maps were used to check for accuracy and veridicality. Samadhi was looking for the relationship between the Balinese and the accuracy of their perception in both the cosmic and physical world in the city of Gianyar. His method led the respondent into drawing several features which they deemed important in their lives in order to complete the mental map.

Basiago from the department of Land Development (University of Cambridge) describes the importance of sustainable agricultural practices in both Java and Bali, and how they are tied to local cultural traditions (*adat*) in his article published in the

International Journal of Sustainable Development (1995). Basiago's work describes how *adat* and customary agriculture, as a practice of governance, play a vital role in sustainable development. Although not directly related to the economic analysis of this research, Basiago's research demonstrates the clear connection between economic development and customary law in Indonesia.

One recent article in *The Professional Geographer*, written by Sarah Turner of McGill University, pertains to social capital in Makassar, Sulawesi. Turner discusses the ethnic embeddedness and exclusions in business relationships while exploring the complicated networks of social capital in Indonesia. Certainly social capital is an element of the Balinese local economy, especially in the *Desa Adat*. Bonding social capital within families and ethnic groups has significant influences in the village landscape. Turner (2007) affirms that bonding social capital includes networks built upon homogenous groups, kinship, and ethnic groups. This type of capital is often so tightly connected that it is closed to outsiders (Turner 2007). This is the case in the *Desa Adat*. In fact, in order for a non-Balinese Indonesian national to operate a business in a Balinese *Desa Adat*, they first need to obtain a letter of recommendation from where they were from formerly.

The bonds inside the village through customary and religious ties are often impenetrable to outsiders. According to Portes (1998), the altruistic sources of social capital, in the form of bonded capital, include allocating resources out of social and moral obligation. They are associated with members of the same territorial, ethnic or religious community. Social capital has been widely adopted by development theorists as a framework for analyzing economic influences (Perreault 2004). Specifically, social

capital is used to examine interactions among civil societies, the state, and the market, and to explain how civic engagement may lead to better-functioning markets and improved governance (Perreault 2004). Perreault studied this connection with indigenous communities in the Ecuadorian Amazonia and found that social capital of the indigenous group increases the groups' access to manage development projects throughout their province, enhancing their livelihoods and political legitimacy.

Cultural landmarks and features in the Balinese villages are interesting topics to consider with this research. The orientation of temples, shrines and market temples toward Mount Agung demonstrates the interesting connections between the Balinese society and nature. Yi-fu Tuan discussed the significance of Balinese community landmarks toward Mount Agung in his book *Topophilia* (1975). Tuan examines the harmonious whole, binary oppositions, and cosmological schemata that are found in Balinese society. Certainly, his research on this topic relates to the balance Balinese often refer to as they seek to comply with the cosmological signs and through numerology which is displayed in local Balinese calendars. The significance of the "sacred" and "profane" are also discussed by Tuan. These concepts are daily determinants in the issues of each village temple, family compound and market temple in Bali. Their relationship to the traditional markets in Gianyar Regency will be explored. The orientation related to the "sacred and profound", known in Bali as *kaja* and *kelod*, in the Balinese cultural landscape also is noted in Yi-Fu Tuans research. However, the in-depth relation between the binary oppositions and cosmological schemata's and their influence on the informal micro-business and the traditional market is not addressed. This research will examine

the connection of the orientation of physical ritualistic landmarks in Bali as they relate to the market and the economic landscape. This connection to the market is explored further in the discussion section of this thesis.

The informal sector has been studied, redefined and currently considered a viable force in the cultural and local economic landscape of developing countries. Studies focused on the strength of the *adat*, culture vitality, land-use issues and economics in Indonesia have been plentiful. This is especially the case with the Balinese society. Yet despite all these studies, what is lacking significantly is research directed at determining the influence of *adat* laws, which prevail in the *Desa Adat*, on the informal micro-business sector directly linked to the traditional markets in Bali. This thesis research will examine this interesting dynamic relationship.

BASIC CONCEPTS AND DEFINITIONS

The five key concepts and terms defined in this research are: Informal Micro-Business, Adat, the Traditional Market, the Desa Adat and Social Capital. Although these terms and concepts generally share broader acceptable meanings with other literature and research, each are specifically defined for the situation prevalent in Gianyar Regency, Bali. The customization of the definitions and concepts is necessary to conduct a thorough study that best represents the Balinese cultural and economic landscape.

Informal Micro-Business

This study will use a specific definition of informal micro-business that reflects the situation in Gianyar Regency while also recognizing the general concept, although often varied, of informal business activity used elsewhere in the world.

Hart (1973) is often credited for first identifying the informal sector as a separate part of the economy that is marginalized (Parthasarathy 1996). Hart considered the informal sector as almost synonymous for all categories of small businesses conducted by self-employed individuals (Gërxhani 2004). Since then, the informal business sector has been described and defined inconsistently by scholars and economic institutions depending on the purpose of study (Henley *et al*, 2006). The informal sector's definition has changed over time to reflect the change in perception of the sector from being insignificant and as a reflection of poverty to being an important part of the economy and culture. When described as marginalized or insignificant, the informal sector is often looked at as having a negative impact on society that stresses social services by

diminishing the tax revenues (Loayza 1997). The informal sector has been further described as enterprises engaging in illegal and untaxed activities that are unable to enter the formal sector of legal business. However, the informal sector is difficult to define specifically since it commonly crosses into the formal sector through social and economic exchanges (Koo Smith 1983).

Defining the informal sector as marginalized, inflation induced, illegal or as stressing social services does not reflect the Gianyar Regency government's attitude towards this sector. In fact, the Regency recognizes this sector as a legitimate part of the economy and administers programs to enhance and sustain this sector for the sake of social responsibility and cultural importance (Pak. Wayan, personal communication, 2008). More recent literature follows Gianyar Regency's position on the informal sector. The informal sector fills a need and a necessity for building entrepreneurship skills in developing countries (Debrah 2007).

Economic institutions have often quantified the informal sector to determine development and growth patterns. The World Bank (WB), United Nations (UN), World Trade Organization (WTO) and The Asian-Pacific Economic Cooperation (APEC) have each defined micro business in this sector as having five employees or less, not including the owner. Yet a recent World Bank study, in an attempt to clarify the definition of the informal sector, has recently determined that definitions based on occupation and employer size seem arbitrary (Henley *et al* 2006).

Informal micro-businesses in Gianyar Regency are commonly family owned businesses with employees that work for compensation or under obligation. Family

members are often encouraged to help during busy periods and are either compensated with money or by reciprocal obligation. These enterprises are often characterized as small family or individual operators that participate in local trades and services. The numbers of employees in a micro-business often vary seasonally and as enterprises receive additional purchase orders. Therefore, it is difficult to define with precision the number of employees in a micro-business. The number of employees will not be a defining characteristic of micro-business in this research.

All Indonesian nationals and Balinese will be considered in this research since they often are present in the market providing various goods and services. Each fulfills a role in the market and is part of the informal sector present. The specific type of business activity each enrolls in and the exclusions they face will be discussed later.

Often the informal micro-businesses in Gianyar Regency lack significant levels of financial capital and have limited access to formal financial institutions. However, they often have access to local village cooperative banks referred to as *LPD (Lembaga Perkreditan Desa)* and private village cooperative lenders known as *Koporasi*. These local institutions however generally restrict loans to local villagers.

The definition of informal micro-business in this research will include agricultural enterprises since they are an integral part of the traditional market economy, highly unregulated in Indonesia, and often linked with *adat*. Although rice sold at the market is mostly produced at the village level, much of the produce, seafood and meat is brought into the market from adjacent regencies. In this situation, the origins of the agricultural

production will not be considered. However, products that are imported to the island are discussed later as part of the influence of *adat*.

The income levels of informal micro-businesses are not considered in this research as it is virtually impossible to determine given the apparent cultural restraints and inability to confirm available statistical data provided by the local government. The Provincial government in Bali declares the untaxed enterprise as one that makes less than 1 million Rupiah (Approximately \$100) per month, but admittedly the government has difficulty determining income levels of, and differentiating between, small and micro-business enterprises in Bali (Pak Wayan, personal communication 2009). Additionally, since these enterprises are untaxed and unregulated, they generally do not strive to assess net or gross yearly income levels and often maintain a low profile for fear of legitimization, taxation or jealousy issues. Merchants also do not keep detailed records based on a defined yearly period (Pak Ketut, personal communication 2009).

In summary, the informal micro-business is best described for this research to include all economic activities that are performed by Indonesians in, near or related to the traditional market within Gianyar Regency, that are untaxed, unregistered, and unregulated by governmental entities. These enterprises are commonly family owned. The definition also includes all related agricultural activities. Income levels and the number of employees in each enterprise are not considered as determining characteristics.

Adat

The word *adat* has been used in Indonesian language for centuries. It is an Arabic word meaning habit (Prins 1951). Dutch scholars first introduced the term *adatrecht* or *Adatlaw* as they sought to describe and study the rule of law in the apparent diverse religious and ethnic landscapes in Indonesia (Prins 1951). The Dutch divided Indonesia into 19 “adat regions” and the University of Leiden was charged with detailing each region’s *adat* law (Prins, 1951). V. E. Korn, a Dutch scholar, published the first detailed account of Balinese *adat* in 1924(Prins 1951). Korn emphasized the expansiveness and variation in Balinese *adat* which included everything from the organization of kingdoms and systems of land tenure to the rules governing Balinese caste, kinship, religion, economics and village law (Lansing 2006). The term *adat* currently is widely used to encompass customary and ancestral law (Warren 2005a). It is also often referred to as cultural tradition. However, the term “cultural tradition” is too general and lacks the essence of spiritual beliefs and social codes of conduct that are evident in the daily lives of the Balinese. It also ignores the rule of law that accompanies the term *adat*. Additionally, the use of the term “cultural tradition” while conducting surveys would likely confuse the respondents from the markets as well as the Indonesian academics interviewed. The term *adat* was tested with Indonesians on the Montana State University campus as well as with Indonesian scholars, and has been determined to be the best term in this study for obtaining the specific data about customary laws and tradition in the Balinese society.

One consideration when defining *adat* is the lack of consistency in how the Balinese themselves define the idea of *adat*. Scholars and the local Balinese that have been interviewed hold vastly different opinions as to what the term *adat* encompasses. The definition is commonly misconstrued as specifically pertaining to religious laws. However, the concept and the definition of *adat* as ‘customary law’ is generally accepted. The term is also widely used to refer to customary traditional items such as the traditional cloths and ritualistic decoration presented at ceremonies. Often these items are termed “*adat*” by Balinese. The term was continually reaffirmed as respondents were interviewed and field examinations were performed.

In summary, *Adat* especially refers to the laws which local people abide by and visitors are often obliged to follow. *Adat* for this research includes the religious village laws (*Awig-Awig*), as well as the rules, traditions, and customary laws, both oral and written, which the *Desa Adat* enforces, both obligatory and voluntarily with its members. The term “*adat* product” will be used to represent any goods that are linked with these laws.

Traditional Markets

The traditional markets in Gianyar Regency are where the Balinese and other Indonesians purchase and sell food, clothing, spiritual offerings, building supplies, agricultural products, animals, ceremonial items and other daily needs. The market is generally clustered into one or several buildings within a boundary that is defined by the *Desa Adat* (traditional village) and Gianyar Regency. This research will not specifically

focus on the economic forces of tourism and exports even though they are significant economic activities in Gianyar Regency. The focus of this research will be on the traditional market and local traditional economy related to *adat*.

There are both district markets, which are managed by the Regency, and village markets which are managed by the local *Desa Adat* and often supported by the Regency. The district market land is owned by the provincial government and the village market land is owned by the *Desa Adat*. The traditional village market is often located at the *Perempatan* (main intersection), also known as the “Great Crossroad” or “Holy Crossroad”, in the villages within Gianyar Regency (Samadhi 2005a). It is often at this location within each traditional village center that the traditional market, meeting hall, “open space,” and royal palace commonly reside (Samadhi 2005a). The traditional market is generally located in the central part of the village. However, this being the common situation, it is not always the case as occasionally traditional markets are located in areas of convenience and can even be relocated by the Gianyar Regency authority (Pak Wayan, personal communication 2008).

The traditional market is considered “public land”, “it is for the people” (P Nyoman, personal communication 2007). The market is a public forum that offers entrepreneurs a place to perform business activities for a nominal fee. The traditional market is dominated by the informal sector and where the local population comes to buy and sell goods important to their daily lives. There are regional traditional markets in each district and smaller local traditional markets in each village within Gianyar Regency. Each market offers space to sell based on contractual agreements and for daily

use only. “Nobody is denied a space to sell as long as they are not selling prohibited products like pornography or drugs [...] all Indonesians are welcome to sell at the market” states Pak Wayan Sri, a market manager (2009).

Desa Adat

The *Desa Adat* (Figure 5) literally translates as “customary village” or “traditional village”, and refers to the local administration unit recognized by the Indonesian government. In this sense, it is both a geographic unit and a governmental organization. The *Desa Adat* is defined as having three village temples (*Tiga Pura*): the Village Temple (*Pura Desa*), Holy Temple (*Pura Pusa*) and the Cemetery Temple or Temple of the Dead (*Pura Dalam*) (Samadhi 2005a).

The boundaries of a typical *Desa Adat* contain a road on one side, and two rivers (DeMeulenaere, Lietaer 2003). The *Desa Adat* is the most meaningful unit in the Balinese society for administering *adat* (Samadhi 2004). In 1999, the *Desa Adat* gained significant strength from the Regional Autonomy Law, No. 22 which defined it as being the leading authority in cultural and religious issues. The *Desa Adat* has the authority by law to define acceptable land-use, village boundaries, and economic, religious, and cultural activities related to *adat* within its traditional realm. However, the *Desa Adat* authority does not supersede regency, provincial, or central government laws. The *Desa Adat* is comprised of an elected president (*Kelihan Adat*), vice president, and treasurer whom

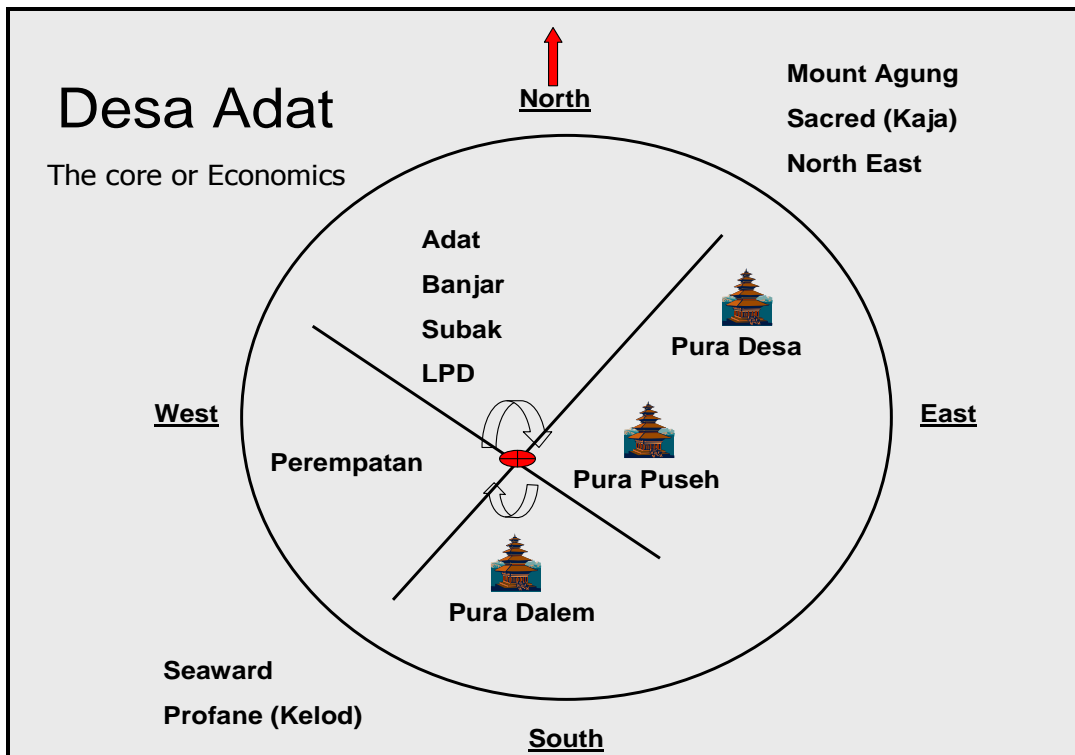


Figure 5. *Desa Adat*. The *Desa Adat* is defined as having three temples which are commonly oriented toward Mount Agung to the Northeast. The shrines within each temple are also oriented in the same direction. Each *Desa Adat* contains at least 1 *Banjar*, a LPD (cooperative bank), a set of local laws known as *Awig-Awig (adat)*, a *Subak* (water irrigation society), *Tanah Adat* (village land), and a *Perempatan* (holy crossroads).

each serve a five year term in administrating village religious affairs.

There is a *Desa Adat* organization in each village. The body of the *Desa Adat* often, but not necessarily, includes one male member from each family to represent the family in community and religious affairs. Decisions are made by consensus of the *Desa Adat* organization unless a vote is required to clarify positions. In this case there is a majority rule of law and a 51% majority settles the depute.

The *Desa Adat* must also consist of at least one *Banjar*. The *Banjar* is a civic and social organization made up of married couples who fully participate in village affairs at

all levels (Samadhi 2005). A *Banjar* is also a geographically defined neighborhood comprised of Balinese family compounds, where often several families within the same lineage reside. The male in each household is obligated to participate in each village meeting. The *Desa Adat* leadership works closely with the *Banjar* leader, known as *Bendesa* or *Kelihan Banjar*, who is elected in a similar fashion and responsible for governmental compliance, and acts as liaison between the *Desa Adat* and local government.

The *Desa Adat* is regulated by a set of societal rules known as *Awig-Awig* (Figure 6), written in high caste Brahman Balinese, that define the *adat* particular to each *Desa Adat*. Each *Desa Adat* also consists of a LPD loaning institution or cooperative bank, at least one *Banjar*, and one *Subak* (irrigation society) for maintaining water irrigation for rice production, communal village land, and a *Perempatan* for completing ceremonial rituals.

Each *Desa Adat* is geographically oriented toward Mount Agung. Mount Agung is in the northeast part of Bali. Every temple, building, family compound, market, business, offering and even the bed where a Balinese sleeps must be oriented toward *kaja* (mountain ward) and *kelod* (seaward) to comply with the Balinese belief system. This system, reflected in every aspect of the *Desa Adat*, orients the holiest part of the village (temples, shrines and offering) and human body (head) towards Mount Agung (*kaja*) and the least holy (human feet, cemetery, kitchen, animal barn) seaward(*kelod*) or toward the ocean.



Figure 6. *Awig-Awig*. The *Awig-Awig* is contained in the village manual written in high caste Brahman Balinese language. The manual is referred to at monthly meetings by the *Desa Adat* representatives from each family. The *Awig-Awig* lists the obligations and requirements of the village and how to perform the proper ceremonies. The manual also defines the land use in regards to the traditional village. The *Awig-Awig* manual is occasionally amended as issues arise but must comply with Regency law.

Social Capital

This research follows the definition of social capital set forth by Putman (1995) and Portes (1998) as it is empowered by social and civic engagement. The concept of social capital will be used as a lens to analyze the influence the *Desa Adat* has on its members as well as on the traditional market economy. The particular focus considers the social capital that the *Desa Adat*, as a societal unit, exercises in order to promote and maintain its *adat* while also controlling its members through obligations and social pressure. In addition, the influence the *Desa Adat* has in controlling access to business opportunities in the village is examined.

Putman defines social capital as (1) a source of social control; (2) a source of family-mediated benefits; and (3) a source of resources mediated by nonfamily networks (Portes 1998). Putnam's concept of social capital has three components: moral obligations and norms, social values (especially trust), and the social network (especially voluntary associations (Siisiäinen 2000)). According to (Putman, 1995), “social capital features social life-networks, norms, and trust that enable participants to act together more effectively to pursue shared objectives”. Putman’s use of “civic engagement” is in reference to involvement of citizens in their community affairs, rather than just politics (Portes 1998).

Acquisition of social capital requires deliberate investment of both economic and cultural resources (Portes 1998). Further, Portes (1998) contends trust exists in this situation precisely because obligations are enforceable, not through recourse of law or violence, but through the power of the community. This definition fits ideally with the

social capital that transpires within the *Desa Adat*. The *Desa Adat* is based on powerful communal principles and its members are engaged in civic and social organizations that reflect communal goals which are the primary source of social pressure. Geertz (1963, 1975) identified these social and civic organizations, known as *seka*, as the driving force of the village economy. These five *seka*, are the *Desa Adat* (as a religious organization), the *Banjar* (residential units), the *Subak* (irrigation society), kinship groups (clans) and family networks and the voluntary associations (including cultural dance, gamelan music, village youth groups and social groups).

In summary, this research will define social capital as a source of social control by the *Desa Adat*, a source of family-mediated benefits, and a source of resources mediated by nonfamily networks. Each of these sources contains components of moral obligations and norms, social values (especially trust) and social network associations, and all are a part of civic and social engagement. This engagement is represented, performed and required in the *Desa Adat*. The members of the *Desa Adat* must defer to this social capital in order to comply fully with the *adat* of the village. Additionally, “outsiders” must comply with this village capital in order to gain access to business opportunities in Gianyar Regency.

RESEARCH AREA AND GEOGRAPHICAL DESCRIPTION

Indonesia

Comprised of 17,508 islands, spanning 5,110 km from west to east and 1,888 km north to south, Indonesia (See Figure 1) is the largest archipelago on Earth. There are 6000 inhabited and named islands (Cribb 2000). The land mass consists of 1,904,443 km² and combined with the sea and ocean area (3,272,160 km²) total 5,176,503 km². Indonesia contains 10 % of the world's rainforests and has some of the world's greatest biodiversity in flora and fauna (Cribb 2000). A prominent section of the Pacific Rim's volcanic activity, known as the "Ring of Fire", runs from Sumatra, through Java and the Lesser Sunda Islands of Bali, Lombok, Flores and Komodo.

Indonesia is mostly located outside the typhoon zones that occur in other parts of Southeast Asia (Cribb, 2000). Most of Indonesia's rainfall is orographically induced as clouds rise over the high volcanic mountains. However, Indonesia's climate is influenced by the monsoon season. The monsoon season in Indonesia flows from the west to the east in January and reverses direction in July (Weightman 2006). The monsoons are generally reliable and have created a mainstay for human settlement. The steady and reliable alternation of wind patterns also created a trading rhythm that relied on the monsoon winds to power the vessels to distant ports in the archipelago (Cribb 2000).

With a population of nearly 245 million, Indonesia is ranked the fourth largest country in the world in terms of population and includes the world's largest Islamic population (Brown 2005). The Javanese, on the island of Java, represent the largest ethnic

segment of the population (124 million). The rest of the country is fairly diverse in ethnicity. The diversity of the population is apparent considering the 583 languages and dialects spoken by the 350 ethnic groups throughout the archipelago (Weightman 2006). The family planning program, referred to as “Two is Enough”, has been a vital element in population control and has made considerable progress in the last 40 years. Women in the 1990s had half the number of children as was the case in the 1960’s (Weightman 2006). Currently, the birth rate is 19 births/per 1000 (CIA Factbook 2010).

Around 100 A.D. the archipelago came under pressure from maritime trade between India, China and the Austronesian settlements (Cribb 2000). A focus of trade for centuries, the Indonesian islands have long experienced continued religious, cultural, economic and political changes through global influences (A. Rai, personal communication, 2007). The Dutch East Indian company (VOC), created in 1602, was first interested in the Indonesian Islands for their locally grown spices. However, the VOC soon began to take part in other kinds of trade within the Archipelago, and eventually began to colonize Indonesia (Cribb, 2000). Despite mineral, timber, and agricultural wealth, Indonesia remains a poor country with half of Indonesian workers still in the agricultural sector (Weightman 2006). The current GDP is \$4,000 per capita and 17.8% of the population lives under the poverty line. In contrast to many developing countries and despite high levels of poverty, the literacy rate in Indonesia (94%) is quite high (CIA Factbook 2010).

In 1947, Indonesia became independent from the Dutch and great efforts were made to bring cohesion to the vast archipelago. Sukarno, Indonesia’s first president

implemented the constitutional tenet of *Pancasila* (five principles) which has fostered a state ideology in a belief in God, tolerance and democracy. The effect has been an increased acknowledgment of ethnic groups in Indonesia and a justification of the existence of cultures and the *adat* which are present throughout the Archipelago (N. Sumantra personal communication 2008). However, because the region is so diverse, people tend to focus on local rather than national identity (Weightman 2006).

In 1997 a severe financial crisis (*Kris Mon*) followed by mass demonstrations ousted then President Suharto and became the incubator for the, so called, “*Reform Era*”. The *Reform Era*, supported by the Regional Autonomy Law number 22 of 1999, has given more authority to provincial governments. The Regional Autonomy Law has emphasized decentralization of Jakarta’s central government powers and increased local authority. The law is based on five fundamental principles: democracy, people's participation and empowerment, equity and justice, recognition of the potential and diversity of regions, and the need to strengthen the regional legislatures. One island that has gained considerable autonomy and local control is Bali (Warren 2005a).

Bali

Bali is centrally located in the Indonesian archipelago. Bali (See Figure 3) has a land mass of 5,600 km² and is approximately 150 km from east to west and 80 km from north to south on its longest axis. The highest elevation is Mount Agung (3,142 meters). Mount Agung is an active volcano and last erupted in 1963. The island of Bali is largely

covered by fertile volcanic soil and characterized by having deep ravines between high, fertile plateaus that contain rice terraces and water canals.

Bali's tropical and subtropical climate is supported by the Indonesian Archipelago monsoon seasons yet, as elsewhere in Indonesia, the rainfall is primarily orographically induced (Cribb 2000). The rainy season often creates floods and landslides but also ensures several growing seasons for rice cultivation.

The population in Bali is estimated at approximately 3.3 million people (Gianyar in Figures 2008). The main indigenous religion (92%) is Balinese Hinduism (Hinduism specific to Bali) which is a blend of Hinduism, Buddhism and local animism (Cribb 2000). Bali has the only significant Hindu population in Indonesia (Weightman 2006). Most of the remaining populations in Bali are Muslim, Christian or Buddhist.

Archeological discoveries show that Bali was part of a trading network in the archipelago with the Indian and Roman worlds (Cribb 2000). As such, Bali has been influenced through centuries by elements of Buddhism, Christianity, and Islam (Cribb 2000). The culture in Bali has been developing and changing for centuries as it has been influenced by outside forces (Agung Rai, personal communication 2008). Influences from both trade and religion have had a significant impact on the Balinese society. Balinese culture represents an assimilation of different religious doctrines and *adat* infused through trade and religious influence from India, China, the Fertile Crescent, and more recently from the Netherlands (Weightman 2006).

A global filter has allowed the Balinese to reject unwanted influences while embracing acceptable ideals and outside catalysts for change. This "global filter" has its

roots in the *Banjar* and *Desa Adat*. Today, many decisions are being made in the community meeting hall known as the *Bale' Banja* instead of in Jakarta (Agung Rai, personal communication 2008). The Regional Autonomy Law gave significant local control to the Balinese Province. However, most of the authority to govern in the villages bypassed the Provincial government and went directly to the Regency. Most of the Regencies in Indonesia coincide with ethnic zones, known as “*adat* law regions” (Thorburn 2002). This local control has allowed the Balinese to reassert authority, formally diminished during the reign of President Suharto, in land-use and religious issues (Warren 2005b).

The Indonesian government is nested geographically within the National, Provincial, Regency, District, *Desa*, and finally the *Desa Adat*. Although the *Desa Adat* seemingly is the lowest rung of administration in Indonesia, quite the contrary is true. The *Desa Adat* is the foundation for village culture and economics in Bali (Geertz 1963). The implementation of the autonomy law has insured that it is the *Desa Adat* that defines what happens locally both culturally and economically.

Gianyar Regency Research Area

Gianyar Regency makes an ideal research area due to its notable cultural attributes and diverse economic landscape. The mostly homogenous Hindu population (98%) also presents a strong case study for measuring how the *adat* influences the traditional market and micro-business economy. Gianyar Regency is located on the southern slopes of an active volcanic caldera (Mount Batur, 1,717 meters). The Regency

is characterized by having steep ravines and river canyons which drain southward separated by gently sloping plains. The ravines, canyon and plains are terraced for paddy rice cultivation and crop plantation. The land predominantly consists of rich fertile volcanic soils. The elevation in Gianyar Regency climbs from sea level to approximately 500 meters.

Tropical and subtropical forests are abundant in Gianyar Regency and consist of palm, banyan, banana, hibiscus, and teak trees. Water is the life line for agriculture which consists primarily of paddy rice cultivation and plantations. A number of crops are regularly produced in Gianyar Regency such as rice, banana, beans, peppers, spices, tomatoes, egg plant, lettuce, coconut, potato, cabbage, papaya, jackfruit, selak, mango, corn, and several other varieties of fruits and vegetables. Small farms produce chickens, ducks, cows, and pigs in each *Desa Adat* (Gianyar in Figures 2008). There are very few large scale farm operations and agribusiness is generally dominated by small family farms that operate in the informal sector (Budi, personal communication 2009).

There are several layers of administration and civic organizations that persist in the political and societal structure in Gianyar Regency. These layers are both definable by areal units and social structures. Gianyar is one of eight regencies of Bali (Figure 7). The Gianyar Regency is divided into seven districts (Figure 8) that in total include 67 *Desa* (Figure 9). The 67 *Desa* are further divided into 271 *Desa Adat*. Each *Desa Adat*

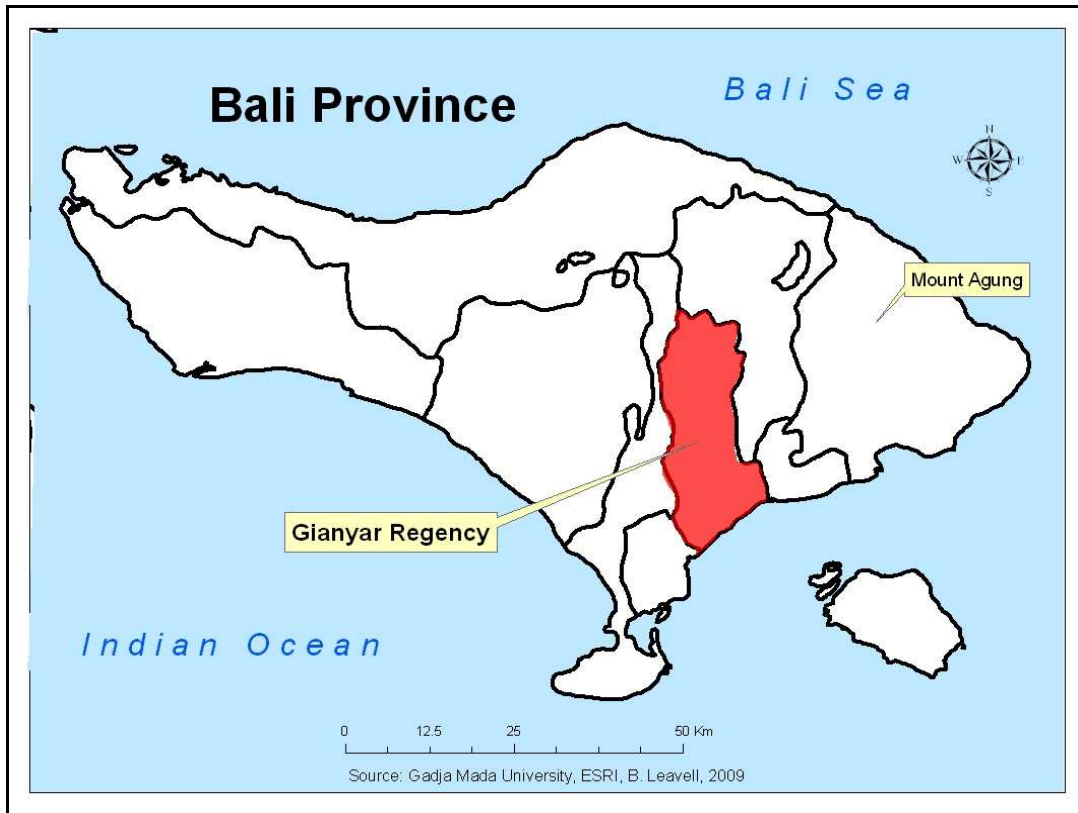


Figure 7. Gianyar Regency. Gianyar Regency is the area of study.

works with the Regency to maintain its own cultural and ritualistic identity. Each *Desa Adat* has its own unique set of *adat* law (*Awig-Awig*) although the basic structure of Balinese Hinduism is adhered to within each *Desa Adat*. Within the *Desa Adat* neighborhoods are divided into *Banjar*. The *Banjar* have defined spatial territories within the village. The married couples that constitute the *Banjar* have significant responsibility in maintaining the *adat* and in organizing and performing village events, services and rituals. The *Subak* in Gianyar Regency wield considerable power since the agricultural landscape is dominated by rice production. Every rice field owner is required to belong to the *Subak* and participate personally, or via a proxy, in communal water

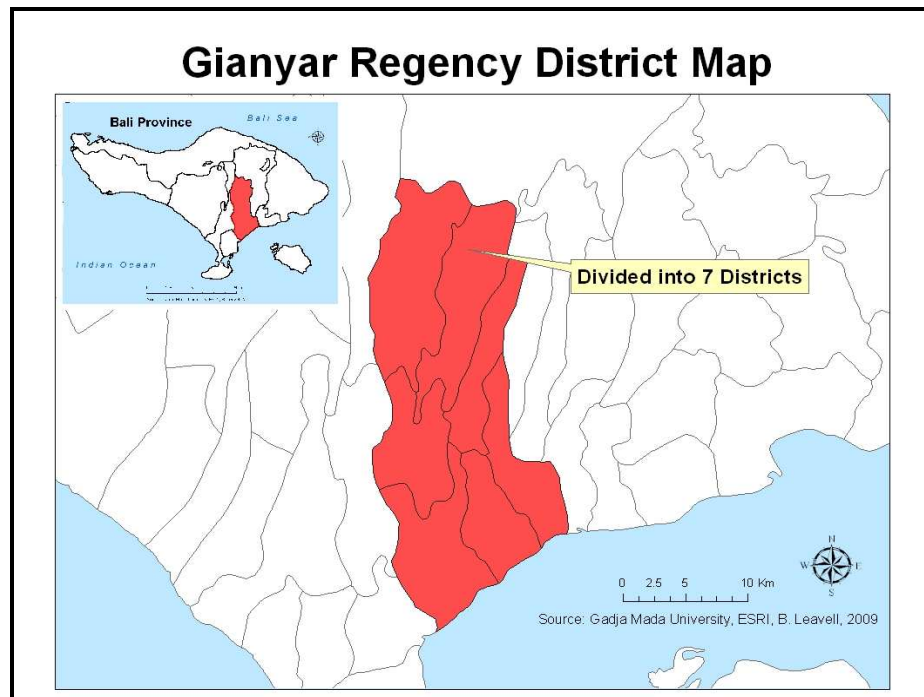


Figure 8. Districts. Gianyar Regency is divided into 7 Districts

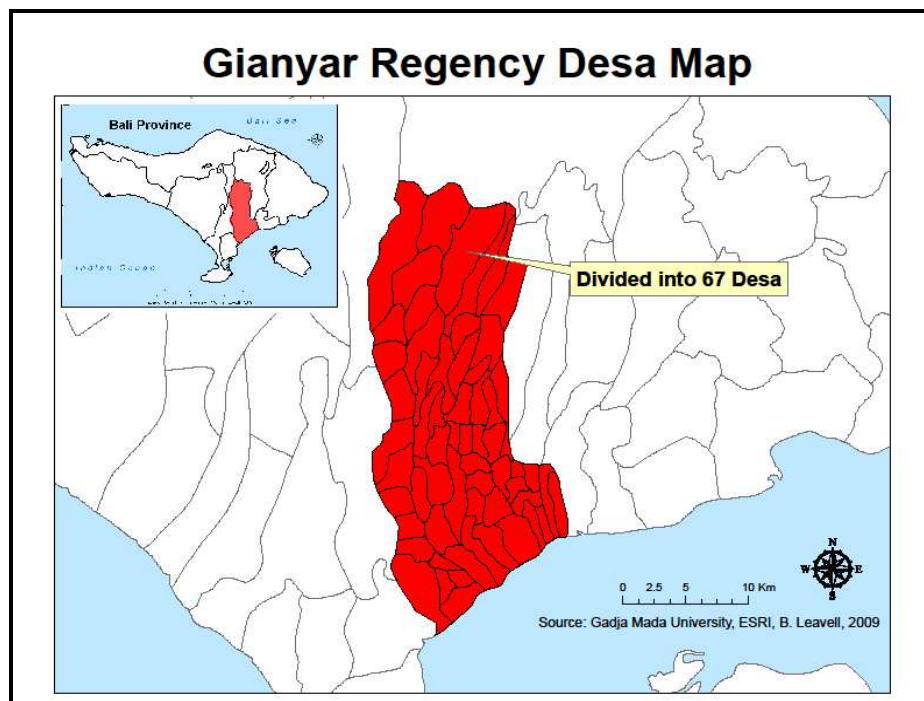


Figure 9. *Desa*. Gianyar Regency is divided into 67 *Desa* (Villages)

management and ritual obligations. The *Subak* have a defined territory that likely includes several *Desa* and *Desa Adat*. The territory is based on the point of the water source used and that point's particular watershed. Both the *Banjar* and the *Subak* are both civic and social organizations which have significant roles in local governance and economic issues in Bali. There are 1,000 year old inscriptions referring to these organizations (Lansing 2006). Although they play significantly different roles, they are not mutually exclusive groups. Each *Subak* member is also a *Banjar* member of their village and possibly a member of the *Desa Adat* organization as well. In Gianyar Regency there are 271 *Desa Adat*, 565 *Banjar* and 494 *Subak* (Table 1).

Table 1. Gianyar Statistical Information of *Desa Adat*, *Banjar* and *Subak*. Gianyar Regency is divided into seven Districts (*Kecamatan*) that include 271 *Desa Adat*, 565 *Banjar* and 494 *Subak*.

District	Desa Adat	Banjar Adat	Subak Yeh
1. Sukawati	33	110	103
2. Blahbatuh	36	71	53
3. Gianyar	41	108	94
4. Tampaksiring	36	71	49
5. Ubud	32	81	85
6. Tegallalang	45	65	61
7. Payangan	48	59	49
Total	271	565	494

(Gianyar in Figures 2008)

The population of the Gianyar Regency is 422,186 (2004). These 422,186 people occupy 82,921 households and an area of 368 km². Although the population density varies greatly throughout the Gianyar Regency, the average population density is relatively high at 1062 per km² (Figure 10). Density rates are higher in the south coastal plains of Gianyar Regency and decrease in the northern foothills of Payangan District.

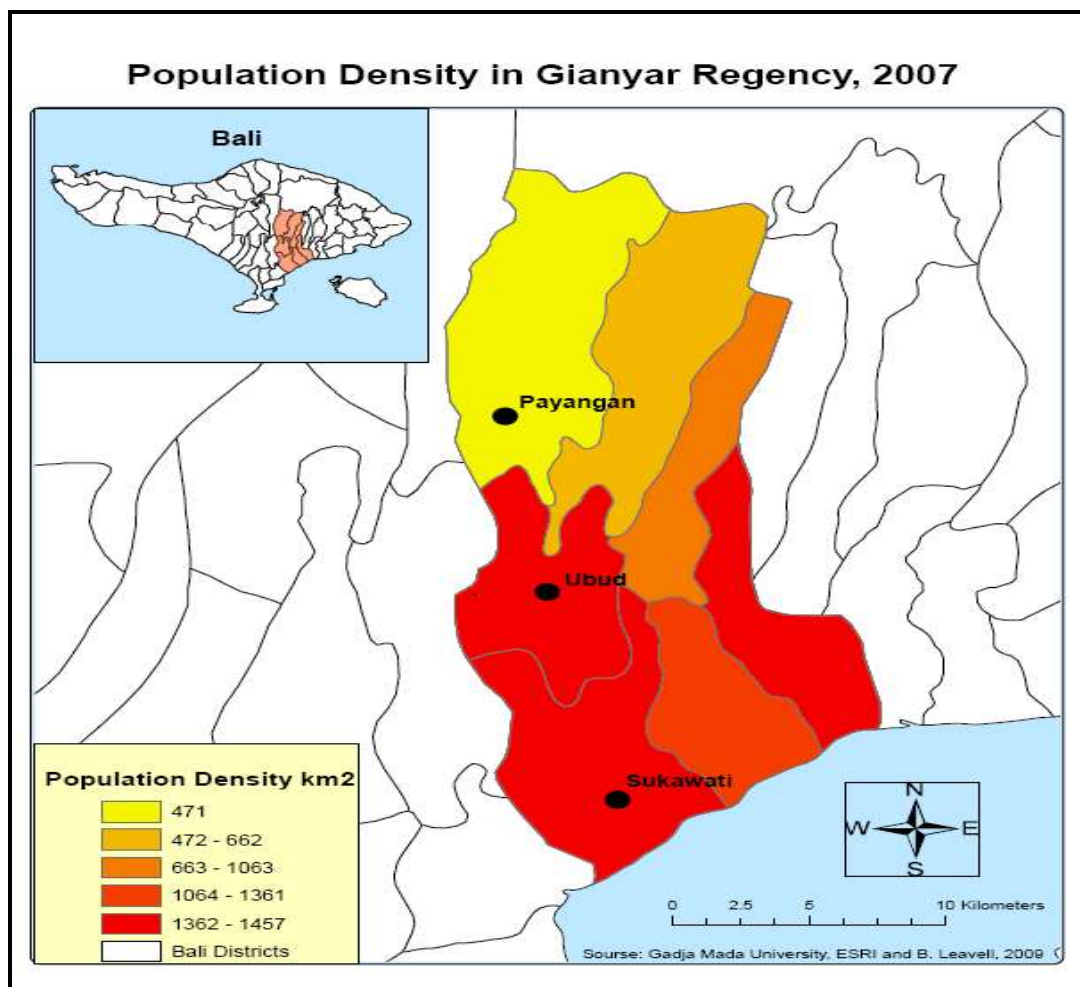


Figure 10. Population Density in Gianyar Regency. The population is higher in the coastal area and decreases towards the north in the higher foothill of Payangan district. The villages of Payangan, Ubud and Sukawati are primary District market locations that are included in the data collection for this research.

Although Gianyar Regency has a high population density, the population is clustered into villages which leave the agricultural lands and forested ravines relatively void of occupancy. The population growth rate is 1.5 (Gianyar in Figure 2008). Population demographics reflect that the majority of age groups are in their mid to late 20's (Figure 11). The data suggests that the population will be aging in the next two decades. Overall, there are slightly more men than women in the Regency with the exception of ages ranging from 25-29 and 65-69, where women constitute the majority.

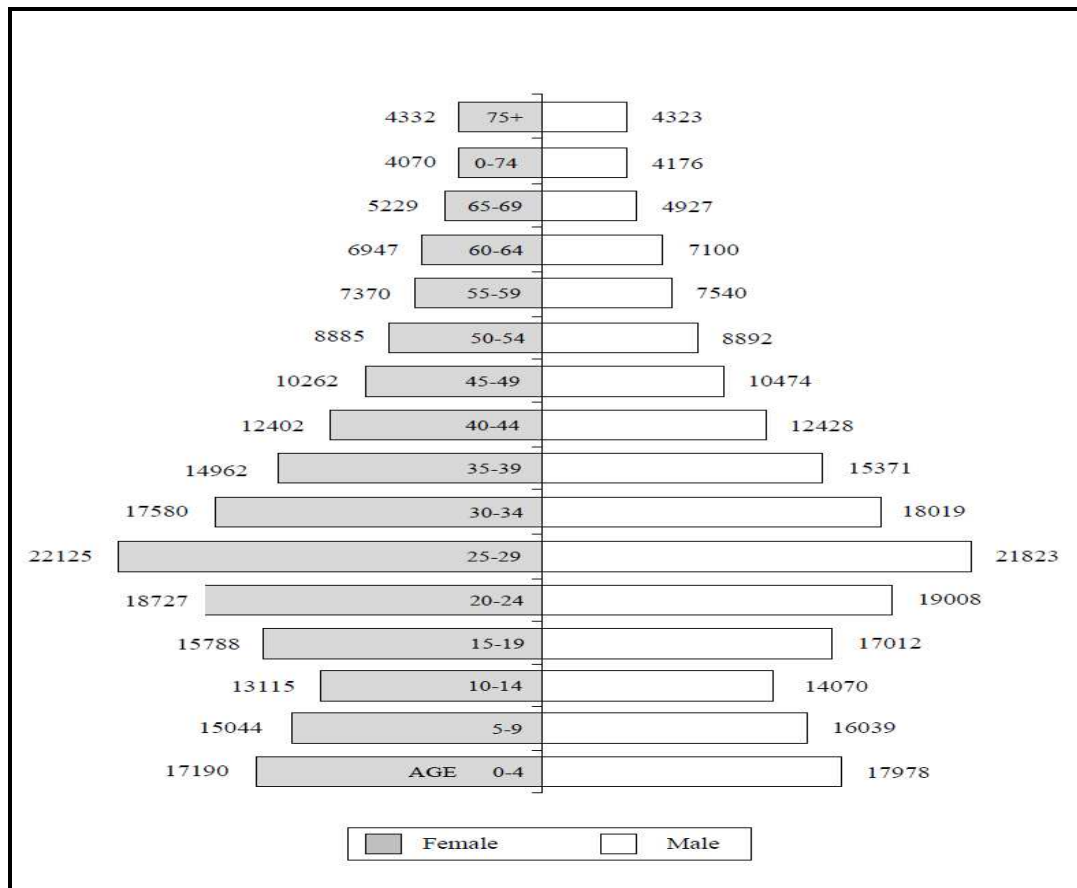


Figure 11. Population Pyramid. The population demographic demonstrates an aging population in the next two decades, a slightly larger male population with the exception of the ages ranging between 25-29 and 65-69. Source: Gianyar in Figures 2008. Graph by author.

Traditional Markets

The economic landscape in the traditional market reflects that of a “traditional economy,” in that the economy is dominated by customary and traditional goods and services. The traditional economy supports the Balinese society which creates a demand for customary and consumptive goods through its cultural attributes and *adat*. This demand is met at the traditional markets that are prevalent in each *Desa*. There are seven district traditional markets in Gianyar Regency which are managed by both the national and regency government and at least 67 village markets managed by the local villages.

This research collected and analyzed data from three district markets and several random village markets located within the administrative boundaries of Gianyar Regency (Figure 12). Although the markets throughout Gianyar Regency vary in size and management, in essence they are all strikingly similar. The few subtle differences that make them distinguishable will be described in the analysis section of this thesis.

The traditional markets of Gianyar Regency are centrally located to serve the communities that surround them. The district markets are larger, more complete in including *adat* product for ceremonies, often clustered into several multilevel buildings, and managed by the Regency. The village markets are smaller but still have a substantial variety of products, are generally located in one building, and are managed by the *Desa Adat*.

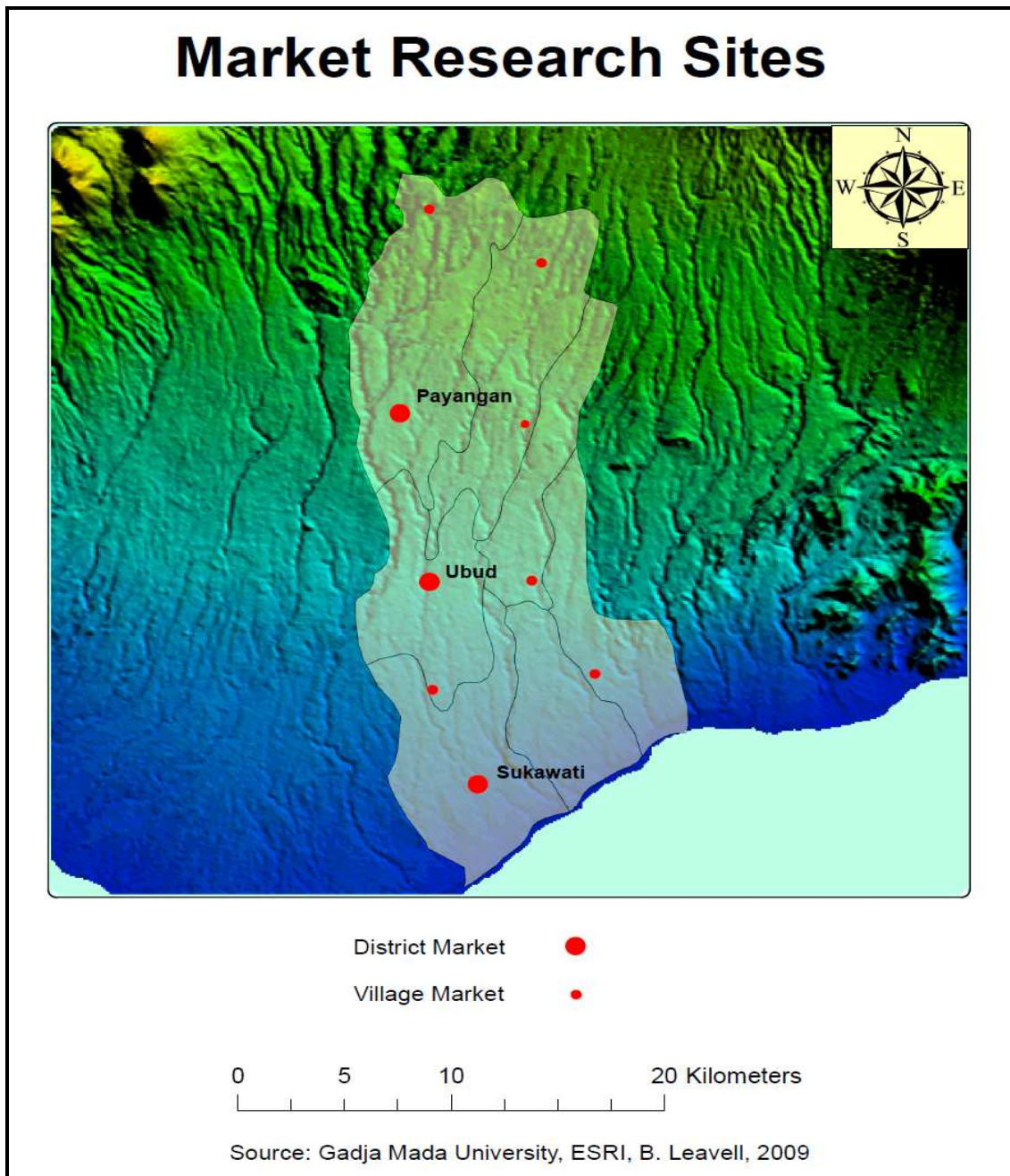


Figure 12. Research Market Sites. The markets are shown here to demonstrate the geographical distribution of markets examined in this research. The Payangan market is traditional, the Ubud is a traditional and tourist market and the Sukawati market is a traditional, tourist and export market. The remaining traditional village markets were chosen to achieve an equal geographic distribution included in this research and reflect the general economic and cultural landscape. All the markets are studied inclusively to understand the comprehensive makeup of the markets in Gianyar Regency.

Although each market has particular characteristics in its daily management, in its temporal aspects of operation, and in the variety of products offered, the prevailing common features of each market landscape cannot be ignored. Most traditional markets in Gianyar Regency have a building for contractual vendors and an open yard for daily vendors (Figure 13). The basic function and concept of each traditional market (Figure 14) in Gianyar Regency is to support the Balinese needs and provide a public forum for the informal business sector. The types of vendors and buyers, the preferred early hours of operation, and inclusion of *adat* products and consumptive goods are characteristics that are universal among markets in Gianyar Regency. The goods are universally supplied to each market by truck, motorbike, push carts and most commonly on top of women's heads.



Figure 13. Balinese vendors at the Ubud Market. Photo by author.



Figure 14. Traditional Market Photos. Most traditional markets in Bali have a building for contractual kiosks (upper photo) and an open “yard” (lower photo) for daily vendors.

METHODOLOGY AND DATA

This research is qualitative; it uses both ethnographic methods and a mental map study to understand the influence of *adat* on the informal micro business sector and the economic landscape of the traditional markets. The ethnographic methods employ interviews, field investigations and a questionnaire which are examined through the lens of social capital. The mental map study is used to understand and illustrate the Balinese perception of space and to simply identify which prominent features the Balinese select as important in their lives. Both methods are best analyzed and described in narrative with the support of figures and graphs to display the results of the analysis.

Ethnography

Ethnography is a qualitative research method often used in Geographical studies. It is used to collect empirical data of cultural activities by employing interviews, observations and questionnaires. Ethnographic methods are used to produce a picture of cultures from the perspectives of their members (Lecompte, Schensul 1999). These pictures are then analyzed through the methods of ethnography and described through a narrative. Key informants were interviewed, the markets were observed and photographed, field examinations and questionnaires were conducted, and findings on the cultural and economic landscape were recorded. All of these methods were conducted in Gianyar Regency. The data collection included key interviews, field examinations, and random questionnaires. Analysis of the data is a continual process that develops throughout the research to identify important facts and explore new considerations as the

research progresses. The information was crosschecked with key informants, field examinations and questionnaire results. The results were then explored further. This method is known as triangulation in ethnographic research. Often the data are retrieved, analyzed, reexamined and then the method is repeated.

Ethnography best explores how the *adat* influences the informal micro-business traditional markets. Additionally, ethnography methods present a framework to better understand the functionality, tendencies and general concept of the traditional market economy in Gianyar Regency. This is done by combining the local perspective of Balinese with current literature and empirical confirmation of findings.

The ethnographic method in this research first incorporates interviews of key informants to initially identify local cultural patterns and consistent responses. Once patterns are identified, the essential data are explicated and reorganized into a set of questions that can be included in a questionnaire and evaluated by field examinations. The scope of the interviews was broad and primarily included respondents that resided in Gianyar Regency. However, other perspectives from academic experts that live in other regencies of Bali were also explored. Expanding data collection outside the research area confirmed the unique qualities of Gianyar Regency, as well as the continuity of the Balinese society and economy throughout the province. The ethnographic methods of interview, field examination and questionnaires are best collated and sorted into “structures”, “patterns”, and “items” (key points) and then presented as a story (Lecompte, Schensul 1999). These “stories” and findings are described in the analysis and discussion section of this thesis.

Interviews and Data

The interview respondents included village, *Banjar* and *adat* leaders, religious, museum and cultural leaders, priests, professional tour guides, vendors, buyers and market managers, government officials with administrative authority in trade, small business owners, agricultural producers and leaders, taxing departments and academics who are experts in *Awig-Awig*, agriculture, business and marketing fields. In total, 50 key informants were interviewed which completed the goal of the field research (Table 2). Audio and video recordings were the primary technique in capturing interviews. Written notes of nuances and interesting aspects of the interviews were also taken.

Table 2. Key Informant Interview Data. This table lists the type and quantity of detailed personal interviews with key respondents.

Respondents	Detailed Interview
Village Leader	5
Village Priest	2
Desa Leader	1
Government Official	7
Market Staff	4
Vendors/Business Owner	11
Buyer/ Villager	7
University Professor	3
Cultural Guide	2
Random	7
Outside Research Site	1

The questions were related to *adat*, the traditional market and the informal micro-business sector but also were open ended in nature to allow for new information to be forthcoming (Appendix A). The objective was not to quantify these interviews but rather

to explore interesting concepts, patterns and to clarify information and data acquired through field examinations and random questionnaires that were conducted. Often key informants were interviewed several times to clarify data retrieved in the field.

A critical technique of interviewing is not breaking the narrative of the informant. Allowing the dialog to proceed without an agenda often presented new concepts and led to further exploration. One inherent deficiency that occurs when conducting interviews in a cultural landscape with several language barriers is transcribing and translating the data collected correctly. Every effort was made to accurately portray the details of interviews. However, when severe grammatical errors arose which broke the narrative of the story; the interviews were subjected to editing. Also, as translators were often needed to get detailed data from respondents, the story was occasionally retold in a simplified manner according to the translator's opinion. With this in mind, interviews were edited, collated and analyzed with care in order to be as accurate as possible.

Field Examination and Data

Field investigations are a critical part of ethnography. Field examinations allow time for observing nuances and tendencies of the market, the management of the market and examining the daily routines and processes of the vendors and buyers. The field investigations searched for patterns, common features and the types of business evident at each market. The time spent in the field also considered the nature of the research sites to clarify survey questions, interviews and gain an understanding of the market process and economic landscape from an empirical perspective.

In total, three primary district markets (Payangan, Ubud and Sukawati) and several smaller village markets were examined continually. In addition, several markets outside the research area were investigated in order to look for different patterns and similarities to compare with the Gaiyyar Regency markets. A minimum of five field examinations (observations) were performed at each site. The field examinations were conducted at different times of the day. The field examinations took place at the market set up, during the operation hours and at the conclusion of the market. Often it was necessary to return to the market at night to consider the “night market” that replaces the daily market and often contains a traditional food court and temporary vendor stalls that sell modern amenities. By observing the traditional market at three separate times, further understanding of how the market operates, the hidden and unwritten rules that the vendor and buyers abide by, and the management process was examined more effectively. Products by type and location were documented. The general market landscape was observed for its social norms, operational procedures, cultural habits, orientation with Mount Agung and connection to *adat*. Ceremonies and Hindu holidays were especially important to observe and document in order to understand the effect these events have on the market economy. During field investigations key informants were interviewed and additional questionnaire respondents were acquired. The market managers were also consulted at this time to understand the characteristics of the market. Photos and audio recording were taken to review and to discuss findings with key informants.

Questionnaires and Data

Questionnaires were incorporated to answer specific questions, clarify ethnographic methods and to help explain perspectives of the key respondents that were interviewed. Questionnaires also offer an opportunity to understand and display, through graphs and tables, the tendencies in the economic and cultural landscape relating to the traditional markets. The questionnaires were used in conjunction with key interviews and field examinations to explore the key questions of this thesis. However, they are not intended to establish a statistical relationship in the findings.

Techniques of randomization (randomly distributed), snowball (using respondent to distribute questionnaires to people they know) and convenience methods (offered as opportunities present themselves) were used within Gianyar Regency. In total, 400 questionnaires were performed (200 buyers and 200 vendors) by sampling in district markets, village markets and throughout small and large villages within Gianyar Regency. Purposeful efforts were made to include surveys from each district and to obtain a considerable geographic distribution of respondents. Vendors were surveyed primarily at the markets. Buyers were found randomly through daily occurrences and in both highly populated villages and in remote regions of Gianyar Regency. A representative age and gender group for buyers and vendors was sought and a representative group has been confirmed and verified by field investigations and key informants (Table 3).

The questionnaire was constructed after several amendments and sample questionnaires were performed and amended four times as more interesting topics to

explore arose. The data from the questionnaires have been verified by interviews with key informants, have been collated (Table 4) and will be presented in the analysis, results and discussion sections through graphs and diagrams to support the ethnographic narrative.

Table 3. Characteristics of Questionnaire Respondents. Data of the basic characteristics of respondents from the questionnaire. A representative group was believed to be achieved in the questionnaire process. The buyers and seller in the market are primarily women, significantly Balinese, and in an age mostly in the age range from 21 to 50 (Figure 15)

Characteristics of Respondents		
Gender	Male	Female
	33%	67%
Balinese	No	Yes
	11%	89%
Age	Age Range	Percent
	10 or less	0.3%
	11 to 20	11.0%
	21 to 30	27.6%
	31 to 40	30.7%
	41 to 50	18.7%
	51 to 60	5.3%
	61 to 70	3.5%
	71 to 80	1.8%
	81 to 90	1.1%

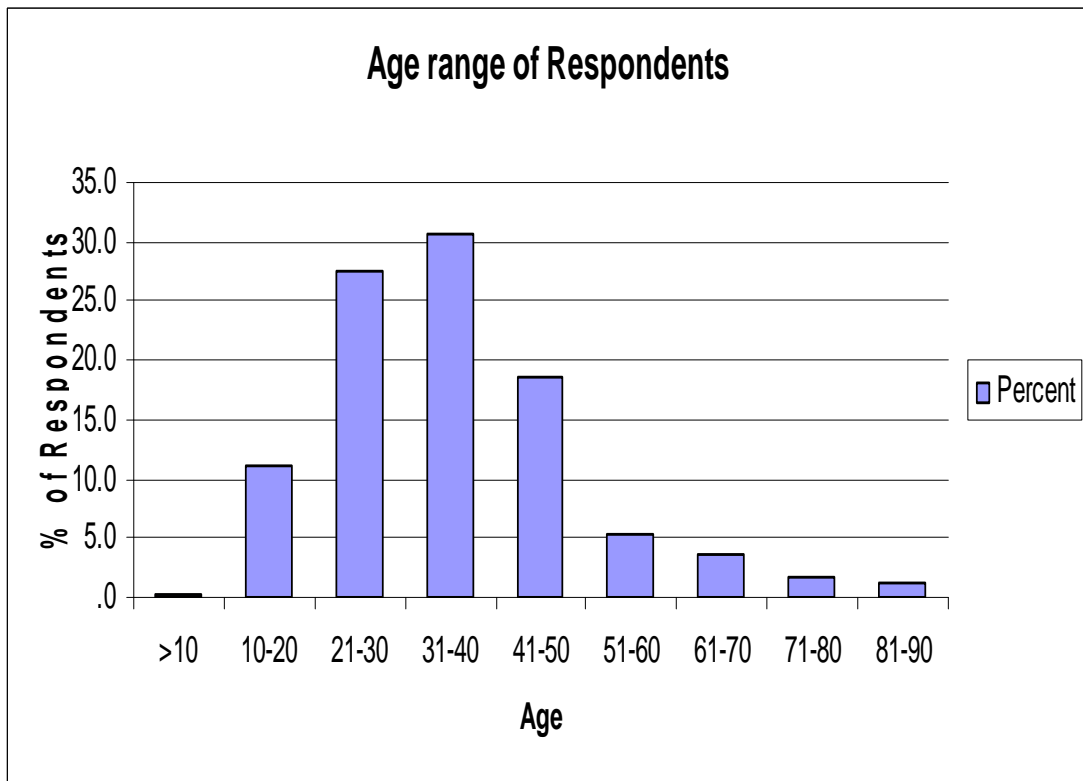


Figure 15. Age Range of Respondents. A representative age group, which includes buyers and sellers.

Table 4. Results from questionnaires.

Questionnaire Data			
1. Is the Desa Adat getting stronger day by day?			
No	No Answer	Same	Yes
5.0%	1.5%	15.5%	78.0%
2. Is Agama Hinduism in Bali getting stronger day by day?			
No	No Answer	Same	Yes
10.5%	2.0%	11.0%	76.5%
3. Are the traditional markets in Bali still strong despite modern super markets?			
No	No Answer	Yes	
8.0%	22.0%	70.0%	

4. Will globalization destroy the traditional markets in Bali?

No	Not Sure	Yes
74.3%	0.7%	25.0%

5. What is the distance from the market to your home (vendors)?

1km or less	1 to 5km	5 to 10km	10 to 20km	20km or more	No Answer
21.0%	28.5%	25.0%	17.5%	7.5%	0.5%

6. What is the distance from the market to your home (buyers)?

1km or less	1 to 5km	5 to 10km	10 to 20km	20km or more	No Answer
28.0%	39.5%	18.0%	5.5%	0.0%	9.0%

7. What are your top 3 reasons for buying at the traditional market?

	<u>Percentages based on 3 choices</u>
Can bargain for a good price	82.5%
Socialize with friends and family	12.0%
To support Desa Adat.	18.0%
Quality of product	46.0%
Preserve religion	11.0%
No chemical in product	21.0%
One stop shopping for ceremony and offerings	40.5%
Market is open early	36.0%
To support local people	6.0%
Other	2.0%

8. What is the percent of product in the traditional market related to *Adat*?

Range	Percent of responses
> than 10%	1.5%
10 to 20%	1.5%
20 to 30%	0.5%
30 to 40%	2.5%
40 to 50%	7.0%
50 to 60%	6.0%
60 to 70%	10.5%
70 to 80%	21.0%
80 to 90%	27.5%
90 to 100%	19.0%

Mental Map Study

Mental maps studies can be used to determine how people describe their communities. The maps can also be an interesting method for understanding the linkages and connections the Balinese have to economic and cultural features in their villages. Mental maps in this research allow the Balinese to physically describe their villages on a map that in turn can be analyzed for patterns and linkages with local features, the traditional markets, economic factors and *adat*. The maps are a tool to describe what the local population deems important and will be used to help support ethnographic findings of this thesis.

This research used a mental map study specifically to identify what cultural, religious and economic features are, or are not, included in the Balinese perception of their village. The mental maps methods were originally performed as a supplement to the ethnographic methods in order to add a quantitative component, similar to the questionnaire, and support findings. However, while conducting the mental maps study, it became apparent that there were interesting comments from the respondents that led to further investigations. Therefore, this method will both summarize and quantify the significant features identified in the respondent mental maps and elaborate on the interesting findings that became apparent while conducting the study.

Mental maps were performed using randomization, snowball and convenience methods. The map survey was performed throughout Gianyar Regency using a standard questionnaire (Appendix C) that first asked the respondents to draw their village, then identify important features in their village and lastly circle the most important feature in

their daily lives. The results were summarized (Table 5) to consider how many respondents identified the traditional market and features related to *adat* on their maps.

Table 5. Mental Map Study Summary of Respondents Data

Mental Map Data	
Maps	Totals
Mental Maps Performed	150
Maps that displayed the traditional market	112
Maps that expressed the market as important to their lives	76
Maps that displayed features related to <i>adat</i>	133
Maps that displayed environmental features	26

Beyond the importance of the summarized mental map results, several discussions that occurred while administrating the study became important data to examine. Informant's comments and concerns regarding their community, the *Desa Adat*, Temples, *adat* and the traditional market are especially interesting to consider. These discussions led to further investigations into the negative perspectives of the respondents toward the traditional market place.

As in the ethnographic study, language and terminology was critical in maintaining consistency in the mental map study. Ten sample surveys were administered to identify problem areas and improve survey techniques. Interestingly these sample maps provided significant findings during the analysis of the mental map study.

Several problems persisted in obtaining the mental maps from respondents. The terminology used created problems in the early stage of development. Women respondents often refused to participate in the study. This created difficulties in obtaining a representative group. However, by persistent inquiries, a representative group made of men and women from a wide range of age groups was eventually included in this study.

Data Collection and Challenges.

There were three separate field examinations for this research performed over a three year period. The data collection was completed on October 1, 2009.

In January of 2007 the initial research study in Bali was performed and redefined the goals and realistic objectives of this thesis. On this field examination it was apparent that the Balinese are determined to protect their *adat* and their cultural landscape while improving their economic situation. A preliminary ethnographic study was performed to identify how the Balinese perceive respect and status in their daily lives. This research, using ethnography, clarified the importance of understanding the Balinese perception of identity, respect and status. The results of the research verified that the Balinese deem status and respect as extremely important elements in their lives. Further, that Balinese often will forgo financial awards to promote and protect the level of their social status and respect. This finding has been well documented in anthropological research in Bali (Geertz 1975).

In the second field examination performed January 9, 2008 until February 26, 2008, preliminary research methods were tested and research analysis undertaken in

Gianyar Regency. The field investigation was instrumental in defining methods by conducting interviews, surveys and field examinations related to the traditional market, informal micro-businesses and local *adat*. The performance of this field examination redefined the specific goals of this study and clarified a meaningful approach in conducting the ethnographic methods of this research given the language barriers, caste system and clanship prevalent in Bali. The variation in statistical data available and limitations in interviewing and acquiring data in the villages in Gianyar Regency was also considered. Key informants, respondents, university and governmental contacts were contacted in order to proceed with the research. The legal process of conducting in depth research in Indonesia also was initiated.

The third field research period was conducted during the auspices of a 10-month Fulbright research grant from December 1, 2008 until Oct 1, 2009. The Fulbright was part of a cultural immersion program that encourages cultural understanding while conducting field research to complete a graduate program of study. With this in mind, four months were spent in a small village living within a traditional Balinese compound where cultural rituals were performed daily. This time spent in a family compound was instrumental in understanding and exploring the *adat* and daily economic activities of Balinese society. Daily rituals and patterns of the Balinese society were observed continually throughout the *Desa Adat* in this small village. Field examinations within the local traditional market and Balinese temples, *Banjar* meeting, *Subak* rituals, village and private ceremonies were conducted with the help of Ketut Mendra, a cultural guide of 18 years.

The next experience involved a two-month stay at a local family home-stay (bed and breakfast) within a traditional Balinese compound adjacent to the Ubud traditional market. The home-stay family participated in buying and selling *adat* and in buying supplies at the market daily. They are key informants in this research. An office from which to conduct interviews and field examinations was rented at this time. The office was located within 100 meters of the Ubud traditional market and each day hundreds of buyers and vendors passed by this office on their way to the traditional market to purchase or sell goods.

The final four-months of the Fulbright period were spent outside the research area and adjacent to Udayana University where interviews with academic experts were conducted. During this 10 month time period, the ethnographic methods and mental map study and data collection was completed. Interviews, field examinations, surveys and mental maps were collected, collated, coded, examined for patterns, structures and tendencies and are described in the following analysis and discussion section.

The difficult and challenging issues apparent with conducting research and collecting data in a foreign country became apparent as the ethnographic methods were initiated. This issue is especially the case in Balinese society where complex social structures are apparent and often incomprehensible to the researcher (Geertz 1963).

Language barriers, status, respect, age, gender issues and avoidance were the main problems confronted. Several different local field assistants were utilized to attend to these issues. The assistants were Balinese and were versed in the Balinese and Indonesian language. Many of the older vendors and buyers in the market do not speak

Indonesian and most prefer to use low level (common) Balinese language. Employing local translators and research assistance enabled a proper etiquette to be used while interviewing or conducting questionnaires with respondents in Bali. The Balinese society is built on a caste system with a very complex status and respect structure. Additionally, Bali is a patriarchal society and although over two thirds of the vendors and buyers in the market are women, men often wanted to participate as “authorities on the traditional market”. Lastly, there was significant avoidance by the older women (60-90 years of age) and a segment of the younger women (20-30 years of age). The older women are often illiterate and the younger women often shy (Gusti Ayu, personal communication 2009). A delicate balance of sensitivity and persistence was needed to acquire data from these age ranges and gender group to complete a representative segment of the traditional market and informal micro-business sector.

The time chosen to interview respondents was a critical aspect of this research. Since most of the buyers and vendors in the market are women, acknowledgement of their daily time constraints needed to be considered. At first glance, it appeared best to interview and perform questionnaires early in the morning when both buyers and sellers filled the market halls. These attempts however failed miserably do to the lack of interest in participating with the questionnaires. Therefore, it was deemed best to focus on observations and documenting field examinations at this time. The best time to perform questionnaires and interviews was determined to be around 7 a.m. when market activities noticeably slow down.

One condition in delineating vendors from buyers is to acknowledge that many of the respondents professed to be both. Of course, it would follow that the vendors bought their daily supplies at the market as well and many of the buyers came to the market on occasion to sell offerings and various agricultural products seasonally. In addition, most buyers professed to have participated in selling at the market personally, with their families or as employees. This research was performed with these difficulties in mind and adjustments were made to minimize confusion in the data. These complications are further evidence that using qualitative methods is the appropriate research approach for understanding the questions of this thesis. Consequently, although graphs and figures are used, the methods used to collect data will be analyzed to describe observable patterns rather than to display statistical facts.

In order to protect the respondents from possible retribution or social ridicule in any form, anonymity has been applied unless otherwise directed by respondents. Also, caste names are used often in the Balinese society and many people do not have family names and prefer to be acknowledged by caste. Therefore, several respondents names used in “personal communications” and interviews are identical according to their caste.

ANALYSIS I: ETHNOGRAPHIC STUDY

We first look at the traditional market through the ethnographic methods performed. The market, informal micro-businesses, and the influence of the *adat*, are examined through the narrative analysis derived from interviews, field studies and questionnaire results. The results from questionnaires and quotes from key informants are included to lend support and context in understanding the economic and cultural landscape in the traditional market.

Ethnographic data are often analyzed through a lens based on the theory that presents itself through the processes of performing the ethnographic methods. One apparent framework identified for this analysis is social capital. The ethnographic data has been collated, transcribed, summarized and reviewed through the powerful social capital the *Desa Adat* commands and its influences on its community members and in the informal traditional market economy. The *Desa Adat* influences the economic landscape through the rigid demand for *adat* products propagated by the continuum of ceremonies and rites which it requires the *seka* (civic and social organizations) of the village to maintain and perform. Geertz (1963, 1975) identifies these social and civic organizations in the village as the driving force in the village economy. Again, the five *seka* are; the *Desa Adat* (as an organization), *Banjar*, *Subak*, clans and family networks and the voluntary associations.

Ketut Mendra explains his involvement in several *seka* in his village after being asked about the *seka* and its economic influence:

The *seka* support the *Desa Adat*. I can say I belong to all of them at some time or the other. We must, especially if we are married. Well, my brother handles the *Desa Adat* responsibilities this year [...] I'm responsible in 4 years for that (*Desa Adat*). Another brother handles the *Subak*. We have rice fields we are responsible for. Each family must have rice fields and we give 50% to the *Desa Adat* for the temple [...] I'm also a *Banjar* of course. I must be involved with the village administration every month with the *Banjar*. We are also *Gelgel* (clan affiliation), which means I have a clan temple to maintain in the village. I can say that everyone in the village is part of at least 3 or 4 *seka*. Yes, most everything we need we buy at the market (Ketut Mendra, personal communication 2009)

The traditional economy and the *Desa Adat* structure are both organized and nurtured through several *seka*, or civic and social groups within the village. Balinese economic life is realized through these *seka* organizations (Geertz 1963, 1975). This is certainly still the case today as all events in the *Desa Adat* which were studied in this research reflect a direct relationship to one or several *seka* in the village. These social and civic organizations still form, and arguably will remain, the core of the Balinese economic landscape within the *Desa Adat*. The *seka* also creates the demand for traditional economic activity in Gianyar Regency. This activity is satisfied in the traditional market through the informal micro-business sector.

The Traditional Market

The markets in Gianyar Regency are dynamic and vibrant with business activity. Centrally located in the village to serve the surrounding population, the markets are the core of the economic landscape and a public venue where the informal business sector and local culture intertwine. The traditional markets are instrumental in providing goods and services to support the numerous *Desa Adat* that have a multitude of continual ceremonies and rituals to attend to and which are performed by the *seka*. The markets are

representative of a traditional economy based on customary and culture goods and service.

The traditional market is also a social center where ideas are exchanged, friendships made, business contacts acquired and social status is leveled. The Balinese can buy everything they need on a daily basis at the traditional market. They can purchase daily food supplies, clothing, modern amenities, *adat* products and even dine at the market. Anything can be sold at the market unless prohibited by law.

The market acts as a place from which many other business activities are interconnected. It's a wholesale, retail, service and networking platform that supports the livelihoods of both local and national citizens. The market is also a source of social interaction and can be instrumental in teaching entrepreneurial skills. Often mothers and daughters are seen working together. Families also contract stalls in the market and pass the contractual agreement down through generations. The demographics within the market are interesting to consider. Women constitute the vast majority of buyers and vendors that occupy the markets grounds. The ethnic makeup of the market is dominated by the Balinese, yet there is a strong representation from other Indonesian nationals selling goods.

The traditional market is a public forum where any national citizen can attempt to make a living, restriction free, as long as they obey national and regional laws. An entrepreneur can arrive at the market each day, without reservation, and attempt to conduct business, with little start up cost or inhibiting layers of bureaucracy. There is no need for insurance, heavy capital investment or licensing procedures. It is a true form of

pure capitalism in which the businesses success primarily depends on the owner's bargaining skills and in offering a reasonable product line.

Although the markets are vibrant with cultural activity that reflects a resilient culture, the traditional markets in Gianyar are changing, largely due to transportation considerations and modernity. However, despite recent changes, the markets still are critical for the Balinese society in providing affordable food and products related to *adat*. In this sense, the markets are highly influenced by the powerful culture that surrounds them. This culture has a rigid framework embedded in the *Desa Adat's* social capital that guides the *seka's* actions. The *seka* are instrumental in creating demand for product related to *adat*. That demand is met in the traditional market landscape though the informal micro business sector. The market is now described and analyzed in relationship to the *Desa Adat* and the informal micro-businesses in the traditional market place.

Market Description

There is a district market centrally located in each district and at least one village market in each *Desa* (Figure 16). There are also small privately owned mini-markets within the *Desa Adat*, known as *warungs*, which support the village as a local convenience store. The *warung* falls outside the scope of this research but deserve mentioning because they are considered an informal micro-business activity and act as satellites from the market because they restock daily from market vendors. The traditional markets are prominent features in each village and are generally located at the intersection of each village. The markets often reside on the *perempaten* as described

earlier by Samadhi (2005a). This central location provides the benefit of convenience for villagers in outlying communities but also presents an issue of traffic congestion at times. The congestion is especially constricting during the time when Balinese are busily preparing for upcoming ceremonies.

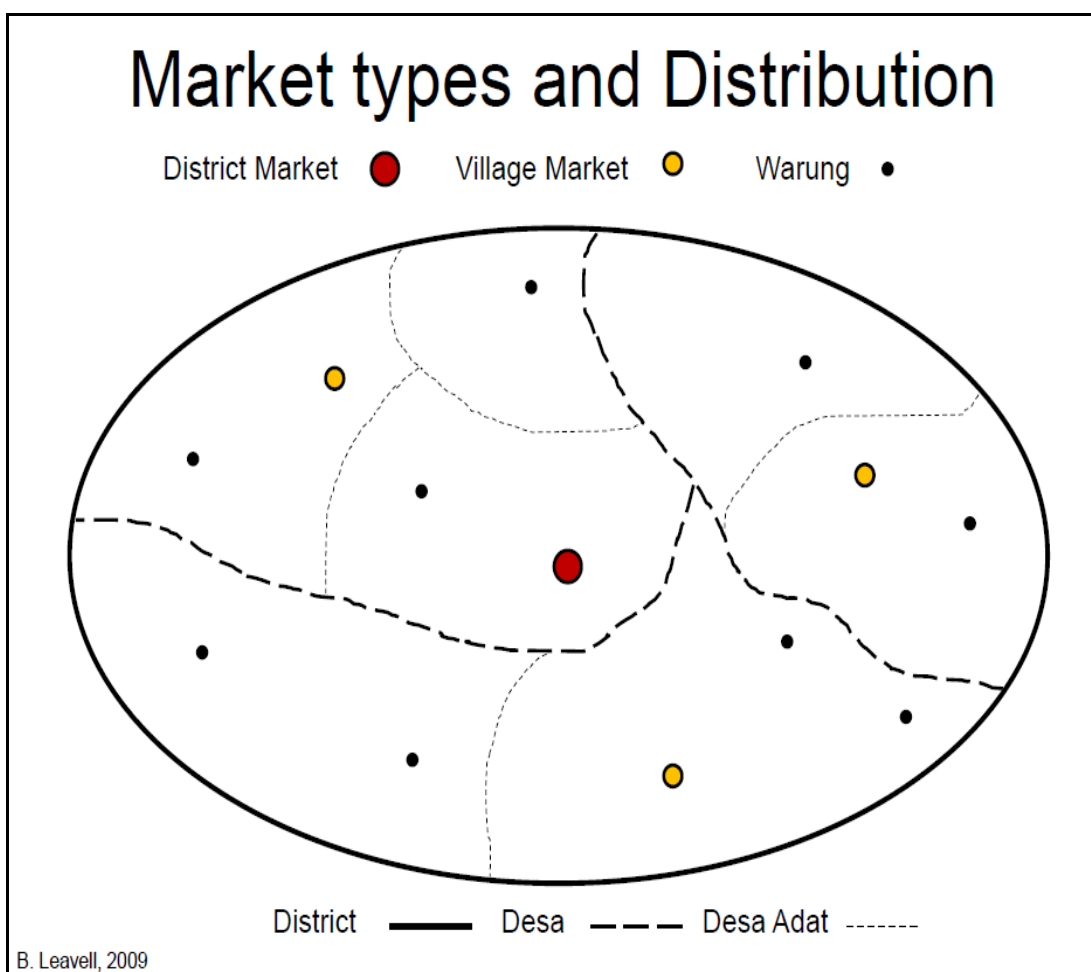


Figure 16. Market Types and Distribution. Each district has a traditional market which is primary managed by the Regency. Each *Desa* has a market owned and operated by the village. There are also often *warungs* (private mini-marts) in each village that support the local community traditional needs.

The markets are moved occasionally as their infrastructure deteriorates or as the need to expand their size is imminent. Often the vendors do not like to move to the new location due to traditional feelings and a concern for loss of revenue and tenured position. Several markets are slated to be moved in Gianyar Regency in order to reduce traffic congestion as the Regency experiences the increased use of automobiles and motorcycles. These modern amenities are often competing for space with the continuum of ritual and ceremonies that occur at the *perempaten* or as these events pass through the market area on the road system. It's important to note that very little conflict between modernity and Balinese rituals occurs at this junction, or anywhere in Bali for that matter. The Balinese rituals take precedent to any issue that arises short of a death or emergency. Ketut explains:

The *Pecalang* (*Desa Adat* security group that protects each ritual performance) will ensure that nothing stops the ceremony. If people honk their car horn they are inviting trouble. Nobody on this island dares to interfere with the *adat*. They will push your car out of the way if needed (Ketut Mendra, cultural guide, 2008)

There are many ceremonies that occur near the traditional market. There is an apparent unwritten rule that is readily accepted by all bystanders. This rule clearly gives all ceremonies and rituals right of way. All economic and personal considerations are sidelined until the Balinese event passes and the *Pecalang* blasts their whistle to signify that people are allowed to resume their business. Usually the *Pecalang* are efficiently encouraging everything to get back to normal as quickly as possible.

The traditional markets can be divided into two types: district markets, which are owned and operated by the Regency and the village markets which are owned and

operated by the local village. There are seven traditional district markets, and more than 67 village markets at the *Desa* level. Interestingly, although managed slightly differently and with different levels of government support, the two types of markets perform and operate in very similar ways. In fact, by analyzing the data collected in Gianyar Regency, the results are surprisingly similar.

When asked about the markets in Gianyar Regency, Made explains:

The markets are all the same. You can find the same things everywhere. But the big markets (district markets) have more complete *adat*. Other than that they are all the same [...]yes I can go to any market in Gianyar (Regency) and it looks the same, same vendors, same things to buy, same everything (Made, buyer, 2007)

The District markets are governed by the Gianyar Regency. The Regency is responsible for the maintenance, management and revenues for these public markets. The Regency also provides the building, the staff, the security and the rules of the markets. Renovation and structural concerns are the responsibility of the Provincial and Regency government. There is currently a program being supported by the central government to revamp the infrastructure of traditional markets throughout Indonesia. The market in Payangan is currently a part of this revamping effort and its roof is being replaced (P Wayan, personal communication 2009).

The Gianyar Regency is very proactive in promoting and protecting their traditional market but there are always budget concerns to address. Pak Wayan explains:

The government supports the traditional market in Bali because it's an important part of our culture. We must maintain the market because it's our social responsibility. We need it to buy our food [...] things for our ceremonies and it's just our way. Many people want to feel important and buy

at the new supermarket to look rich [...] most people like the traditional market because the price is good and you can bargain (Pak Wayan, Industry and Trade official in Gianyar Regency, 2009)

Each market has a similar management plan unless unique situations occur. Rules are amended to adhere to the specific situation with regards to *adat* and economic issues. For example, the Ubud market does not have a night time food court due to the local pressure of tourist restaurants which have lobbied to reduce competition for tourist dollars.

The district markets are generally multi level (3 floor) buildings and have a large outdoor “yard” for walk-in vendors. The land where the district market resides is often in controversy. According to management employees and local scholars, there was a land transfer of the district market land to the national government in the 1990’s. This transfer occurred during the reign of President Suharto and at a time when the central government held a strong position in governing Bali. Since autonomy, there is clearly a lack of central government authority in Bali and the *Desa Adat* is asserting its local authority to gain a position in the management of the traditional market and surrounding area. In fact, there are significant community impacts near each of the district markets due to the increased traffic and congestion. The *Desa Adat* is actively seeking an influential position with the Regency in order to deal with these issues. In Sukawati, for example, the *Desa Adat* has lobbied the Regency to allow them to administer the parking near the traditional market. To mediate this issue the Regency has thus given the *Desa Adat* in Sukawati and Ubud parking management responsibilities, the ability to employ their own villagers to collect the fees, and 50% of the parking revenues. It costs 1,000Rp (\$.10) to park a motorbike in

the market and 2,000Rp (\$.20) per car. The *Desa Adat* employs several parking attendants and the revenues are deposited in the local LPD (community bank). Sukawati generated parking revenues totaling \$33,000 in 2008 and is using the money for various social needs in the community (Antara, personal communication 2009).

The Regency administers the traditional market operations and sets revenue goals each month and annually. These goals and realization of revenues is prominently displayed at each market office. Each day a management employee adds up the revenue from vendor fees and notes it on the public market revenue chart. The revenue collected at the market goes directly to the Regency and is often used to support the smaller village markets.

These markets employ dozens of staff who administer the market. The employees working at the traditional market are considered civil servants. They wear uniforms and report continually to the main office for further instruction. However, each seems to know their position and daily tasks well. The vendors and market staff can often be seen joking and helping each other. According to the staff at each market, there is little to no crime beyond the occasional petty larceny.

The village markets are managed similarly to district markets in concept but differ in land ownership, are responsible for the maintenance of the market, and retain all the revenues generated by the market. The village owns and maintains the land and structure the market occupies. The revenues for the village markets are collected and managed by the village. The employees are mostly local villagers. These village markets are generally smaller than district markets and service the immediate area. Generally the village

markets are one level structure with a small yard for walk-in vendors. The village markets lack the variety of *adat* products required for special ceremonies. Ayu explains:

Sometimes I have to go to the big market in Sukawati. It's more complete and I can learn from what I need from the seller there. They know what I need to make the ceremony complete. The local market only has what I need for the normal ceremonies (Gusti Ayu, business owner, 2008)

Market Temporal Features

Each market has a set schedule of operation for security and management purposes. The time of operation generally ranges from 5 a.m. to 5 p.m. Some markets hours of operation are different and depend on the needs of the local population. For example, the Payangan market is open from 5 a.m. to 11 a.m. due to being solely a traditional market. Its patrons are generally finished buying by 11 a.m. In contrast, the Ubud market operates from 5 a.m. to 5 p.m. due to the tourist influence that is promoted by attracting tour buses. The Sukawati market has an interesting time frame of operation that corresponds with ceremonial time periods. The night before ceremonies, it remains open late to provide an opportunity for vendors selling *adat* to supply last minute shoppers. Essentially, the market management in each village has recognized the needs of the community and the demand that *adat* creates.

Regardless of the times of operation set forth by the management at the market, the vendors seemingly ignore them or simply use them as guidelines. Often merchants are seen in small groups selling at all times of the day and night. The exception to this is with the Ubud market. In the Ubud market, there seems to be a very precise set of rules. This may be a reflection of the political influences apparent in Ubud that are determined to

attract tourists and maintain a clean and organized landscape around the market area. In this case, the market has altered its traditional practices of allowing food vendors to service the local community in order to accommodate the political pressure.

The Ubud market has interestingly developed a plan to attract group tours to the market. The market management, along with the *Desa Adat* have devised a schedule to address both the cultural needs of the locals and the ever increasing interest of tourists to purchase handicrafts, art and textiles. In order to capitalize on this “tourist market” concept, they have developed a vendor schedule and spatial schemes that maximizes the use of the market place.

The time for selling traditional goods is designated from 5 a.m. to 9 a.m. At this time, the market reflects a purely traditional place. However, at 7 a.m. announcements are made over an intercom system that reminds vendors in the “yard” to start cleaning up and make room for the next wave of vendors. The second wave of vendors are known as Art Vendors. However, their product line includes anything remotely related to Bali and Java. Textiles, handicrafts, spices, and t-shirts constitute the majority of the “Art Vendors” selection.

The grounds are thoroughly cleaned by 9 a.m. and the market is put back into prime condition. The garbage from the early hours is removed and the atmosphere becomes considerably quieter and less rushed. Vendors selling tourist souvenirs quickly take over the grounds and set up their stalls and floor spaces. By 10 a.m. buses arrive and tour groups enter the market in search of interesting Balinese arts and crafts, textiles and items reflective of their Balinese experience. The tours are often led by a tour guide.

These guides generally have an arrangement with the vendors and acquire a commission if they bring prospective buyers to the merchant.

The markets in Gianyar Regency have three “waves” of activity each day; the wholesalers, the vendors and the buyer’s wave. Generally the markets begin to have activity around the 3 a.m. when numerous small trucks flow down from the highlands with fruits, vegetables and other commodities for resupplying the market vendors. The trucks stop for a short period of time, sell their product and continue on to other markets to complete a daily cycle. Most of the wholesalers are gone from the market by 5 a.m. Often they return to re-supply the same market later that same morning, especially during the busy preholiday and ceremonial periods.

The second wave of activity is that of the vendors. The vendors, whether contractual, walk-in or street vendors arrive around 4 a.m. and are set up and ready to sell by 5 a.m. Once they have occupied a place, they are levied a fee by the market staff. The management employees make several passes around the market and collect appropriate fees from the vendors.

The third wave of activity in the market is performed by the buyers. Since the Balinese lifestyle begins very early each day, the buyers have limited time to purchase their goods and return home. Therefore, the market is very crowded from 5 a.m. to 7 a.m. so people can return home at a reasonable time to begin their daily schedules. There is a noticeable lull in each market observed after 7 a.m. The exception to this rule is when the Balinese have a ceremony of significance. During Provincial holidays and larger temple ceremonial time periods such as *Galungan*, *Nyepi* and *Kunigan*, the market is busy

throughout the morning and sometimes into the late afternoon so that people can purchase supplies for offerings and *adat*. The markets are often closed on Provincial-wide ceremonial days. However, often a scattering of vendors can be seen on these days selling small offerings to last minute shoppers.

Several markets are on a three day cycle which is clearly noted on the Balinese calendar. The days are referred to as “Market Days “and are named *Pasah*, *Betang* and *Kejang*. These names are known island-wide and refer to rotational days that were agreed upon long ago. How long ago could not be determined. Even market managers and older merchants with considerable tenure at the market could only speculate on where the three day cycle came from and when it began.

Long ago, I don't know when [...] this system was developed so each village could have an opportunity to buy from the vendors who travel. Everybody walked back then so they only went to the village every three days to meet the vendors who travel from market to market. We still follow the system (Pak Wayan, market manager, 2009)

Putu from Ubud, who has shopped at the Ubud for 40 years, expands on this topic:

Before, we always waited for the *Pasah* (Ubud's Market day). We could always get more selection and learn more about what we need to complete our ceremonies. The selection was better on those days. Now, I don't pay attention so much. Every day at the Ubud market is so busy now. I can get all the things I need for my *adat* every day now (Putu, personal communication 2009)

There has been a significant spatial shift that has taken place at the Ubud market (Figure 17). As recent as 2008, the *Pasah* market day was apparent and most of the vendors were contained to within 100 meters of the market. Now, three years later, the different market days are indiscernible and vendors line the streets several hundred

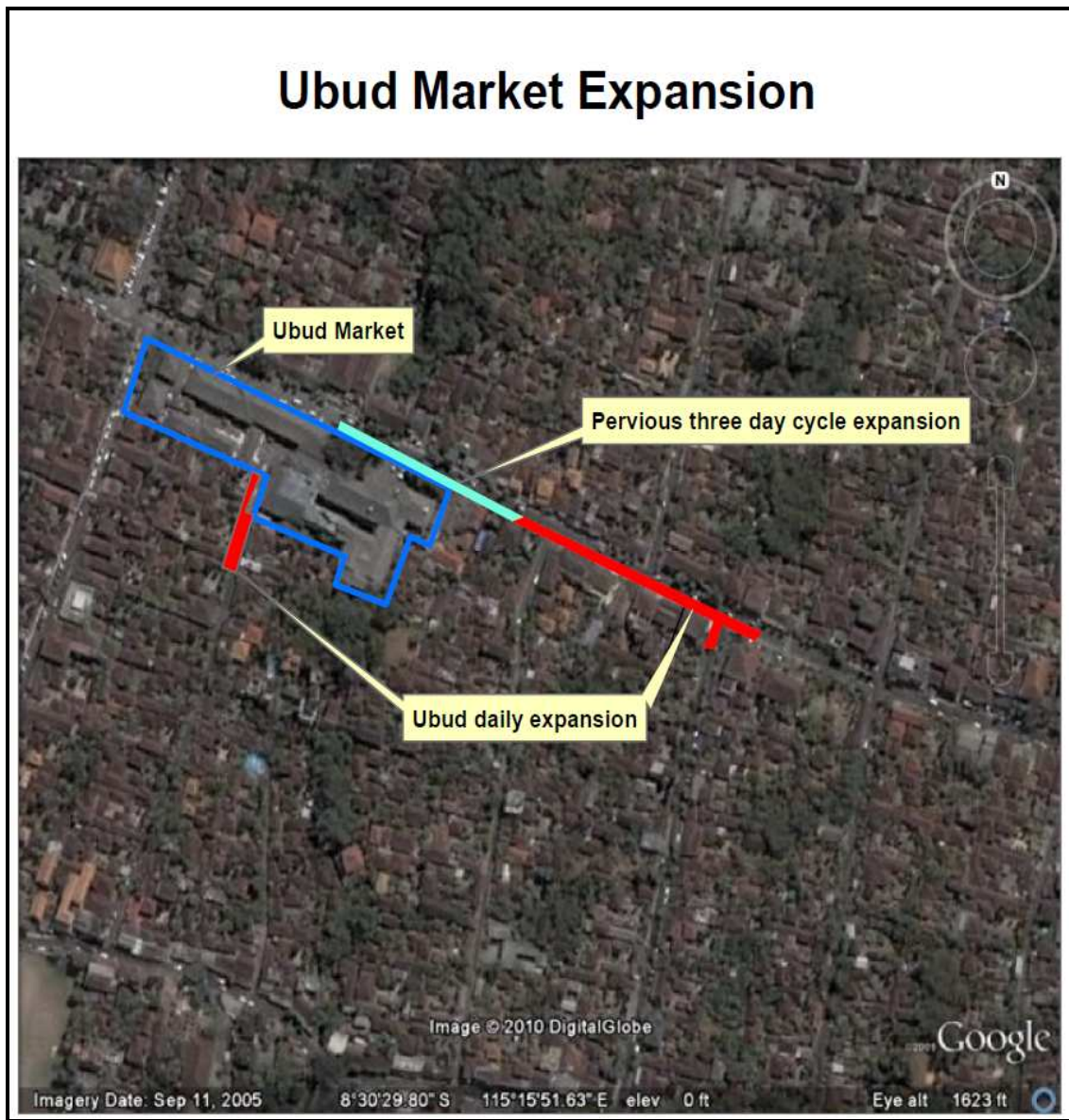


Figure 17. Ubud Market Expansion. Several markets in Gianyar Regency are on a three day market cycle which is noted on the Balinese calendar. The days are known as *Pasah* (Ubud market), *Betang* (Tagalalang market) and *Kajeng* (Payangan market). The three day cycle promotes “special days” at the market to encourage vendors to come and provide goods to the local population that are unlikely to travel far from their village. This system is rapidly changing with the increased mobility perpetuated by the introduction of the motorbike. The Ubud special market days are now indiscernible from daily activity at the market. The vendors have currently expanded their daily presence well beyond the former three day cycle expansion.

meters to the east and south of the market. Clearly the Ubud market is becoming increasingly busier each year. The market is also surely changing as modernity arrives in the form of motorbikes, automobiles and cell phones. In fact, the market is becoming more accessible to villagers in remote areas. In the early hours motorbikes can be heard pouring out into the streets from small village roads and trails. Kadek sums up this phenomenon in regard to the three day market cycle:

Ya, my Mom and used to wait for market day in our village. Now I just get on my motorbike and go to the market. It's busy there and there's so much more to choose from [...] sometimes my Mom will sms (text message) me at the market to pick up more things. Also, sometime when I have a big ceremony I go three times a day to the market [...] if I forget something I just go back (Kadek, buyer 2009)

Kadek goes on to explain how difficult it is to keep up with all the ceremonies. She mentions she "must" because her *adat* is strong in her village. Also, that having the motorbike makes her life easier because when she has to get specific things for her *adat* she can go to market in Sukawati. Sukawati is about five kilometers from her home. She likes the selection of *adat* there.

Often the land adjacent to the "Yard" of the market becomes a night food market. The food markets are characterized by having small food carts lined up selling hot food cooked as ordered. These micro-businesses act independently and their carts are self contained with lights and gas stoves or on small pans fueled by coconut husk. The food vendors are seldom Balinese. The vast majority are Javanese. However, some are from other islands in Indonesia. They are often seen pushing their carts around the village selling *bokso*, a traditional soup from Java. The food vendors can also be seen pushing their carts near Balinese ceremonies. They are patronized heavily near temple grounds.

The influence *adat* has on these food vendors is significant. They often work a circuit of Balinese ceremonies and a semblance of them can be seen near temple grounds.

They primarily purchase their supplies at the traditional market. In this way, that *adat* provides an income opportunity for this minority group.

Demographics of the Market

Gender, ethnicity and age each have interesting influences in the traditional market. The traditional market landscape reflects the role of women in Balinese society. Ethnicity has both pricing and social consequences in the market for buyers and vendors. The age range of buyers and vendors at the market provides evidence of a continuum of generational ties to the market and documents its resilience through time.

Both vendors and buyers at the markets are overwhelmingly women. By observations and through confirming with key informants at the market, it has been determined women represent about 70% to 90% of the vendors. The percentage of women buyers is even higher, possibly 90%. Although a few men are seen selling at contractual spaces in the market, most are found in the “yard”. They are commonly selling fighting roosters, pigs, and dogs. Or, in the event they are non-Balinese, they commonly sell textiles and items related to modernity.

As part of a patriarchal society, the women in Bali do substantially more intensive work related to ceremonies and household duties. Their role is defined as primary caretakers of the family and the family temple. Additionally they are responsible for creating the elaborate offerings and decorations for village temple ceremonies. Therefore, women do most of the buying of consumptive goods and *adat* for ceremonies in their

village. Although a seemingly endless and arduous task, there is a sense of pride that many Balinese women have in taking care of their families and village ceremonial affairs.

The women also participate more in business activities in and near the traditional markets. Most of the women seem to be quite clever in their entrepreneurial endeavors at the market. They often are multitasking while awaiting prospective buyers. They can be observed continually making offerings to sell as a *cenang* (small offerings) for the market temple (*Melanting Temple*). They carry most of their products on their heads in large baskets when restocking their selling space (Figure 18).

The women in the market can be overheard enthusiastically socializing and teasing each other. There is constant banter as buyers pass the vendors and exchange pleasantries and discuss pricing. It can be intimidating for some as well.

I'm scared to go up stairs where all the older women sell. They get angry at me if I ask to bargain. I think that's their trick (Dwi, research assistant, 2009)

In fact this comment is very common, especially by younger women, and anger is apparently used as a "trick" by vendors to confuse the buyer and give them a sense of guilt in asking for a lower price.

Many of the women have a long history in selling at the market and even without contractual agreement; their place in the "yard" is reserved by a social structure. Their space is reserved through tenure. This tenure is accumulated over time and socially



Figure 18. Market Vendors. Most of the women carry their items on their head as they resupply their selling space. Photo by author.

enforced by the other vendors. According to the market management, no vendor in the yard has such tenure. However, by interviewing vendors in the yard, it has been confirmed that it does exist.

Although the population in Gianyar Regency is 98% Balinese Hindu and the vast majority (80% to 90%) of the buyers and vendors at the market are Balinese, there are considerable numbers of Javanese, Sumatrans and other Indonesian nationals selling in the traditional markets. These national vendors tend to sell modern goods such as cooked food, clothing, DVD's, audio recordings, and imported plastic goods. The food vendors hover near the market during the busy times to provide food to the vendors and buyers.

Other food purchased from them is in the form of *Bunkus* (take-away). The clothing and modern items they sell are most often displayed on the ground on top of giant rugs or tapestries. There is an agency in their participation in the market. Many have come for the economic opportunity apparent in the thriving Balinese economy. They seem to be more serious in their endeavors to make money than the Balinese.

Since there are no recorded statistics by government journals as to the ethnic makeup of the market, it can only be estimated. Most respondents noted that the majority of vendors selling traditional goods were Balinese while the modern goods were primarily sold by other nationals. In the markets that have a tourist element, as Ubud and Sukawati do, there are significantly more nationals selling goods. However, the percentage of national vendors likely never rises above 10% of the total number of vendors at the market. Although these national vendors only constitute less than 2% of the population in Gianyar Regency, they have come to Bali to work and therefore are concentrated at the market.

By observing the markets early each morning the ethnic division is evident. The national vendors tend to group together in areas where they can display their goods on the ground in larger quantities. The majority of the national vendors are Javanese. There is a natural separation of the different ethnic groups through product lines. The Balinese have a tendency to sell more traditional goods while the other Indonesians have focused on modernity, fashion and more unique items to the market. Generally the other ethnic groups set up on the periphery of the market in the “yard”. Some contract stalls inside the market and their product line is generally related to the textile trade, jewelry and

packaged foods and supplies. There is seemingly a social hierarchy that disallows them from intruding on local vendors that have long standing in the market. Although there is certainly a separation of ethnic groups, according to market management, there are very few ethnic conflicts. If conflicts do arise, for any reason, market management is called in to solve the issue.

The influence of *adat* on micro-business development is reflected in the requirements the *Data Adat* have for “outsiders” to operate a business within its territory. Each vendor needs a letter of recommendation from their place of origin in order to get permission to do business in the *Desa Adat*, which includes the market area. They must register this letter of reference with the village leader and pay a monthly money fee to the *Desa Adat*. They are given a set of parameters to abide by that are specific for that *Desa Adat*. If the vendor breaks the rules they are expelled from the village. The rules of the *Desa Adat* are strictly enforced and on occasion can lead to violence if the vendors are not careful (Ketut, business owner, 2009). This exclusivity demonstrates the significant level of social capital the *Desa Adat* wields in influencing micro-business development. The capital supersedes the constitutional rights of Indonesian nationals.

The district market managers are quick to refute any issues regarding ethnic divisions or bias in the market however:

This is a public market, all Indonesians are welcome, and we never have any problems like that (Pak Wayan, market manager 2009).

Seemingly the vendor’s ethnicity plays little role in success at the market as fair bargained prices dictate sales. One respondent, Ibu Wayan, owns a restaurant in Ubud and explains her perspective on business success in the market:

I buy at the best quality and price. I don't really care if they are my friend or who they are. I need to get the best quality and price for what I buy. They [vendors] know this so they understand if I don't buy from them. This is business and I have to provide for my family. If they are smart, they will give me the fair price (Ibu Wayan, business owner in Ubud, 2008).

Ibu Wayan's comment reflects a common theme heard in interviews. The view expresses a common opinion the Balinese have that "business is business" and if you want to succeed in the market, one must play the game.

The vast majority of buyers and vendors at the market fall between the ranges of 30 to 40 years old. Buying at the market is often a family affair and older women and mothers can readily be seen leading their daughters through the market and teaching them how to choose by quality, bargain for price, and how to select appropriate Balinese offerings. The vendors are also commonly mother/daughter teams and can be seen setting up the business displays for the day together.

A significant amount of women vendors are over 70 years of age. These older women generally sell agricultural products, prepared foods and offerings for ceremonies. They are often clustered together with women of similar age. Most of these older vendors speak limited Bahasa Indonesian and are accustomed to speaking Balinese amongst themselves. In this sense, the older vendors have a distinct advantage when selling to the younger generations or non Balinese. Several of the buyers interviewed complained that they could not understand the older Balinese and were not able to bargain a fair price with the vendors because they lacked the ability to communicate effectively. The older Balinese vendors have a distinct advantage in localism. They are able to communicate and discuss pricing options with each other while the newcomers are seemingly confused.

The older vendors often discuss amongst themselves how they deceived unsuspecting buyers. This is less of a malicious act as a sense of pride. In fact, it is often viewed as acceptable to deceive a customer, but to steal is a serious offense in Bali. Stealing occasionally leads to death if the perpetrator is caught.

Informal Micro-Business Sector

Although each market is managed differently, each particular to its local situation, there is a common management system that is consistently similar throughout the Regency. This system encourages vendors to participate freely in business activities and entrepreneurial endeavors. The cost is relatively low and there are few levels of bureaucracy. The vendors have several options depending on their available financial capital. The vast majority of the vendors in the market are not taxed and considered part of the informal economy. There are “contracted vendors” and “walk in vendors” and “street vendors and “wholesale vendors”. Their income is believed to be less than one million Rp (\$100) per month.

The contracted vendors reserve a space, locally referred to as “kiosk” or “stall” for 5 to 20 year contracts. Many of the contracts are passed down to other family members over time. Although the cost varies at each market, vendors who have contracted space typically pay an annual cost of one to three million Rp (\$100 to \$300). In addition to an annual cost there is a daily maintenance fee and cleaning fee levied that ranges from 1,000Rp (\$.10) to 5,000Rp (\$.50). The contractual space is rented per square meter. Generally the vendors that have contracted space leave their goods in the kiosk on a continual basis and cover their product for protection each night.

The second type of vendor is the “walk-in”. These vendors arrive daily and set up in the “yard” or wherever space is available. The walk-in vendors daily cost ranges from 1,000Rp (\$.10) to 2000Rp (\$.20) per square meter. These vendors are levied a cleaning fee as well (Figure 19) which is much lower than the contracted vendors and amounts to approximately 100Rp (\$.01). These vendors often arrive on motorbikes, by mini bus or can be seen walking to the market carrying their goods on their heads or pushing small carts. The vast majority of these vendors sell *adat* by way of small Balinese offerings or the endless list of components that make up offerings. These components consist of items such as flower petals, incense, palm leaves, spices, fruits and cakes. The walk-in vendors also participate in the sale of animals. In the Payangan market particularly, there are several vendors in the yard selling animals which will primarily be used for offerings in upcoming ceremonies. Pigs, chicken, ducks and dogs are sacrificed on a regular basis in Bali. Pigs and chickens are frequently sacrificed in great number during several Balinese ceremonies and rituals. It has been reported that during the *Galungan* ceremony alone, over 10,000 pigs and nearly one millions ducks are sacrificed for ceremonial purposes.

Walking the “yard” in Payangan market with Wayan, head of security, he explains the significance of the *adat*.

I can say that almost everything here is related to *adat*. This is a traditional market and the (the markets) are like that. Full of *adat*! This is where we buy what we need for *upacara* (ceremonies). Yes, I can say all, except what the Javanese sell. (Wayan, security at Payangan Market, 2008)

The point Wayan makes is overwhelmingly the opinion of respondents in interviews and is supported by the results from the questionnaires performed (Figure 20). Additionally, the vast majority of the vendors at the market sell *adat*. Selling *adat*, can be a primary

source of income or a supplementary income for households in Bali. Made (name) from Tapaksiring claims his mother's income from selling *adat* provides him with an education:

My mom sells in the *pasar* (market). She and my grandmother sell offerings. They make them at home and also sell the supplies to make them. She's had a business in the pasar for a long time [...] yes, she can make a lot of money and paid for my university at Saraswati (Balinese local University). My Dad takes care of his cows.
(Made, store manager, 2009)



Figure 19. Market Fees. Fees are collected by market staff at the Payangan market. Photo by author.

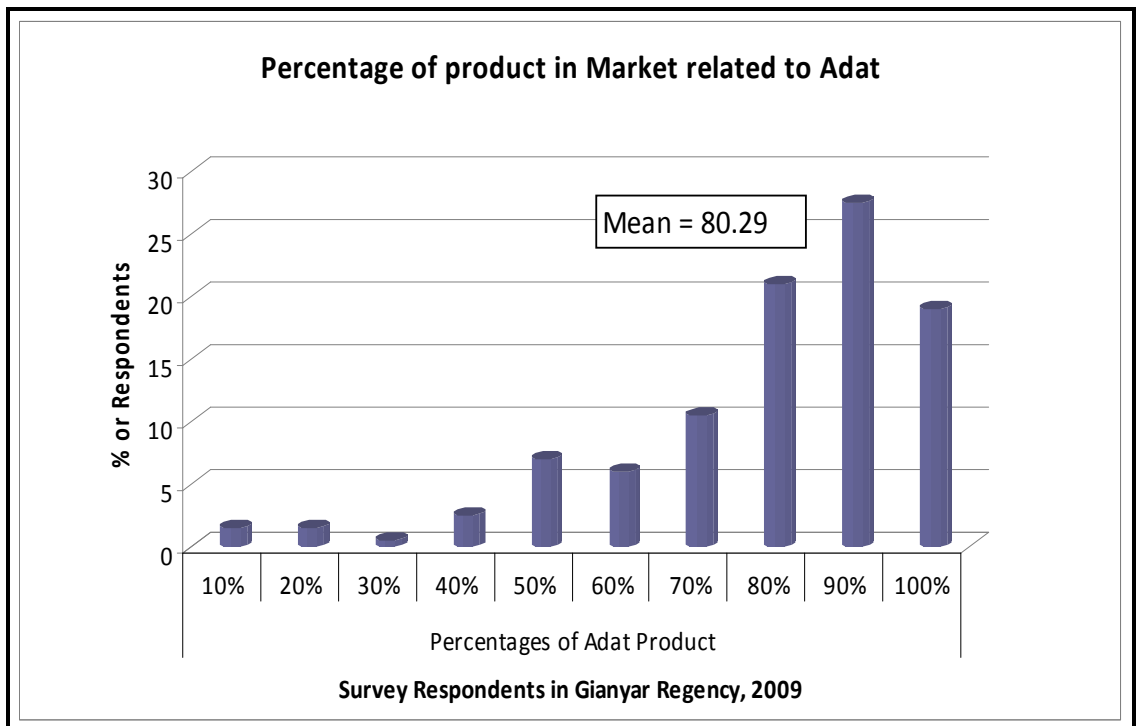


Figure 20. *Adat* Product in the Traditional Market. 80.29% (mean) of the product in the traditional market was determined to be related to *adat*. The results were concluded from 400 Balinese surveys and verified by interviews and observation in 2009.

Dwi from Mass helps her mother make offerings to sell at the market each morning:

We don't make a lot of money but it helps us. My Mom is smart and she makes traditional offering. (Dwi, vendor in Mass village, 2009)

Her father lost all of their money in a cock fight and has serious debt with the village now. The income she and her mother make is only enough to provide food for the family of five. They are lucky as many Balinese are in a house that is on tenured village land and they have a place to live as long as they follow the *adat*.

The "street vendors" work on the periphery of the market. They are often levied a fee by either the district or *Desa Adat* and are limited to a particular area adjacent to the market. Their fee varies but is generally reflective of a "walk in" vendor. The majority of

these vendors sell *adat*, agricultural products or imported goods. Mostly they can be characterized as sole proprietors selling in small quantities. However, there are also street vendors with small vehicles and carts that act as both wholesaler and retailer. These vendors often restock the yard and contract vendors inside the market area continually throughout the day.

Finally there is the “wholesale vendor”. These vendors often arrive early (3 a.m.) to the market via small trucks generally loaded with perishable goods such as fruit and vegetables (Figure 21). A majority of the wholesale trucks are from the Bangli Regency. Bangli Regency is primarily an agricultural highland that supports a variety of fruit and vegetable plantations. The wholesale vendors resupply the daily vendors and contractual kiosks. These vendors pay a fee during market management hours but likely escape the daily fee inadvertently by the early hours they operate. These wholesale vendors generally arrive at market very early to sell and deliver goods, then continue on to other markets for further business opportunities.

The vast majority of the vendors walk 1 km to 5 km to the market to sell their goods (Figure 22). They can be seen carrying their baskets on their heads and walking several kilometers each morning. It’s becoming more common recently to arrive by motorbike. Motorbikes allow people from distant villages, looking for economic opportunities, to participate in the traditional market economy. Several of the vendors said they were from small villages with few opportunities or jobs available. This group likely comes from 5 km to 10 km away. The motorbike use has likely changed the



Figure 21. Market Trucks. Street vendors often arrive by truck to sell wholesale and retail. Photo by author.

markets more significantly than any other factor. There are teams of parking employees at the each market now to organize the influx of new motorbikes. These parking attendants collect a fee and help people load and unload.

A significant amount of the vendors come from over 10 km away. These are primarily vendors involved in wholesale opportunities that resupply the vendors at the market. There is no rigid designation of a wholesaler or retailer in the market. With the right price and volume, a vendor can be involved with both types of sales. They often park near the market and sell to buyers walking by as well. In the early hours (3 a.m.) small trucks, loaded with produce, can be seen streaming out of the mountain villages.

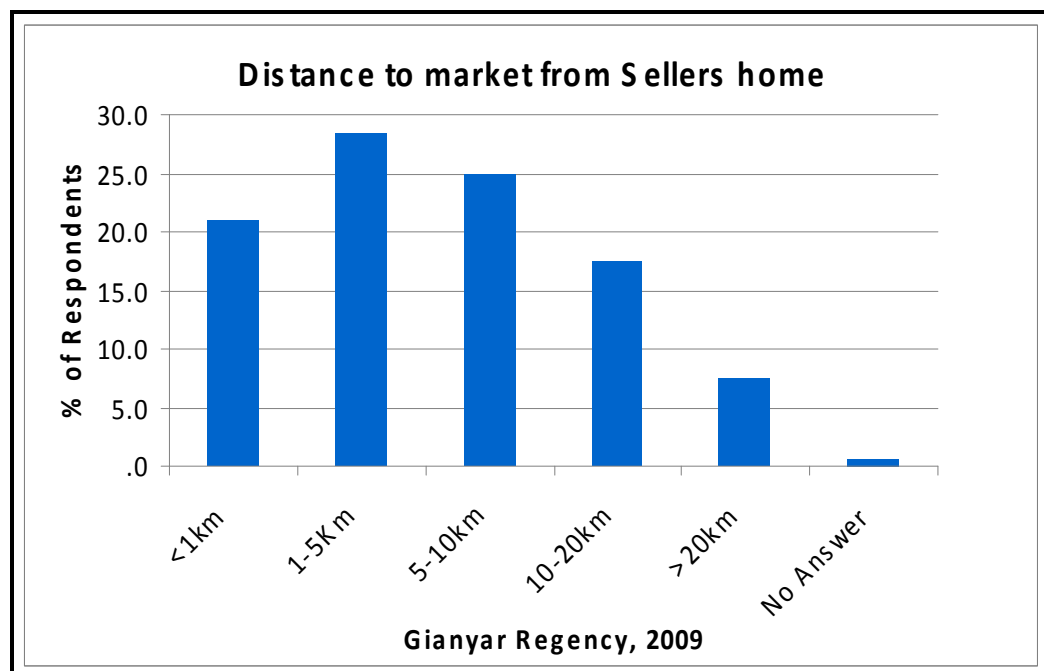


Figure 22. Distance to the Market from the Vendors (Sellers) Home. The graph illustrates that a large number of vendors live near each market in Gianyar Regencies. It would follow that the market supports the local informal micro-business sector near the market.

Price Point and Cost of Goods Sold

The price point schemes of Gianyar markets are fluid and ever changing. It is virtually impossible to find a fixed priced item or even common ground on a purchase price point. Several factors create flexible pricing. Bargaining, the lack of wholesale and retailer designation, ethnicity, and timing for Hindu ceremonial needs that correspond with a detailed Balinese calendar are the primary factors influencing fluid price structures in the traditional market.

Bargaining plays a significant role in determining price points in the informal business sector of Gianyar Regency. In fact, bargaining is one of the primary reasons Balinese support the traditional markets, followed closely by the availability of fresh produce and one stop shopping for *adat* products (Figure 23). Price points change according to the skill of the buyer and seller to conclude a bargained price that satisfies each. The technique of bargaining is a learned behavior from an early age and is a matter of pride and self worth (Gusti Ayu, personal communication 2008).

Bargaining skills are acquired by practice and often passed down through generational ties. Often a grandmother or mother will guide their children through the market and teach them the art of bargaining and sourcing products. Several comments by anonymous respondents confirmed this connection. “My mother taught me how to bargain with sellers [...] my mother showed me”. The process of bargaining is highly competitive and the outcome reflects one’s personal cleverness. “You must be aggressive with the seller to get a fair price, they won’t sell it if they don’t make a profit”, “The



Figures 23. Main Reasons to Shop at Market. The top three reasons Balinese shop at the traditional market. 1. The ability to bargain for a good price 2. The quality of the product 3. One-stop shopping for ceremony and offerings.

sellers often cheat with using the scale so you have to bargain hard” stated several respondents.

A great deal of status and respect is attached to one’s bargaining skills. Foreigners willing to pay a high price for goods at the market to “support the community” are often viewed as foolish (Kadek, personal communication 2009). “Someone who can bargain well is considered clever”, according to Ketut Mendra (2008). Balinese enjoy the game of bargaining and pride themselves on their ability to gain an exceptional price. Often they will inquire how much their friends and family members paid for a newly bought item.

This question is certainly followed by the comment “*mahal!*” (expensive) or “*murah!*” (cheap). The statement will qualify your ability to bargain. If the answer is *mahal* (expensive) then it is perceived that the buyer has been deceived and is not clever (Gusti Ayu, personal communication 2008).

There is no designation of wholesale or retailer in the traditional market. Thus, deals are made on volume and negotiations. Prices fluctuate with the volume of the sale, from market to market and with apparent upcoming ceremonies linked to the Balinese calendar. Prices are also based on the personal attributes of the buyer.

The prices in the market are determined by a prospective buyer’s profile. The price of each item is essentially linked to ethnicity, localism and language. Each starting point is influenced by these factors as a vendor determines an opening bid for the bargaining ritual to begin. Determining the starting point of the sale is critical in bargaining.

The price structure unfolds predictably. The highest price goes to the Japanese tourist. It is assumed that Japanese do not like to bargain, are wealthy enough to pay the highest price and are easily parted from his/her money. The next price point is reserved for the Westerner, or “*Bule*” (white person). The assumption of wealth is again considered along with the Westerners inability to bargain. Observations confirm the lack of bargaining skills by Westerners. Indeed Westerners are conditioned to fixed prices and generally lack experience in bargaining for lower prices.

The third level price point is directed at the Chinese and Koreans. This population represents a significant percentage of the tourists in Bali. The apparent reasoning for the

price point determination is the perceived ability of the Chinese and Koreans to bargain well. However, generally the Chinese and Koreans lack the understanding of the local prices. In this way the vendor can present an unknown price and move toward the skill of bargaining. “The Chinese bargain hard, they want everything too cheap” states an anonymous vendor in the Ubud Market. “I have to get a fair price” she continues, and “they don’t know what price to start at”.

As mentioned, language plays a significant role in the price structure, coupled with ethnic background which can lead to price discrimination. Even a national Indonesian will pay a higher price than a local villager. “I set the price higher than standard. I know they are not Balinese so I can charge them more. They don’t know the local price” says Wayan. She is a textile vendor in the Ubud market. Even a Balinese from outside the village is charged a higher price. One question a vendor will almost certainly ask in small talk is: “Where are you from?”. Vendors can often tell by the accent if the Balinese buyers are local and set the price accordingly.

Locals from the same village or *Desa Adat* are often able to acquire the lowest price at the market. However, localism does not guarantee the best price available. The ability to bargain always is a factor when purchasing items in the market. For most Balinese it’s a matter of pride as well as available resources. Bargaining is a game of sorts and without the proper facial expressions; willingness to refuse to buy the item and proper banter to establish a respectful position, the vendor’s skill will ensure them a higher price.

There is also a temporal aspect of price points in the traditional market. During different times of the day the prices fluctuate wildly. The first purchase of the day is considered lucky and can set the mood and attitude of the vendor for the entire day. In the morning, vendors often call out “morning price” to demonstrate their willingness to make an early sale and bargain lower than usual. If the sale goes well, they can be heard excitedly reporting the sale to their friends and tapping the Rupiah earned on their products throughout their kiosk, stall or selling space in the yard. There is also an opportunity to bargain well as the market begins to close. Vendors are often willing to offer low prices to end the day in good spirits. In summary, there are no fixed prices in the traditional market. Each price point is a function of ethnicity, localism, timing, volume and bargaining skills.

Geographic Orientation of the Market

Each market in Gianyar has a market temple in the Northeastern corner known as the Melanting Temple (Figure 24 and 25). These temples are geographically oriented towards Mount Agung, the holy mountain. Each vendor gives an offering to the Melanting temple in the market each day. In several markets, offerings are so numerous they expand onto the street corner in a Northeastern direction toward Mount Agung. In addition, every six months there is a large merchant ceremony known locally as *Buda Cemang Kelawan*. During this ceremony, and throughout the year, merchants and business owners pay tribute to and visit the *Ibu* (mother) Melanting Temple located in north Bali near Singaraja. There is a general lack of local knowledge as to which temple is the “Mother” or Ibu Melanting temple. Several respondents referred to the *Pura Pasar*

Agung, located on Mount Agung, as the Ibu Melanting Temple. A field investigation to the *Pura Pasar Agung* on *Buda Cemang Kelawan* confirmed that the *Pura Pasar Agung* is not the Ibu Melanting Temple. No ceremonies were held at that location during this island-wide merchant ceremony.

In Gianyar Regency each building or vendor kiosk owned or operated by a Balinese must maintain a shrine (offering platform) known as a *Palan kirin*. Each *Palan*

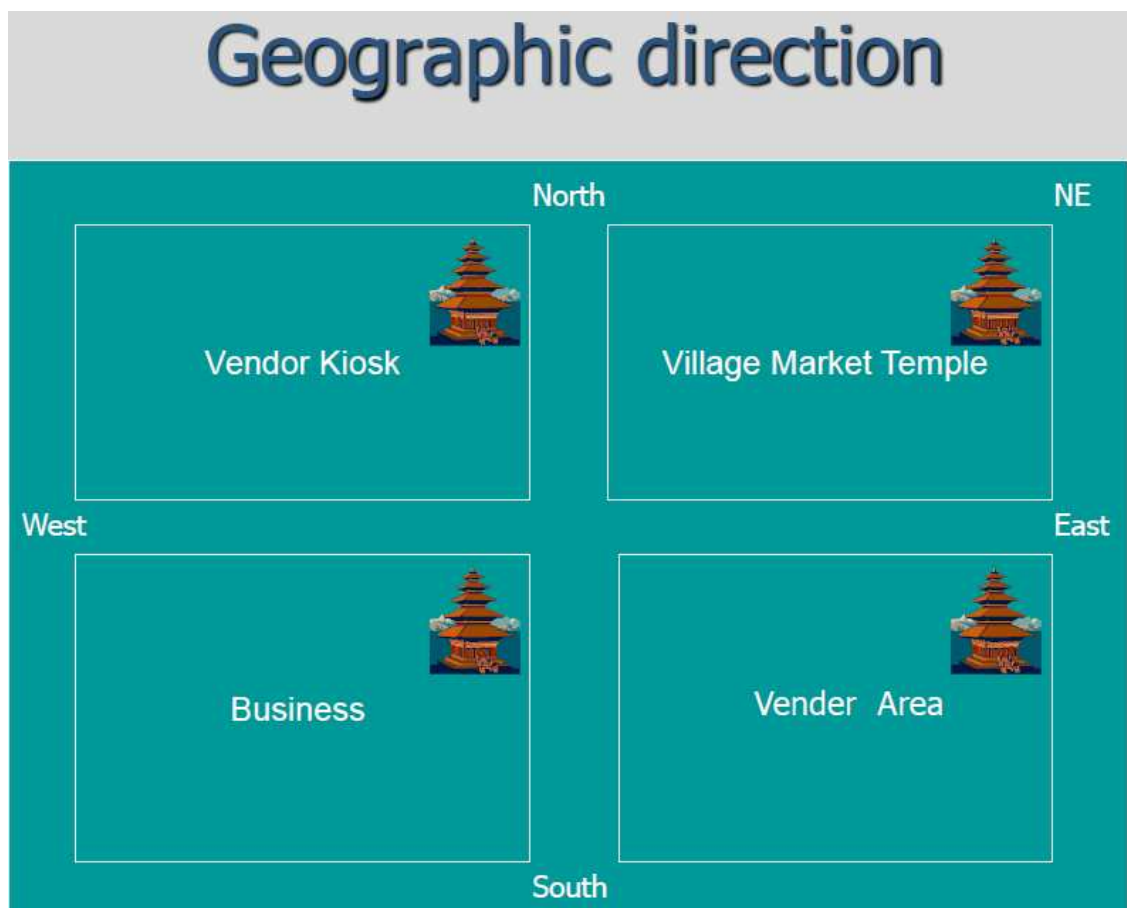


Figure 24. Geographic Direction. All Melanting temples, vendor kiosk, vender areas and businesses are oriented toward Mount Agung.



Figure 25. Melanting Temple. Melanting Temple at the Sukawati traditional market. Each vendor at the market gives an offering at the temple daily. Photo by author.

kirin is geographically oriented to the Northeast towards Mount Agung (Figure 26). This was verified by taking a compass bearing while conducting field examinations. In other parts of Bali the direction of orientation is adjusted depending on location (Figure 27).

A *Melanting* temple is located in every *Banjar* in Bali (there are 565 *Banjar* in Gianyar Regency) according to Dr. Wayan Windia, a professor in *adat* law at the



Figure 26. Market Shrine. *Palan kirin* (shrine), located upper right of photo must be maintained with daily offering and oriented toward Mount Agung. Every Balinese kiosk and each seller in the traditional market must comply with the *adat* by praying and presenting offerings to the shrine daily. Photo by author.

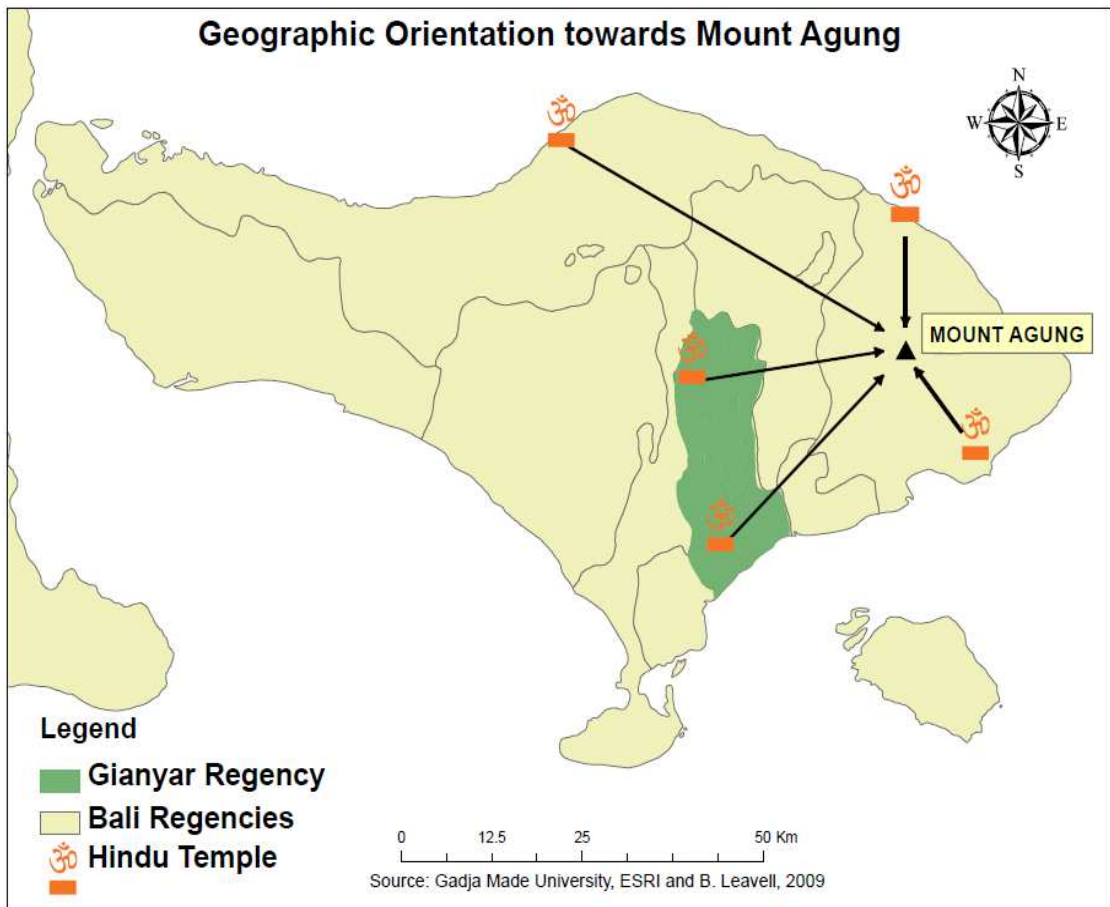


Figure 27. Geographical Orientation. Geographical orientation in Bali depends upon location. Each regions *adat* is subsequently oriented toward Mount Agung. In Gianyar Regency the orientation is generally towards the Northeast or East. Temples located in the North Bali are thus oriented to the Southeast towards Mount Agung.

University of Udayana in Bali. Dr. Windia also explained that every merchant in Bali, whether selling a product or providing a service, must pay tribute to the *Melanting* temple in order to follow the *adat*. The *Desa Adat*, where the market resides, is responsible for the maintenance and upkeep of *Melanting* temple at the market. All day there is a continuum of vendors giving Hindu offerings to the *Melanting* temple at each traditional market in Gianyar Regency.

Status and Respect

The Balinese lifestyle is becoming increasingly busy, competitive, and stressful due to modern influences. Balinese are relying on easy access to village credit to purchase motorbikes, cellular phones, automobiles, televisions and computers. They are also borrowing money in order to outpace their neighbors in performing more elaborate and expensive ceremonies and rituals. The stress from these increased debt loads, perpetuated by purchasing these amenities and performing ever more elaborate ceremonies, has contributed to a more hectic lifestyle and considerable time pressures in the Balinese society. Villages have more stress in their lives created by their loan obligations and the apparent social pressure within the *Desa Adat* to keep up with the newest trend.

“The erosion of social capital is rooted in: Busyness and time-pressure, residential mobility, economic hard times (or material affluence), and the acquisition of technology” (Putman, 1995). However, with the rigid forms of social and civic organizations (*seka*) that protect the *adat* the process of erosion is slowed considerable. Despite the villagers increased stress levels from social pressure and trying to maintain their status, the Balinese still are required to fulfill their commitments to the *Desa Adat*.

Ceremonies are an expensive endeavor in Bali and getting more expensive due to the increasing importance of status and respect. According to Picard (1996), “The money earned from tourism [in Bali], feeds a competition for status that is expressed in the evermore sumptuous and spectacular ceremonies”. Although status and respect have always played a role in the Balinese society, there is now an increased level of these

social forces that are disconcerting for some of the Balinese interviewed. It is best explained in this narrative from Pak Made (2008) in Ubud:

Everyone is so concerned with keeping up with their neighbors now. Before we just gave what we could. Now people borrow money to buy elaborate decorations to their ceremonies look better than anyone else. Of course, it's important to offer God the best we have but better not to borrow money and be arrogant about it (Made, villager 2008).

This is further described by Kadek, from Ubud, who admittedly competes with his neighbors in many ways:

I can see by his house that he does not respect God. Look at my family temple. It reflects how much I respect God. My temple cost more than my house. I can always tell which people don't follow the *adat*. Their house is big and their family temple tiny. They are stupid to show themselves to the village like that [...] people won't respect them. (Kadek, business owner, 2008)

Status and respect play significant roles in the caste laden Balinese society (Geertz 1975). It is common to perform elaborate ceremonies and 'show' oneself. Jealousy and village competition play a significant part in this situation. The competition leads to expensive ceremonies at all levels in the community and people will even borrow substantial amounts of money to hold elaborate ceremonies for political positioning (Gusti Ayu, personal communication 2009). One clear case of this is explained from an interview taken near Ubud by a village leader that demonstrates how far people will go to "show themselves".

The newly elected village leader wanted to demonstrate his popularity by holding an elaborate ceremony and inviting the village community to see how important he had become. The cost of the ceremony exceeded 200 million RP (\$22,000) and soon put the leader into severe debt. In order not to lose face, he sold his grandfather's paddy rice

land to pay for the debt. This story reflects a common theme in the interviews taken in Bali during this research. Kadek Ari continues:

Our village leader is a fool. We are worried we elected an arrogant man to lead the village. After the election he was so proud to have the largest ceremony ever in his family compound. He spent 20 million Rupiah (approximately \$22,000). He borrowed that money and everyone wonders why we elected him (Kadek, personal communication 2008).

Autonomy

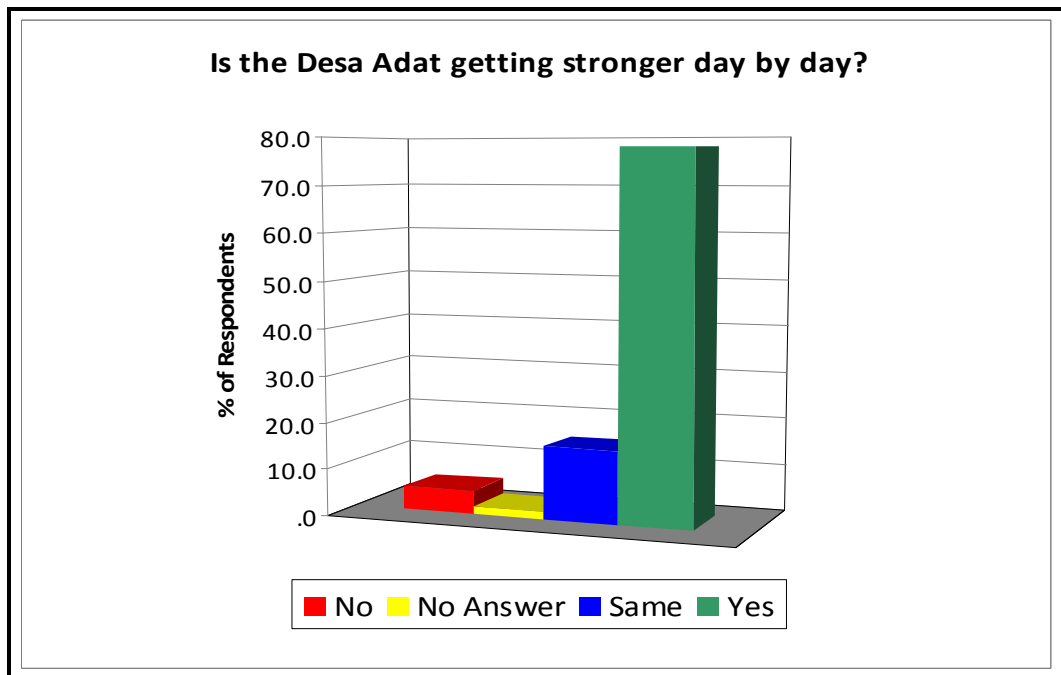
The *Desa Adat* has gained considerable strength since the Autonomy Law 22 was enacted. Respondents to the questionnaires overwhelmingly concurred with this finding (Figure 28). Informants in interviews also discussed at length how *Desa Adat* is getting stronger and how this change affects their lives. The feeling of autonomy has empowered the *Desa Adat* and the villager to strengthen their foundation of culture, religion and customary law. There are more demands on villagers to conform and comply with the newly established order. Respondents often discussed how the *adat* has become more complex, competitive and rigid since autonomy was enacted. Even village children are becoming more ritualistic and demand trendy and traditional formal dress for the temple ceremonies as Pak Tungjung explains:

We used to live so simple. We didn't even have meat very much and if we went to the temple, we just wore what we had. Now my grandchildren have to tell me what to wear and they all have the same colors as their friends. (Pak Tungjung, personal communication 2007).

The *Desa Adat* and Bali Hinduism are interconnected and in turn influence each other. There is an endless list of ceremonies that the *Desa Adat* performs in order to complete the requirement of the Balinese Hinduism and *adat*. The ceremonies can be

seen daily in Gianyar Regency at every village level. Traffic is stopped regularly to give ceremonial processions the rite of passage. The ceremonies are becoming more elaborate which is an economic factor when considering the informal micro-business sector's opportunities in the traditional market. As the religious dress, deity offerings, elaborate ceremonies and extravagant feasts become compliant to current trends, more money is spent at the markets. Ceremonies are very expensive and demand considerable amounts of time, money and materials to complete. More products from the traditional market are needed. This need translates into an increased demand for *adat* products, more goods to be sold, and in turn increases the opportunities available to entrepreneurs.

Respondents also noted that the Balinese Hinduism is also gaining strength (Figure 29). Due to the improved modes of transportation there are more pilgrimages to collect holy water in the high mountain areas and at famous temples. The access to these destinations is much easier due to the availability of motorbikes and cars. Additionally, the easy access to credit from village cooperative banks and multinational lenders has raised the purchasing power of the Balinese and they are utilizing this purchase power to demonstrate how committed they are to the Balinese religion.



Figures 28. Strength of the *Desa Adat*. Respondents overwhelmingly perceive the *Desa adat* is getting stronger in their villages.

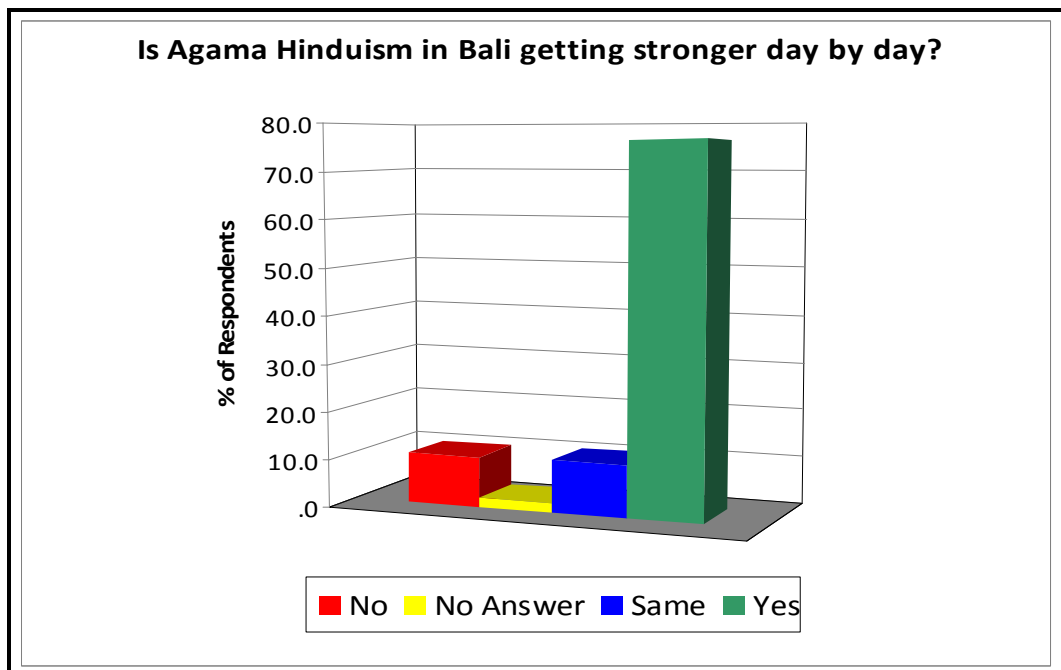


Figure 29. Strength of Religion. The Balinese perceive Hinduism in Bali as getting stronger each day.

The Tendency of the Market

Global influences are changing the economic landscape in Bali, yet the traditional market still remains a powerful economic force in the community. This force can be witnessed early in the morning at each of the traditional village markets in Gianyar Regency and throughout Bali. Wayan, a market manager summaries this;

The market will never go away. They are part of our culture and the only place we can buy the thing we need for ceremonies, our *adat*. We are making more rules to keep the supermarket a safe distance from the traditional market (Wayan, market manager 2008).

His opinion is echoed continually in interviews taken throughout Gianyar Regency. The Balinese have little concern for the traditional market's future even as super stores and mini-markets gain significant market share. They overwhelmingly demonstrate their support for the traditional market and contend that it will never disappear from the Balinese landscape. The primary reason for the Balinese lack of concern is the direct connection between the *adat* and the market place. "The market is the only place to buy all the *adat* for my ceremonies" an anonymous respondent states. "The market will never go away, but it is cheaper to buy some things at the super market," another respondent concedes. Indeed, results from questionnaires overwhelmingly reflect that the Balinese believe the market will weather the increased competition by superstores, mini-markets and current changes (Figure 30). However, Balinese are increasingly buying imported food and drink from the mini-markets which directly affects some of the vendors at the market.

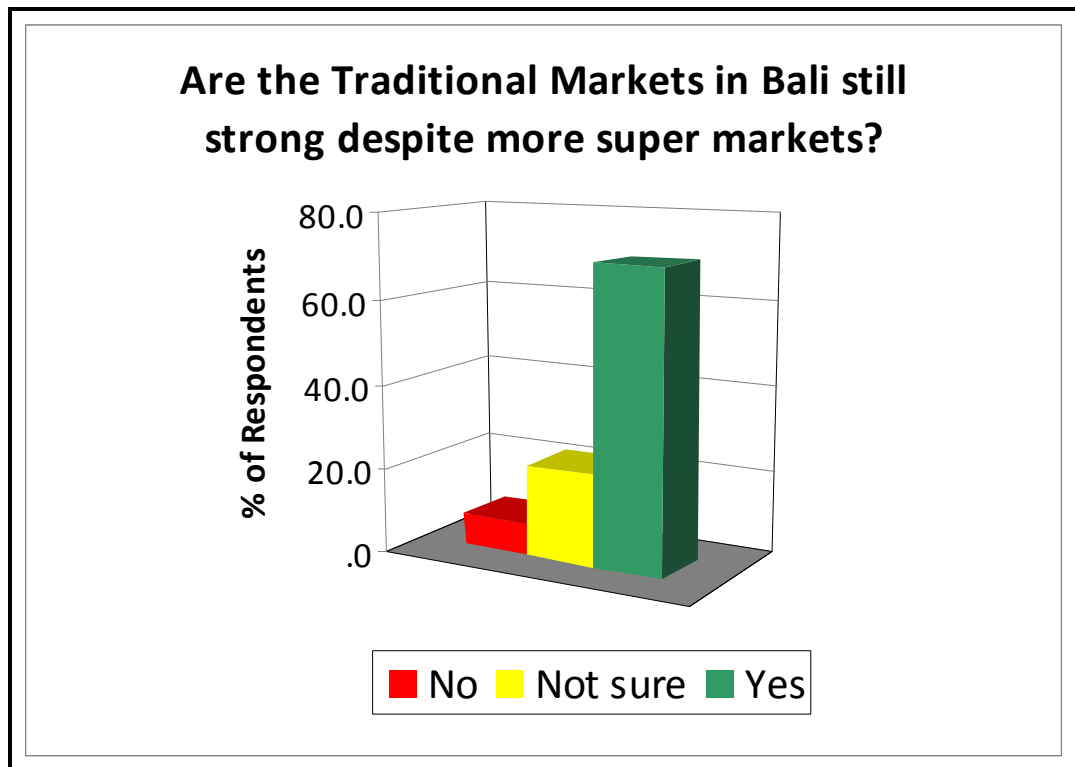


Figure 30. Strength of the Market. A total of 68% of the respondents perceived the traditional market will remain strong despite more competition by super markets.

Respondents also contend that the future of the traditional market is likely to be secure.

Again, questionnaire respondents expressed that the market will still be strong in 10 years (Figure 31).

One consideration of this perception is that the market is “busier” due to the apparent increase of motorbike and automobile use in Bali. The tendency toward the using these forms of transportation is increasing rapidly. Additionally, with this increased volume of motorbike and automobile use there is also an increased frequency of visits to the traditional market each day, making it appear busier.

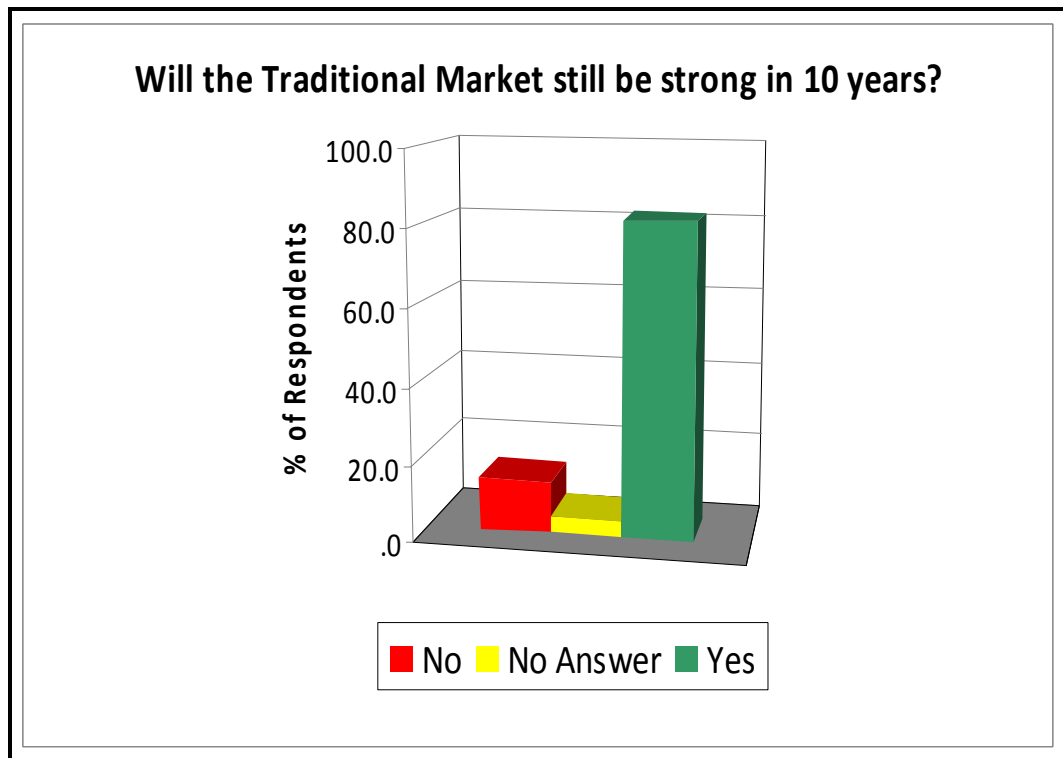


Figure 31. Market Future. Respondents were asked if the traditional market will still be strong in 10 years.

The markets in Gianyar Regency are changing in dynamic ways yet are maintaining their traditional characteristics. This change is caused primarily by globalization issues related to transportation and the increased demand for products related to *adat*. Most of the respondents from questionnaires are not concerned with these global effects in relationship to the traditional market (Figure 32). However, transportation in Gianyar Regency is rapidly becoming a major issue. Roads are being refurbished and widened and there's a shift from walking, bicycling and using mass transit to that of using motorbikes and automobiles. Since the initiation of this research,

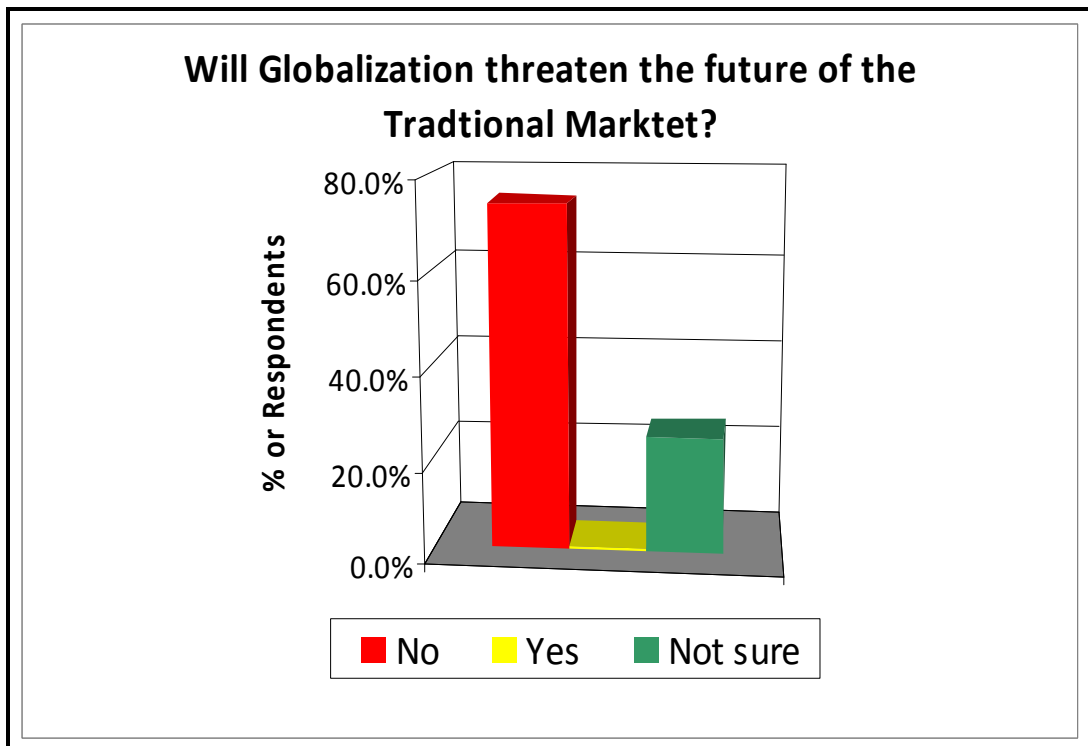


Figure 32. Globalization. Over 70% of the Balinese surveyed perceive the traditional markets existence will not be threatened by globalization and the influx of modernity.

three years ago, the increased numbers of new automobiles and motorbikes on the streets is astonishing.

Where once people walked to the market, it now seems increasingly impossible to cross the street adjacent to the market from 5 a.m. until 7 a.m. This increase in traffic has changed the dynamics of the market as well. It has not only changed the aesthetic value of the market but has created severe congestion in and near the traditional market area.

Literally thousands of motorbikes arrive and depart the Ubud market every morning. They can be heard pouring out of the surrounding villages and heading for the market. Most leave with large bags tied to the motorbike or held in their laps. The bags

are often filled with several items for ceremonial use in the *Desa Adat* or at home.

Motorcycles are becoming a part of the cultural landscape. Each motorbike owner pays a fee of 1,000Rp (\$.10) to park and the *Desa Adat* profit quite well from this fee. “I just drive down to the market if I need something” states a random respondent. “If I need something I can ride my motorbike [...] Sometimes I go one to three times a day if we have a busy ceremony and I need to buy more things”, she continues.

The markets are changing quickly with the new modes of transportation and the market economy is growing stronger as vendors capitalize on the opportunity to sell the expansive list of products related to *adat*. Selling *adat* at the traditional market is increasingly a prospective opportunity for vendors to make a living in Bali. This is especially the situation as autonomy, status, respect and the availability to borrow money are forefront in the minds of the Balinese.



Mixing Modernity with Tradition. Photo by author.

ANALYSIS 2: MENTAL MAP STUDY

The mental maps were first employed to simply identify how many, if any, people would include the traditional market on their map. The use of this method is a way to support, like the questionnaire, the qualitative method results. However, as the study was performed, it became increasingly more insightful. While conducting the mental map study, the respondent's curiosity of the study and the comments that ensued resulted in new information to consider. General map features are first summarized and examined for interesting aspects. Then, a generalized map is presented to demonstrate the commonalities of the mental maps performed. Lastly, the interesting topics that ensued while performing the mental map study are discussed.

The first task of analyzing the mental maps was to simply sort them according to the features represented on the map. The mental maps were then examined for links with the traditional market, *adat* or cultural attributes. The primary assumption was that if the mental map included a specific feature, it was, at the very least, important enough for the respondent to include it. However, if the respondent circled the feature per instructions (please circle the most important things in your life on the map?), then the map had considerably more information to examine.

The maps are first identified for the obvious inclusion and exclusion of the traditional market. The vast majority of maps (112) included the market as a feature. This is a significant finding, yet given the market is such a centrally located prominent feature in the village, it is not surprising. However, of the 112, there were 76 maps in which

respondents circled the market as an important feature and thus confirmed the significance of the traditional market in their lives.

The next grouping involved the *Desa Adat*. This group included anything related to the *adat* (temples, *Banjar* meeting hall, *Subak*, palace, holy water temple, etc). These features were found in 133 of the maps. This finding demonstrates a clear connection between the *adat* and the Balinese perception of their community. One interesting finding evolved while redesigning and conducting the preliminary mental map sampling. The respondents in this first group were asked to draw their *Desa Adat*. Most maps performed included a resemblance of features related to *adat*. In fact, by asking respondents to draw their *Desa Adat*, the question essentially asked them to draw their customary village, which would naturally include the temples that define it. The term was then changed to *Desa* (village), a more general term, which likely includes several *Desa Adat* within its boundary. However, the results remained similar and the inclusion of temples and *adat* features persisted despite the change in terminology.

The remaining maps (17) that either lacked the elements of either *adat* or the traditional market have been tabled in case further research is pursued. Three of the mental maps that characterize maps performed in Gianyar Regencies are now examined and analyzed. The three maps are from different geographic regions within Gianyar Regency. The features commonly included are then displayed to demonstrate the typical mental map performed by respondents.

The first map analyzed (Figure 33) is representative of the typical mental map performed in Gianyar Regency. The map was completed by a 28 year old Balinese

woman that resides in Sukawati, a village in the south of Gianyar Regency. The mental map contains the most common characteristics of the maps performed in this study. This map distinctly shows roads and junctions instead of environmental features and is oriented to the North. The ‘U’ is drawn on the top of the map and stands for *Utara*, which translates as north in the Indonesian language. As in this example, respondents commonly draw the road system, important junctions, the *Banjar* meeting hall, and the traditional market. There are four markets drawn on this map. They are labeled *pasar*, which means ‘market’ in Bahasa Indonesian. There are two art markets (*pasar seni*) labeled and two traditional markets (*pasar umur*) in this mental map. Interestingly, the respondent has circled two traditional markets to signify the importance of the markets. One market is the district market of Sukawati and the other a *Desa Adat* market (unknown name). This map clearly demonstrates a personal connection between the respondent and the traditional elements in her village. One interesting difference in this map from others is the symbolism used for different features. Overwhelmingly, respondent’s mental maps are void of any semblance of symbols to identify features on their maps.

The second map (Figure 34) was completed by a 25 year old male respondent in Tampaksiring, a village in northern Gianyar Regency. Interestingly this map is similar in that it contains road system; includes a north arrow for orientation and lacks

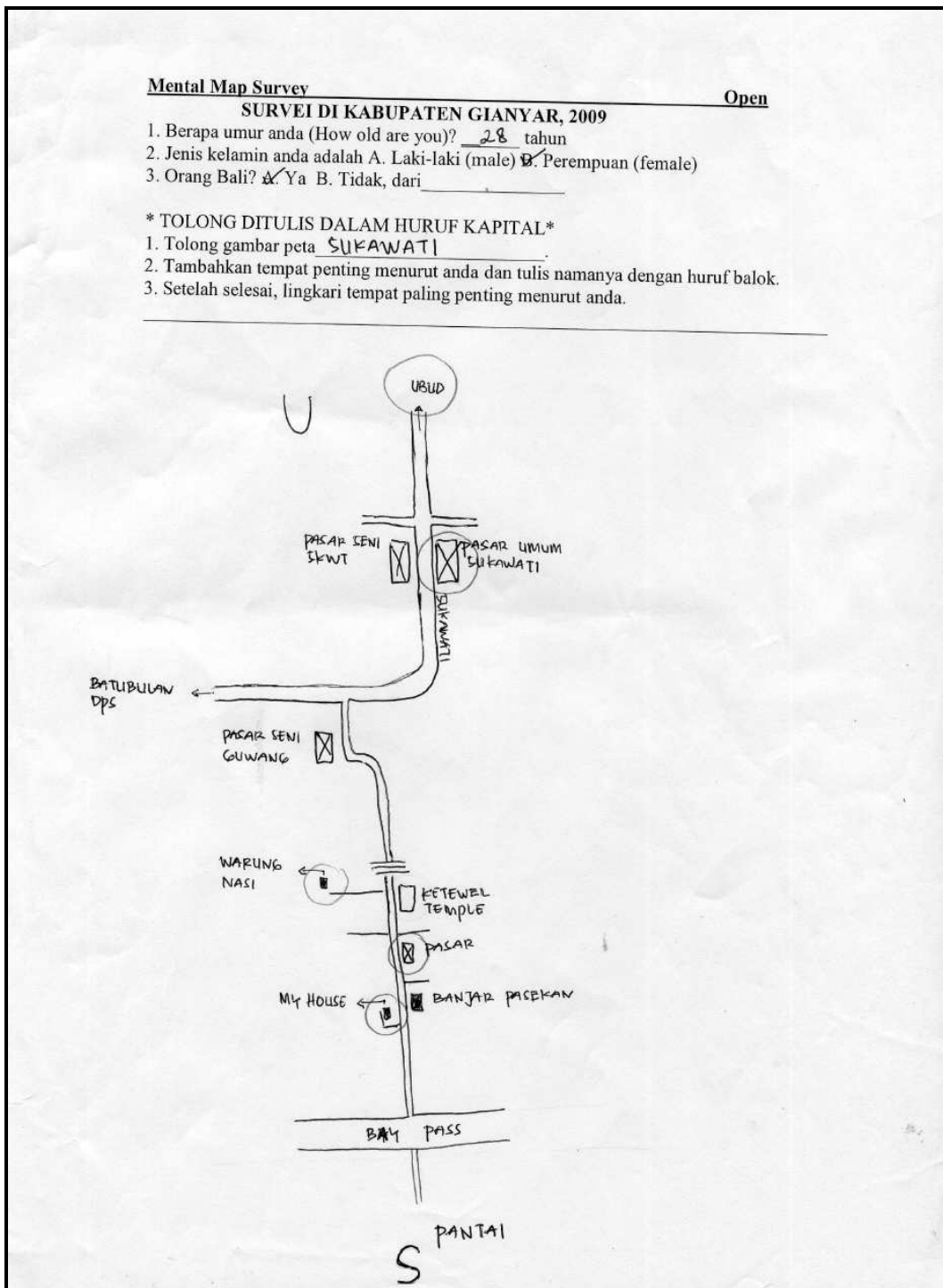


Figure 33. Mental Map 1.

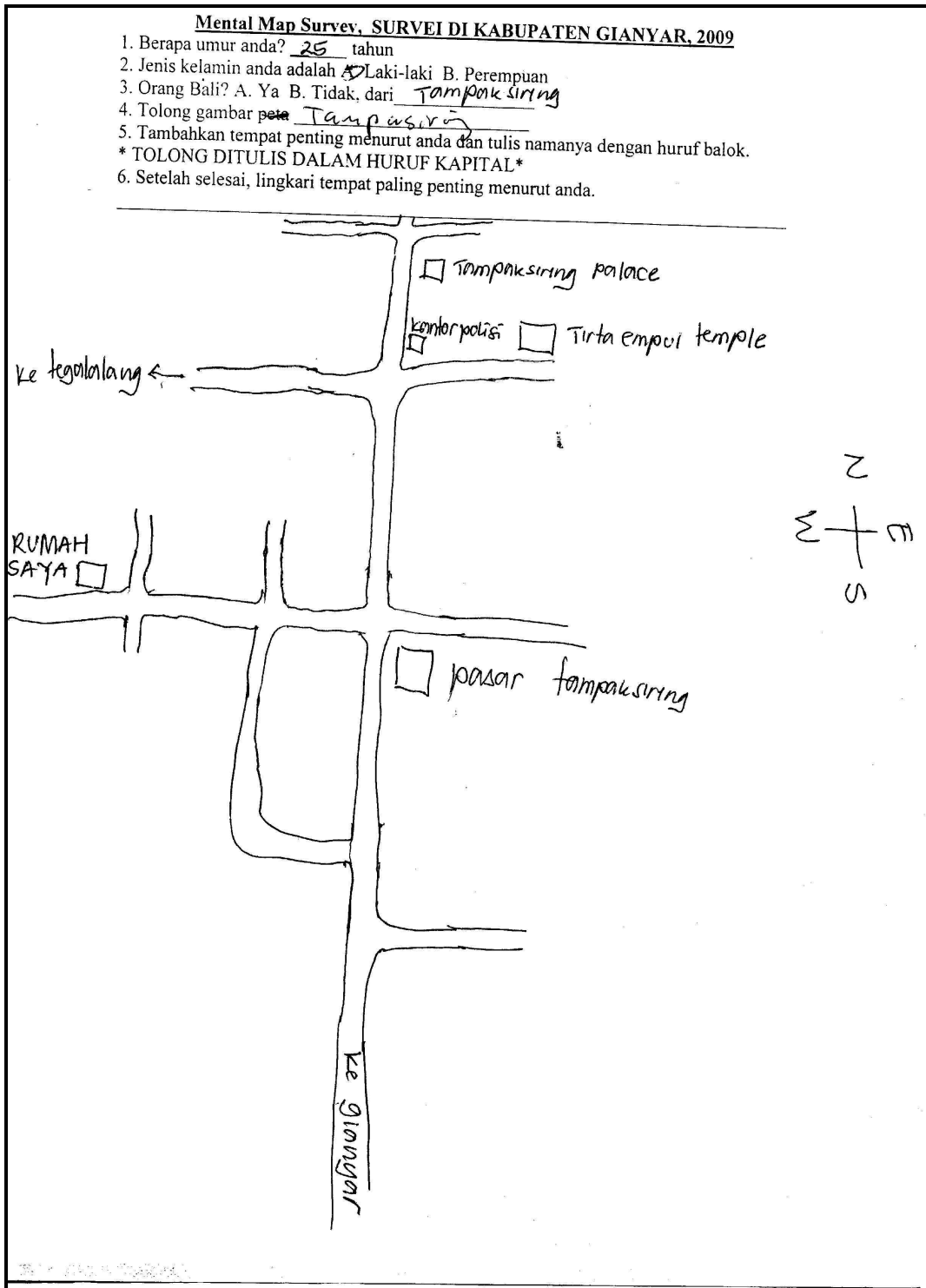


Figure 34. Mental Map 2.

environmental features. The map also lacks representation of modern businesses.

Although the respondent failed to follow the instructions and circle the most important places in his daily life, the features included exemplify the importance of the market and *adat*. The traditional market, the palace and Tirta Temple (holy water temple) are illustrated clearly in the map. Additionally, the respondent included his home (*rumah saya*). Occasionally, male respondents near tourist centers, or engaged in the tourist industry, included several museums, banks, famous restaurants and temples (where tourist performances are held regularly) in their maps. Occasionally these maps also referred to the traditional market as an “art market”. This would follow as most tour guides or transportation employees are men. The tourist industry has become a part of their daily lives and is imprinted on their minds as they consider the description of their village.

Map three (Figure 35) offers much more detail to examine. The map was completed by a 16 year old female from Ubud. This map also typifies the other maps performed in Gianyar Regency in that it primarily displays the road system in the village, includes the traditional market, several *adat* features and a north arrow for orientation. The respondent also identifies the traditional market and several *adat* features as important to her daily life. However the map also reveals the importance of tourist attractions and government agencies important to the respondent. A museum, the respondent’s school, three government agencies, the tourist information center and several tourist restaurants are acknowledged in her map. Ubud is a famous tourist destination in Bali and this likely has had an influence on the respondent’s perception of

Ubud village. Several other respondents in Sukawati, another tourist center popularized by the art market, included similar features. In Sukawati however, the features were more centered on the art market and the adjacent food court.

Again, environmental cues are interestingly almost void in this map with one exception. In the bottom left corner of the map, the Monkey Forest, a main attraction to Ubud, is included. Nevertheless, the Monkey Forest is not labeled as a feature. Instead the Pura Dalam (cemetery temple) located near the forest is labeled clearly.

Some features were common among all of the respondent's mental maps. The vast majority described the road system and intersections. This is likely because the Balinese identify their village through the road systems they travel frequently. In fact, they also perform a significant portion of their ceremonies on roads and also use the road system for travel to the continuum of ceremonies they attend. The Balinese also sit, linger and talk with their neighbors on the roads in front of their family compounds. The Balinese compounds are often intricately decorated in the front entrance. Elaborate offerings can be seen in front of Balinese compounds, road junctions and especially at the *perempaten*. In short, their identity with the rest of the community is often perceived from their front gate and the *permpaten*.

The second most similar aspect of the mental maps was the inclusion of the temples, shrines, *Bale Banjar*, water temples, and the Palace. Each of these features is highly connected to the *adat* in each village. Most maps had at least one of these features circled as an important element. Often more than one was circled. Rarely were particular types of *adat* features included or circled more significantly than others on the mental

maps. The exception to this was in Ubud, where the market, Palace and the *Bale Banjar*, located at the *perempatan*, were commonly circled as important.

A generalized mental map (Figure 36) shows the summary of the common elements the Balinese displayed on their mental maps. The map shows the general pattern of the villages that are generally oriented to north and includes a main road intersection (*perempatan*). The mental maps surveyed also commonly illustrate the traditional market, an occasional government office, and the respondents' home and features related to *adat* (Temples, Bale Banjar). The features related to *kaja* and *kelod* were not indicated on the mental maps surveyed yet are displayed in the generalized map to show orientation.

As mentioned, 112 of respondents illustrated the traditional market on their mental maps. Of these maps, 76 confirmed that the traditional market is an important feature in their lives. This significant finding demonstrates the identity the Balinese have with their traditional markets. Often the market was featured in the center of the map and clustered with the other features. The other features were primarily those found near the *perempatan*. It also demonstrates that the *perempatan* (main road intersection) is an important place of reference for the Balinese respondents. This is primarily because the most significant ceremonies must pass through the *perempatan*.

It is common that the respondents included a north arrow on their map. This could possibly be due to the constant relationship the Balinese have with regards to the direction and orientation of their lives. Most often only the north arrow was included. The papers were often oriented to the north before the respondents began to portray their

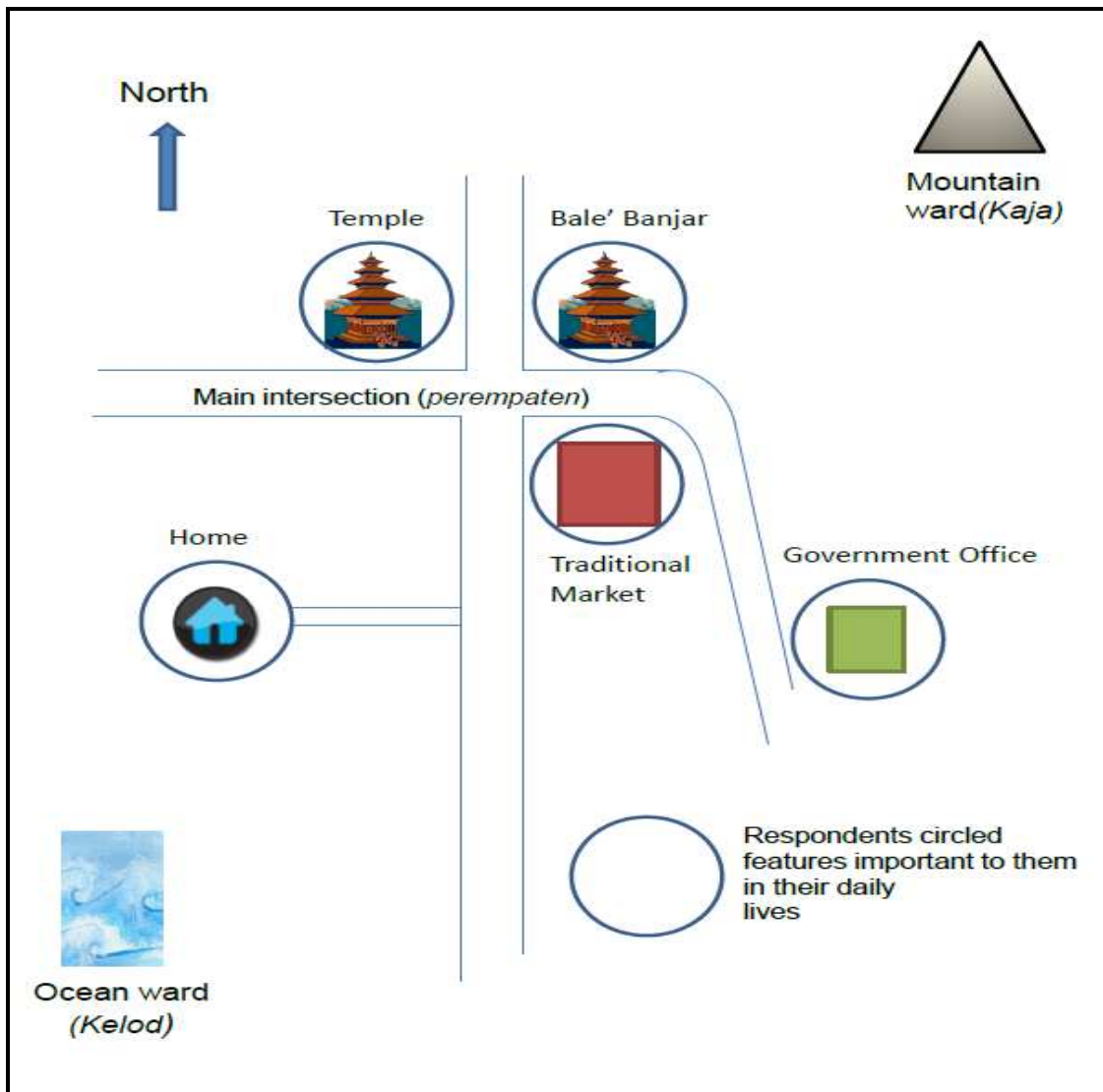


Figure 36. Generalization Mental Map. This map represents the common features displayed on many of the mental maps performed in Gianyar Regency. The features relating to *kaja* and *kelod* were not displayed on many mental maps but are included here to show reference to the common orientation of most mental maps sketched.

village on the mental map. Additionally, the respondents occasionally sought advice from other Balinese in order to perfect the orientation of their maps before commencing to draw their villages.

Almost all of the maps were void of any reference to environmental features, village boundaries or agricultural features. There was only a smattering of mental maps that included a river, field or forest. These maps mostly included one or two environmental features. In Ubud, where the Monkey Forest is both a tourist attraction and an important temple ground, the temple within the forest was often identified rather than the forest. Certainly the Balinese identify their villages from the significant land marks related to the *adat*, the market and prominent tourist features. These features are all located on, or near to, the primary road systems of each village.

The critical component involved in conducting the mental map study was discussing the results with the respondents after they completed their mental map. Most respondents were fascinated at the prospect of drawing their community on the mental map. Most respondents were curious about how to orient the map and were especially concerned with scale. Often they wanted to redraw the map and confirm the items they had circled as significant. Completing the mental maps and discussing the results also provided an opportunity to conduct interviews and questionnaires. The market's importance was regularly discussed, as were its deficiencies. For unknown reasons the market's deficiencies were a regular issue discussed by respondents when performing the mental maps study.

The respondents throughout Gianyar Regency regularly commented on the negative aspects of the traditional market while they were completing mental map studies. Three complaints were repeatedly mentioned: the markets are dirty, they smell bad and they are too crowded. Occasionally remarks were directed towards the

aggressive vendors. These concerns are valid. The markets often do appear dirty, smell bad and are crowded. The managers of the traditional markets in Gianyar Regency have seemingly attempted to address this problem by levying a cleaning fee and contracting garbage companies to dispose of the waste. There is also an ongoing national media campaign to discourage vendors from taking advantage of buyers. Public commercials are broadcast regularly on television and displayed on billboards along several highways in Bali. Several initiatives in the Gianyar Regency have already attempted to clean up the market's image and cleanliness. Wayan points out:

It's in the culture; people just drop things on the ground. They are not concerned with this because they don't think about it. We have tried to demonstrate to people how to keep the market clean but we are largely ignored (Wayan, market manager, 2008)

Many of the respondents were eager to describe how important the market was to their lives and some were even embarrassed if they forgot to include the traditional market on their map. They would later explain that they were confused about what to draw on their mental map. It was critical that respondents were separated while performing the mental maps study. Otherwise a group consensus was made of the project and the maps were conformed along the lines of peer pressure. Additionally, a fair amount of teasing took place while people watch over one another's shoulders to confirm the correct spatial relationships and scale on the map according to their perspective.

DISCUSSION

The informal micro-business development in the traditional markets of Gianyar Regency is significantly influenced by the Balinese *adat*. Yet, this sector has also taken on other elements of development that are interesting to consider. Through the encouragement of the recent economic boom in Bali, many opportunities for the informal micro-business sector have become apparent. The informal sector has developed alongside of the needs of the Balinese society to the extent that this sector needs more space to provide its services.

The *Desa Adat* and the powerful social capital it wields are at the core of the influences in the traditional market economy. These influences have maintained their centrality within the cultural and economic landscape in Bali, regardless of external influences. This influence will also likely be the reason that, despite modernity and technological advancements, Bali's traditional markets will remain a powerful local economic force that continues to serve the Balinese needs.

The informal micro-business recent development is first discussed, followed by the influences on this sector that transpires from the Balinese society. Combined, these two subjects present a compelling case as to the significant influence *adat* has on the informal micro-business development in the traditional market economy. These influences can be found in the *Desa Adat's* demand for merchandise related to *adat*, the current opportunities available for the micro-business sector, and the recent spatial changes in the traditional markets cultural and economic landscape.

Informal Micro-Business Development

The informal micro-business sector and its development in Gianyar Regency is legitimately recognized as an economic force. Dynamic, free from binding levels of bureaucracy, entrepreneurial in spirit and a vital part of the traditional economy, this sector supports Balinese societal needs. The development of this sector is securely built on a foundation of recent prosperity and is growing rapidly. There currently is no resemblance of a global financial crisis in Gianyar Regency, as there is elsewhere in the world. In fact, quite the opposite is clearly apparent. Gianyar Regency resembles a storm of economic activity that has led to an alarming number of development projects and a significant change in the physical and cultural landscape. Rapid development throughout the Regency is evident as construction workers and supplies are becoming increasingly expensive and difficult to acquire. Whether this prosperity is built on tourism, capital investment or simply the ever increasing influences of the *Desa Adat* is uncertain. Likely, it is a combination of several factors and certainly beyond the scope of this research. This significant development pattern is, however, reflected in the informal micro-business development in the traditional market as the Balinese purchase power increases.

The informal micro-business sector in the traditional market is experiencing growth and an abundance of business opportunities for the sector to explore are evident. The Balinese are keenly aware of this potential, as are the increasing numbers of other Indonesian nationals arriving in Bali daily. These nationals have been encouraged by significant consumer spending patterns evident in the traditional markets of Gianyar Regency. Most of these informal micro-businesses are not part of a marginalized group

trying to attain a position in the formal sector. Certainly, some of the business owners are relatively poor, especially the non-Balinese business owners. Regardless of village support, the Javanese and other nationals come to Bali for economic gains. Most people interviewed signified that they are considerably happier in Bali where they can attempt to make a living despite the restrictive nature of the *Desa Adat* on their business activities. Most understand that these restrictions are a necessity for the Balinese and do not view them to be exclusionary.

The primary areas of development for the informal sector are selling *adat*, food services, modernity and tourism. There is also a spatial shift near the market grounds that is occurring to accommodate the increasing numbers of informal micro-businesses. According to market management, the business opportunities and the growth of this sector is unprecedented in the traditional market landscape. At one time the informal sector was confined to the market grounds. Now these businesses have expanded down along the roads adjoining the traditional markets. Although the majority of these micro-businesses, as discussed and analyzed earlier, are engaged in the selling *adat*, there are other opportunities for both Balinese and other Indonesian national entrepreneurs. Those engaged in food service, selling modernity and tourism are experiencing the most significant growth potential.

Food enterprises (Figure 37) have especially expanded their presence in the traditional market recently. Following the selling of *adat*, informal micro-businesses engaged in cooking and selling food reflect the second largest recent development in the traditional market landscape. Both Balinese and Indonesian nationals are participating in

this rapidly expanding phenomena. This increased development is likely caused by the Balinese having more discretionary income, their propensity to enjoy traditional foods, and the ever increasing busyness and time constraints the Balinese are experiencing as they attempt to pay down their loans and attain employment. The food vendors have an



Figure 37. Food Vendor. Javanese food vendor at the traditional market. Photo by author.

opportunity to perform their services from early in the morning until late at night. They can be seen setting up early in the morning as Balinese gather at the market. During the day they are often seen setting up along alleys, within temple grounds or pushing their carts around the village. Often older Balinese women are especially interested in this business endeavor (Figure 38). The older women are often grouped together in the market yard or along the periphery of the market. They can be seen cooking rice, meat and vegetables with a popular local hot sauce called *sambal*. Buyers gather and await the cooked food as it is bound in banana leaf and secured with bamboo tooth picks.



Figure 38. Women Food Vendors. Balinese women often sell traditional food at the traditional market. Photo by author.

Selling modern amenities to the Balinese has become a significant development in and near the traditional markets as well. Mostly Indonesian nationals, rather than Balinese, are engaged in selling these imported and modern items. Selling plants, clothing, home accessories, live fish, cell phones, DVD's and CD's' are but a few of these items sold in increasing numbers. The Balinese market for imported products and home fixtures has been well established by micro-businesses as they seek to profit from the latest Balinese trend (Figure 39). The numbers of Indonesian nationals selling in the market has doubled in the past five years, according to market managers in Payangan.



Figure 39. Modern Amenities Vendors. Many national Indonesian vendors participate in selling modern amenities at the traditional market. Photo by author.

Although the traditional market economy is dominated by traditional goods to supply the needs for the Balinese society, tourism still encroaches on the traditional market grounds and provides an opportunity for micro-businesses to expand their income potential and develop their business. With the exception of the Ubud market, most tourists do not venture into the traditional market arena unless on a cultural tour. However, many micro-businesses are connecting with the potential of tourist dollars in their local market as the occasional tourist wanders through. Language skills or lack thereof, inhibit sales and a great deal of potential sales fall by the wayside due to the inability to communicate. Regardless, some vendors attempt to add a component of tourist commodities to their existing traditional selection of goods. In the Ubud market, the potential for sales has encouraged traditional sellers to sell during the tourist hours designated by the market management. Often these traditional sellers wander through the “art market” looking for potential buyers (Figure 40).

Lastly, there is a spatial component that parallels the increased micro-business development at the traditional market. According to market managers, the ability to contract a stall or permanent space at the traditional market in Gianyar Regency is subject to a lengthy waiting list. At some markets, the waiting list is said to be as long as seven years. The “yards” in many markets are at full capacity, especially during ceremonial periods. However, the micro-business enterprises are still coming to the market to sell their goods. As explained earlier, there are often three day cycles for each of the primary markets. This cycle has been broken. Now, several of the markets on this three day cycle are busy every day. The excess market vendors have shifted their attention to the streets

alongside of the market and down small alley ways. The informal micro-businesses have expanded their territory beyond the markets management control and into the *Desa Adat's* realm of authority. In response to this expansion by the vendors, many villages are building new smaller markets to attract these micro-business enterprises to a new location. There are concerns that these vendors are creating unseemly congestion in the streets and there are significant efforts to redirect the expanding informal sector into an organized network of smaller markets on the outskirts of the villages. This attempt has been met with little success as the informal micro-businesses demonstrate their desire to be a part of the traditional market place and the cultural, social, economic and spiritual ties that transpire there.



Figure 40. Potential Sales to Tourist. This vendor is holding hand carved wooden monkeys to sell to tourist. Photo by author.

The Balinese Society in Gianyar

As mentioned, the vast majority (98%) of population in Gianyar Regency are Balinese Hindu (Gianyar in Figures 2008) which is a mixture of Hinduism, Buddhism and local *adat*. There are 4,272 public places of worship in Gianyar Regency (Gianyar in Figures 2008). This number does not include family household temples and the multitude of shrines located throughout the Regency. To include these additional temples and shrines would likely increase the number of places to worship to well beyond 10,000 considering there are 88,413 households in Gianyar (Gianyar in Figures 2008). The Balinese continuum of ceremonies, countless places of worship in the village, tentative land tenure and both voluntary and obligatory participation in the *Desa Adat* are the primary reasons the *adat* is linked to the economy in Gianyar Regency. The traditional market is not only where products required for these obligations and rites are purchased, but also where the informal micro-business sector can perform a business and provide for their families.

At the very core of the Balinese daily lives in Gianyar Regency is the *Desa Adat* and the *Awig-Awig*. The *Awig-Awig* describes how to maintain *adat* and perform ceremonies throughout the year and for future years to come in the villages in Gianyar Regency. The ceremonies are carried out by the civic and social organizations in the village, the *seka*. In each *Desa Adat* there is a continuum of ceremonies (Figure 41) linked to the three primary village temples that define the *Desa Adat*, the *Bale Banjar* meeting hall, family temples, clan temples, *Melanting* merchant temples, *Subak* water



Figure 41. Ceremonies. Ceremonies listed on the Balinese calendar are conducted each day in Gianyar Regency. Here, a six month temple ceremony is performed in Payogan village near Ubud. Photo by author.

temples and a multitude of holy shrines located at holy banyan trees, bridges, trails, and on each Balinese structure. For each temple there are ceremonies conducted every six months. There are also full moon and new moon ceremonies, island-wide ceremonies such as *Galungan*, *Nyepi* and *Kuningan*. In addition to the village ceremonies, there are daily prayers and offerings, personal rituals and rites such as tooth filing, ancestral reckoning, weddings, cleansings and healing ceremonies, village bazaars for fundraising, cock fights to create temple revenues, auspicious days to bless metals, respect education, buy weapons, animal and tools, plant a tree, meet a perspective spouse, and start a business. The list of rituals in relationship to *adat* is significant and each is described in the Balinese calendar for daily reference. All ceremonies and events are linked to the *Desa Adat*, the *Awig-Awig* and to a hybrid Balinese calendar that has been altered to coincide with the lunar calendar and prominently displayed in each Balinese home and business (Figure 42).

The *Awig-Awig* is published in a book and each family has a copy to refer to as needed. The calendar is provided by the local *Desa Adat* to each family. The Balinese calendar displays the continuum of island-wide monthly and annual ceremonies, primary Bali temple ceremonies, local temple obligations, market days and auspicious days linked to celestial numerology. “The Balinese follow the calendar very closely and refer to it daily” confirms Ketut Mendra, personal communication 2008). The Balinese are certainly committed to maintaining the *Awig-Awig* in their *Desa Adat* and follow the calendar respectfully. The Balinese calendar was often referred to by respondents while conducting interviews in this research.


IMLEK KI THIU : 2560 SHIO : KERBAU Phe Gwee - Kawt Gwee		HIJRIAH : 1430 SYAWAL - Zukhaidah		JAWA : 1942 WINDU : KUNTARA TAHUN : JE SAWAL - Hapit		X OKTOBER 2009		SAKA : 1930 SASH KAPAT ngunya KAPITU KALIMA ngunya KAWWOLU RAH Pangnyusan : 11		PRANATA R Masa K A R 18 September	
WUKU		9. JULUNGWANGI Besah gide Erip BHATARA SAMBU		10. SUNGSANG Cark walagat, Salah wad Larus BHATARA GHANA		11. DUNGULAN Wot Pengenan Kali Padi, Saluhwad, Larus BHATARA KAMAJAYA		12. KUNINGAN Cark walagat Larus BHATARA INDRA		13. LANGKIR Basahnik BHATARA KALA	
MINGGU Redite Sunday Nichi'yobi Sing Chi Rek		 I GEDE MARAYANA		KAPAT 1 Pasah Paniron Pepep Uma Mandala Urungan Kiwon Duka Sawal 14 Wt. Buta Ular Phe G 16 Lt. Lawean Masa IV 17 Lk. Bintang Ek. Tringgaling saka Labu Kalup Angin PATRA		KAPAT 8 Beleng Was Menga Kala Jaya Ogan Pang Si Sawal 21 Wt. Suku Gajah Phe G 23 Lt. Gajan Masa IV 24 Lt. Bulan Ek. Luwih baga Wisesa Segara WONG		KAPAT 15 Kajeng Maulu Pepep Yama Mandala Ogan Wage Rakassa Sawal 28 Wt. Suku Ular Kaw G 1 Lt. Tanggala Masa V 6 Lk. Angin Ek. Suka rahayu Satria Wirang PAKSI		KALIMA 7 Pasah Tungleh Menga Guru Jaya Dangu Pang Duka Hapit 8 Wt. Wong Gajah Kaw G 9 Lt. Sungsang Masa V 13 Lt. Pandita Sumur Sinaba MINA	
SENIN Coma Monday Getsuyobi Sing Chi Ik		Alamat J. Gajah Masa, Og Tegimawar No 2 Singaraja Telp. (0342) 23821 hp. 081239 64321		KAPAT 2 Beleng Was Pepep Si Tulus Umanis Rakassa Sawal 15 Wt. Suku Ular Phe G 17 Lt. Kelapa Masa IV 18 Lk. Angin Ek. Tringgaling saka Tunggak Seni WONG		KAPAT 9 Kajeng Maulu Pepep Kala Jaya Erangan Pang Pali Sawal 22 Wt. Gajah Lambu Phe G 24 Wt. Keman Masa IV 25 Lk. Aras tuding Ek. Krasihan amerta Sumur Sinaba PAKSI		KALIMA 1 Pasah Tungleh Menga Rudra Nohan Kiwon Suka Sawal 29 Wt. Wulu Lintah Kaw G 2 Lt. Pedal Masa V 7 Lk. Aras kembang Ek. Krasihan amerta Satria Wirang MINA		KALIMA 8 Beleng Anyang Pepep Yama Mandala Jangur Pang Duka Hapit 7 Wt. Buta Ular Kaw G 9 Lt. Duga Masa V 14 Lt. Bintang Ek. Ruat gabah Bumi Kapekat TARU	
SELASA Anggara Tuesday Kayobi Sing Chi El		KAWISESAN SINOM Kawisesane utama Anggan gegemet dibati Kawikanan kapertama Kawenangan ne ping kalih Kepatutan ne ping tri Tri-Wisesa ne pambua Saking molih Kawikanan Kawenangan to mamuti Pang da cawah Emban anuk Kepatutan (= Wirasa =)		KAPAT 3 Kajeng Maulu Menga Indra Laba Dadi Pang Suka Sawal 16 Wt. Wulu Lintah Phe G 18 Lt. Yuyu Masa IV 19 Lk. Aras kembang Ek. Krasihan amerta Satria Wirang PAKSI		KAPAT 10 Pasah Tungleh Kala Jaya Urangan Wage Raja Sawal 23 Wt. Wulu Lambu Phe G 25 Lt. Perahu sarat Masa V 1 Lk. Bumi Ek. Krasihan amerta Labu Kalup Angin MINA		KALIMA 2 Beleng Anyang Menga Rudra Nohan Umanis Dewa Hapit 1 Wt. Buta Ular Kaw G 3 Lt. Kala Masa V 8 Lk. Ag Ek. Krasihan amerta Wisesa Segara TARU		KALIMA 9 Kajeng Unukung Menga Rudra Si Pang Pandita Hapit 8 Wt. Wong Gajah Kaw G 10 Lt. Asu Masa V 15 Lt. Pandita Ek. Krasihan amerta Satria Wirang SATO	
RABU Buda Wednesday Suiyobi Sing Chi San		Kakustan yang utamalah Pakai pegangan dihati Kapitiran kapertama Kapitiran kapertama Kapitutan yang kedua Kapitutan yang ketiga Tri-Wisesa lah itu Dengan memliki kapitiran Kawenangan akan muncul Apat lak sewenang-wenang Tuntunan dengan Kepatutan		KAPAT 4 Pasah Tungleh Menga Guru Jaya Dangu Pang Si Sawal 17 Wt. Suku Gajah Phe G 19 Lt. Lintang payung Masa IV 20 Lk. Bulan Ek. Bagna mapasah Bumi Kapekat MINA		KAPAT 11 Beleng Anyang Pepep Uma Mandala Tulus Manuh Sawal 24 Wt. Wong Lambu Phe G 26 Lt. Tiga-tiga Masa V 3 Lk. Surya Ek. Buat saka Labu Kalup Angin TARU		KALIMA 3 Kajeng Unukung Menga Kala Jaya Erangan Manusa Hapit 2 Wt. Gajah Lambu Kaw G 4 Lt. Galuhita Masa V 9 Lk. Taya Ek. Buat sebet Wisesa Segara SATO		KALIMA 10 Pasah Paniron Laba Nohan Wage Pali Hapit 9 Wt. Gajah Lambu Kaw G 11 Lt. Kasta Masa V 16 Lk. Aras tuding Ek. Buat saka Satria Wirang PATRA	
KAMIS Wrapsati Thursday Mokuyobi Sing Chi She		KAPAT 13 Pasah Tungleh Pepep Rudra Si Nohan Pang Raja Sawal 11 Wt. Wulu Ular Phe G 13 Lt. Sali ukur Masa IV 14 Lk. Bumi Ek. Kaubagian Labu Kalup Angin MINA		KAPAT 5 Beleng Anyang Menga Yama Mandala Jangur Wage Suka Sawal 18 Wt. Wulu Lintah Phe G 20 Lt. Kembang Masa IV 21 Lk. Aras kembang Ek. Manggah saka Tunggak Seni TARU		KAPAT 12 Kajeng Unukung Pepep Si Dadi Umanis Duka Sawal 25 Wt. Buta Ular Phe G 27 Lt. Sungsang Masa V 3 Lk. Surya Ek. Manggah baga Satria Wirang SATO		KALIMA 4 Pasah Paniron Mandala Urungan Pang Manuh Hapit 3 Wt. Wong Lambu Kaw G 5 Lt. Badu Masa V 11 Lt. Pandita Ek. Buat saka Satria Wirang PATRA		KALIMA 11 Beleng Was Menga Kala Jaya Ogan Kiwon Manusa Hapit 10 Wt. Gajah Lintah Kaw G 12 Lt. Laga Masa V 18 Lk. Taya Ek. Tringgaling saka Bumi Kapekat WONG	
JUMAT Sukra Friday Kin'yobi Sing Chi U		KAPAT 14 Beleng Anyang Pepep Rudra Si Nohan Pang Duka Sawal 12 Wt. Buta Ular Phe G 14 Lt. Perahu pegat Masa IV 15 Lk. Bintang Ek. Luwih baga Labu Kalup Angin TARU		KAPAT 6 KAJENG KLIWON Menga Rudra Si Gaga Urungung Si Sawal 19 Wt. Suku Gajah Phe G 21 Lt. Udang Masa IV 22 Lt. Bulan Ek. Krasihan jama Wisesa Segara SATO		KAPAT 13 Pasah Paniron Pepep Indra Laba Dangu Pang Manuh Sawal 26 Wt. Wong Lambu Phe G 28 Lt. Buku bolong Masa V 4 Lk. Surya Ek. Tringgaling saka Tunggak Seni PATRA		KALIMA 5 Beleng Was Menga Si Tulus Pandita Hapit 4 Wt. Wong Gajah Kaw G 6 Lt. Gelut usang Masa V 11 Lt. Pandita Ek. Buat sebet Satria Wirang WONG		KALIMA 12 Kajeng Maulu Pepep Uma Mandala Erangan Umanis Pali Hapit 11 Wt. Gajah Lambu Kaw G 13 Lt. Aras mabeen Masa V 16 Lk. Angin Ek. Buat ostro Satria Wirang PAKSI	
SABTU Saniscara Saturday Doyobi Sing Chi Lioek		KAPAT 15 Kajeng Unukung Pepep Kala Jaya Erangan Wage Duka Sawal 13 Wt. Buta Ular Phe G 15 Lt. Puhah aturang Masa IV 16 Lt. Bintang Ek. Subagaja Satria Wirang SATO		KAPAT 7 Pasah Paniron Menga Rudra Laba Nohan Umanis Si Sawal 20 Wt. Suku Gajah Phe G 22 Lt. Bagoong Masa IV 23 Lt. Bulan Ek. Bagna mapasah Bumi Kapekat PATRA		KAPAT 14 Beleng Was Menga Dura Jaya Jangur Pang Manusa Sawal 27 Wt. Gajah Lintah Phe G 29 Lt. Sungsang Masa V 5 Lk. Taya Ek. Pating amerta Wisesa Segara WONG		KALIMA 6 KAJENG KLIWON Pepep Indra Laba Dadi Maulu Raja Hapit 5 Wt. Wulu Ular Kaw G 7 Lt. R. Pangatangan Masa V 12 Lt. Bumi Ek. Werd patra Tunggak Seni PAKSI		KALIMA 13 Pasah Tungleh Menga Si Urungan Pang Dewa Hapit 12 Wt. Buta Ular Kaw G 14 Lt. Panah Masa V 19 Lt. Agi Ek. Sabah kinglyng Satria Wirang MINA	
INGKEL		MINA		MANUK		TARU		BUKU		WONG	

Figure 42. Balinese Calendar. The Balinese calendar is complete with a list of ceremonies, auspicious days, market days and advice to keep local residents informed on local events. The calendar is prominently displayed in each home and business throughout Gianyar Regency.

There are both voluntary and mandatory reasons for maintaining the *adat* in the *Desa Adat* and throughout Gianyar Regency. An impressive amount of time is voluntarily committed to the preparation and performance of rituals and ceremonies. The volunteering comes in the form of time, money and materials. The commitment to the *Desa Adat* comes from two sources: The strong belief in Balinese Hinduism and the mandatory adherence to the *Awig-Awig*. the *Awig-Awig* is followed rigidly as Ayu explains:

I just bought the land next to us. We needed more room and now my parent live there. I want to break the wall between the two houses but cannot. Not until we have a complete ceremony. That's our *adat*. The best day is in 2012, when there is a good opportunity to have the ceremony. I'm ok to wait because it will cost a lot of money [...] about 15 million Rupiah (approximately \$1,500). Until then my parents just walk out the door and down the street.
(Gusti Ayu, personal communication 2009)

Her example is just one of many of the respondents interviewed referring to the rigid rules of the *adat*. She continued to explain that although she would not dare defy the *adat* in her village and that sometimes it's difficult to comply with the village laws because it takes all of her money to perform the endless list of ceremonies in her village.

Balinese Belief:

The Balinese are certainly very spiritual and often elaborate on the importance of belief in God and balance in their lives. The profound belief of Balinese Hinduism by the Balinese can be empirically confirmed throughout Gianyar Regency. It is evident from casual discussions, from the interviews completed and can be observed regularly at temple ceremonies, cremations and in the daily presentations of offerings that are evident

in front of each home, business and school. The belief can be observed in community landmarks and the spatial orientation of every aspect of life in Bali. The orientation of a Balinese compound, home, temple, doorway, wall, business shrines and market temple reflect this strong commitment to Bali Hinduism. Each position is categorically oriented toward *kaja* (mountain ward) and *kelod* (seaward). Even the orientation in which one sleeps is carefully considered. Mount Agung in the Northeast central part of Bali is the epicenter of religious belief and spirituality in Bali. All aspects of life are directed toward Mount Agung. Daily directional terminology also reflects the importance of orientation in the Balinese daily lives. Where to sit, park a car or move furniture will often be directed by the terms *kelod* or *kaja*. When describing which part of a village one resides in the Balinese will often use the village name followed by *kelod* or *kaja*. When building a room, *kaja* and *kelod* are always considered. In this way, every aspect of daily living in Bali can be linked physically to the belief of Bali Hinduism.

Adat Law (Awig-Awig)

Although the *adat* throughout Bali significantly follows guidelines set forth by Balinese Hinduism, the *adat* in each *Desa Adat* is different and unique. The *adat* is highly localized and the differences between villages can be subtle or extremely pronounced. Interviews conducted with different village leaders often created debates as to which villages are more closely tied to Balinese Hinduism. Where one *Desa Adat* law states it important to cremate the entire body of a deceased person in their village, another village's *adat* might contrast this technique by requiring the body be buried and only the soul exhumed for reincarnation. These differences create even another layer of varied

laws and ceremonies that require different obligation and requirements of *adat* product. Complicating this situation further is the caste system that requires different levels of ceremonies be performed depending on what level of caste a villager belongs to. Different fixtures of decoration and offerings are require depending on where “one sits” in the caste system. The commonalities and differences in *adat* from village to village, compounded by the caste system requirements, create a steady continuum of varied ceremonies throughout the regency. This varied continuum of *adat* and ceremonies creates a significant demand for *adat* product that will likely be satisfied by the informal micro-business sector at the traditional market.

Land Tenure

“The *adat* must be followed” says Ketut. “It must, or we must leave” (Ketut, personal communication, 2008). Ketut was referring to the fact that the Balinese do not own the compound in which they reside. These family compounds are considered village land and unless the *adat* in the village is complied with wholly by the family residing there, expulsion or retribution by the village may occur. In order to remain on the land two primary functions must occur: the continuation of generations through the male lineage of the household and the complete adherence to the *adat*. If either of these functions are neglected by the family, serious consequences are imminent and the family may be expelled from the land or socially ostracized, even after centuries of faithful observance of the *adat* and generations of occupation.

Wayan, the village leader of a *Desa Adat* near Ubud explains the “strike three” policy in his village (Wayan, personal communication 2009). In this policy, if a member

of the village neglects the law and their responsibility to the *Desa Adat* three times, they will face serious consequences from the village and could be expelled. The adherence of *adat* law was demonstrated at several ceremonies where observations were documented. One in particular was at a cock fight held at one of the village temples near Ubud (Figure 43). The village leader waited for each village family head (male) to bring one rooster, as required for the event, and the member's name was duly noted once the task was performed. Later, the spread sheet showing the results of compliance was posted on the wall in the community meeting hall (*Bale' Banjar*) for everyone in the village to witness. Each member was required to bring one rooster, whether they agreed with cock fighting or not. A fine of 100,000 Rp (\$10) was levied if the family failed to produce a rooster to fight. Out of 58 families, 58 roosters were produced for the cock fight. "It's not the fine" Wayan explains, as he marks his spread sheet as the last rooster is delivered. "It's the shame of not participating for the village". The cock fight raised \$4,000 for temple renovation in three days.

Maintaining a generational lineage is required to maintain the "power" in one's compound. As a patriarchal society, the male is responsible to bring a wife into the family compound in hopes of having a son to maintain a generational line and pass down the heritage and responsibility of the village obligations. However, on occasion, if the family only has a daughter an exception is made and a husband who is willing to move in to the family compound is considered.



Figure 43. Balinese Cock Fight. Cock fights can be witnessed throughout Bali on any given day. This particular cock fight was held to raise money for a temple renovation. By *adat* law, each family head was required to bring one rooster to fight. The village leader (upper right) takes note of each member for compliance as they provide a rooster law. A “strike three” policy is in place at the village and members do not dare to fail in bringing a rooster to the event as required. Strike three could mean expulsion from the village.

Each family in the village has a rigid obligation in maintaining and supporting the village in religious and social affairs. It is mandatory to participate equally for all ceremonies related to the three temples that define the *Desa Adat*, additional village temples that are located on village land and in any village ceremonies or events related to the *Banjar*. The *adat* also mandates by law the equal participation in time, materials and moneys (DeMeulenaere, Lietaer 2003). In monthly meetings, the *Desa Adat* and *Banjar* discuss coming events and determine levels of time, materials and money commitments to be shared evenly amongst the members regardless of caste, economic or social status. Each significant decision is determined through the democratic process. Once the outcome has been voted and ruled, it stands. Each family head (married male) is part of the *Banjar* and has an obligation to participate in *Banjar* issues and ceremonial preparations fully. Again, spread sheets are prominently displayed in the *Bale Banjar* and describe each member's obligation in time, money and materials.

There are occasions in the village where people don't always follow the rule of the *Desa Adat*. In one village the *Awig-Awig* is tested by a Monk that refuses to participate in several rituals agreed upon by the *Banjar*.

Key informant Ketut vents:

He's stupid for not following the *Banjar*. He is arrogant and feels he is better than everyone else. He's a stupid man. The *Banjar* is the village [...] but nothing will be done because the people are afraid of him. He has black magic power and they are afraid to confront him [...] his whole family is like that. Stupid people! You can hear him now [...] ringing his bells and the mantra. If he's so powerful why could he not save his wife? She just died but we all had to go to visit the family [...] *adat*. (Ketut, village gamelan player 2009).

In fact, *Awig-Awig* in Ketut's village mandates that every family send a representative to the mourning family and pay their respects. They bring with them offerings in the form of rice and cake. Ketut is not happy with the man, but doesn't want to create any more trouble in the *Banjar*. "He knows nobody likes him and we won't help his family unless we are required to". This case is an exception the rule. Mostly people comply with the laws set forth by the village.

The *Desa Adat* in Gianyar Regency

At the very core of daily life in Gianyar are the *Desa Adat* and the *Awig-Awig*. Each contains definable traditional and religious features of the Balinese society. The *adat* is firmly entrenched through *Awig-Awig* and social and obligatory societies within each of the *Desa Adat* of Gianyar Regency. The *Desa Adat* in the Gianyar Regency are known for being particularly strong in tradition and *Awig-Awig* (Wayan Windia, personal communication 2007). Land-use, culture, and religion are highly controlled by the local village leaders, the *Desa Adat*, and *Banjar* in Gianyar Regency. Each *Desa Adat* in Gianyar Regency owns public land where rice is harvested and the revenues acquired from sales fund village ceremonies and temple renovations. Fees from each household and family compound are held in trust by the *Desa Adat* to support the *adat* and provide income for the *Desa Adat*. In owning each family compound in the village, the *Desa Adat* is assured that the traditional and customary laws of the village will be upheld and maintained.

There are increasing pressures on the villagers of the *Desa Adat*. Personal debt is increasing rapidly amongst the Balinese. This is highly influenced by modernity and by

the high cost of ceremonies. In the case of modernity (cell phone, motorbikes and automobiles) the problem is alarming. Many people are selling their land to purchase these items. The Balinese are also taking out loans from their local LPD and lending title to their land. Most of it is propagated by status Agung states:

They have no idea! Most have never had the ability to borrow so much money before. They are selling their farm land to people from Java and foreigners. In ten years they will be stuck with an old car and no land. They just don't know how to handle money. (Agung Rai, personal communication 2009)

In another, case, Ketut explains:

Many people borrow the money now. They want to look important and show themselves. They buy a new motorbike every two years and then sell the old one to Javanese people, the people there are happy to have a motorbike [...] most of the time they just get the money from the LPD (village bank) and they don't need security (collateral). But they pay high interest rates (2% per month). But that's our village money so it just goes back around. The village uses that money for temple renovation and big ceremonies. (Ketut, business owner, 2009)

However, in the case of modern amenities, the money does not merely remain in the local economic system since these items are mostly imported and are considered an output from the local economy. If the money is borrowed to attend to one's *adat*, consumptive needs or for informal business activities in the traditional market, the currency remains local and rapidly cycles through the economy as a continuum of local exchanges are made.

Consider a typical Balinese wedding ceremony in Gianyar Regency that cost an average of 50 to 100 million Rp (\$5,000 to 10,000). The family will purchase food for hundreds of relatives, clan members, villagers and friends. The food will include roasted pigs, duck and chicken, baskets filled with fruits and vegetables, rice and drinks, they will

also have to pay for a priest, decorations that reflect their *adat*, and possibly hire a gamelan (musical orchestra). The cost can be exceedingly expensive. However, the payments go to the other villagers through food purchase and required *adat*. Those villagers receive payment and in turn will save up for the numerous ceremonies they will perform in the near future. The money cycles around quickly as ceremonies are imminent every month in the Balinese society. In this way, the money keeps exchanging hands. As status and respect play an increasing role in the size and cost of the ceremonies, more money will enter the cycle from windfalls from land sales and business opportunities. The demand for these items related to the Balinese *adat* provides further development of the Informal micro-business in the traditional market. At the very core of this cycle is the *Desa Adat* maintaining its integrity through a series of laws that require its members to follow precisely or face expulsion from the very land they have occupied for decades and even centuries. However, fear of expulsion is not apparently the only reason the Balinese adhere to their *adat* and daily obligations. Belief in a religion and a cosmological world, which can never fully be understood by outsiders, is extremely important to the Balinese. Through the consensus of the community and following the *Awig-Awig*, each *Desa Adat* will maintain its obligation to its ancestors and the village welfare, and therefore a demand will be created for products related to *adat*. The demand will be met by the informal micro-business sector as they aspire to make a living in the traditional markets of Gianyar Regency.

CONCLUSIONS

The Balinese society is resilient and powerful. These attributes come from communal life in the *Desa Adat* which is central to any Balinese life and identity.

The *Desa Adat* is where the Balinese identity is formed and where the connection between the villagers and their obligation are ingrained. This connection is met in the traditional village market as the informal micro-business sector meets the demand for products related to the *adat*. This demand is created by the never-ending continuum of Balinese rituals and ceremonies that transpire through the *Desa Adat's seka*. These social and civic organizations lay the ground work for maintaining the *adat* in the village. The villagers participate in these organizations both voluntarily and from societal pressure. They follow the Balinese calendar to ensure that every ceremony and ritual is completed. In order to complete these rites and obligations the Balinese depend on the traditional market economy.

The traditional market acts as an ideal venue for entrepreneurs to fulfill the needs of the *Desa Adat*. Selling *adat*, although a dominant characteristic of the informal sector in the markets, is not the only development within the traditional markets currently. Foods service vendors attempting to satisfy the demands of the increasingly busy Balinese lifestyles are expanding their presence in and near the traditional market. Businesses engaging in selling modern amenities and tourist souvenirs are also making their mark on the traditional market landscape. The traditional three day market cycle has all but vanished in Gianyar Regency. The markets are becoming increasingly busier each day. Coupled with the apparent informal sector involved in selling *adat* and other

development trends, these businesses are expanding their spatial presence as they spill out from the traditional market grounds and into the streets and alleys near the traditional market. Efforts to move them have been mostly thwarted by the lack of interest in moving by the informal micro-business sector. This is primarily due to the cultural and spiritual connections these vendors have with the traditional market.

At the traditional market entrepreneurs within the informal sector can explore their opportunities, free from complicated bureaucracy and high cost of operation, and make a living by selling *adat*. The traditional market is an inexpensive way for the informal micro-business sector to engage in a business. For a nominal fee each business is provided a space, security and an opportunity. The poorest of the poor can come to the traditional market and sell anything they can offer. Their success lies in their fortitude, product line offered and bargaining skills. Often, the market fee is nullified if the informal micro-business is not successful in selling anything that particular day. This act of charity clearly demonstrates the Balinese society's willingness to provide a low cost public forum for any Indonesian to attempt a business.

The traditional market is a flurry of activity first thing in the morning when the Balinese, especially women, begin their day. At this early time vendors are prepared to sell their merchandise as buyers are purposefully trying to collect the material they need to fulfill their *adat* requirements and consumptive needs for their families. The activity continues until late morning when the market becomes tranquil. Occasionally there is, as the Ubud market, a temporal spatial change that occurs as the traditional market makes a transition to a tourist market. However, the majority of traditional markets become

increasingly quiet for the remainder of the day. Generally, there is a revival of activity at dusk as food vendors and vendors selling modern consumer goods arrive.

It has been determined that the Balinese patronize the traditional market for three primary reasons: the ability to bargain for a fair price, the availability of quality goods and the ability to buy the products related to their *adat*. The Balinese enjoy the art of bargaining and take pride in obtaining a good price for their purchase or negotiations. The products in the market vary in quality which offers the Balinese an opportunity to purchase the quality of product they seek for the bargained price they desire. Older grandmothers can be regularly seen mentoring their granddaughters about how to shop and bargain at the traditional market as they prepare for upcoming ceremonies.

There is also a price point structure that supports localism and is based on the buyer's ethnicity, language skills and origin. This structure favors the local population. The price point structure is certainly a discriminating element in the traditional village market. Balinese profess that there is nothing wrong with discriminating when business is concerned. The Balinese often relay that it is ok to use these tactics for bargaining purposes. Yet, outright theft is met with severe penalty in the Balinese society.

Status and respect issues are creating more consumptive demands in the market and influencing informal micro-business development in Gianyar Regency. Considering products related to *adat* represent 80% of the total items in the market, it is hard to conceive that more *adat* could be added. However, more elaborate items are evident at the market and this trend is likely to continue. The confirmation from Balinese respondents that the *Desa Adat* and religion in Bali are becoming stronger make a

plausible argument that *adat* products are likely to become more elaborate and expensive. New opportunities await those informal micro-businesses willing to produce these items.

The informal sector is directly related to the agricultural sector. The vast majority of items purchased for *adat* are agricultural products. Farms producing tropical fruits, rice, vegetables and farm animals are abundant throughout Gianyar Regency. Small family farms engaged in agricultural practices to produce these products are keen on the connection these products have with the *adat*. The farmers come to the traditional market to sell their goods and create needed revenues. They also make use of available traders who buy and sell commodities to other vendors. These middlemen are an important part of an economy where spoilage, due to a tropical climate, is addressed by getting the product to market quickly and efficiently. The demand for these products helps support the farmers' success. Consequently, a strong and diverse agricultural sector sustains a good diet and food security.

As summarized previously, women constitute the majority of informal micro-business sector participants evident in the traditional market landscape. Not only does the traditional market provide opportunities for women but it also is important as a social setting for generations to teach each other about the traditional ways of their society. Often women are seen joking, expressing concern about life and teaching each other how to make the elaborate ceremonial offerings. The majority of products related to *adat* are either grown or handmade. Both processes require time and significant effort. The Balinese seemingly accept this commitment of time and effort as part of their daily routines. Often vendors make these products while awaiting prospective buyers.

The market also offers an opportunity for micro-business and sole proprietors from outside of Bali. These Indonesian citizens focus mostly on selling textiles and modern conveniences and amenities. Their businesses are often mobile and they can be seen pushing food carts and selling cooked meals to at the market or near local temples. For the most part, they are uninhibited from operating their businesses and in participating in the traditional economy. But there are exclusions for some informal enterprises and their entrepreneurial endeavors are tentative and highly restrictive compared to local Balinese business.

However resilient, and strongly supported by the *Desa Adat*, the traditional markets are changing. Modernity is seemingly the driving force of this change. Motorbikes line the streets near the traditional markets. People visit the market more often due to this relatively new mode of transportation. There is an increased level of competition by super markets and mini-markets that are increasingly expanding their territory from the urban to rural settings. The government in Gianyar Regency is apparently trying to address this issue with regulations requiring these modern convenience stores to stay at a reasonable distance from the traditional market. However, the distance in relationship to the traditional market does not ensure adequate protection for the market. The increasing use of motorbikes and automobiles significantly nullifies this spatial distance. Potential buyers can easily cover significant distances in a very short time period. The rules requiring the distance between these modern stores and the market are likely not going to have an effect on the market economy.

More research needs to be focused on these and related topics. Transportation changes, the influence of modernity, and the perception of the market are interesting research topics when considering the informal sector in the traditional markets of Indonesia. The primary reasons people do not like the traditional market are that it is dirty, smelly and crowded. Research concerning how to manage and fix these issues should be explored fully. Currently there's a trend by government agencies to move the traditional markets as city centers become congested. The effects on local people, especially the older, more traditional vendors, should be examined. Lastly, traditional markets are a driving local economic force throughout Indonesia. The traditional markets provide a forum for every citizen to attempt a living and support their families with minimal capital investment and bureaucracy to inhibit their entrepreneurial spirit. Research should be considered to see how *adat* not only economically supports the multitude of cultures and people throughout the Indonesia archipelago, but also to identify the inherent problems of social pressure involved with complying with local *adat*.

The informal sector and traditional markets are regularly ignored as vital economic components of both developed and developing countries. Often, the legitimate recognition of the formal sector takes precedent as a more prestigious and noteworthy economy. This research has demonstrated that the informal sector can prosper in the traditional markets of Gianyar Regency. Also, the research suggests that culture can play an integral part in supporting the local village economy. Further, culture and customary law can be a catalyst for developing opportunities for micro-businesses in the informal

sector. With the support of cultural influences and with the ideal venue, such as the traditional market place, opportunities for people of all economic levels to attempt a living can be realized depending on their business endeavors, their business skills and the available market for their product.

Certainly, it could be argued that due to the available assets of the Balinese society that are reflected in tourism, exports and the recently thriving economy, this case study is exceptionally biased to this unique location. This research recognizes this assumption and acknowledges the powerful influences that currently ensure the tradition markets in Bali center stage in the village economy. Yet, traditional markets, culture and the informal sector are not unique to the Balinese landscape. The fundamentals of a traditional economy can be found throughout Indonesia and the rest of the developing world.

Traditional economies are a vital part of any developing county's economic landscape. The informal sector, the traditional markets and local culture support the identity of communities throughout the world. They provide opportunities for people to secure an income and help sustain the local agricultural sector which frequently insures food security. The traditional economies reflected in the traditional markets not only present opportunities for the informal sector, but also provide affordable food and commodities for the local communities that surround them. The traditional economy supports local culture, the needs of the communities, and is clearly an economic force that should be recognized.

The traditional market economy has all but vanished in most developed countries. They have been replaced with formal enterprises. The access to the formal market is inhibited by the requirements that governments set forth in order to participate in the formal sector. Federal and state layers of bureaucracy such as; income taxes, business licenses, employee payroll taxes , insurance, legal fees are but a few of the basic requirements entrepreneurs must wade through to performs an enterprise in the formal economy. Additionally, the unorganized nature of the informal sector is often challenged by community control mechanisms that encourage an orderly business landscape. Established formal enterprises often do not like the competition that the informal sector can provide. Essentially, the formal economy has inhibited the growth of local small businesses and their ability to explore opportunities and provide a competitive environment.

Competition is central to the idea of capitalism and free markets. The traditional markets in Gianyar Regency promote this idea of free market capitalism by providing a relatively inexpensive place for the informal micro-business sector to freely compete for market share. The ease in which an entrepreneur can access the market and perform a business is exceptionally convenient. Gianyar Regencies support for the traditional market climate demonstrates its recognition of the traditional economy and validates its existence in Bali. The validation of the informal sector and the traditional markets throughout the global economic landscape is essential in understanding this dynamic and important traditional economy which promotes entrepreneurship, business opportunities and legitimizes the importance of traditional culture as an economic influence.

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APPENDICES

APPENDIX A

KEY INFORMANT INTERVIEW QUESTIONS

This template for questions was used as a guideline to follow in order to stay consistent. Often the interviews would expand beyond this set of question to allow the narrative of the informant to continue unfettered.

Interview questions for Gianyar Regency, 2009

- 1) Please tell me about the traditional markets in Gianyar Regency.
- 2) Do you think the Desa Adat is getting stronger in Bali?
- 3) Do you think globalization and modern supermarket will destroy the traditional markets?
- 4) How has the market changed since you were younger?
- 5) How much of the product in the market is related to *adat*? How is it related?
- 6) Tell me why you shop at the traditional market.
- 7) What do you like and dislike about the traditional market?
- 8) Do you have family selling in the traditional markets and can they make a living doing so?
- 9) What is the main change in the traditional market in the past 10 years?
- 10) Do you shop and different markets or primarily one? Why?

Notes:

Personal story:

Leads:

APPENDIX B
QUESTIONNAIRES

SURVEI DI KABUPATEN GIANYAR, 2009
(SURVEY IN GIANYAR REGENCY, 2009)

SELLER SURVEY

Tolong bantu kami memberi keterangan tentang adat Bali, pasar tradisional dan usaha kecil dengan menjawab kuisioner ini. Kami benar-benar menghargai bantuan anda. Jawaban anda akan kami dirahasiakan. Tolong jawab dengan lengkap jika anda tidak keberatan (Please help me understand the Balinese adat, traditional market and small business. I really appreciate your help. Please keep your answers private like election. Please answer completely but only if you are ok with question)

Tolong lingkari pilihan anda! TOLONG DITULIS DALAM HURUF KAPITAL

1. Apakah anda:
Are you male or female?
a. Perempuan
b. Laki-laki

2. Apakah anda tinggal di Kabupaten Gianyar?
Do you live in Gianyar Regency?
a. Ya
b. Tidak. Saya tinggal di _____

3. Apakah anda orang Bali?
Are you a Balinese?
a. Ya
b. Tidak. Saya dari _____

4. Apakah barang-barang yang anda jual berhubungan dengan kegiatan adat?
Is what you sell related to adat activities?
a. Ya
b. Tidak.

5. Seberapa jauh tempat tinggal anda dari pasar di Payangan?
How far is your home from the pasar in Payangan (km)?
a. Kurang dari 1 km
b. 1 – 5 km
c. 5 – 10 km
d. 10 – 20 km
e. Lain – lain. _____ km

6. Jam berapa anda datang untuk berjualan di pasar? _____
What time do you come to the pasar to sell your stuff?

7. Jam berapa anda selesai berjualan? _____
What time do you finish selling your stuff?

8. Berapa kali seminggu anda berjualan di pasar? _____
How many days a week do you sell at the pasar?

9. Apakah anda berjualan di pasar lain juga?
Do you sell at other pasar also? If yes, where?
a. Ya. Saya juga berjualan di _____
b. Tidak

10. Apakah anda menjual sebagian besar barang dagangan anda kepada pedagang lain yang akan menjualnya di tempat lain?

Do you sell mostly to other sellers?

- a. Ya
- b. Tidak

11. Apakah anda memiliki kontrak dagang dengan pihak pasar?

Do you have a contract with the pasar?

- a. Ya
- b. Tidak

12. Apakah berdagang di pasar adalah pekerjaan utama anda?

Is selling at the pasar your primary job?

- a. Ya
- b. Tidak. Pekerjaan utama saya adalah _____

13. Apakah anda punya pekerjaan sampingan selain berdagang di pasar?

What other side jobs do you have?

- a. Ya, _____
- b. Tidak.

14. Berapa banyak anda dipungut bayaran oleh pihak pasar setiap hari? Rp. _____

How much do you pay to sell at the pasar each day?

15. Dibandingkan dengan 10 tahun lalu, apakah menurut anda saat ini ada lebih banyak barang-barang yang dijual untuk kegiatan-kegiatan adat?

Do you think there is more item related to adat in Payangan than 10 year ago?

- a. Ya
- b. Tidak
- c. Sama saja

16. Menurut anda, apakah agama Hindu di Bali lebih kuat 10 tahun yang lalu dibandingkan sekarang?

Do you think Bali Hindu agama is stronger in Bali than 10 year ago?

- a. Ya
- b. Tidak
- c. Sama saja

17. Anda tahu mengenai pasar Pasah in Ubud, pasar Beteng in Tegalalang, dan pasar Kajeng di Payangan. Apakah anda berjualan berdasarkan pada ketiga hari ini?

You know about the 'Pasah' market in Ubud, 'Beteng' market in Tegalalang, 'Kajeng' market in Payangan. Do you sell your stuff according to these three days?

- a. Ya
- b. Tidak

19. Apakah biasanya anda mendapatkan tempat yang sama setiap saat anda berjualan?

Do you normally set up in the same place each time?

- a. Ya
- b. Tidak

20. Seberapa banyak sesajen/canang yang anda haturkan di pasar setiap hari saat anda berdagang? _____

How many offering do you give to the pasar each day you sell?

Terima Kasih Banyak

SURVEI DI KABUPATEN GIANYAR, 2009
(SURVEY IN GIANYAR REGENCY, 2009)

BUYERS SURVEY

Tolong bantu kami memberi keterangan tentang adat Bali, pasar tradisional dan usaha kecil dengan menjawab kuisioner ini. Kami benar-benar menghargai bantuan anda. Jawaban anda akan kami dirahasiakan. Tolong jawab dengan lengkap jika anda tidak keberatan (Please help me understand the Balinese adat, traditional market and small business. I really appreciate your help. Please keep your answers private like election. Please answer completely but only if you ok with question)

TOLONG DITULIS DALAM HURUF KAPITAL

1. Berapa umur anda (How old are you)? _____ tahun
2. Jenis kelamin anda adalah (Your gender is):
 - a. Laki-laki (male)
 - b. Perempuan (female)
3. Apakah anda tinggal di kabupaten Gianyar (Do you live in Gianyar regency)? Jika tidak, dimana anda tinggal (If no, where do you live)?
 - a. Ya
 - b. Tidak. _____
4. Apakah anda biasanya berbelanja di pasar tradisional (Do you usually shop at the traditional market)?
 - a. Ya
 - b. Tidak
5. Di pasar-pasar mana biasanya anda belanja (Which markets do you shop at the most)?

6. Jam berapa biasanya anda pergi ke pasar (What time do you usually go there)? _____
7. Berapa kali seminggu anda berbelanja ke pasar (How many times a week do you shop at the traditional market)?

8. Seberapa jauh tempat tinggal anda dari pasar di Payangan (How far is your home from the pasar)?
 - a. Kurang dari 1 km
 - b. 1 – 5 km
 - c. 5 – 10 km
 - d. 10 – 20 km
 - e. Lain – lain. _____ km
9. Apakah anda belanja di supermarket (Do you shop at super markets)?
 - a. Ya
 - b. Tidak
10. Menurut anda, apakah pasar tradisional masih kuat di Bali walaupun sekarang ini banyak terdapat supermarket (In your opinion, is the traditional market still strong in Bali eventhough there are more supermarkets nowadays)?
 - a. Ya
 - b. Tidak
11. Apakah pasar tradisional akan tetap kuat dalam 10 tahun kedepan (Will it still be strong in 10 years)?
 - a. Ya
 - b. Tidak

12. Apakah pasar tradisional berubah dalam 10 tahun terakhir ini (Has the pasar changed over last 10 years)?

Jika ya, berapa persen perubahannya dari yang dulu (If yes, how much % than before)?

a. Ya. _____ %

b. Tidak

13. Apakah agama Hindu di Bali semakin kuat dari hari ke hari (Is religion getting stronger in Bali day by day)?

a. Ya

b. Tidak

14. Bagaimana dengan desa adat, apakah lebih kuat dan bersatu di Bali? (Is the adat getting stronger in Bali)?

a. Ya

b. Tidak

15. Berapa % pasar tradisional berhubungan dengan keperluan adat di Bali (What % in your traditional market is related to adat in Bali)? _____ %

16. Menurut anda, Berapa % , barang yang ada di pasar berhubungan dengan kebutuhan adat (In your opinion, how much of the product (%) in the traditional market is related to adat)? _____ %

17. Apakah menurut anda globalisasi dan kehidupan modern sekarang ini akan mengancam kelangsungan pasar (Do you think the modern life and globalization in Bali will threaten the existence of traditional market)?

a. Ya

b. Tidak

18. Tolong tandai (√) 3 alasan utama anda berbelanja di pasar tradisional (Please check (√) the 3 **most** important reasons you shop at the traditional market).

- Bisa tawar dengan harga yang bagus (Can bargain for good price)
- Bisa mengunjungi teman dan keluarga (Social with friends and family)
- Mendukung desa adat (Support Desa adat)
- Lebih banyak pilihan barang (Quality of product)
- Mendukung agama (Preserve religion)
- Tidak ada obat pengawet pada barang itu (No chemical in product)
- Satu tempat untuk membeli semua keperluan upacara dan sesajen (One stop for ceremony and offerings)?
- Pasar buka lebih pagi (Market is open early)
- Untuk membantu perekonomian orang-orang lokal (Support local people)
- Alasan lain (Other reason) yaitu

19. Apakah harga barang berubah drastis dalam 10 tahun terakhir ini (Are the prices changing much in the last 10 year)?

a. Ya

b. Tidak

20. Apakah anda lebih suka berbelanja di pedagang yang sama (Do you like to buy from the same seller mostly)?

a. Ya

b. Tidak

21. Apakah anda lebih suka berbelanja di pedagang orang Bali dibandingkan dengan non-Bali (Do you like to buy more from Balinese than other people)?

a. Ya

b. Tidak

Terimakasih atas bantuan anda, sehingga kami bisa mengerti Bali lebih baik lagi. Thanks you very much for helping me understand Bali more. You are very kind)

**SURVEY IN GIANYAR REGENCY, 2009 Seller and buyer Survey
(SURVEI DI KABUPATEN GIANYAR, 2009)**

Tolong bantu kami memberi keterangan tentang adat Bali, pasar tradisional dan usaha kecil dengan menjawab kuisioner ini. Kami benar-benar menghargai bantuan anda. Jawaban anda akan kami dirahasiakan. Tolong jawab dengan lengkap jika anda tidak keberatan (Please help me understand the Balinese adat, traditional market and small business. I really appreciate your help. Please keep your answers private like election. Please answer completely but only if you ok with question)

PART 1 (Bagian I)

1. Berapa umur anda (How old are you)? _____ tahun
2. Jenis kelamin anda adalah (Your gender is):
 - a. Laki-laki (male)
 - b. Perempuan (female)
3. Apakah anda tinggal di kabupaten Gianyar (Do you live in Gianyar regency)? Jika tidak, dimana anda tinggal (If no, where do you live)?
 - a. Ya
 - b. Tidak. _____
4. Apakah anda biasanya berbelanja di pasar tradisional (Do you usually shop or sell at the traditional market)?
 - a. Ya
 - b. Tidak
5. Di pasar-pasar mana biasanya anda belanja (Which markets do you shop or sell at at the most)?

6. Jam berapa biasanya anda pergi ke pasar (What time do you usually go there)? _____
7. Berapa kali seminggu anda berbelanja ke pasar (How many times a week do you shop at the traditional market)?

8. Seberapa jauh tempat tinggal anda dari pasar di Payangan (How far is your home from the pasar)?
 - a. Kurang dari 1 km
 - b. 1 – 5 km
 - c. 5 – 10 km
 - d. 10 – 20 km
 - e. Lain – lain. _____ km
9. Apakah anda belanja di supermarket (Do you shop at super markets)?
 - a. Ya
 - b. Tidak
10. Menurut anda, apakah pasar tradisional masih kuat di Bali walaupun sekarang ini banyak terdapat supermarket (In your opinion, is the traditional market still strong in Bali even though there are more supermarkets nowadays)?
 - a. Ya
 - b. Tidak
11. Apakah pasar tradisional akan tetap kuat dalam 10 tahun kedepan (Will it still be strong in 10 years)?
 - a. Ya
 - b. Tidak

12. Apakah pasar tradisional berubah dalam 10 tahun terakhir ini (Has the pasar changed over last 10 years)?
Jika ya, berapa persen perubahannya dari yang dulu (If yes, how much % than before)?
a. Ya. _____ %
b. Tidak
13. Apakah agama Hindu di Bali semakin kuat dari hari ke hari (Is religion getting stronger in Bali day by day)?
a. Ya
b. Tidak
14. Bagaimana dengan desa adat, apakah lebih kuat dan bersatu di Bali? (Is the adat getting stronger in Bali)?
a. Ya
b. Tidak
15. Berapa % pasar tradisional berhubungan dengan keperluan adat di Bali (What % in your traditional market is related to adat in Bali)? _____ %
16. Menurut anda, Berapa % , barang yang ada di pasar berhubungan dengan kebutuhan adat (In your opinion, how much of the product (%) in the traditional market is related to adat)? _____ %
17. Apakah menurut anda globalisasi dan kehidupan modern sekarang ini akan mengancam kelangsungan pasar (Do you think the modern life and globalization in Bali will threaten the existence of traditional market)?
a. Ya
b. Tidak
18. Tolong tandai (√) 3 alasan utama anda berbelanja di pasar tradisional (Please check (√) the 3 **most** important reasons you shop at the traditional market).
- Bisa tawar dengan harga yang bagus (Can bargain for good price)
 - Bisa mengunjungi teman dan keluarga (Social with friends and family)
 - Mendukung desa adat (Support Desa adat)
 - Lebih banyak pilihan barang (Quality of product)
 - Mendukung agama (Preserve religion)
 - Tidak ada obat pengawet pada barang itu (No chemical in product)
 - Satu tempat untuk membeli semua keperluan upacara dan sesajen (One stop for ceremony and offerings)?
 - Pasar buka lebih pagi (Market is open early)
 - Untuk membantu perekonomian orang-orang lokal (Support local people)
 - Alasan lain (Other reason) yaitu
-
19. Apakah harga barang berubah drastis dalam 10 tahun terakhir ini (Are the prices changing much in the last 10 year)?
a. Ya
b. Tidak
20. Apakah anda lebih suka berbelanja di pedagang yang sama (Do you like to buy from the same seller mostly)?
a. Ya
b. Tidak
21. Apakah anda lebih suka berbelanja di pedagang orang Bali dibandingkan dengan non-Bali (Do you like to buy more from Balinese than other people)?
a. Ya
b. Tidak

Terimakasih atas bantuan anda, sehingga kami bisa mengerti Bali lebih baik lagi. (Thanks you very much for helping me understand Bali more. You are very kind)

APPENDIX C

SAMPLE MENTAL MAP SURVEY

The respondents are asked their age, gender, ethnicity, to draw their village, identify and label important features and then circle the most important features in their daily lives. They were given a full size sheet of paper to perform the task

Mental Map Survey, SURVEI DI KABUPATEN GIANYAR, 2009

1. Berapa umur anda? _____ tahun

Age?

2. Jenis kelamin anda adalah A. Laki-laki B. Perempuan

Gender?

3. Orang Bali? A. Ya B. Tidak, dari _____

Ethnicity?

4. Tolong gambar peta _____

Please draw your village.

5. Tambahkan tempat penting menurut anda dan tulis namanya dengan huruf balok.

*** TOLONG DITULIS DALAM HURUF KAPITAL***

Please add features important to your daily life and label them in capital letters.

6. Setelah selesai, lingkari tempat paling penting menurut anda.

Please circle the most important features to your life

Sample survey