

TOURISM

Passport to Development?

Emanuel de Kadt



A joint World Bank - Unesco study

Tourism

Passport to Development?

Perspectives on
the Social and Cultural Effects
of Tourism in Developing Countries

Emanuel de Kadt

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Foreword

IN RECENT YEARS, BOTH THE WORLD BANK AND UNESCO have been involved in tourism development. Unesco's involvement has been mostly indirect, either supporting research projects in which the impacts of tourism figured or assisting in the preservation of cultural monuments which also happened to be tourist attractions. The World Bank has lent considerable amounts specifically for tourism development, in the form of finance for infrastructure such as roads, water supplies, and telecommunications in tourist areas, as well as for hotels. In some projects—for example, in Jordan, Senegal, and Turkey—the Bank and Unesco have combined their efforts, the Bank financing preservation of archaeological monuments as components of larger tourism projects and Unesco providing the necessary specialized expertise.

Whether tourism is an appropriate activity for developing countries to encourage has been subject to controversy, partly for the reasons spelled out by Emanuel de Kadt in his preface. The controversies have been particularly great on the noneconomic consequences of tourism; unfortunately, the debate has tended to be superficial. While our organizations have attempted to take account of sociocultural impacts in individual tourism operations, we have felt the need for more systematic approaches to this question. To this end, Unesco and the Bank undertook a series of activities which led to the present volume. First, reviews of the existing literature on the social and cultural impacts of tourism were commissioned from Raymond Noronha (the English language literature) and from the Centre des Hautes Etudes Touristiques of Aix-en-Provence (the literature in other languages). These surveys indicated a substantial and growing body of work on the subject; nevertheless, there appeared to be much existing knowledge that had not been published and so was inaccessible to researchers and policymakers. Before attempting to formulate guidelines for planners, or even to refine research priorities, the Bank and Unesco felt that it would be useful to tap additional sources of information and to have the issues dis-

cussed by persons drawn from government services and the academic and business worlds. To this end, papers were invited from persons with relevant experience, and a seminar was held in Washington in December 1976. Although this book is appearing almost three years after the seminar, its contents have already been useful to our efforts in assisting developing countries to take fuller account of social and cultural impacts in planning for tourism growth. We hope its publication now will serve to widen the group of policymakers who are able to make use of its information and its suggestions. In the longer term, we hope that the volume will stimulate researchers to take an increased interest in this field, so that future policies and decisions can be based upon better concepts and more reliable information than now exist.

Emanuel de Kadt, of the Institute of Development Studies, at Sussex University, was commissioned to prepare the background paper for the seminar on the basis of the submitted papers and then to edit these for publication. From the beginning, when he provided the analytical framework for the discussion of the issues, this exercise has benefited from his dual qualifications as a sociologist and as a person deeply concerned with the problems of development. We are also grateful to David Maybury-Lewis, whose skillful chairmanship of the seminar itself brought out the insights of all participants and ensured that controversial points were thoroughly explored in a lively but orderly fashion.

Professor de Kadt and the authors of individual papers bear full responsibility for all views expressed in this publication, and these views do not, and should not be taken to, reflect the views of either Unesco or the Bank.

S. M. TOLBERT
The World Bank

Preface

IN THE 1960S, SPURRED BY JUMBO JETS, CHARTER TOURS, and the growing affluence of the middle classes in Western industrial nations, tourism erupted on a grand scale. This was seen as offering a new opportunity for Third World countries to secure foreign exchange and stimulate economic growth. Their sunny climates, sandy beaches, and exotic cultures attracted a stream of vacationers, and resorts multiplied to meet the demand. With the oil crisis and the recession of 1974-75, there was a pause in the growth of tourism. The end of the boom gave new urgency to existing concerns about whether tourism produced sufficient gains for developing countries to justify the investments required. In addition to doubts about whether tourism yielded economic returns commensurate with its economic costs, there was a general questioning of some of the basic assumptions about the relation between development and economic growth. In the case of tourism, these doubts were reinforced by the belief that it brings larger adverse social and cultural effects than does development of other sectors.

In December 1976 the World Bank, as a major development institution, and Unesco, as the UN agency concerned with cultural development, sponsored a seminar to discuss the social and cultural impacts of tourism on developing countries and to suggest ways to take account of these concerns in decisionmaking. The seminar discussions were based on several sources. First, researchers and officials concerned with tourism in developing countries were invited to submit papers, some of which after revision are now published in this book. Second, a seminar working document which was, in effect, the first draft of Chapters 1 to 5, provided a framework for the discussions. In addition, the bibliographical research done by Raymond Noronha for the World Bank and Jean-Marie Thurot and others for Unesco provided invaluable source material for those preparing papers as well as for seminar participants.¹ The

1. Raymond Noronha, *Social and Cultural Dimensions of Tourism: A Review of the Literature in English*, draft report (to be issued as a World Bank Working Paper, 1979);

participants came from eighteen countries, including eleven developing countries in Asia, Africa, and Latin America. Among them were top government officials—including heads of several national tourism organizations—scholars, representatives of private business, and a small number of observers from international organizations. This book is an outgrowth of the papers presented to the seminar and the discussion that followed. The conclusions of the seminar and the list of participants form appendixes of this book.

Tourism and Development

It may well be asked whether it is worth concentrating on the development of tourism as such, rather than analyzing development in general and leaving policymakers to draw appropriate conclusions for particular sectors. Several factors justify a focus on tourism. Tourism is in one important respect different from other potential export activities: the ultimate consumer of the goods and services comes to the exporting country rather than having most goods and services delivered to him at home. An analysis of the economy of tourism therefore requires more careful attention to transport and marketing arrangements than in the case of most other exports. And the very presence of foreigners in the exporting country is widely believed to generate significant social effects by demonstrating alien and, what is perhaps worse, unattainable life-styles and values. Furthermore, there is strictly speaking no such thing as a "tourism industry," analogous to industries as normally understood (construction, steel, agriculture). Instead, tourists purchase goods and services from a variety of industries, with usually rather less than two-thirds of their expenditures being in the hotels and restaurants normally identified with the tourism sector.

Despite these differences, the problems special to tourism in developing countries still need to be set in the wider context of development, and the main questions addressed for tourism must fit in with the more general considerations of policymakers. In formulating those questions, and trying to bring a measure of coherence to

Jean-Marie Thurot and others, *Les Effets du tourisme sur les valeurs socio-culturelles* [The effects of tourism on sociocultural values] (Aix-en-Provence: Centre des Hautes Etudes Touristiques, Université de Droit, d'Economie et des Sciences, 1976).

this book, I have therefore been guided by the current state of thinking within the heterogeneous community of development specialists. This has led to some selectivity, with certain aspects receiving rather more attention than others. But the fundamental aim was to make the volume relevant to policymakers and others who influence decisions on tourism in developing countries. In addition to government officials and politicians, these include persons in the international and bilateral development agencies, academic institutions, and the travel industry. They will want to find some answers, however tentative, to the choices they face.

These choices are necessarily determined by the issues debated today, even if these were not recognized as central yesterday and may not be seen in the same light tomorrow. Dominant development concerns have changed over the past three decades.² With much oversimplification, it may perhaps be said that an earlier simple faith in the merits of economic growth as such has given way to questions about the balance of that growth and the distribution of material benefits. Also, the very definition of development is being challenged, not only in its economic interpretation but in its social, political, and human dimensions as well. Since 1970 a series of Unesco-sponsored Intergovernmental Conferences on Cultural Policies has stressed the importance of cultural development as an essential component of the general development of countries. Even so, the cultural and nonmaterial aspects of development are widely neglected by those responsible for making the crucial policy decisions both nationally and internationally, in spite of often rhetorical pronouncements on such issues as human dignity or cultural identity and pride.³ These cultural and nonmaterial aspects are central to this book. Much of the argument hinges on the assertion that

2. An important turning point was the presidential address of Dudley Seers at the eleventh World Conference of the Society for International Development in 1969. The relevant issues are covered in his "What Are We Trying to Measure?" *Communications Series 106R* (Sussex, England: Institute of Development Studies, 1972). A more sociological perspective is provided by the introduction in Henry Bernstein, ed., *Underdevelopment and Development: The Third World Today, Selected Readings* (London: Penguin, 1973). A recent overview by an economist who has lived through much of the period and contributed significantly to development thinking from a Latin American perspective is O. Sunkel, "The Development of Development Thinking," *IDS Bulletin* (Institute of Development Studies), vol. 8, no. 3 (March 1977).

3. For an interesting view on the latter issue see R. P. Dore, "The Prestige Factor in International Affairs," *International Affairs*, vol. 51, no. 2 (April 1975).

there are often nonquantifiable tradeoffs between material and sociocultural costs and benefits.

Though this is not the place for a detailed account of recent trends in development thinking, three broad areas of concern are relevant to tourism.

First is the realization that growth alone may not suffice to overcome poverty within a reasonable time, and that the distribution of the material benefits of development among the poorest countries and the poorest population groups within individual countries requires special attention. From arguments about the general effects of different development strategies⁴ on distribution of income, attention has come to rest on the staggering number of people, more than 900 million of them, living in absolute poverty.⁵ More than ever before, the development community is searching for means that will enable the poor to provide for their basic needs through more productive work, more widely available social services, and increased participation in political decisionmaking. It needs to be considered whether the deliberate and large-scale development of tourism, conceived as a major net earner of foreign exchange, leads to results consistent with this newly identified goal of development.

The second area of discussion deals with the supposed causes of worldwide inequality and the workings of the international economic system. The contention is that no development strategy can hope to be successful without a restructuring of North-South economic relations as regards, for example, trade, investment, and transfer of technology. The debate on this has been cast in terms of movement toward a New International Economic Order.⁶ More and

4. See especially Hollis B. Chenery and others, *Redistribution with Growth* (London: Oxford University Press, 1974).

5. Robert S. McNamara, *Address to the Board of Governors* (Washington, D.C.: World Bank, 1976), pp. 5 and 15. The figures include 750 million people in the poorest countries (with per capita incomes of less than \$200 in 1975) and 170 million in the middle-income countries. Absolute poverty is defined as per capita incomes of less than \$75 in 1969 prices.

6. The aspirations of the developing countries for a New International Economic Order found expression in the United Nations General Assembly, Seventh Special Session on the New International Economic Order, 1975, Resolution 3362. The issues raised are discussed in a number of important publications. See particularly: Reginald Herbold Green and Hans W. Singer, "Toward a Rational and Equitable New International Economic Order: A Case for Negotiated Structural Changes," *World Development*, vol. 3, no. 6 (June 1975); Dag Hammarskjöld Foundation, "What Now?" *Development Dialogue*, 1975, no. 1/2; Gerald K. Helleiner, ed., *A World Divided*:

more it is realized that major institutional and structural adjustments will be needed in the industrialized countries if the poor nations are to achieve their development goals. For example, some nonrestrictionist response will have to be found to the flow of manufactured exports from developing countries in growing competition with domestic industries in the rich world. Tourism, as an export industry that does not significantly threaten employment in industrialized countries, may find increasing favor in international discussions and negotiations.

Third, "one-world" arguments question whether the pursuit by all countries of rapidly rising mass consumption will be feasible for much longer, given the consequent environmental deterioration and looming exhaustion of nonrenewable natural resources. According to this view, further rises in the consumption of the rich will increasingly conflict with attempts to improve the living standards of the poor.⁷ The consumption patterns of international tourism are a particularly conspicuous example of the consumerism that is now being challenged in the industrialized world, out of reach of the poor countries' masses but within the reach of their elites.

The study of tourism and its effects has not, on the whole, taken a great deal of account of these broad issues. The dangers of this oversight are twofold. First, such tourism as does take place may not be planned so as to generate a maximum effect on development. Second, a pro- or anti-tourism stance might be taken up without real evidence to support it.

The Less Developed Countries in the International Economy (Cambridge: Cambridge University Press, 1975); G. N. Bhagwati, ed., *The New International Economic Order: The North-South Debate* (Cambridge, Mass.: M.I.T. Press, 1977); and Unesco, *Moving Towards Change: Some Thoughts on the New International Economic Order* (Paris, 1976).

7. The basic documents in which the issues are debated with conclusions that have very different implications for the rich as well as for the poor countries are the following: Donella H. Meadows, Dennis L. Meadows, and others, *The Limits to Growth: A Report on the Club of Rome's Project on the Predicament of Mankind* (Washington, D.C.: Potomac Associates, 1972); Science Policy Research Unit, *Thinking about the Future: A Critique of "The Limits to Growth"* (London: Chatto and Windus for Sussex University Press, 1973); J. Tinbergen, ed., *Reviewing the International Order* (Rotterdam: Bouwcentrum International Education, 1975). See also the view developed by the Fundación Bariloche, Amílcar Herrera, ed., *Un Monde pour tous* [One world for everyone] (Paris: PUF, 1977). Related, though with a somewhat different emphasis, is the approach which argues that many of the problems of the rich countries themselves should not be divorced from a "development perspective." See, for example, "Britain: A Case for Development," *ID5 Bulletin*, vol. 9, no. 2 (December 1977).

Sociocultural Costs and Benefits

Economists who have examined tourism development programs have tended to emphasize the benefits in terms of receipts expected and to balance these against the costs associated with the program. Specific tourism projects, when their economics have been analyzed at all, have been analyzed with the tools of social cost-benefit analysis.⁸ This methodology attempts to express all important consequences of a project in monetary terms to permit comparison with alternative projects and with alternative designs for the same project. It is now understood that low or negative social benefits so calculated can coexist with quite reasonable net benefits to the individual investor, and the reverse is also true. As a result of recent refinements to the technique, different weights may be given to the benefits and costs accruing to different income groups to reflect distributional considerations, or a concern with the growth consequences of alternatives can be reflected in the different weights applied to increases in incomes which are saved rather than consumed.⁹ Inevitably, however, there is a need for extensive judgment by the analyst, and in the opinion of critics, cost-benefit analysis may conceal his value judgments and political views behind a sophisticated economic facade.¹⁰ It might be less misleading if different types of costs and benefits were measured separately and their size clearly portrayed. Decisionmakers would then have to take responsibility for assigning the relative weights to each compo-

8. A study which sensitively combines macroeconomic and cost-benefit analyses is John M. Bryden, *Tourism and Development: A Case Study of the Commonwealth Caribbean* (Cambridge: Cambridge University Press, 1973).

9. See, for example, I. M. D. Little and J. A. Mirrlees, *Project Appraisal and Planning for Developing Countries* (London: Heinemann, 1971); and Lyn Squire and Herman G. van der Tak, *Economic Analysis of Projects* (Baltimore: Johns Hopkins University Press, 1975).

10. See particularly E. J. Mishan, *Cost-Benefit Analysis: An Informal Introduction*, 2d ed. (London: Allen and Unwin, 1975); Frances Stewart, "A Note on Cost-Benefit Analysis and Class Conflict in Lesser Development Countries," *World Development*, vol. 3, no. 1 (January 1975); special issue of the *Bulletin of the Oxford Institute of Economics and Statistics*, vol. 34, no. 1 (February 1972), especially papers by Paul Streeten, Frances Stewart, and P. das Gupta. The important book by Peter Self, *Econocrats and the Policy Process: The Politics and Philosophy of Cost-Benefit Analysis* (London, New York, Melbourne: Macmillan, 1975) deals with the major issues especially cogently.

nent, *including* those of a distributional, social, and cultural nature. Moreover, and more fundamentally, the essence of social effects, as these are generally understood, may not be reducible to monetary equivalents, so that some additional data based on other modes of analysis may be needed for decisionmaking.¹¹

In the past, sociocultural issues and effects on arts and crafts have been at best considered as afterthoughts by tourism planners. They have not usually been equipped to deal with such questions even if there was a lone noneconomist on the staff. Virtually never assessed nor predicted beforehand are possible changes in the social structure of tourism development areas, likely modifications in class relations, and the more general potential consequences for the local area of attracting the interest of groups with economic or political power in the national or transnational sphere.¹² These social changes, together with important material effects on employment and income, are, of course, precisely the results that determine whether the process of tourism development is judged good or bad by the people affected.

Tourism studies have turned up a formidable catalogue of effects, but this research has not had much influence on development of tourism facilities.¹³ Perhaps the catalogue was too large and the approaches, theories, and frameworks too diffuse. Perhaps the situations dealt with were too different. Perhaps there were value conflicts among different actors in the decisionmaking process which it was more desirable to paper over than to resolve. This book is based on the belief that it is worth attempting to analyze the impacts of tourism in the light of the development issues mentioned above, and that such an analysis will benefit from reference to the lessons on social and cultural impacts learned from other projects or other

11. S. Herbert Frankel, "Concepts of Income and Welfare, and the Intercomparability of National Income Aggregates," *The Economic Impact on Underdeveloped Societies: Essays on International Investment and Social Change* (Oxford: Blackwell, 1959), pp. 29-55.

12. An interesting exception to this was the debate in "The Standard" on whether tourism was an appropriate activity for Tanzania to encourage. The contributions to that debate were later published in book form. See L. G. Shivji, ed., *Tourism and Socialist Development*, Tanzania Studies no. 3 (Dar es Salaam: Tanzania Publishing House, 1973).

13. Noronha's excellent review of the literature (*Social and Cultural Dimensions of Tourism*) shows the multiplicity of issues addressed.

societies.¹⁴ It represents a first step. I hope it will make the questions asked and answered in the process of tourism development a little more coordinated with those to which development planners are currently addressing themselves.

14. The following five chapters make use of much material discussed in the papers published in the second part of this book and in the other papers prepared for the Joint Unesco-World Bank Seminar on the Social and Cultural Impacts of Tourism, Washington, D.C., December 8-10, 1976. Since in most cases the source of such material can be deduced from the text (and the table of contents), there will be only limited cross-referencing.

Acknowledgments

WHEN I SET OUT on these, for me then quite uncharted, waters of tourism, at the time of preparation of the basic conference document, I was fortunate to obtain the help of Anthony Ferner in ordering and organizing the material. His creative input in those early days went well beyond the usual contribution of a research assistant. I remember it gratefully. Later, a number of friends and colleagues kindly commented on different parts of the first draft; they include Paul Isenman, Dudley Seers, Edmundo Fuenzalida, Rita Cruise O'Brien, David Harrison, and (extensively) Reg Green. Various members of the Tourism Projects Department of the World Bank also read the manuscript at different stages. Without detracting from the contribution of others, I want to mention Stokes Tolbert, Jacomina de Regt, and particularly Augusto Odone. His insistent prodding of what he once called my "melancholy view of tourism" was most useful—even if our interpretations still remain, I think, rather distinct at the end of the road.

The discussions at the seminar and the comments of many of the participants helped to rub down the rough edges of earlier output. Pushpa Nand Schwartz wrote a helpful summary of the synthesis document for the seminar and provided a report of the seminar discussion, which I found most helpful when writing Chapter 1. To the contributors, too, I owe a special debt. They responded with forbearance to my often extensive (and not always especially diplomatic) comments on their draft papers, making my job as editor interesting and rewarding. I hope they feel it was all worthwhile.

Most of the typing of many waves of drafts was done by the staff of Tourism Projects Department, though a great deal of work, under a great deal of pressure, was also done at Sussex, especially by Audrey Hugett and Jo Stannard.

There are two persons whose input contributed substantially to whatever merit this work may now seem to have, and to them I am especially grateful. Frank Mitchell, of the Tourism Projects Department, not only commented critically and incisively on draft upon

draft, but also played a major part in producing the final version. His advice on reorganizing Chapters 1 to 3 and his extensive suggestions for textual change were crucial in getting the published version into the final stage. Jane Carroll collaborated with me on the editing of the assembled papers, and she also worked over my own text. In the course of many months of transatlantic cooperation we established a close working relationship, during which I developed much admiration for her patience, insight, and immense professionalism. How fortunate I am to have been able to work with her.

Harry Einhorn read and corrected proof of the book, Margaret H. Seawell prepared the index, and Larry A. Bowring drew the maps. Typography and graphics for the book were coordinated by Joyce C. Eisen, Pensri Kimpitak, V. Clare Warren, and Joseph F. Malloy, and design and production were supervised by Brian J. Svikhart.

The usual disclaimer, that all faults remain mine and all views expressed my responsibility, is clearly more than a formality in the light of such extensive help received.

EMANUEL DE KADT

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