

# *Aspects of Tourism*

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## **TOURISM AND DEVELOPMENT**

### **Concepts and Issues**



*Edited by*  
*Richard Sharpley and David J. Telfer*

**ASPECTS OF TOURISM 5**

**Series Editors:** Chris Cooper (*University of Queensland, Australia*),  
and Michael Hall (*University of Otago, New Zealand*)

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# ***Introduction***

There is no doubt that tourism, frequently referred to as 'the world's largest industry', is big business. By the end of the 20th century, international tourism alone was annually generating well over US\$450 billion, whilst total global tourism activity (international and domestic) has been estimated to be worth some US\$3.5 trillion. Moreover, it is anticipated that these figures will continue to increase for the foreseeable future. Tourism has long been recognised as a growth industry and current expectations of an annual increase of about 4% in international tourist arrivals and spending suggests that, by 2020, international tourism will be generating up to US\$2 trillion a year.

It is not surprising, therefore, that many, if not all, nations have jumped on the tourism 'bandwagon'. Few countries do not promote themselves as destinations as a means of gaining a share of the ever-increasing global tourism market – even countries such as oil-rich Abu Dhabi have adopted tourism development policies – and, for many, tourism represents an integral and important element of broader economic and social development policy. Indeed, it is this potential contribution to development that is the fundamental justification for establishing tourism in the first instance. That is, it is highly unlikely that any destination would willingly 'invite' large numbers of people to visit or tolerate the inevitable consequences, such as environmental degradation or the disruption to the daily life of local communities, were it not for the benefits that potentially accrue from the development of tourism. Such benefits, of course, include foreign exchange earnings, employment creation, economic diversification and growth and a variety of other factors, widely discussed in the tourism literature, that collectively justify tourism's alleged role as a vehicle of development.

However, what is surprising is the fact that, despite the widespread adherence, both in practice and within academic circles, to the notion that tourism represents an effective means of achieving development, relatively little attention has been paid to the inherent processes, influences, objectives and outcomes of tourism-related development. Certainly, the economic benefits that flow from the development of tourism are widely researched and understood, as are the negative environmental and sociocultural consequences that, in a sense, represent debits on



the tourism balance sheet. At the same time, the almost obsessive focus on sustainable tourism development during the 1990s was primarily driven by the need to optimise the benefits of tourism to host communities and tourists alike (though ironically not, for the most part, by the desire to achieve sustainable development in destination areas).

Nevertheless, until recently a conceptual leap was made between the (economic) benefits of tourism and its contribution to development. In other words, it is generally assumed that tourism, preferably planned and managed in such a way as to minimise social and environmental impacts, provides a variety of economic benefits that contribute to economic growth and, hence, development, economic growth and development being implicitly regarded as synonymous. As a result, many important issues have, by and large, been overlooked, issues which question the alleged contribution of tourism to development.

For example, it is illogical to claim that tourism, as a specific socioeconomic activity, is an effective vehicle of development without defining the desired outcome – that is, ‘development’. If development is considered in simple economic growth terms then tourism undoubtedly has a role to play but, to most people, development connotes more than economic well-being. It represents, perhaps, the characteristics of social existence (wealth, education, health, opportunity, freedom, choice, self-reliance) in the ‘developed’ countries compared with those in ‘less-developed’ countries. Viewed in these terms, tourism’s contribution may be far less than expected.

Similarly, the developmental role of tourism cannot, or should not, be extolled without knowledge and understanding of the processes by which development, however defined, might be achieved. In other words, the achievement of development in any one country may be dependent upon a particular combination of economic, social and political conditions and processes which may or may not be satisfied by tourism.

At the same time, and related, the potential contribution of tourism to development must be put into perspective. That is, much of the literature addresses the socioeconomic process of tourism in isolation from other socioeconomic sectors and processes, the implication being that tourism represents a panacea to the challenges of underdevelopment. However, it is certainly unrealistic to expect any one development ‘tool’, such as tourism, to be a solution to all the problems faced by less developed countries (or, indeed, to the challenges facing the less developed or ‘backward’ regions within wealthier, industrialised nations), whilst the scale of tourism-related development also remains an unresolved issue. In other words, tourism and development are frequently related within a national or even global context – in the extreme, it is viewed as a means of achieving a ‘new world order’ (WTO, 1980) – yet, in practice, tourism may prove to be most effective as a development catalyst at the local, community level.

An essential question to be asked, therefore, is whether tourism is a universally applicable development option? If not, as it is realistic to suggest, are different forms of tourism development more or less suitable to different countries, societies or developmental needs and objectives? Can tourism contribute to development on its own or should it be considered in combination with other economic sectors or activities? On what scale is tourism likely to contribute most to development – at the national, regional or local level? And what are the influences and forces that determine the extent to which tourism can play an effective developmental role?

The purpose of this book is to address these and other questions, thereby challenging the popular assumption, and implicit assertion within much of the literature, that tourism is, in general, an effective vehicle of development. It does so by locating the analysis of tourism as an agent of development within the theoretical framework of development studies. In other words, it attempts to bridge the conceptual divide referred to earlier by exploring the links between the separate yet intimately related disciplines of tourism and development studies, providing a theoretical underpinning to the study of tourism that, for the most part, has been lacking in the tourism literature.

This relationship between tourism and development studies, and the consequential implications for the study and understanding of the potential contribution of tourism to the development of destination areas, is conceptualised in the model in Figure 1. This demonstrates the interdependence not only between tourism and broader sociocultural, political and economic environment within which it operates, but also between the various consequences, of tourism that collectively result in 'development'. In other words, although it is possible to study individual elements of tourism, its specific consequences, and the external factors that influence the nature of tourism development, each element is related to and interacts with the other elements of what is, in effect, a dynamic tourism-development system.

The model also represents the structure and central thesis of this book. That is, it recognises that a multi-directional relationship exists between the nature of tourism development, the consequences of development in destination areas, the nature of local development and the environment external to the tourism system. Thus, although individual chapters address specific issues with respect to tourism and development, collectively they consider the potential developmental role of tourism within a broad conceptual framework founded in development studies.

Part 1 introduces the concept of development and establishes a relationship between development theories and tourism theory, thereby setting the theoretical parameters for the more specific issues addressed in the following part. Chapter 1 reviews the popularly held justification for the promotion of tourism as a means of achieving development, balancing this positive or idealistic picture with an introduction to many of the forces/influences that potentially militate against tourism's contribution to development. The chapter then goes on to ask the fundamental

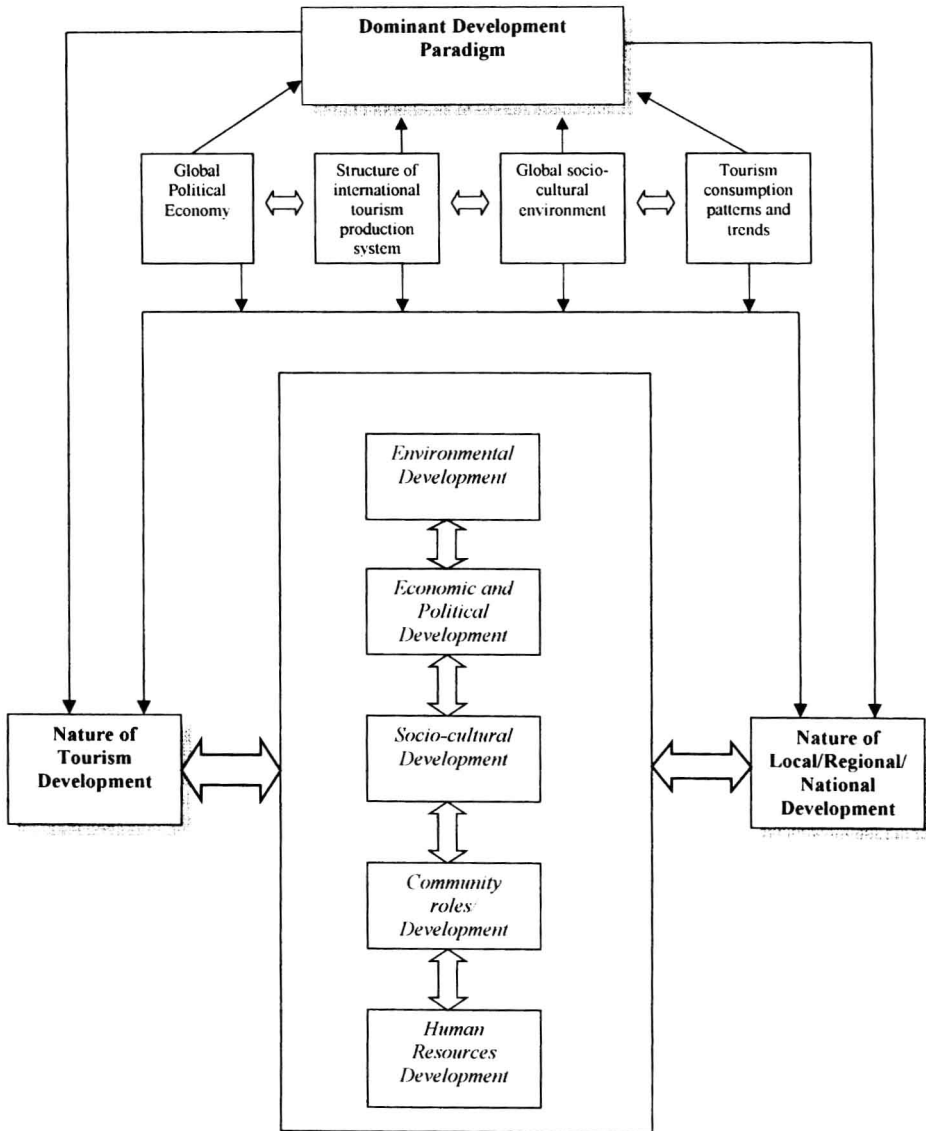


Figure 1 Model showing the relationship between tourism and development studies

question: What is development? Making reference to social, economic and political factors that characterise underdevelopment, it argues that the concept of development has evolved from simply economic growth to a broader achievement of the 'good life' that encompasses social, cultural, political, environmental and economic aims and processes.

Having considered the 'meaning' of development, Chapter 2 goes on to explore the evolution of four development paradigms that have evolved since the Second World War. The chapter starts with an overview of the nature of development before reviewing and critiquing four mainstream development paradigms including modernisation, dependency, economic neoliberalism and alternative development. Parallels are then drawn between the changes in development theory and tourism development assessing the extent to which tourism reflects transformations in development thinking. An analysis of tourism development under the four development paradigms is presented which then forms the basis for the subsequent proposal of a set of considerations that provide a potential framework for the development of appropriate and sustainable tourism.

The purpose of Part 2 of the book is to explore, within the context of specific themes, the relationship between development and tourism. Thus, each chapter in this part of the book, referring to and building upon the theoretical foundation introduced in Part 1, addresses particular issues or challenges related to the use of tourism as a developmental vehicle. Given that this role of tourism is principally referred to in terms of economic benefits, the section commences by addressing, in Chapter 3, economic development issues. Taking economic growth as the fundamental indicator of (economic) development, the chapter introduces economic concepts, such as capital-output ratios and the role of tourism consumption as an expenditure driven economic activity, before discussing a number of issues that challenge the conventional understanding of tourism's economic benefits. This is followed, in turn, by chapters that explore regional development issues, community development issues, human resource issues, sociocultural issues and environmental issues.

Chapter 4 examines the use of tourism as a regional development tool. Governments around the world have selected tourism as a means to promote development or redevelopment in peripheral or economically disadvantaged regions. The chapter begins by examining regional development concepts including innovation, growth poles, agglomeration economies and clusters, which are considered in the context of tourism later in the chapter. The challenge of using tourism as a regional development tool is explored through a number of cases in a variety of different contexts including urban redevelopment, rural regeneration, island tourism, tourism in peripheral regions and tourism across international regions. It is argued for tourism to be an effective tool for regional development so that more than multinational corporations or the local elite benefit, there must be strong economic

linkages to a variety of sectors in the local economy. The fundamental thesis of Chapter 5 is that, for the optimisation of benefits accruing to destination societies from tourism (and in accordance with the principles of alternative/sustainable development), there is a need to decentralise tourism development to the community level. The chapter thus proposes the advantages of – and methods of encouraging – community-based tourism development before presenting a number of significant, though not insurmountable, obstacles to its achievement. Chapter 6 then continues the local community theme, focusing on the specific issue the human-resource/employment potential of tourism, particularly in less developed countries. Based upon the argument that much of the analysis of tourism's impacts on employment follows a western-centric, developed country perspective, the chapter addresses a number of central issues, including the dynamics of the formal and informal sectors, the status of tourism employment and gender issues. These are then compared with findings of research undertaken in Bali, which suggests that, contrary to customary opinion, tourism-related employment provides many developmental benefits. The chapter concludes by suggesting that tourism/employment policy, designed to optimise such benefits, could be guided by a model of service-centred employment characteristics.

Chapter 7 explores the relationship between tourism development and socio-cultural development. Challenging the traditional, western-centric 'measurement' of development and the resultant inherent bias in assessing the sociocultural impacts of tourism in particular, the chapter reviews a variety of indices against which development is measured. It goes on to examine both the positive and negative sociocultural impacts of tourism before highlighting the contradictions of tourism development and proposing that there is a need to divorce the assessment of tourism's development outcomes from traditional, universalist development paradigms.

Completing Part 2, Chapter 8 considers the relationship between tourism development and the environment. Critiquing mainstream sustainable development theory which is manifested in deterministic and managerialist approaches to the planning and use of tourism's environmental resources, this chapter explores the concept of sustainability as a complex interaction of local social, environmental, political and economic processes. It argues that, despite the recognised negative consequences of tourism development, a focus upon local governance embracing ecological sustainability principles may emphasise the environmental benefits that accrue from tourism.

Finally, Part 3 introduces and addresses what are referred to as 'barriers' to tourism development. It has long been recognised that a variety of externalities serve to limit the growth of tourism and, hence, its economic development potential, such 'limiters' including, for example, government restrictions on inbound/outbound travel, political turbulence, global oil prices, natural disasters, and so on.

However, beyond these specific factors that impact negatively on tourist flows, normally in the shorter term and with respect to specific regions or destinations, tourism's contribution to development is restricted by two important sets of influences. First, as discussed in Chapter 9, the political economy of tourism, in terms of both the internal structure tourism system itself and the global context within which the tourism system operates, has frequently been explained in relation to neocolonialist dependency theory. However, although the power of the nation-state is diminishing within an increasingly globalised political economy, the structure of multinational corporate operations represents a new 'threat' to the achievement of development.

Second, the very nature of tourism as a form of consumption also militates against development (Chapter 10). As an ego-centric social activity, tourism is principally motivated by twin aims of avoidance/escape and ego enhancement/reward. Therefore, despite the alleged spread of environmental awareness and the consequential emergence of the 'new' tourist, not only does tourism remain relatively untouched by the phenomenon of green consumerism but also the ways in which tourism is consumed suggest that, beyond financial considerations, tourists contribute little to the development process.

In addition to these two broad areas of concern, the specific focus on sustainable tourism, the dominant tourism development paradigm of the 1990s, can also be seen as a barrier to development. That is, as Chapter 11 suggests, sustainable tourism development has evolved into a prescriptive and restrictive set of guidelines for tourism development that, whilst offering environmentally appropriate, commercially pragmatic and ethically sound principles for optimising tourism's development role, draws attention away from the potential benefits of other forms of tourism and, indeed, other development agents.

Finally, drawing together the various concepts, themes and issues introduced and discussed throughout the book, the conclusion considers the implications for the role of tourism as a means of achieving development. As such, it raises a number of important points that may encourage further debate amongst students, academic and practitioners of tourism whilst, more generally, it is hoped that this book as a whole will contribute to further understanding and knowledge of the inherent processes, challenges and benefits of tourism as a vehicle of development.

Richard Sharpley and David Telfer  
*March 2002*





*Part 1*

# ***Development Theories and Tourism Theory***

