# US Institute of Peace

Tourism in the Developing World: Promoting Peace and Reducing Poverty

Author(s): Martha Honey and Raymond Gilpin

US Institute of Peace (2009)

Stable URL: http://www.jstor.com/stable/resrep12508

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at https://about.jstor.org/terms



 ${\it US~Institute~of~Peace}$  is collaborating with JSTOR to digitize, preserve and extend access to this content.

1200 17th Street NW • Washington, DC 20036 • 202.457.1700 • fax 202.429.6063

#### ABOUT THE REPORT

This report examines the notion that tourism can help deliver peace and prosperity to developing countries by examining relationships among tourism, development, and conflict in three countries: Kenya, Nigeria, and India. The case studies were commissioned as part of the 2008 Travelers' Philanthropy Conference held in Arusha, Tanzania. The three-day conference was attended by 225 delegates from five continents. Nobel laureate Dr. Wangari Maathai, founder and leader of Kenya's Green Belt Movement, gave the keynote address. USIP's Center for Sustainable Economies commissioned the case studies used in this report from participants attending the workshop.

Martha Honey, co-founder and co-director of the Center for Responsible Travel (CREST), heads its Washington, D.C., office. She has written and lectured widely on ecotourism, travelers' philanthropy, and certification issues and holds a PhD in African history. Her books include *Ecotourism and Sustainable Development: Who Owns Paradise?* Raymond Gilpin is associate vice president for Sustainable Economies at USIP. He leads the Institute's work on analyzing economic relationships during all stages of conflict. He holds a doctorate from Cambridge University in the United Kingdom.

The authors are grateful for comments from Professor Timothy L. Fort, Lindner-Gambal Professor of Business Ethics and executive director of the Institute for Corporate Responsibility at George Washington University, and Marie Pace, program officer at USIP. Go Funai (research assistant, USIP), Richard Downie (consultant, USIP), and Bethany Wylie (intern from Stanford University with the Center for Responsible Travel) also contributed to this paper.

© 2009 by the United States Institute of Peace. All rights reserved.

SPECIAL REPORT 233 OCTOBER 2009

#### **CONTENTS**

г			
	COTOL	ınsm	

About the Case Studies 3

Addressing the Challenges 8

Conclusions 9

Policy Recommendations 9

# Martha Honey and Raymond Gilpin

# Tourism in the Developing World

# **Promoting Peace and Reducing Poverty**

# Summary

- Although often underestimated, the tourism industry can help promote peace and stability
  in developing countries by providing jobs, generating income, diversifying the economy,
  protecting the environment, and promoting cross-cultural awareness. Tourism is the fourthlargest industry in the global economy.
- However, key challenges must be addressed if peace-enhancing benefits from this industry
  are to be realized. These include investments in infrastructure and human capacity, the
  development of comprehensive national strategies, the adoption of robust regulatory
  frameworks, mechanisms to maximize in-country foreign currency earnings, and efforts to
  reduce crime and corruption.
- The case studies of India, Kenya, and Nigeria reveal several important points. First, relative peace and a degree of economic development are preconditions for a successful tourist industry. Second, although it has the capacity to help promote peace and prosperity, tourism can also cause a great deal of harm unless it is carefully developed. Third, to deliver optimal benefits, tourism must be respectful of the environment and mindful of cultural and social traditions. Fourth, tourism must be supported by a coherent national strategy and robust laws.
- For tourism to help deliver prosperity and stabilize communities effectively, specific action
  must be taken by three main constituencies: host communities, host governments, and foreign stakeholders. Host communities should work to leverage their competitive advantage,
  improve service delivery, and protect their environment and culture. Host governments
  should establish supportive strategies, introduce and implement necessary regulations,
  remove bottlenecks, and adopt internationally recognized tourism standards. Foreign stakeholders could prioritize tourism as a viable economic force, direct investment to this sector,
  and facilitate knowledge and technological transfers.

### ABOUT THE INSTITUTE

The United States Institute of Peace is an independent, nonpartisan institution established and funded by Congress. Its goals are to help prevent and resolve violent conflicts, promote post-conflict peacebuilding, and increase conflict management tools, capacity, and intellectual capital worldwide. The Institute does this by empowering others with knowledge, skills, and resources, as well as by its direct involvement in conflict zones around the globe.

#### BOARD OF DIRECTORS

J. Robinson West (Chair), Chairman, PFC Energy, Washington, D.C. • George E. Moose (Vice Chairman), Adjunct Professor of Practice, The George Washington University, Washington, D.C. • Anne H. Cahn, Former Scholar in Residence, American University, Washington, D.C. • Chester A. Crocker, James R. Schlesinger Professor of Strategic Studies, School of Foreign Service, Georgetown University, Washington, D.C. • Ikram U. Khan, President, Quality Care Consultants, LLC., Las Vegas, Nev. • Kerry Kennedy, Human Rights Activist • Stephen D. Krasner, Graham H. Stuart Professor of International Relations at Stanford University • Jeremy A. Rabkin, Professor of Law, George Mason University, Arlington, Va. • Judy Van Rest, Executive Vice President, International Republican Institute, Washington, D.C. • Nancy Zirkin, Executive Vice President, Leadership Conference on Civil Rights

#### MEMBERS EX OFFICIO

Hillary Rodham Clinton, Secretary of State • James N. Miller,
Principal Deputy Under Secretary of Defense for Policy • Ann E.
Rondeau, Vice Admiral, U.S. Navy; President, National Defense
University • Richard H. Solomon, President, United States
Institute of Peace (nonvoting)

The views expressed in this report do not necessarily reflect the views of the United States Institute of Peace, which does not advocate specific policy positions.

To request permission to photocopy or reprint materials, e-mail: permissions@usip.org Tourism is a vital part of the global economy. Generating roughly \$1 trillion in global receipts in 2008 (up 1.8 percent from 2007), international tourism ranked as the fourth-largest industry in the world, after fuels, chemicals, and automotive products. The breadth of international travel also has greatly expanded in recent years to encompass the developing world. In 1950 just fifteen destinations—primarily European—accounted for 98 percent of all international arrivals. By 2007 that figure had fallen to 57 percent. Once essentially excluded from the tourism industry, the developing world has now become its major growth area. Tourism is a key foreign exchange earner for 83 percent of developing countries and the leading export earner for one-third of the world's poorest countries. For the world's forty poorest countries, tourism is the second-most important source of foreign exchange after oil.

The economic might of the tourist industry has helped transform societies, often for the better. Tourism has several advantages over other industries:

- It is consumed at the point of production so that it directly benefits the communities that provide the goods.
- It enables communities that are poor in material wealth but rich in culture, history, and heritage to use their unique characteristics as an income-generating comparative advantage.
- It creates networks of different operations, from hotels and restaurants to adventure sports
  providers and food suppliers. This enables tourist centers to form complex and varied supply
  chains of goods and services, supporting a versatile labor market with a variety of jobs for
  tour guides, translators, cooks, cleaners, drivers, hotel managers, and other service sector
  workers. Many tourism jobs are flexible or seasonal and can be taken on in parallel with
  existing occupations, such as farming.
- It tends to encourage the development of multiple-use infrastructure that benefits the host community, including roads, health care facilities, and sports centers, in addition to the hotels and high-end restaurants that cater to foreign visitors.

With these benefits in mind, the United Nations has identified the development of tourism as one of the methods poorer countries might use to meet the Millennium Development Goals (MDGs).<sup>5</sup> For the first MDG—alleviating poverty—the merits of tourism are evident. It can provide jobs and generate income for communities that, in some cases, lack viable alternative means of employment. In an assessment of Nigeria's potential for tourism, Francesco Frangialli, the former head of the UN World Tourism Organization, argued that with its "capacity to spread its socioeconomic benefits to all levels of society ... tourism can be a leading industry in the fight against poverty." 6 With its tendency to produce flexible labor markets and offer diverse working opportunities, tourism can also help realize a second MDG, that of promoting gender equality. In Mali, the World Tourism Organization's Sustainable Tourism for Eliminating Poverty (ST-EP) program has supported an effort to train the female artisans of Dienne, one of Mali's oldest and most visited towns. In Costa Rica, women's handicraft cooperatives catering to the tourist market have flourished, providing many women, for the first time, with both independent incomes and improved self-esteem. If carefully managed, tourism can also be an important part of promoting a sustainable environment, another of the MDGs. Frangialli identified tourism's potential for not only protecting the natural environment, but also "preserving historical, archaeological, and religious monuments; and stimulating the practice of local folklore, traditions, arts and crafts, and cuisine." Finally, as tourism by definition involves the transfer of people, culture, and ideas, it is ideally placed to foster effective global partnerships, the eighth MDG.

In addition to advancing development goals, some have credited tourism with helping to build and sustain peace. Among them is Wangari Maathai, the Nobel laureate and founder of the Green Belt Movement, who highlights tourism's potential as "a great vehicle for peace promotion." Whether tourism can actually bring about peace or whether the relationship is better described as mutually reinforcing, Corazon Gatchalian and Cindi Reiman conclude that through its tendency to promote "communication between nations and cultures," tourism is an instrument that "creates a global language of peace." 9

That said, while tourism can bring positive benefits, good does not necessarily follow. In recent years, tourism has tended to be a delivery mechanism for some of the darker effects of globalization: health pandemics and terrorism. International travelers enabled the outbreaks of severe acute respiratory syndrome (SARS) and swine flu to spread rapidly across borders. And holiday destinations, tragically, have become a popular target for terrorists, who want to maximize civilian casualties and publicity for their actions. In recent years, Mumbai, Bali, Sharm el-Sheikh, Dahab, Mombasa, and Casablanca have come to be associated as much with mass bombings and killings as with tourism.

**Ecotourism** 

While conventional mass tourism often negatively affects host environments, other forms of tourism have emerged in recent decades that are more sensitive to their surroundings and offer tangible benefits to the local labor force. These newer forms of tourism have come to be known as ecotourism, an umbrella term best defined as responsible travel to natural areas that conserves the environment and improves the well-being of local people. Since it first emerged in the late 1970s, ecotourism has spawned several other travel concepts that are, in essence, variations on the same theme. These include geotourism, pro-poor tourism, sustainable tourism, responsible tourism, and travelers' philanthropy. They are united by the simple idea that tourism should offer a benefit—and not incur a cost—to the host community. They reflect the desire of many holiday goers to give something back to the places they visit, or at the very least, avoid doing them harm. A number of countries have tailored their tourism industries adeptly to reflect this desire and have reaped economic rewards while minimizing the environmental and social impacts of growth. Costa Rica led the way in developing the ecotourism concept, followed closely by Ecuador, Tanzania, Kenya, and Nepal.

This report explores the ecotourism model, arguing that, if implemented correctly, it can reduce poverty and promote peace in the developing world. It uses three case studies—Kenya, India, and Nigeria—to explore some of the ways in which tourism can enable peace and prosperity. It also analyzes some of the necessary preconditions for developing a responsible tourist industry, highlighting that ill-planned and poorly executed tourism can cause immense damage to communities and create conditions for conflict instead of peace.

# **About the Case Studies**

Kenya, Nigeria, and India are three developing countries with tourism industries at different stages of maturity. Kenya has a long-established and highly successful tourist sector catering to the conventional and ecotourism markets. As the table demonstrates, international tourism is a lucrative source of income for Kenya, accounting for 2.24 percent of the nation's gross domestic product (GDP) in 2006. By contrast, Nigeria barely has a tourist industry at all, reflected by tourism's paltry contribution to national wealth, just .02 percent of GDP in 2006. India has several tourist centers but, given its vast size, it has yet to realize tourism's economic potential. International receipts from tourism made up just 0.35 percent of its GDP in 2006. With the case studies, we examine whether or not tourism in developing countries has a role in laying down what Martha Honey of the Center for Responsible Travel calls the

While tourism can bring positive benefits, good does not necessarily follow. In recent years, tourism has tended to be a delivery mechanism for some of the darker effects of globalization: health pandemics and terrorism.

**Tourism Statistics, 1990-2006** 

iourism statistics, 1990-2006								
Country	1990	1995	2000	2001	2003	2006		
Kenya								
International arrivals (thousands)	814	937	1,037	995	1,146	1,840		
Nights spent by residents (thousands)	n.a.	n.a.	794	740	739	n.a		
International receipts (millions of U.S. dollars)	443	486	500	536	619	1,182		
GDP-PPP (billions of U.S. dollars)	25.7	31.1	37.4	40.2	43.0	52.7		
International receipts (percent of GDP)	1.72	1.56	1.34	1.33	1.44	2.24		
India								
International arrivals (thousands)	1,707	2,124	2,649	2,537	2,726	4,447		
Domestic tourism visits (thousands)	n.a.	136,644	220,107	236,470	309,038	461,763		
International receipts (millions of U.S. dollars)	1,513	2,581	3,718	3,497	4,560	9,227		
GDP-PPP (billions of U.S. dollars)	721.2	1,038.6	1,519.5	1,616.5	1,876.6	2,668.8		
International receipts (percent of GDP)	0.21	0.25	0.24	0.22	0.24	0.35		
Nigeria								
International arrivals (thousands)	n.a.	1,031	1,492	1,753	2,253	3,056		
Domestic tourism visits (thousands)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.		
International receipts (millions of U.S. dollars)	190	656	813	168	58	51		
GDP-PPP (billions of U.S. dollars)	90.9	105.2	134.0	148.4	206.2	268.2		
International receipts (percent of GDP)	0.21	0.62	0.61	0.11	0.03	0.02		

GDP = gross domestic product. PPP = purchasing power parity. n.a. = not available. *Source*: World Tourism Organization database.

"building blocks of peace," defined as "social justice, economic equity, sustainable development, and broad based democracy."  $^{11}$ 

A mixed picture emerges. In Kenya, which has had a longer time to finesse its strategy, ecotourism is starting to bring about the progress that Honey describes. Conservationist David Western, <sup>12</sup> the author of a study of Kenya's tourism industry, <sup>13</sup> explains how Kenya learned from some of the mistakes it made when it began building its safari-based tourism industry. He discusses how Kenya became the first country in Africa to establish both an ecotourism society and a framework for assessing the social and environmental impact of resort developments. He also illustrates the importance of generating domestic tourism by offering free or heavily discounted national park fees to its citizens. Most important, he shows how Kenyan communities have benefited directly from tourism by running their own wildlife conservation areas. However, the picture he paints is not overwhelmingly rosy. While pockets of good practice exist, a fair share of Kenya's tourism tramples on local customs, is indifferent to conservation, and fails to pass on economic benefits to host communities. The Nigeria case study, by Bola Olusola Adeleke, <sup>14</sup> closely examines Honey's idea of building blocks of peace from the perspective of a country that is still in the formative stages

While pockets of good practice exist, a fair share of Kenya's tourism tramples on local customs, is indifferent to conservation, and fails to pass on economic benefits to host communities.

of developing a tourism sector. In her analysis, Adeleke argues that, while tourism may well promote peace, peaceful conditions have to be in place before tourism can thrive. The lack of peace and security, she argues, is the main reason why Nigeria has been unable to persuade foreigners to visit its many cultural and natural attractions. In addition, she identifies a string of other societal problems—poverty, corruption, a lack of infrastructure—that contribute to Nigeria's failure to establish a tourist industry. For Adeleke, Nigeria faces a catch-22 scenario, whereby tourism has the potential to promote peace and development but can only take root in areas where peace and development are already present.

The third case study offers a reminder that tourism is not a magic bullet with the ability to transform developing countries for the better. Aditi Chanchani<sup>15</sup> of EQUATIONS, an Indian nongovernmental organization (NGO) that promotes good practice in the tourism industry, shows that her country has a lot of work to do in developing a sustainable tourism model that delivers benefits to local communities. Her examples show that if the tourism industry is not properly regulated, it can do harm, developmentally, socially, culturally, and politically. She also argues forcefully that regulations alone are not enough; they have to be applied and there must be penalties for those who ignore them.

Although Kenya, Nigeria, and India differ significantly in how they have sought to develop tourism, it is possible to draw some common lessons from their experiences. The first is that certain levels of peace and economic development are preconditions for tourism. But tourism, in turn, can strengthen existing conditions of peace and development. However, everything depends on the way it is managed. As Honey emphasizes, "Tourism promotes peace only when it is done in ways that involve and benefit the destination." <sup>16</sup> Ecotourism could provide a blueprint for managing this process, as it not only builds entrepreneurial skills at a local level but also links community members to the larger world in ways that create knowledge, understanding, and appreciation of other peoples (e.g., clients, the chain of marketing, sales, transport). Ecotourism exposes communities to a social network and gives them both a reason and the skills to manage social networks in order to benefit themselves; the knowledge and communication linkages that tourism creates, for their part, depend on and promote fair practices, stability, and peace.

#### Kenya

East Africa is a natural destination for tourists, boasting the richest and most varied concentration of wildlife on the continent. Kenya spotted the potential for tourism quickly, opening its first national park in 1947 and building a flourishing industry based around the safari. Unplanned and unsympathetic development, however, led to Kenya becoming the "Costa Brava of the wildlife world," by the 1990s, providing mass tourism commonly associated with the resorts of the Spanish coast. <sup>17</sup> Since then, Kenya has pursued ecotourism with more determination, backed by national legislation aimed at protecting wildlife and representing communities, but Western contends that "for the moment, the worst of tourism is outstripping the best of ecotourism." <sup>18</sup>

Although progress has been patchy, Western concedes that Kenya's ecotourism has been able to deliver concrete benefits to its people. Involving local communities is one of its central tenets. Thus, admission fees for Kenyans to visit national parks were slashed, providing an important boost to domestic tourism. Ordinary Kenyans also have been involved in developing tourism in their areas, and through programs such as Parks Beyond Parks, have been given the lead role in managing and conserving wildlife areas in their own communities. As a result, tourism has helped provide employment and alleviate poverty, the first of the United Nations' MDGs. The stronger focus on ecotourism has also aided Kenya's progress toward achieving another MDG, that of environmental sustainability.

Ecotourism could provide a blueprint for managing this process, as it not only builds entrepreneurial skills at a local level but also links community members to the larger world in ways that create knowledge, understanding, and appreciation of other peoples.

Tourism tends to have a snowball effect....Donor countries are more likely to give aid and support to nations that their citizens visit, and where tourists beat a path, businesses and NGOs often follow.

One of the most important advantages of tourism, according to Western, is that it tends to have a snowball effect, generating revenue in indirect ways. Donor countries are more likely to give aid and support to nations that their citizens visit, and where tourists beat a path, businesses and NGOs often follow. Although difficult to quantify, this hypothesis merits further study.

In his explanation of the growing importance of ecotourism, Western gives most of the credit to individual travelers rather than the Kenyan government. Ecotourism, he argues, reflects "the traveler's urge to do good." This enables ecotourism to "grow spontaneously through contagious social responsibility, rather than by rules and regulations and policies."19 In Western's view, more can be done to capitalize on the willingness of individual travelers to give something back to the communities they visit. The best model for tourism, he argues, should combine the responsible approach of ecotourism with travelers' philanthropic impulse to contribute to developing their holiday destinations. Western cites the example of the African Conservation Fund, the U.S. arm of two domestic NGOs, which organizes safaris and visits to Kenyan community projects; there, tourists are able to make tax-deductible charitable contributions.<sup>20</sup> While there is a clear risk that such projects could fuel a dependency culture, they are a powerful way of directing wealth to communities in a virtually unmediated way. Kenya's experience demonstrates that tourism can positively affect development and help lay down the building blocks of peace, provided it respects of the environment, works closely with host communities, and harnesses the philanthropic impulses of overseas visitors.

# Nigeria

The story of Nigeria's tourism industry is one of unfulfilled potential, according to Adeleke.<sup>21</sup> Theoretically, the country is tailor-made for tourism: Its 370 ethnic groups give it a rich cultural heritage and it is blessed with natural wonders, unique wildlife, and a very favorable climate. Yet very little effort has been undertaken at the national level to develop tourism. Nigeria did not establish an official tourist board until 1976 and only in the 1990s did it formulate a national tourism policy. Most foreign visitors come to Nigeria for business or family visits.

What is the reason for this oversight? According to Adeleke, the enabling environment for tourism simply does not exist. For tourism—particularly international tourism—to flourish, a nation needs to be peaceful and safe. For most of its postindependence history, Nigeria has been a byword for political instability, violence, ethnic rivalry, and crime. The challenges of marketing its tourist credentials are laid bare by the U.S. State Department advisory for the country, which gives even the most intrepid traveler pause. U.S. citizens are warned of the dangers of "violent crime in Lagos and other large cities as well as on roads between cities," the prevalence of "armed muggings, kidnappings and carjackings," and the risk of ethnic conflict. They are urged to avoid "all but essential travel" to the Niger Delta, the scene of years of violence among local citizens, international oil companies, and the Nigerian military.<sup>22</sup> Tourism, if established, could help promote peace. In addition, a robust tourist sector would diversify the economy, reducing Nigeria's dependence on its most important export—oil—which is also the source of many of the country's social, political, economic, and environmental problems. Clearly, however, tourism cannot gain a foothold in societies that are prone to conflict and instability.

Moreover, to thrive, tourism requires more than just an absence of conflict. Adeleke points to several other structural problems within Nigeria that complicate efforts to build a strong tourism sector. Poor infrastructure is a particular barrier. Nigeria is a large country with a small and badly maintained road network. Tourists would struggle to travel between

A robust tourist sector would diversify the economy, reducing Nigeria's dependence on oil, the source of many of the country's social, political, economic, and environmental problems.

different regions. Parts of the country, such as the Niger Delta, are almost completely cut off (and dangerous). Poverty hinders domestic tourism, but even those who have the means have not developed a culture of travel. Another important barrier to tourism is the absence of organization and institutional capacity at a national level. For most of its history, Nigeria has not had a national tourism strategy, and government departments overlap at the national and regional levels regarding responsibility for the sector, making it difficult to devise a coordinated plan. The government does not even possess reliable figures on the numbers of international arrivals to and departures from the country. Corruption is another serious deterrent, as it undermines government efficiency, deters potential investors in the tourism industry, and scares off visitors.

In sum, while tourism can be of enormous benefit to developing nations, setting up a fully functioning tourist industry is beyond the capacity of many. Without a modicum of peace and stability, combined with strategic planning at a national level, a country will struggle to persuade tourists to risk a visit.

#### India

Aditi Chanchani's case study of India illustrates the tensions that could exist among tourism, development, and peace. While sustainable and responsible tourism could promote development, poorly implemented projects that do not consider local rights and opinions can hobble development and sow the seeds of conflict.

Despite its vast size and wealth of cultural and natural attractions, India has not been able to turn tourism into a major dynamo of its economy. Tourism has developed in pockets: in Goa, Kerala, and the central region around New Delhi, for example, rather than in the country as a whole. India suffers from some of the obstacles Nigeria faces. Travel infrastructure is patchy, much of the population is poor, and the national government has struggled to provide a strategic vision for the tourism sector. In addition, safety has become a more prominent concern for tourists, following a series of terrorist attacks that targeted high-profile sites frequented by foreign visitors. The coordinated attacks in Mumbai in November 2008 ended the steady rise in international arrivals seen since 2002. It is too early to assess the attacks' full effect, but tourist numbers were expected to fall approximately 15 percent during 2009 in the wake of both the attacks and the global economic recession.<sup>23</sup>

For Chanchani, tourism has too often failed to pass on economic and social benefits to host communities because the national strategy has been fixated on numbers—what she calls "arrivals, expenditures and receipts." Amay tourist developments are owned by outside investors looking to make quick profits rather than provide sustainable growth over the long term. As a result, Chanchani believes that tourism has undermined efforts to fulfill the MDGs. Gender equality has been negatively affected by some of the social problems associated with mass tourism, such as wage exploitation and prostitution. Unplanned and poorly implemented tourist resorts, golf courses, and amusement parks have caused ecological damage, setting back attempts to meet the United Nations' MDG on environmental sustainability. Chanchani shows that insensitive tourist developments can displace people and destroy traditional livelihoods, leaving many with no alternative but to take up low-paying and exploitative jobs in the tourist sector.

Chanchani acknowledges that tourism can promote peace, but adds that "for this to be possible one must engage with the reality, the history and the aspirations of those in the places that are being visited." Too often, the negative face of tourism stokes conflict. Chanchani cites the example of India's central belt, a region that has been targeted for tourism development where communities have been moved off their ancestral lands to make way for what are billed as ecotourism projects. These disputes feed into a long-running Maoist

While tourism can be of enormous benefit to developing nations, setting up a fully functioning tourist industry is beyond the capacity of many.

Insensitive tourist developments can displace people and destroy traditional livelihoods, leaving many with no alternative but to take up low-paying and exploitative jobs in the tourist sector.

insurgency, which has turned increasingly violent as the region has been opened up.

Chanchani argues that lax regulations are largely to blame for the problems facing tourism in her case study. The government fails to properly police the tourism industry, allowing some local developers to disregard the rules and the wishes of local communities. India's environmental legislation is designed to protect ecologically fragile areas from development, but it has been watered down or simply ignored. In Goa, resorts and hotels have sprung up along the coast in clear violation of the rules. Chanchani also criticizes the state governments of Maharashtra and Himachal Pradesh for bending strict land ownership rules to clear the way for large tourist developments. Many of these projects have been carried out under the banner of ecotourism, yet emphatically do not preserve the local environment or benefit local people, who are rarely consulted and, in some cases, are shunted off their land to make way for luxury hotels, ski resorts, and amusement parks. The example of India suggests that tourism cannot help alleviate poverty and promote peace unless it is properly regulated and genuinely engages with host communities.

# **Addressing the Challenges**

If tourism is to achieve its full potential as a force for promoting peace and prosperity, several challenges must be addressed:

- Bad neighborhood effect: The case study of Nigeria shows that peace and security are preconditions for a thriving tourism sector. Travelers are risk averse and do not wish to spend
  their vacation feeling anxious about their personal safety, mindful of their belongings, and
  wary of being ripped off. Developing countries with ambitions to build a successful tourist
  industry need to tackle internal instability and provide a safe environment for potential
  visitors. Unfortunately, unrest and instability in neighboring states are also disincentives
  to travel to potential tourist destinations. Countries that are perceived to be in so-called
  bad neighborhoods are affected by this.
- Investments: Solid infrastructure is another precondition for any country wishing to establish a tourism industry. Poor countries need to prioritize the search for capital investment to help them build the roads, airports, hotels, and leisure facilities needed to attract visitors in large numbers. Investments in human capacity are equally important. Local communities need special training to work in the international hospitality industry. Local drivers may have to meet more exacting safety standards to chauffeur tourists around than might be expected of them in the domestic market. The hotel industry expects that people who work with foreign visitors be culturally aware of and sensitive to the expectations and foibles of a wide range of nationalities. All of this requires training.
- Regulations and standards: The India case study demonstrates that tourism needs to be
  subject to robust laws and regulations if it is to benefit local communities and prevent
  them from being exploited. Laws must protect the environment from overdevelopment and
  safeguard the land, property, and livelihoods of communities affected by tourism. But laws
  in themselves are insufficient: They must be applied and enforced. This requires the presence of strong and effective institutions, at national and local levels.
- Structural leakages: Developing countries must try to capture more tourism spending and
  limit leakage if they are to maximize their revenues from tourism. An international hotel
  chain that opens up in a developing country may create jobs in the local community, but
  it repatriates the profits. In a similar way, host communities might decide that, to keep
  tourists happy, they have to offer them food and drink they are familiar with—which has
  to be imported. Homegrown tourism, on the other hand, allows revenue to remain in the
  domestic economy rather than seep across borders.

- Ecotourism, not tourism numbers: Governments need to emphasize implementing the sound
  principles and best practices of ecotourism rather than fixating on increasing tourism
  numbers. High-quality ecotourism can bring more revenue and decrease the harmful social
  and environmental effects of uncontrolled mass tourism. Four decades ago, resort tourism
  was the norm and model. Today, a variety of alternative tourism models provide the tools
  to bring prosperity and strengthen conditions for peace in poor countries.
- Strategic oversight: Tourism cannot grow into a thriving sector of the economy without
  constructive leadership from the national government. Too many countries fail to reap
  the rewards of tourism because of poor planning, poorly thought-out strategies, and
  fragmented policies. Strategic oversight includes everything from overall budget planning
  and encouraging outside investment to educating host communities. Without guidance
  from local and national governments, host communities are likely to find the experience
  unsettling and negative.

# **Conclusions**

Tourism is a thriving global industry with the power to shape developing countries in both positive and negative ways. The tourism sector has remained robust despite the transnational challenges posed by terrorism, health pandemics, and the global financial crisis. In 2007, international tourist arrivals passed 900 million; the United Nations predicts they will reach the 1 billion mark by 2010.<sup>26</sup> It is up to developing nations to seize the economic opportunities that foreign visitors present, and some countries have proved more adept than others at doing so. Kenya has developed a lucrative tourism sector, powered in recent years by ecotourism, and some local communities have benefited directly through social and economic development. India's attempts to build a sustainable tourism sector have been undermined by lax regulations, unplanned development, and insensitive attitudes toward host communities, many of which have not seen any tangible benefits. In Nigeria, structural weaknesses, insecurity, and poor leadership have locked the country out of the benefits that tourism can offer.

The three case studies demonstrate that while tourism can be a force for good—both in alleviating poverty and helping to cement peace—much depends on the way the sector is planned and managed. Tourism can only achieve the above goals if it respects the environment and places host communities at the center of the development process. Responsibility lies with the governments of developing nations to ensure that tourism grows in a sustainable manner. But, as the case study of Kenya shows, individual tourists also have a part to play. As the driving force behind the ecotourism movement, they have shown that the choices they make as consumers can determine whether tourism takes a path that helps or hinders development in poorer countries.

# **Policy Recommendations**

As delineated above, tourism, if properly planned and managed, can help to alleviate poverty and stabilize communities. For that to happen, positive action must be taken by three main constituencies: host communities, host governments, and foreign stakeholders.

## **Host communities should:**

Leverage advantage. Communities should know where their comparative advantage lies—whether it is in wildlife, waterfalls, or wineries—and focus their development strategy around it, rather than expanding into areas that they think will attract visitors but with which they are unfamiliar.

While tourism can be a force for good—both in alleviating poverty and helping to cement peace—much depends on the way the sector is planned and managed.

- Focus on keeping themselves at the center of their development strategy. This will ensure local ownership of projects and help to keep profits in house. Community-based tourism is also more sustainable and helps to provide the type of authentic experience that most tourists are looking for.
- Work on enhancing capacity, in both physical infrastructure and human capital. To fund these
  improvements, communities should follow the approach advocated by David Western<sup>27</sup> and
  target the enormous potential that travelers' philanthropy presents.
- Protect the environment and culture. Communities should remember at all times that it is the beauty of the surroundings in which they live, the richness of their culture, and the diversity of their wildlife that attracts visitors in the first place. A percentage of the wealth that tourism generates should be spent to preserve these qualities.

## Host governments should:

- Establish national tourism strategies and put in place robust laws to protect tourist sites
  and people who work in the tourist industry. They should also ensure that these laws are
  enforced. National standards should be established for the tourism industry and its employees should receive periodic training and guidance.
- Address bottlenecks and constraints. In many developing countries, tourism is undermined
  because no single government branch has overall responsibility for it. A government should
  ensure that its tourism sector is not undermined by competing or overlapping departments,
  at either the national or local levels.
- Have a creative marketing strategy for the tourist industry. The global tourism trade is highly
  competitive. Developing countries need to think about what sets them apart from other
  potential destinations and focus on marketing these distinctive qualities. Having a clear
  focus will also make it easier to attract foreign investment and visitors.

# Foreign stakeholders should:

- Prioritize tourism as an economic force. Tourism is a hugely influential and profitable industry
  and many developing countries are keen to be a part of it. However, they are short of capital
  and infrastructure. Foreign firms can provide both and earn a profit at the same time.
- Facilitate knowledge and technology transfers and offer technical assistance. Fledgling tourism sectors in developing countries need assistance in training staff and teaching new skills. Foreign experts from established tourist markets are well placed to offer assistance.

# **Notes**

- UN World Tourism Organization (UNWTO), Tourism Highlights, 2008 Edition (Madrid: UNWTO, 2008) and World Tourism Barometer (June 2009).
- 2. UNWTO, Tourism Highlights, World Tourism Barometer.
- 3. Lisa Mastny, *Treading Lightly: New Paths for International Tourism*, Worldwatch Paper 159 (Washington, DC: Worldwatch Institute, 2001), p. 15.
- 4. Mastny, Treading Lightly, p. 37.
- The MDGs are to eradicate extreme poverty and hunger, achieve universal primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV/AIDS and other diseases, ensure environmental sustainability, and develop a global partnership for development, all by 2015.
- Message by the Secretary-General, in Nigeria Tourism Development Master Plan: Institutional Capacity Strengthening to the Tourism Sector in Nigeria (Madrid: UNWTO, 2006).
- 7. Secretary-General, Nigeria Tourism.
- 8. Keynote address to the Travelers' Philanthropy Conference, Arusha, Tanzania, December 2008.
- Corazon Gatchalian and Cindi Reiman, "Opportunities to Provide World Peace Through Structured Training in Hospitality." Presented to the American Hotel and Lodging Association, Michigan, 2005.
- 10. Definition provided by the International Ecotourism Society.
- 11. Martha Honey, "Tourism: Preventing Conflict, Promoting Peace," paper commissioned for USIP, p. 2.
- 12. David Western is founder and chairman of the Africa Conservation Centre in Nairobi, the former director of the Kenya Wildlife Service, and the first board chair of the International Ecotourism Society (TIES).
- 13. David Western, "Ecotourism, Conservation and Development in East Africa: How the Philanthropic Traveler Can Make a Difference." Paper commissioned for 2008 Travelers' Philanthropy Conference, Arusha, Tanzania. Available from the Center for Responsible Travel (www.responsibletravel.org).
- 14. Bola Olusola Adeleke is a lecturer in the Department of Transport and Tourism Studies at Redeemer's University in Redemption City, Oye State, Nigeria.
- 15. EQUATIONS is a research, policy advocacy, and campaigning organization working on tourism issues in India with the aim of promoting people-centered forms of tourism that are nonexploitative, sustainable, and equitable.
- 16. Honey, "Tourism," p. 6.
- 17. Western, "Ecotourism," p. 6.
- 18. Ibid, p. 9.
- 19. Ibid, p. 6.
- 20. Ibid, p. 11.
- Bola Olusola Adeleke, "Peace and Tourism in Nigeria." Paper commissioned for 2008 Travelers' Philanthropy Conference, Arusha, Tanzania. Available from the Center for Responsible Travel (www.responsibletravel.org).
- 22. U.S. Department of State, "Travel Warning: Nigeria," December 2, 2008, available at http://travel.state.gov/travel/cis\_pa\_tw/tw/tw\_928.html (accessed September 6, 2009).
- 23. Aditi Chanchani, "Tourism in India: Role in Conflict and Peace," p. 1. Paper commissioned for 2008 Travelers' Philanthropy Conference, Arusha, Tanzania. Available from the Center for Responsible Travel (www. responsibletravel.org).
- 24. Ibid.
- 25. Ibid, p. 8.
- 26. UNWTO, Tourism Highlights, p. 1.
- 27. See Western, "Ecotourism."

An online edition of this and related reports can be found on our Web site (www.usip.org), together with additional information on the subject.

# **Of Related Interest**

- Blood Oil in the Niger Delta by Judith Asuni (Special Report, August 2009)
- Crisis in the Niger Delta by David R. Smock (USIPeace Briefing, September 2009)
- Beyond Emergency Responses in the Democratic Republic of Congo by Raymond Gilpin, Catherine Morris and Go Funai (USIPeace Briefing, August 2009)
- My Kashmir: Conflict and the Prospects for Enduring Peace (2008) by Wajahat Habibullah
- Promoting Cross-LoC Trade in Kashmir by Moeed Yusuf (Special Report, August 2009)
- Faith and Politics in Nigeria (2008) by John N. Paden



1200 17th Street NW Washington, DC 20036

www.usip.org