

## Negative Impacts of Tourism Development on Local People in Traditional Areas

**Stan McGAHEY**

Dr. , Saint Leo University, USA

### Abstract

*This paper examines the negative impacts of tourism development on local people in traditional areas where tourism is being introduced as a new industry or where tourism is being expanded to the point that it creates opposition among the local people. A number of documented examples from various parts of the world discuss factors such as why tourism development was initiated, who made the decisions, which benefitted the most, why local people began to oppose it, and what the affects of their opposition were on the tourism development and on their community. Tourism is a leading economic engine for many countries around the world, and it can be an outstanding economic development option for many traditional areas. But it is not a panacea. Proper tourism development must be preceded by detailed policy and planning that includes the interests and input of all stakeholders, especially the local people. The Black and Caspian Seas region has many traditional areas with significant tourism potential. The purpose of this paper is to serve as a cautionary tale of tourism development that ignores or bypasses the best interests of the local people. It is written from this perspective and with this specific audience in mind.*

### I. Introduction

This paper examines the negative impacts of tourism development on local people in traditional areas where tourism is being introduced as a new industry or where existing tourism is being expanded to the point that it creates opposition among the local people.

There are many documented examples from various parts of the world that discuss factors, such as:

- Why tourism development was initiated.
- Who made the decisions.
- Who benefitted the most from tourism development.
- Why local people began to oppose tourism development.
- What the affects of their opposition were on the tourism development and on their community.

Tourism is a leading economic engine for many countries around the world, and it can be an outstanding economic development option for many traditional areas. But it is not a panacea. Like all forms of development, tourism has impacts, especially economic, socio-cultural, and environmental. Whether they are positive or negative impacts and whether they are major or minor impacts depends on many factors.

Proper tourism development begins with detailed policy and planning that includes the interests and input of all stakeholders, especially the local people.



The Southern Caucasus and other regions along the entire length of the Silk Road have many traditional areas that possess significant tourism potential. The purpose of this paper is to serve as a cautionary tale of tourism development that ignores or bypasses the best interests of the local people. It is written from this perspective and with this specific purpose in mind.

## **II. Tourism's Stakeholders**

The tourism industry has many stakeholders. We can view it as a triangle. At the base of the triangle is the community, and on the two sides that meet at the top, are the government on one side and the tourism industry on the other. The community is at the bottom because its home is the destination, and it is their natural and cultural resources that the tourism industry is built upon. Therefore, it is the local people who feel the most impacts, both good and bad. The commonly-used term “community-based tourism” reflects this paradigm.

The government is on one side because tourism policy and planning begins with the government, and it creates the enabling legislation and controls the legal framework. The government is also the arbiter of conflicting interests for the use of resources. Its mission is to look after the best interests of all the people.

The tourism industry is on the other side because it will invest in the development of facilities and attractions, and it will manage and operate them. It will either make or lose money, and in the process, either makes the destination a tourism success or failure.

As the tourism industry blossoms and grows into a successful destination, it will create opportunities for the support businesses that supply it, such as food wholesalers, furniture stores, construction companies, and banks. When tourism grows, the entire economy grows. The old saying is: “A high tide lifts all boats.” And, when tourism does well in a destination, many other businesses will also prosper. Unfortunately, the same holds true for the opposite effect.

## **III. Why Develop Tourism?**

The only reason to develop tourism anywhere in the world is to benefit the local people. That sounds simple and easy to do. But often, it is neither. When we develop tourism we create new destinations. Destinations are the places people visit for pleasure. They want to explore the area's natural and cultural attractions, engage in their favorite activities, enjoy some nightlife and entertainment, interact with the local people, or just simply relax. Some destinations attract primarily business travelers, but this paper will focus on those that appeal to pleasure travelers.

Developing a destination means that certain infrastructure must be put into place. Often that means improved roads, and utilities, such as electricity, water, sewage, and telecommunications, and maybe even a new or upgraded airport or seaport. Essential support services, such as police and fire protection and health care, must either be added or improved. To become a real destination, facilities and services must be provided from all four of the operational sectors of the tourism industry. Those are transportation, attractions, accommodations, and food service.

That's a lot of new business activity for a community to absorb. And, we haven't even added the tourists yet, and they may come from many cultures, with different behaviors and moral standards and different languages and religions, and, hopefully, also with lots of money to spend.

Tourism develops on its own wherever there is a market. But we study tourism, and we research it, to find the best ways to develop it to gain the benefits we are seeking in the most efficient and least costly manner. Normally, the primary benefit that communities are seeking is economic. And, tourism is the world's largest industry. It is the leading industry in many countries, both big and small, including island nations that do not have a viable base for manufacturing, agricultural exports, extractive industries, or high-end services, such as

banking and insurance. All that tourism requires is attractive natural and/or cultural resources that can be developed to appeal to tourists who have the time, money, and health to visit them.

#### **IV. Who Develops Tourism?**

So who develops tourism? Let's look at three basic possibilities: governments, entrepreneurs, and local people. This is basically the same triangle of stakeholders previously mentioned. As we discuss each one, let's keep in mind its specific motivations.

Governments at all levels are interested in tourism. Governments are acutely aware of the need to provide jobs and improve the income of their people. Governments also love to collect and spend tax money, and residents appreciate receiving more and better public services. Tourism is big business, so it generates large amounts of tax revenue. One of the most appealing features about tax revenue that is generated from tourism is that most of it is paid by tourists, who are non-residents, and also non-voters. Government officials like to report economic growth, especially when it takes place in previously under-developed or impoverished areas. Governments are usually responsible for large-scale planning, zoning and land use schemes, industry licensing and regulations, and the investment incentives necessary to lure outside money.

Tourism industry officials always look for new opportunities. They may also fund development or they may be brought into the plan for their expertise after investors have been identified. Government officials often rely on their tourism industry colleagues for guidance during the planning and development process. Tourism industry officials are often not from the immediate area of the proposed development. This means their interests are purely financial. They have no vested interest and no emotional attachment to the destination. If it has the potential to make money, they are interested. If it lacks potential, they lack interest. With a pure profit motive, they often view negative impacts as just one of the costs of doing business, and they factor them into the overall situation.

For local people, developing tourism means an opportunity to improve the economy of their community. It can mean more jobs, increased income, an easier and more certain way to make a living, and a sign of progress. Tourism can improve their quality of life. People who reside in the destination are known collectively as the host community, and if they are to actually play host to their visitors, they must also become involved in owning and managing tourism businesses, not just performing menial labor. Governments need to make sure that local people are also given investment incentives. Even on a small scale, such as opening a local tour company, serving as a tour guide, running a bed & breakfast, owning a restaurant, or being part of a crafts cooperative, locals should be given the appropriate support they will need to be successful.

#### **V. No Benefits, No Support**

For the local people, tourism development must be done properly. They cannot pull the plug and move on to another promising location. The destination being developed is their home. They stay put, and if tourism development is not successful, they will suffer the consequences while others are free to move on to greener pastures. For the local population, tourism must be developed in a way that embraces who they are and how they live. Many destinations are building their industry around their cultural and natural attributes and the meaningful involvement of local people from the initial conceptual stages all the way through to management and ownership.

Local people can deal with incremental change, but not the drastic changes that are sometimes introduced by big government and big business. As mentioned, all development creates change, especially tourism development. For the local people to benefit from tourism, meaning the better jobs, ownership of services and facilities, and leadership positions within the tourism industry, tourism must not develop at a faster pace than their ability to grow with it. Otherwise, they get left behind. Outsiders will control their industry, and they will be marginalized. Throughout the tourism development process, public hearings should



be held to explain the proposals in detail and get local opinions on them. Public awareness of tourism, along with tourism education and training that leads to good jobs, must be provided.

One of the biggest criticisms of tourism development is that most of the benefits go to outside investors. Investors obviously have a right to make money. That is why they invested in the local tourism industry. But the people who call the destination home must also receive substantial benefits. Too many times and too many places, it is announced that tourism has contributed millions of dollars to an economy, but local people look around and wonder who among them have experienced any direct benefits. They just notice that their community has become more crowded, more expensive, and less familiar. Hanks (2007) mentions this injustice in her article on The Nine Paradoxes of Modern Tourism.

### **VI. Affects on Tourism Industry**

Eventually, some of the local people will begin to feel disaffected. They know what they have given up since tourism was developed, but they do not know what they have gained from it, although they know that some people have certainly benefitted. They not only do not support tourism, they begin to openly oppose it.

The tourism industry depends on local people for many things, including its work force, and tourism is a labor-intensive industry. If the pool of local applicants does not support tourism, then the industry is in trouble. It will either have disgruntled employees, who are not very hospitable, or they must attract new employees from elsewhere, and that would be costly and further antagonize the locals.

Since the local people are the host community, they are key ingredients in the ambiance and atmosphere required for a successful pleasure travel destination. They are a big part of what makes up the destination's sense of place and its sense of spirit. This is what differentiates one destination from another and makes each one special or unique. If the locals do not contribute substantially to this component of the destination's appeal, it will not exist on a personal level, and that is how human beings connect, one to another. Perhaps that is why the tourism industries on many islands are successful primarily as cruise stopovers for a few hours of port call, or they offer only enclave tourism, where tourists stay at resorts walled off from the locals and venture outside only on special tours or on their return trip to the airport.

The researcher, George Doxey, developed the Irritation Index, also known as the Irridex, to explain how local people go through stages of welcoming tourists when tourism is a new industry at a destination and the number of tourists, as well as their impact, is low, to Apathy as tourism becomes an established industry, and later to Annoyance, where locals begin to blame tourists for many of their community problems, and finally reaching Antagonism, where locals began to treat tourists with verbal or even physical abuse (Reisinger, 2009).

When the situation turns to Antagonism, it is obvious that there is a severe disconnect between the tourists and the host community. Perhaps this could have been avoided if the local people had been more involved in all phases of tourism development from the early stages of planning through to the present day management and operations. Once the Irridex has reached the Antagonism stage, the tourism industry begins to suffer substantially, and drastic steps must be taken to revitalize it from the grassroots upward.

This coincides with the Decline stage of the Tourist Area Life Cycle developed by the researcher, Richard Butler. In the Decline stage the destination has lost its appeal, and it is losing its market share (Butler, 2006). Now it must hurry up and reinvent itself, or it will only survive by offering the lowest rates and accepting any type of tourist behavior.

### **VII. Examples of Opposition to Tourism Development**

There are many examples of destinations that have fought off tourism development or mounted opposition as it continues to grow and negatively impacts the local people. Sometimes the opposition is quite demonstrative, and other times it is subtle and simmers just below the surface. Following are six examples

from six destinations that are available on the Internet: three posted on YouTube.com, followed three from print sources.

1. The Spanish island of Mallorca is a popular destination for these types of studies, so here are three web addresses that detail how tourism has changed Mallorca into a mass tourism destination, destroyed local agriculture, and left villages devoid of their traditional culture.

<http://www.youtube.com/watch?v=8-nQuh1Ojdl&feature=related>

<http://www.youtube.com/watch?v=Dwo7xsVpiNc&feature=related>

<http://www.youtube.com/watch?v=zDwzsCGCKH8>

2. Next is a 2003 documentary from Mexico, entitled “Tourism in Cancun: Success or Disaster?”

<http://www.youtube.com/watch?v=ipUfil8pU-Y>

3. Jamaica is a popular island destination in the Caribbean. But who is its tourism industry really benefitting? Check out this web site and the video below for a scathing expose.

<http://web.mac.com/vagabondmedia1/iWeb/Jamaicaforsale.net/About%20the%20film.html>

<http://www.youtube.com/watch?v=oUDE1qLdaKM>

4. “Goa under Siege” tells the story of how mass tourism development has created negative economic and socio-cultural impacts for the indigenous population of this former Portuguese enclave located on India’s Arabian Sea coast.

[http://www.youtube.com/watch?v=EPpzKc7\\_sf4](http://www.youtube.com/watch?v=EPpzKc7_sf4)

5. “Hawaii locals say tourists make lousy neighbors” reveals how the proliferation of unlicensed short-term house rentals and B&Bs has ruined the peace and quiet of residential neighborhoods.

<http://www.msnbc.msn.com/id/23448422/ns/travel-news/t/hawaii-locals-say-tourists-make-lousy-neighbors/>

6. “Death of Venice? Tourists pour in as residents head out” describes the plight of locals who can no longer afford to live in a city that is overrun by tourists.

<http://www.nytimes.com/2006/09/29/world/europe/29iht-venice.2983287.html>

7. “Barcelona rebels against tourist invasion” reports resident’s complaints about overcrowding and public nudity.

<http://www.guardian.co.uk/world/2010/jun/13/barcelona-rebels-against-tourist-invasion>

## References

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Shanks, C. (2007). *The 9 Paradoxes of Modern Tourism*. Retrieved from <http://www.bravenewtraveler.com/2007/07/16/the-9-paradoxes-of-modern-tourism/>

