EXPLORING THE SOCIO-ECONOMIC IMPACTS OF TOURISM: A STUDY OF COX’S BAZAR, BANGLADESH

MD. MASUDUR RAHMAN  B.Com, M.Com, MBA

Thesis submitted to the Cardiff School of Management in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

2010

Cardiff School of Management
University of Wales Institute, Cardiff
Colchester Avenue
Cardiff, UK, CF23 9XR
DECLARATION

I declare that this work has not been previously accepted in substance for any degree and is not being concurrently submitted for any other degree.

I further declare that this thesis is the result of my own independent work and investigation, except where otherwise stated (a bibliography is appended).

Finally, I hereby give consent for my thesis, if accepted, to be available for photography and inter-library loan, and for the title and abstract to be made available to outside organisations.

Signed:

Md. Masudur Rahman (Candidate)

Signed:

Professor Eleri Jones (Director of Studies)

Signed:

Dr. Claire Haven-Tang (Supervisor)
DEDICATION

Dedicated to Golam Gous (a student of Bachelor of Commerce in Carmichael College) who sacrificed his life in the liberation war of Bangladesh in 1971.
ACKNOWLEDGEMENT

In the process of conducting my research, it became quite clear to me that a researcher can hardly complete a PhD thesis alone. Many people and institutions deserve thanks and appreciation for their valued contribution. As the list of individuals and institutions I wish to thank can not be accommodated in this limited space I therefore would like to thank some specific ones for their dedicated support.

At first I would like to take the opportunity to express my sincere gratitude and thanks to Professor Dr. Eleri Jones and Dr. Claire Haven-Tang for their excellent and caring guidance and continuous support. As my supervisors both of them have played significant role in my academic life. Their inspirational guidance was a true gift to me and their insights have strengthened my research extensively. Both of them had been invaluable source of knowledge, wisdom and guidance for my research by being available at anytime despite their hectic work schedule. I also sincerely thank them for their deep and caring concern for my health and financial situation as well as for my family.

With gratitude I acknowledge the valued support of Professor Abu Sayeed Talukder, Professor Dr. Mubina Khondkar, and Mr. Abureza M. Muzareba who are my colleagues at the University of Dhaka. I am indebted for their precious contribution and inspiration. I am also thankful to Mr. Robert Roderick, Ms. Jane Phillips and Ms. Belinda Hubbard for their kind assistance regarding various official matters. I would also like to thank all the staff and the students of Cardiff School of Management especially Vicky, Hailan, Khaleed, Ali and Nasser for their support and advice. Sincere thanks also go to all my friends specially Mesbah, Asif, Perry, Dave, Anne, Apu, Shahed, Bipul, Kanak and others from different parts of the world for wishing me good luck and for providing support.

I cordially thank all the institutions and respondents of my research for being very kind to give time and valuable information. I would like to also thank the University of Wales Institute, Cardiff and the University of Dhaka for their sincere institutional support. I want to express my gratitude to the doctors, medical and non-medical staffs at the Llandough Hospital and the Hope hospital at Cardiff for their caring treatment during my illness.

Finally, I would like to thank my family members for their inspiration and caring support. I am indebted to my father, late Rafiqul Islam and father-in-law, late K.A.A. Mahtabuddin for their contribution in my life. My children Rahmeen Rahman and Parisa Rahman have suffered a lot during my study but they always provided me emotional support to finish this study. I also want to express my thanks to my mother, mother-in-law, my brother Himu and Anik and the sister-in-law Rizu for their care and support. Finally I want to express my special thanks to my wife Mubina who has all the way been a source of great inspiration in my life. She played a very important role in the journey of my research not only by supporting me financially and emotionally but also playing dual responsibilities back at home.
ABSTRACT

This study evaluates the socio-economic impact of tourism development on the local community in Cox’s Bazar, Bangladesh. The country wants to utilize tourism as an economic development tool to reduce poverty and stimulate socio-economic wellbeing. Tourism has profound impact on the local community of the destination as it brings economic and socio-cultural changes.

The significant positive economic impacts are increased employment and earning opportunities, enhanced standard of living, more investments, infrastructural development, and new business linkages and opportunities. However some negative economic impacts been identified, like increased income disparity, increased land price and rent, price hike of essential goods and services, seasonality effects and leakage of earnings. A frustrating finding is that majority of the tourism assets and well-paid jobs are enjoyed by non-locals whereas the local community does not enjoy its rightful share due to uneven benefit distribution. The positive socio-cultural impacts include women empowerment, more participation in education, limited outward migration, and enhanced social safety and security. Some negative socio-cultural impacts are displacement of poor from their land, increased social gap, frustration, social disorder and loss of cultural originality. Unfortunately the local community is not fully aware of the value of their cultural heritage and so they try to imitate tourist’s socio-cultural traits. A major difference from other tourism impact studies is tourism does not contribute in raising crime, gambling, and prostitution in Cox’s Bazar.

The local community is involved in tourism activities but has minimal involvement in the decision making process. This study reveals that the local community is totally excluded from the policy formulation process and policy makers do not consider the socio-economic impacts of tourism development on the local community. Local community is benefiting from tourism development but significant scope exists to increase their active participation and equitable benefit sharing. Some recommendations are made for the Development of Tourism in Cox’s Bazar to maximize positive impacts and minimize negative impacts along with some insights for further research in this field.
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# ACRONYMS

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<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>BB</td>
<td>Bangladesh Bank</td>
</tr>
<tr>
<td>BNP</td>
<td>Bangladesh Nationalist Party</td>
</tr>
<tr>
<td>BPC</td>
<td>Bangladesh Parjaton Corporation</td>
</tr>
<tr>
<td>BBS</td>
<td>Bangladesh Bureau of Statistics</td>
</tr>
<tr>
<td>CPD</td>
<td>Centre for Policy Dialogue</td>
</tr>
<tr>
<td>CSD</td>
<td>The Commission for Sustainable Development</td>
</tr>
<tr>
<td>DC</td>
<td>District Commissioner</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>ESCAP</td>
<td>The Economic and Social Commission for Asia and the Pacific</td>
</tr>
<tr>
<td>FDI</td>
<td>Foreign Direct Investment</td>
</tr>
<tr>
<td>GoB</td>
<td>Government of Bangladesh</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GNP</td>
<td>Gross National Product</td>
</tr>
<tr>
<td>ICIDI</td>
<td>International Commission on International Development Issue</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organization</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>IUCN</td>
<td>International Union for the Conservation of Nature and Natural Resources</td>
</tr>
<tr>
<td>LDC</td>
<td>Least Developed Country</td>
</tr>
<tr>
<td>MBA</td>
<td>Master of Business Administration</td>
</tr>
<tr>
<td>NGO</td>
<td>Non Government Organization</td>
</tr>
<tr>
<td>NHTTI</td>
<td>National Hospitality Tourism Training Institute</td>
</tr>
<tr>
<td>ODI</td>
<td>Overseas Development Institute</td>
</tr>
<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
</tr>
<tr>
<td>SAARC</td>
<td>South Asian Association for Regional Cooperation</td>
</tr>
<tr>
<td>SCCI</td>
<td>South Asian Association for Regional Cooperation (SAARC) Chamber of Commerce and Industry</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium size Enterprise</td>
</tr>
<tr>
<td>UGIIP</td>
<td>Urban Governance and Infrastructure Improvement Project</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>UNCED</td>
<td>United Nations Conference on Environment and Development</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNEP</td>
<td>United Nations Environment Program</td>
</tr>
<tr>
<td>UNWTO</td>
<td>United Nations World Tourism Organization</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
<tr>
<td>WCED</td>
<td>World Commission on Environment and Development</td>
</tr>
<tr>
<td>WTTC</td>
<td>World Travel and Tourism Council</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
</tr>
<tr>
<td>WWF</td>
<td>World Wide Fund for Nature</td>
</tr>
</tbody>
</table>
## MEANINGS OF BENGALI WORDS

<table>
<thead>
<tr>
<th>Bangla</th>
<th>The Native Language of Bangladeshi people</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangla Mod</td>
<td>Locally produced wine</td>
</tr>
<tr>
<td>Borkha</td>
<td>Veil</td>
</tr>
<tr>
<td>Chourrots</td>
<td>Local Cigarette</td>
</tr>
<tr>
<td>Dighi</td>
<td>Water body bigger than a pond</td>
</tr>
<tr>
<td>Jatra</td>
<td>Traditional folk open air stage drama</td>
</tr>
<tr>
<td>Kacha House</td>
<td>A house made of bamboo and thatch</td>
</tr>
<tr>
<td>Kalatoli</td>
<td>A popular local street in Cox’s Bazar town</td>
</tr>
<tr>
<td>Kashmiris</td>
<td>People living in Kashmir, a state of India</td>
</tr>
<tr>
<td>Mahajon</td>
<td>Employer</td>
</tr>
<tr>
<td>Mehman</td>
<td>Guest</td>
</tr>
<tr>
<td>Mastan</td>
<td>Musclemen</td>
</tr>
<tr>
<td>Mohalla</td>
<td>Cluster of para</td>
</tr>
<tr>
<td>Madrasha</td>
<td>Muslim religious school</td>
</tr>
<tr>
<td>Pucca House</td>
<td>A house made of brick with concrete roof</td>
</tr>
<tr>
<td>Paurashava</td>
<td>Municipality</td>
</tr>
<tr>
<td>Paanowa</td>
<td>Yellow flower</td>
</tr>
<tr>
<td>Palongkee</td>
<td>Original name of Cox’s Bazar</td>
</tr>
<tr>
<td>Para</td>
<td>Cluster of houses</td>
</tr>
<tr>
<td>Purdhah</td>
<td>Veil</td>
</tr>
<tr>
<td>Rakhain</td>
<td>An Ethnic group immigrated from Myanmar</td>
</tr>
<tr>
<td>Rickshaw</td>
<td>Three wheel human driven mechanical vehicle</td>
</tr>
<tr>
<td>Semi-Pucca House</td>
<td>A house is made of bamboo and corrugated sheet</td>
</tr>
<tr>
<td>Upazilla</td>
<td>Sub district, Smaller administrative unit than a District</td>
</tr>
</tbody>
</table>
Chapter One: Introduction to Research

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Chapter One: Introduction to Research

1.1. Research Background

Tourism is not a new issue for Cox’s Bazar as, since the 1950s, successive Bangladeshi governments have been taking initiatives to develop the tourism sector but the industry grew slowly for decades. However the Government of Bangladesh (GoB) identifies that during the 1990s Cox’s Bazar experienced a momentum of rapid growth in tourism development (GoB, 1992). The socio-economic infrastructure of the target locality is often considered as a prime concern in developing any tourist area. As Bangladesh is a least developed country (LDC) with an insignificant industrial development, the natural assets could arguably be better utilized if a sustainable tourism industry were established with optimal use of resources. Cox’s Bazar transcends any other tourist spots in Bangladesh in terms of the range of possibilities relating to its natural and geographical profile, socio-economic infrastructure, various utility services and scope for the development of communication network.

In 1992 the GoB published a tourism policy asserting tourism as a key development tool for the economic development of the country. It predicted that tourism would increase the socio-economic well being of the people and incorporated it in its national economic development plans. In Bangladesh where the rate of unemployment is high and 41.3% of the population earn less than $1 per day (United Nations Development Programme (UNDP), 2007) any economic opportunity is welcomed by the policy makers and general people. A
considerable time has passed since the tourism policy of 1992 was enacted, therefore so now would be an appropriate time to evaluate the economic and socio-cultural impacts of the development of tourism and to analyze the nature of these impacts on the local community, particularly to identify whether or not tourism is posing positive or negative effects. This research will also emphasize the importance of addressing community involvement in tourism and how community involvement affects the distribution of benefits amongst them. In this country research generally on tourism is rare and no research has yet been conducted to examine the economic and socio-cultural impacts of tourism on the local community.

Globally tourism has been one of the economic development success stories following World War II and now has evolved into one of the world’s largest economic sectors contributing 35% of global exports of services (UNWTO, 2008). The two billion USD per day earnings from the tourism industry in 2006 and the 6.5% growth in international tourist arrival per year throughout 1950 to 2006 made the claim authentic and also proved the sustainability of this sector (UNWTO, 2008). The United Nations World Tourism Organization (UNWTO) forecasts 1.6 billion international tourist arrivals worldwide by 2020 and it further proves the prospects of this sector (UNWTO, 2008).

Tourism has been considered as an effective vehicle for economic development of many countries in the world (Sharpley, 2009). Globally it is regarded as the fastest growing industry, with economies benefiting from its positive impacts
(UNWTO, 2008). With its strong forward and backward linkages, it promotes economies by creating and improving infrastructure and other relevant issues (World Travel and Tourism Council (WTTC), 1998; Saayman et al., 2000). Thus with appropriate government support, the economic benefits from tourism can expedite the process of economic development of developing countries and improve the standard of living of local communities (Sharpley, 2009). Governments can play two roles in the tourism industry: first to create a forum which can help the industry to coordinate its activities and second to work as a promoter of a country’s tourism resources (Ioannides, 1995). Thus tourism has become a significant industry both in poor and rich countries due to its positive impacts on the economy, people’s livelihoods and socio-cultural development (Shah and Gupta, 2000).

Developing countries and LDCs with rich natural and cultural resources possess significant comparative advantage to attract tourists in search of new experiences (Wahab, 1974). Its economic benefit attracts policy makers and academics to use it as a tool for the development of the poor countries. However, many authors (Whelan, 1991; Din, 1993; Hitchcock et al., 1993) argue that tourism cannot be a development option for developing countries and LDC due to the extent of foreign ownership of tourism assets and leakage through repatriation of revenues, the inequality of benefit distribution and its social costs to the host community. This might be true if the country does not have proper policies or its people suffer cultural distortion caused by tourism.
In an effort to attract tourists, Maldives and Ghana, for example, have included tourism in their development agendas and are also trying to spread the benefits of tourism in the poorer sections of their society through internal and external investment, infrastructure development and by creation of employment opportunities. Poverty reduction is a main concern for many under-developed countries and even the front cover of the UNWTO (2002) report on Tourism and Poverty Alleviation highlights:

*Sustainable tourism can be one of the few development opportunities for the poor. Let us use it wisely and soon!*

There is widespread optimism that tourism might be a powerful and beneficial agent of both economic and social change (Wall and Mathieson, 2006). For example, Gambia is one of the smallest and poorest countries in Africa, but uses tourism as an economic and social development agent which contributes about 11% of gross domestic product (GDP) and creates 7000 jobs (Dieke, 1993; Thomson *et al.*, 1995). But Telfer (2002) argues that whilst tourism has the potential to generate economic growth and development, it can also increase inequalities in society if only the local elites get most of the benefits.

For tourism to become an important tool for economic development in developing countries, it is necessary to understand the impact tourism has on local community and how they can benefit from it. Tourism has become an important development tool for change, development and reconstruction of the social and physical environment (Hartmann, 1986; Hughes, 1995). Rothman *et al.* (1995) defines community as the territorial organization of people, goods, services and commitments, which are important subsystems of society where
many locality-relevant functions are carried out. The United Nations (UN, 1995:6) defines community development as “a process designated to create conditions of economic and social progress for the whole community with its active participation and the fullest possible reliance on the community’s initiative”. Therefore, the local community needs to participate in tourism activities if they want to get benefits from the development of tourism. Representation of the local community in the development process helps them getting more benefits from development activities. Sharpley and Telfer (2002:36) argue that “linkages to local communities are an important component of appropriate and sustainable tourism development, which in turn, should be planned with other sectors of the economy under the broader concept of sustainable development”.

Tourism can bring definite benefits of reducing inequality between rich and poor although it should not be considered as a panacea to facilitate economic development (Carter, 1995). Some authors (Sharpley, 1994; Wall and Mathieson, 2006) argue that major benefits generated by tourism do not reach poorer sections of the society in developing countries and furthermore host countries bear the environmental and social costs.

The growth of tourism has prompted observers to raise questions concerning the social acceptability of encouraging tourism as a tool of economic development. A focus on negative impacts of the development of tourism has led some to reject the notion that tourism could be an agent of development
(Scheyven, 2002). Each and every sector of the economy has negative impacts on the livelihood of the community but tourism sector bears the major blame because it is one of the most visible sectors of the economy. Tourism is susceptible to taking the blame for negative changes simply because of its visibility as an industry (Crick, 1989).

Usually the economic impact of any development initiative is emphasized while assessing the sustainability of an endeavour. However, to make the process holistic, social impact should not be ignored. Globally, today’s business has more responsibilities because it is constantly being regulated and monitored by governments, consumers and other stakeholders. Thus it is necessary to examine both positive and negative impacts of the tourism development on the local community considering the aforementioned holistic approach.

1.2. Research Agenda

Tourism is not a new concept for Bangladesh as from ancient times tourists from different parts of the world have been visiting this country. The various natural and man-made objects like sea beaches, archaeological and historical locations, natural scenery, distinct tribal life-styles and indigenous culture attract tourists. According to GoB, tourism is one of the dynamic economic sectors that can play a role more effectively in sustainable economic development and poverty reduction (GoB, 1992). Realizing its importance the government has declared tourism as a thrust sector in the Industrial Policy of 2005 (GoB, 2005) where thrust sectors are considered to have potential to grow, create profit and
employment and can perform better. The role of tourism in the economic and social development of a country is also recognized by the World Trade Organization (WTO) as states in its Manila Declaration (1980:1):

*World tourism can contribute to the establishment of a new international economic order that will help to eliminate the widening economic gap between developed and developing countries and ensure the steady acceleration of economic and social development and progress, in particular in developing countries.*

After independence in 1971 the government set up a national tourism organization, the Bangladesh Parjaton Corporation (BPC), in 1972 which was entrusted with dual responsibility of promotion and development of tourism. In 1975 the new government started patronizing private-sector investments in this industry. Neighbouring countries, like Nepal, Sri Lanka and Maldives, also have prioritised the tourism industry which has resulted in higher GDP growth and the creation of employment (UNWTO, 2007).

Although foreign tourist arrivals are increasing slowly, domestic tourism is increasing at a phenomenal rate and it is important to draw attention to the growth in domestic tourism. This situation creates great opportunities for Bangladesh to use tourism as an economic development tool because domestic tourism acts as the basis for international tourism. In the Tourism Policy of Bangladesh (GoB, 1992), emphasis is given to both international and domestic tourism development and a range of action plans are recommended to develop this sector. In 2005 Bangladesh welcomed 207,662 foreign tourists and earned US$71.33 million (BPC, 2006) compared to only 121,000 tourist arrival and earning of only US$13 million in 1988 (Hammond, 1996). The predicted
contribution of tourism to the GDP of Bangladesh for the year 2009 was 4% that is BDT244.8 billion (WTTC, 2010). These statistics show that the tourism sector in Bangladesh has great potential and if proper support were provided to this sector by the government, it would increase the foreign currency earnings and also would create huge employment. However Ashley (2000) asserts that one cannot assume automatic benefit gain of tourism of a country’s indigenous people and it is critical to assess the benefit sharing. This thesis assesses the economic and socio-cultural impacts of tourism on Bangladeshi people through a case study of Cox’s Bazar.

Mason and Cheyne (2000) notes that most of the research on the impacts of tourism (Lindberg and Johnson, 1996; Tosun, 2002; Alleyne and Boxil, 2003) has been done in the areas where tourism has already been a significant contributor to the local economy whilst little research has been done on tourist areas where development of tourism is in its initial stage. A few papers (Talukdar, 1984; Hassan, 1998; Chowdhury, 2001; Hossain, 2005) are there on the tourism industry of Bangladesh; however most of them focus on the economic perspectives and marketing issues. Few tourism related studies concentrate on tourism policy and planning (Clift and Page, 1996; Tisdell, 1997; Hall and Page, 2000). However, these studies were undertaken by Western scholars who, undoubtedly had vast experience and knowledge about tourism research but lacked the contextual background-knowledge of Bangladesh. It is important for any researcher to know about the economic, social, cultural, and political status of the research area and that can usually be better judged by
indigenous researchers rather than foreign ones. As Pritchard and Morgan (2007: 21-22) argue:

*Most tourism research is Eurocentric study that privileges and is interconnected with capitalism and linear thinking, while most of the research has been conducted or grounded in English and from limited scholarly perspectives. As such, the conceptualization and scholarship related to extant tourism literature has been created largely by white, Anglo-centric, masculine voices. Other voices (particularly those of women, ethnic minorities and aboriginal peoples) have struggled to be heard.*

This research has the advantage of being conducted by a native researcher with knowledge and in-depth understanding of the local community and a high level of cultural awareness which will help to identify and analyze the research issues.

To uncover information to overcome the dearth of literature this research focuses on the impacts of tourism on the local community and explores how tourism impacts on income, investment, employment, nature of business, participation of the local community. It further centres on issues of social impacts, such as changes in lifestyle, cultural values and norms, law and social order and consumption pattern. Moreover, the research particularly tries to identify whether the positive impacts of the development of tourism are in fact associated with negative ones. Therefore, the findings of this research will help policy makers to develop adaptive policies, help investors to invest for sustained profit, and thereby help the local community.

This research focuses on Cox’s Bazar *Paurashava* (Municipality) as being an ideal place to explore tourism’s economic and socio-cultural impacts and
therefore it is not concerned with the economic and social impacts of tourism at national level. As a research location Cox’s Bazar has been selected as it is the prime tourist destination within Bangladesh, it is the most visited tourist spot in the country and almost all the investments in tourism are made here making it a pivotal location.

1.3. Research Questions

The following research questions are identified based on the research agenda to discuss the scenario and better analyze the situation. They are:

1. What are the economic and social impacts of tourism in Cox’s Bazar?
2. To what extent are local people able to get benefit from the development of tourism?
3. If members of the local community want to get involved in tourism activities then how they can get involved?
4. What strategies can be taken to maximize the opportunities and benefits and minimise the threats of tourism to the local community?

1.4. Research Aims and Objectives

The aim of the research is to investigate the socio-economic impacts of tourism in Cox’s Bazar and to critically analyse the benefits, if any, of involvement of the local community in tourism. The following are the objectives of this research.

1. To undertake a critical review of relevant literature on tourism, sustainable tourism, community participation, economic and socio-cultural impacts of
tourism; to develop a conceptual framework for the analysis of the socio-economic impacts of tourism in Cox's Bazar, Bangladesh.

2. To assess the economic and socio-cultural impacts of tourism on the local community.

3. To assess the extent to which local community derives benefits from the development of tourism.

4. To examine the ways in which local community wants to get involved in tourism.

5. To make recommendations for the government and private sector entrepreneurs in relation to the development of tourism to maximize the benefits of this sector for the local community.

1.5. Thesis Overview

The thesis has nine chapters and this section provides a brief snapshot of the contents of each chapter. The first chapter provides discussion on research background, agenda, justification, questions, aims and objectives, and also gives a brief overview of the thesis. This chapter familiarizes the reader with the research issue to facilitate appropriate analysis of the findings.

The second chapter explains research approach and describes methodology providing philosophical stance. It includes an analysis on the epistemology of research and theoretical perspective. It provides research paradigm including justification for using case study methodology. It discusses the method used in this research - semi-structured interviews, sampling approach, procedure and
sample size. It further explains how data transcription, analysis and interpretation are done. The chapter also addresses issues of reliability, validity and limitation of the research.

The third chapter provides literature review that begins with an introduction and includes analysis of relevant secondary data on economic development, sustainable development of tourism, economic and socio-cultural impacts of tourism and community participation in tourism. Thus here to achieve the first objective of this research a wide range of relevant literature is reviewed to facilitate development of an analytical framework for the research to enhance understanding of tourism in Cox’s Bazar, Bangladesh.

The fourth chapter details an overview of the country and includes a brief history; physical profile; and geographic, demographic, political, administrative, social, economical and cultural background. Brief descriptions of other tourist spots are given so that reader can perceive appropriateness of the selection of Cox’s Bazar as research setting. It includes a brief description of physical setting of the research location to facilitate readers to better correlate the findings. The chapter also provides economic and socio-cultural background as well as describes how tourism sector developed in the research area.

The fifth chapter presents analysis of findings regarding economic impacts caused by development of tourism in Cox’s Bazar. The later part includes a detail analysis of both positive and negative economic impacts in a categorical
manner. At the end of the chapter an economic impact model is developed based on research findings.

The sixth chapter identifies positive and negative socio-cultural impacts of tourism on local community. At the end of this chapter a model is derived to present the relevant socio-cultural factors that impact on tourism industry along with their interrelationships influencing individual impact.

The seventh chapter details involvement of local community in tourism industry of Cox’s Bazar. It analyzes the profit spread and status of the concerned beneficiaries of this tourism industry. It also clarifies roles of different stakeholders like policy makers, concerned government institutions, entrepreneurs and the local community. In this chapter a community participation impact model is developed using the findings of this research.

The eighth chapter presents a discussion on the major findings of this research, includes some recommendations and concludes with a summary. Recommendations are made in relation to development of tourism to maximize potential benefits to local community.

The ninth chapter gives a conclusion to the thesis. It presents a review of the research objectives and discusses major findings. It identifies contribution of this research to existing theory, practice, and methodology; opportunities for future research; and researcher’s personal reflections on the research process.
Chapter Two: Research Approach

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Chapter Two: Research Approach

2.1. Introduction

We typically start with a real-life issue that needs to be addressed, a problem that needs to be solved, a question that needs to be answered. We plan our research in terms of that issue or problem or question. What, we go on to ask, are the further issues, problems or questions implicit in the one we start with? What, then, is the aim and what are the objectives of our research? What strategy seems likely to provide what we are looking for? What does that strategy direct us to achieve our aims and objectives? In this way our research question, incorporating the purposes of our research, leads us to methodology and methods (Crotty, 1998:13).

This chapter presents the research approach of the study which is very important to ensure the quality of the data and it is also in line with Crotty’s above statement. It also discusses the reasons for choosing the research methodology and research methods and how these methods help to achieve the research objectives that are stated in the section 1.4 in chapter one. This chapter has nine sections discussing research approach, epistemology, theoretical perspective, paradigm, methodology, methods, data analysis and interpretation, reliability, validity and limitation of the research.

2.2. Research Approach

Social constructionism is chosen while synthesizing the constructionist view as focus is on the socio-economic aspects of the local inhabitants. The cognitive underpinning behind the selection of the research process could be better explained through the four sequential logic levels (Crotty, 1998). The process starts with epistemology that implies the theory of knowledge embedded in the theoretical perspective and thereby in the methodology. The theoretical
perspective is the philosophical stance in forming the methodology and thus providing a context for the process and grounding its logic and criteria. Methodology is the strategy, plan of action, process or design lying behind the choice and use of particular methods and linking the choice and use of methods to the desired outcomes. Methods are the techniques or procedures used to gather and analyze data related to some research question or hypothesis. The following research approach is used for this study.

Figure 2.1: The Four Sequential Logic Levels in the Research Approach

![Diagram of the Four Sequential Logic Levels in the Research Approach]

Source: Crotty, 1998:4

Each level in the above mentioned sequence might comprise more than one option to be selected to synchronize with the theme of the research. Table 2.1 provides the research approach used in this research.
### Table 2.1: Research Approach

<table>
<thead>
<tr>
<th>Epistemology</th>
<th>Theoretical Perspective</th>
<th>Methodology</th>
<th>Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructionism</td>
<td>Interpretivism ✓ Phenomenology</td>
<td>Single Case Study (Cox’s Bazar Paurashava)</td>
<td>✓ Semi-structured Interview (35)</td>
</tr>
</tbody>
</table>

Source: Crotty (1998)

The flow of this research approach is portrayed in the following figure to facilitate better understanding of how the writing is developed.

**Figure 2.2: Flow of the Research Approach**

```
Epistemology
Constructionism

Theoretical Perspective
Interpretivism
(Phenomenology)

Methodology
Case Study

Methods
Semi-structured Interview
```

Source: Adapted from Crotty, 1998

### 2.3. Epistemology

According to Maynard (1994:10): “epistemology is concerned with providing a philosophical grounding for deciding what kinds of knowledge are possible and
how we can ensure that they are both adequate and legitimate”. There are quite a range of epistemological approaches like: objectivism, constructionism, and subjectivism. Objectivist epistemology holds that meaning and therefore meaningful reality exists as such apart from the operation of any consciousness. Whereas in subjectivism, meaning does not come out of interplay between subject and object but is imposed on the object by the subject. But in constructionism, truth or meaning comes into existence with or without our engagement with the realities in our world. Here in this epistemology, meaning is not discovered, but constructed. This philosophical approach values that; different people may construct meaning in different ways, even in relation to the same phenomenon. Therefore, in constructionism meaning is constructed out of something (the object), whereas in subjectivism meaning is created out of nothing. Figure 2.3 depicts the epistemological approach and its sequential development through constructionism.

Figure 2.3: The Sequential Development of Constructionism

Constructionism

Symbolic interactionism

Ethnography

Source: Adapted from Crotty (1998)

Constructionism deals in collective approach in the creation of meaning and it claims that meanings are constructed by human beings as they engage with the world they are interpreting and before there was consciousness on earth
capable of interpreting the world, the world held no meaning at all. According to constructionism, meaning is not created rather it is constructed and there is no true or valid interpretation given. There could be useful interpretations that stand against interpretations that might appear to serve no useful purpose. Therefore this approach might be a better tool in unveiling the real truth of the constructed reality rather than analyzing conventional meaning.

In this research the constructionist approach is considered in deriving the collective meaning valuing the cultural holds in the process of the creation of meaning in the minds of people on the basis of social constructionism. To make a breakthrough of analyzing the existing conventional meaning and unveiling the real scenario the constructionist standpoint could be a better choice as it requires that one does not remain restricted by the conventional meanings one has been taught to associate with the object. Instead, such a stance invites one to approach the object in a radical spirit of openness to its potential for new or richer meaning. It appears like an invitation to reinterpretation. In constructionist spirit when people may be described, as engaged with their world and making sense of it, such a description could be misleading if it is not set in a genuinely historical and social perspective.

The research approach is streamlined in line with the inductive type of qualitative research to better match with the research settings and emphasizes focusing on the meaning of the economic and socio-cultural impacts of tourism and what they mean to the inhabitants of Cox's Bazar. To extract the real
meaning different thoughts of the concerned people are considered that basically constitutes the holistic meaning in the perspective of constructionsim.

2.4. Theoretical Perspective

The theoretical perspective is the philosophical stance lying behind the methodology and explaining the context of the research process as well as grounding its logic and criteria. As a consequence, the adopted theoretical perspective will generate a number of assumptions that will create impacts in the methodology (Crotty, 1998). According to Gray (2004) positivism and interpretivism together through symbolic interaction and phenomenology are the most influential theoretical perspectives.

Positivism is widely considered to be the traditional approach of the natural sciences (Polkinghorne, 1983; King and Halling, 1989; Neuman, 1997; Valle, 2000). Veal (2006:37) defines positivism as “a framework of research, similar to that adopted by the natural scientist, in which the researcher sees people as phenomena to be studied from the outside, with behaviour to be explained on the basis of facts and observations gathered by the researcher, using theories and models developed by researchers”.

The core concept of positivism is that all knowledge is contained within the boundaries of science and only questions that are explored through strict scientific methods can be investigated. Positivism argues that as the social world exists externally to the researcher its characteristics can be measured
through observation. According to positivism the natural and social world are guided by a strict set of laws that can better be discovered through empirical inquiry.

The philosophy of positivism might be used for research issues in social science to explore social phenomena. In view of Corbetta (2003:14), “Science is universal, and scientific method is unique. The social sciences do not differ from the natural sciences, and the positivist way of thinking is detained to triumph even if its focus shifts from natural objects to social objects”. While according to Durkheim (1964: xiv): “The social scientist must study social phenomena in the same state of mind as the physicist, chemist or physiologist when he probes into a still-unexplored region of the scientific domain”.

Interpretivism, on the other hand, presents itself as a major anti-positivist theoretical perspective. Interpretivism, according to Crotty (1998:67), looks for “culturally derived and historically situated interpretations of social life-world”. Schutt (2004:76) defines interpretivism as “the belief that reality is socially constructed and that the goal of social scientists is to understand what meaning people give to that reality”. Interpretivism argues that natural and social worlds are different and therefore understanding the natural world requires different kinds of methods.

Corbetta (2003) identifies that in the natural sciences the object studied consists of a reality that is external to the researcher and remains so during the course
of the study but in the human sciences there is no such detachment between the observer and what is observed. The interpretive philosophy emphasizes more on the people being studied to provide their own explanations of their situation or behaviour therefore tries to get inside the minds of subjects and see the world from their points of view. In social sciences, a researcher generally deals with the actions of individuals. Analysing an individual action might appear difficult using a set of laws whereas a positivist researcher always uses a set of laws to produce a generalization. Crotty (1998:68) argues “our intention in the social world tends to focus on exactly those aspects that are unique, individual and qualitative, whereas our interest in natural world focuses on more abstract phenomena, that is, those exhibiting quantifiable, empirical regularities”. Therefore, it can be argued that the interpretivist paradigm differs radically from the positivist philosophy.

In the view of Corbetta (2003), the positivist approach somewhat overlooks the individual dimension consisting of all those aspects that distinguish the world of human beings from the world of things. Interpretive social scientists believe that social reality is socially constructed and their goal is to understand what meanings people give to reality rather than determining how reality works apart from these interpretations. This philosophy rejects the positivist belief that there is a concrete and objective reality that scientific methods help us to understand (Lynch and Bogen, 1977).
Every mind is distinctive from the point of view of perception. Society is a collection of distinctive mindsets with individual interpretive analogy. Interaction with the members of a society is a better way to perceive their world of reality and therefore to figure out the social reality. It is not the set rules; the extraction of the minds’ explanations that can better build a framework explaining a socio-economic phenomenon could hardly be built by generic rules or laws. As there is no significant work done in this perspective regarding Cox’s Bazar, this could be used as a baseline framework. So, this research investigates research phenomena adopting interpretivism as a theoretical perspective.

Gray (2004) classifies interpretivism into five types: symbolic interactionism, phenomenology, realism, hermeneutics and naturalistic inquiry. Each of these systems provides a different perspective of the subject under investigation and each has its own strengths and weaknesses. According to Patton (2002), the basic philosophical assumption of Husserl was that one can only know what one experiences through perceptions and meanings that awaken one’s conscious awareness.

In phenomenology researcher tries to understand how human beings make sense of experiences and how they transform these experiences into consciousness both individually and as shared meaning. Phenomenology argues that if anyone wants to understand the social reality of a particular society one has to explore people’s experiences of that social reality. Phenomenology explains that if we perceive a phenomenon this moment, then
we need to ignore our previous understanding of that phenomenon and have to gain people’s real experience in order to achieve new meaning of the phenomenon. Gray’s (2004:21) statement also represents a similar perspective: “current understandings have to be ‘bracketed’ to the best of our ability to allow phenomena to ‘speak for themselves’, unadulterated by our preconceptions”.

The aim of this research, as described in chapter one, is to investigate the socio-economic impacts of tourism in Cox’s Bazar and to critically analyze the benefits of involvement of the local communities in tourism. To reach this aim and to achieve the objectives the researcher plans to view the relevant social phenomenon through the eyes of concerned members of that system as it is the experiences of those participants that create reality. The true feelings of the participants of the system and the real impact can only be better described in their respective tones. Therefore if the researcher is not a member of that system then only exploring their perceptions might take him/her to the exact reality. Considering this research as a baseline, as there are very few qualitative researches on the research issue, concentration is given on building a fact-based perspective of tourism on Cox’s Bazar to reflect the reality and phenomenology can be the perfect tool to achieve desired success in that mission. This will enable the researcher to speak for the local people about their reality and will assist in explaining the model of reality with real-time evidence. Hence it can be concluded that choosing phenomenology as the research approach is the best device for this research.
2.5. Research Paradigm

Social researchers are familiar with the concepts of qualitative and quantitative research and both methods are generally regarded as useful and legitimate (Wale, 1997). Quantitative research is termed as traditional, positivist, experimental, or empiricist paradigm where quantitative thinking comes from an empiricist tradition established by esteemed authors like Comte, Mill, Durkheim, Newton, and Locke (Smith, 1983). A quantitative study, consistent with the quantitative paradigm, is an inquiry about a social or human problem. It is based on testing a theory composed of variables where the variables are measured with numbers. It is then analyzed with statistical procedures, in order to determine whether the predictive generalizations of the theory hold true or not (Creswell, 1994). A quantitative study can either be descriptive or causal in nature (Ghauri and Gronhaug, 2002). The former is concerned with making the complex issues understandable (Punch, 1998), while the latter’s aim is to explain (Veal, 1997). Quantitative researchers have often sought to abstract the phenomenon from the rest of the social world and to fix meaning within what might be described as contextual ground.

Botterill (2001) and Ateljevic et al. (2007) unveil an over-reliance on positivist modes of thinking and ways of doing research regarding tourism. Since World War II, quantitative methods have dominated social science research (Ateljevic, et al. 2007; Xiao and Smith, 2006). Most of the tourism research themes, working within a cross-disciplinary context, reflect this bias in favour of rigorous, quantitative and scientific methods (Wale, 1997). Researchers who are using
quantitative methods believe that only quantitative research methods provide justifiable answers to research problems. Therefore, they believe that qualitative research methods only play a minor role in the research process. Qualitative research might provide information for developing further quantitative research (Lewis et al., 1995).

Qualitative research has been defined as a process of understanding, based on distinct methodological tradition of inquiry that explores a social or human problem (Creswell, 1998). Denzin and Lincoln (2000:3) define the key enduring features of qualitative research as contextual, interpretation and subjectivity:

"Qualitative research is a situated activity that locates the observer in the world... qualitative research involves an interpretive, naturalistic approach to the world. This means that qualitative researchers study things in their natural settings, attempting to make sense of or to interpret phenomena in terms of the meanings people bring to them."

According to Creswell (1998) a good qualitative study should have the following eight characteristics which are worth considering while designing the study:

1) Rigorous data should be collected implying that the researcher collects multiple forms of data, adequately summarized, spends adequate time in the field, and includes information about the time spent in the field.

2) The study is confined within the assumptions and characteristics of the qualitative approach with an evolving design, presenting multiple realities, treating the researcher as an instrument of data collection, and focusing on participants' views.

3) The dominant tool in this type of study is inquiry and it implies that the researcher identifies and employs one or more traditions of inquiry.
Chapter Two: Research Approach

4) Generally the study starts with a single idea or problem that the researcher tries to understand. This single focus is generally not a causal relationship of variables but evolution of relationships might appear later.

5) The study should include detail methods, a rigorous approach to data collection, data analysis, and report writing and the researcher is also expected to verify the accuracy.

6) The language of the findings has to be persuasive so that the reader perceives him/herself as being there and can have a clear understanding.

7) Data should be analyzed using multiple levels of abstraction and often presented in stages or layers of analyses from particular to the general.

8) The writing should be clear, engaging, and full of unexpected ideas. The story and findings are expected to be believable and realistic, accurately reflecting all the complexities that exist in real-life.

In qualitative research, researchers are directly involved with the research situation and multiple situations might also exist. The researchers as well as the individuals involved in that situation have their own views. The researcher’s main responsibility is to interpret the situation honestly. This does not mean that in qualitative research, researchers do not use quantitative data; rather researchers use quantified data as background information about the research object keeping their analysis interpretative. Strauss and Corbin (1998:11) argue that “we are referring not to the quantifying of qualitative data but rather to a nonmathematical process of interpretation, carried out for the purpose of discovering concepts and then organizing these into theoretical explanatory
scheme”. Therefore, it can be said that qualitative research is a broad approach to the study of social phenomena. It is interpretive and can use multiple methods of inquiry, as Denzin and Lincoln (1994:3) argue:

*Qualitative researchers study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them. Qualitative research involves the studied use and collection of a variety of empirical materials-case study, personal experience, introspective, life story, interview, observations, historical, interactional and visual texts- that describe routine and problematic moments and meanings in individuals’ lives. Accordingly, qualitative researchers deploy a wide range of interconnected methods, hoping always to get a better fix on the subject matter at hand.*

Marshal (1985 and 1987) identifies some research areas where qualitative research paradigms are more appropriate than quantitative paradigms. These areas are: research that delves in-depth into complexities and processes, research on little-known phenomena or innovative systems, research that seeks to explore where and why policy, local knowledge and practice are at odds, research on informal and unstructured linkages and processes in organizations, research on real, as opposed to stated, organizational goals, research that cannot be done experimentally for practical or ethical reasons and/or research for which relevant variables have yet to be identified.

With specific reference to leisure research like tourism, Kelly (1980) argues that qualitative research enjoys these advantages: (1) as leisure is a qualitative experience so the method corresponds to the nature of the phenomenon; (2) leisure itself involves a great deal of face-to-face interaction among people, and qualitative research is thus appropriate in investigating such phenomenon; (3) quantitative research tends to look at current behaviour related to current social,
economic and environmental circumstances, ignoring the fact that most people’s behaviour is heavily influenced by their life histories and experiences and therefore qualitative research methods may be better ways of encompassing changes over time; and (4) the results are understandable even to people who are not fully trained in statistics.

Society and economy represent the outcome of the integrated endeavours of individuals. How people behave, interact, and perceive are reflected in the social and economic aspects. Quantitative methods might unveil and explain the situation but might not clarify the inherent philosophical reasons behind that. These types of methods usually present approximations and predictions from an analytical point of view whereas qualitative ones deal with peoples’ perception and thoughts leading more close to reality. Tourism is a complex phenomenon based on interrelations and interactions, but the tendency in tourism research has so far been found to focus on the tangible, and arguably the objective and readily-measurable interrelationships and interdependencies between people and places, frequently from an economic, marketing and/or management perspective (Goodson and Phillimore, 2004).

Therefore, the researcher adopts a methodology incorporating a qualitative research paradigm to guide, collect, interpret and analyze the data and uses a case study as the research methodology.
2.5.1. Research Methodology: Case Study

This section will explore the reasoning for considering the case study as the research methodology to streamline the research flow with the research aim and objectives. It is not simple to define a case study as many authors and researchers tend to use the term case and case study, to some extent, interchangeably. However, cases and case studies are not synonymous (Robson, 1993). Some authors refer to case studies as a strategy (Denscombe, 1998) while some refer to them as an approach (Hamel et al., 1993) or method (Merriam, 1988; Smith, 1991; Crotty, 1998; Finn et al., 2000) for undertaking research. Stake (2000) treats it as the object to be studied while others define it as a process of investigation (Creswell, 2002).

In the view of Robson (2002), the case study is a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real-life context using multiple sources of evidence. According to Creswell (2002), the case study is an in-depth exploration of a bounded system based on extensive data collection and also recommends the case study as the methodology if the problem to be studied relates to developing an in-depth understanding of a case or bounded system. Bromley (1986) refers to the case study as the description and analysis of a particular entity like natural occurrence within definable boundaries whereas Yin (1994:13) states that: “A case study is an empirical inquiry that investigates a contemporary phenomenon within its real life context, especially when the boundaries between phenomenon and context are not clearly evident.”
Smith (1991) identifies that researchers often claim strongly that case study research is predominantly qualitative rather than quantitative in nature while others take a more balanced perspective to characterise and classify case study research as suitable for both quantitative and qualitative research (Hartley, 1994). Crotty (1998) occasionally uses the term “case study” as a research method whereas Denscombe (1998:32) argues that “any impression that case study research is a method for collecting data is wrong… case study research is a matter of research strategy not research methods”. Stoecker (1991) also argues that a case study is neither a data collection tactic nor merely a design feature, but a comprehensive research strategy.

According to Hartley (1994), a case study could be considered as an appropriate choice when: the phenomenon is a new one or little understood so far; or the intention is to explore extreme or atypical incidence of a phenomenon and/or its emergent properties; or the dynamics of the phenomenon need to be incorporated; or a detailed understanding of meaning is required in comparative research. Whereas the advantages of case study methodology, according to Veal (2006), are: it can embed organizations, events, experiences, and expectations in their social and historical context; it can treat the subject of study as a whole; it can strengthen multiple method-triangulations; it can offer single or limited number of cases that are manageable when resources are limited; it can offer flexibility in data collection strategy that allows researchers to adapt their research strategy as the research proceeds; and it can reinforce that there is no need to generalize to a defined wider population.
The reasons for choosing the case study methodology for the research are:

i) There is dearth of information on the tourism sector in Bangladesh as only a few research studies have been undertaken to examine the contribution of tourism to its local communities. The nature of this research is exploratory, and so a qualitative paradigm and case study methodology is suitable for it. Qualitative methods can be used to explore areas about which little or much is known to gain novel understanding (Stren, 1980). Shavelson and Townes (2002) also claim that only case studies are appropriate for the exploratory phase of an investigation.

ii) The aim of the research is to collect primary data directly from the concerned stakeholders and qualitative paradigm is especially powerful for performing this type of research (Patton, 1987). Therefore it is justifiable to collect and use qualitative data in the context of the research.

iii) This research is to be conducted in real-life situations as human behaviour and actions are significantly influenced by their social, cultural, natural and physical settings. The values, norms and traditions are crucial elements of that setting and so one cannot understand human actions without understanding their settings and context. To understand these deeper perspectives and to capture the context, face-to-face interaction is needed (Marshall and Rossman, 1999). As this study focuses on individuals’ real-life experiences, the argument is that, one cannot understand human actions without understanding the meaning attributed to those actions, thoughts, feelings, beliefs, and values.

iv) This research involves asking what, why and how type questions about real life, contemporary and complex social phenomena and the case study is
particularly suitable for investigations involving the types of questions because such questions deal with operational links that require tracing over time, rather than mere frequencies (Yin, 2003).

Therefore it can be argued that the case study is a research methodology that is based on discrete and bounded entities within which the phenomenon and real-life context are inseparable facets of research. The case study has been done in this research on the most popular tourist destination of Bangladesh - Cox’s Bazar - as multiple case studies on different locations might dilute the focus of the analysis. Creswell’s (1998:63) statement also indicates similar argument: “I am reminded how the study of more than one case dilutes the overall analysis; the more cases and individual studies, the greater the lack of depth in any single case”.

2.6. Research Method

In social sciences research the basic instruments for collecting data includes the study of documents, interviews, observations, and questionnaires (Blaxter, Hughes, and Tight, 1997). Corbetta (2003:287) also argues that “…three fundamental actions underlying the techniques of qualitative research are observing, asking and reading”. This research uses interviewing method to collect reliable and credible data. Data collection was facilitated by going through the available secondary data sources like printed and web-based materials. Documents on tourism research and related issues were considered in this regard and, while selecting the documents from where data was to be
extracted, the researcher considered the relevancy of issues to the research focus. Interviews were conducted following a written question schedule to guide the flow of discussions. Audio recorders were used to capture the conversations and sometimes digital camera was used to take images of the respondents, the environment, and visual representations to grasp the contextual influences. Sometimes handwritten notes were also taken during interview sessions. The following subsections present a vivid discussion on the method used, sampling issues that arouse and sampling justification by identifying who participated and how they were chosen.

2.6.1. Sampling Approach

Qualitative studies use rich and deep descriptions to reinforce understanding of the concept. But sampling following statistical approaches through creating random or representative sample might provide biased, ambiguous, and irrelevant information in case of the case study based qualitative research. Mays and Pope (1996:12-13) also reflect this philosophy about sampling of qualitative research in the following manner:

*The purpose [of sampling in qualitative research] is not to establish a random or representative sample drawn from a population but rather to identify specific groups of people who either possess characteristics or live in circumstances relevant to the social phenomenon being studied. Informants are identified because they will enable exploration of a particular aspect of behavior relevant to the research. This allows the researcher to include a wide range of types of informants and also to select key informants which access to important sources of knowledge*

Schutt (2004) argues that in qualitative research non-probability sampling methods are often used because of the difficulty of selecting cases randomly for observational studies or for intensive interviewing involving hard-to-locate
respondents while random sampling can also appear giving less important data due to wrong selection of target respondent as the selection is under no subjective control. Considering the socio-cultural norms of the locality the researcher perceives that unless the right respondents are interviewed the outcome might be a mere waste of time and effort. The respondents in this research are entrepreneurs involved in tourism businesses, employees of tourism organizations, local people who are not directly related with tourism organizations, and government officials responsible for promoting tourism in Bangladesh. The following figure 2.4 presents pictorially the composition of the respondents in view of their involvement in the development of tourism.

**Figure 2.4: Respondents of the Research**

![Figure 2.4: Respondents of the Research](image)

Source: Developed by the author

### 2.6.2. Sampling Procedure

In view of the research approach qualitative sampling guidelines to select the respondents are used. The researcher considered a key strategic starting point to reach the respondents using snowball sampling. The researcher’s local
socio-cultural know-how also helped him to identify the strategic point that led the flow of the approach. Generally in the towns of Bangladesh the local influential people, politicians, entrepreneurs, journalists, and social intellectuals gather at a common meeting place on a regular basis to exchange views and one of these meeting points is the Press Club. Selecting the Cox’s Bazar Press Club is therefore a strategic starting point for this research where it is possible to get in contact with entrepreneurs, local influential, and government officials and they provided information to trace important respondents. Government officials were accessed after collecting information about them mainly from BPC and while selecting respondents the existing hierarchy, responsibilities and relevancy were considered.

The researcher uses snowball sampling instead of random sampling to locate information-rich respondents. This sampling strategy is used because the particular setting and respondents are selected in order to get important information that cannot be obtained following other sampling strategies (Maxwell, 1996). Although the chain of recommended informants would typically diverge initially, i.e. as many possible sources are recommended, it then converges as a few key names are mentioned over and over (Patton, 2002). Through the snowball sampling method the researcher tries to find respondents who can give insightful, accurate and different point of views and to avoid duplication of the same stories. For this research as the starting point is found strategically rich, therefore the scope for initial dispersions is expected to be significantly less.
2.6.3. Sample Size

The validity, meaningfulness, and insights generated from qualitative research have more to do with the information richness of the case selected and the observational and analytical capabilities of the researcher than with sample size (Patton, 2002). And that is why, in qualitative research, there are no rules for sample size. The sample size depends on the purpose of the research, the psychology behind the approach of acquiring information, and what can be done by the researcher within available time with given resources. In qualitative research it is the quality and richness of data that is important and some significant research has been carried out using very small samples (Botterill, 1989; Sparkes, 1994; Holiday, 2002; Patton, 2002) and they argue that the strength of these studies is in the use of small sample size. Considering the above arguments the researcher decides to keep the sample size small and the following table 2.2 presents the profile of the respondents of this research.

Table 2.2: Respondent Matrix

<table>
<thead>
<tr>
<th>Type of Respondent</th>
<th>Population</th>
<th>Sample Size</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneur</td>
<td>Cox’s Bazar Municipality</td>
<td>10</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Employee (Directly involved)</td>
<td>Cox’s Bazar Municipality</td>
<td>10</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Local Community (Indirectly involved)</td>
<td>Cox’s Bazar Municipality</td>
<td>10</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Government Officials</td>
<td>Cox’s Bazar Municipality and Dhaka City</td>
<td>5</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>35</td>
<td>27</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Developed by the author

The composition of the sample was not quantitatively determined rather was guided by the principles of qualitative research. Female respondents were also
interviewed to ensure gender balance in the research. The types of respondents and sample size are determined considering the representation from diversified entities like hotel, poultry, transport, tour operator, laundry, grocery shops, souvenir and handicraft shops; employees working in high, mid and low level of the above sectors.

2.6.4. Semi-structured Interview

According to Corbetta (2003:285) a qualitative interview is

A conversation that has the following characteristics: it is elicited by the interviewer; interviewees are selected on the basis of a data-gathering plan; a considerable number of subjects are interviewed; it has a cognitive objective; it is guided by the interviewer; it is based on a flexible, non-standardized pattern of questioning.

Byrne (2006) argues that qualitative interviewing is particularly useful as a research method for accessing individual’s attitudes and value propositions that cannot necessarily be observed thorough formal questionnaire. He also claims that open-ended and flexible questions generally get more spontaneous and participative responses than closed questions and can facilitate better scope of getting interviewee’s views, interpretations of events, understandings, experiences and opinions. In the words of Patton (2002:341):

Qualitative interviewing begins with the assumption that the perspective of others is meaningful, knowable, and able to be made explicit. We interview to find out what is in and on someone else’s mind, to gather their stories.

Therefore, this approach appears appropriate as meaningful consideration for evaluating people’s knowledge, values, beliefs and experiences are given.
Byrne (2006) further identifies that qualitative interviewing creates a flexible and participative way that inspires interviewees to speak in their own voices and with their own language and spirit that sometimes make complex issues easier to figure out. The most compelling advantage of qualitative interviewing is that, if conducted in a proper manner, it can assist in reaching a considerable depth to better perceive the complexity that might not be possible with other approaches like a survey. This type of specialized interviewing method enables the researcher to become attuned to subtle differences in people’s positions and to respond accordingly, both at the time of interviewing and in the subsequent steps of analysis.

As socio-economic issues are usually quite complex ones to be effectively analyzed and judged therefore proper picture of the phenomenon should be unveiled. Structured formats of collecting information might miss some information as the interviewees may feel directed by the approach itself resulting in bias in the responses that sometimes mislead the interpretations. Respondents’ real feelings and exact insight about the phenomenon can be correlated if their socio-cultural traits are clear to the interviewer. Burns (2000) argues that the rationale behind semi-structured interviewing is that it is the person himself who understands the social reality better as being a member of the community where the person lives. The semi-structure imposed by the interviewer will facilitate encapsulating the subtleties and personal interpretations within the research contour.
Corbetta (2003) identifies three types of qualitative interviews: structured, semi-structured and unstructured. Lofland and Lofland (1984:12) define the semi-structured interview as “a qualitative method that involves open-ended, relatively unstructured questioning in which the interviewer seeks in-depth information on the interviewee’s feelings, experiences, and perceptions”. Semi-structured interviews usually are conducted with an open framework that supports focused and conversational two-way communication to give and receive information. Unlike the questionnaire framework, where detailed questions are formulated ahead of the interview, semi-structured interviewing starts with more general questions or topics. Generally relevant topics are initially identified and the possible relationship between these topics and the issues become the basis for more specific questions. Although not all questions are designed and phrased ahead of interview, the majority of questions are developed during the interview, allowing both the interviewer and the interviewee the flexibility to discuss the issues or to probe for details.

In this research data are gathered regarding how people experience socio-economic phenomenon and describe, feel and make sense of it. This drive influences the researcher to choose a semi-structured interview method. Patton (2002:104) also argues similarly: “one must undertake in-depth interviews with people who have directly experienced the phenomenon of interest; that is, they have ‘lived experience’ as opposed to secondhand experience”.

In this research four sets of question schedules are used to interview the respondents. The first phase of interviews was carried out between October 2007 to March 2008 and the second phase from December 2008 to March 2009. A total of 35 respondents were interviewed. In the first phase, 20 respondents and in the second phase 15 were interviewed. In some instances, a few respondents were interviewed more than once. For every interview session, the appropriateness of the environment was considered so that the respondents could speak their mind. Proper timing and place as per the suggestions of the respondents also been considered so that the interview could be frank and the respondent did not feel time constraints.

The question schedules were developed in Bangla, the native language, so that no confusion could arise in the minds of the respondents and later those were transcribed and translated into English. In almost all the instances the researcher revised, updated and extended the prefixed question schedule as the discussion generated a few more lines of enquiry. The interviews were not constrained by limited time schedule from the researcher’s part furthermore the convenience of the respondents was considered. The time duration varied as different respondents had different emphasis as well as varying length of respondent's free time. Timing was considered seriously keeping context sensitivity in mind as some respondents might not feel comfortable to express their minds in official environment. The locations for the interviews were public or private places such as sea beaches, offices, hotel lobbies, shopping complexes and private houses.
The researcher initiated the interview with a brief introduction about himself, the research, its purpose and the importance of the respondent’s contribution. Researcher tried to build a rapport with the respondents at the beginning that worked as icebreaking during the interview sessions. This was really crucial for this research as the local people are conservative while interacting with strangers. Rapport building with the respondents for the researcher was convenient as he belongs to the similar socio-economic framework having similar socio-cultural traits. Respondent’s consent was taken every time conversation was recorded and/or photographs were captured. This established the honest motives and helped the researcher in accessing the respondents in an effective manner. Sometimes his involvement created frank relationships with the local people that helped to explore the locality with ease.

The first sets of interviews were conducted with the employees of tourism related organizations and covered various themes including socio-economic benefits they are getting; impacts of tourism activities on their livelihood and their involvement with and expectations from tourism. The second sets of interviews were conducted with entrepreneurs and covered various issues including the nature of their business, their linkages with other local businesses, government support, their involvement with local communities and the impacts of their businesses on the local communities. The third sets of interviews were conducted with local people who were not directly involved with tourism and covered various issues like attitude towards the development of tourism, how they want to get involved with it and what impacts it had on their livelihood. The
last set of interviews was conducted with the government officials who were responsible for operating and regulating the tourism industry and covered various themes like policy formation procedures, attitudes towards socio-economic impacts of tourism on the local communities’ livelihood and the way they want local communities’ to get involved with tourism.

According to the fieldwork experience of the researcher accessing respondents was smooth and cordial for all sets of interviews mentioned above except the last one with government officials. The government officials were no different to other government officials in Bangladesh who usually feel superiority in keeping information unshared and posing a non-cooperative approach to civil queries. So researcher required significant time and effort to get information from these officials because of their mentioned traits.

2.7. Data Analysis and Interpretation

Data analysis can be inferred from inquiries used in qualitative research philosophy and inquiries can be open ended or may be prefixed in the form of a checklist. These inquiries basically establish the framework for data analysis and their interpretation and sometimes in qualitative research these heavily rely on the intuition and interpretive skills (Holliday, 2002). In the words of Patton (2002:56):

*Qualitative inquiry is particularly oriented towards exploration, discovery, and inductive logic. Inductive analysis begins with specific observations and builds towards general patterns. Categories or dimensions of analysis emerge from open-ended observations as the inquirer comes to understand patterns that exist in the phenomenon being investigated.*
In case of complex phenomena sometimes insights and instances are used to develop the understanding. Ideas can also be the way of understanding a phenomenon instead of the conventional use of specific data types and Wells’s (1995:1) comment reinforces this approach: “Qualitative research is living, evolving; a source of insight and ideas, which can emerge at any time during a project, not just at the end. We should deal in ideas, not ‘data’.”

Different types of data need different approaches to be analyzed and sometimes it involves judgmental consideration in choosing the proper approach or to get the gist from the data. Geetraz (1993) states that extracted data are already a step or several steps away from the reality – that is, it is mostly a representation of reality rather than actual social reality. However there is hardly any prescribed way of analyzing particular type of data. Some researchers (Bernstein, 1985; Wolcott, 2001) claim that due to the diversity and complexity of qualitative methods and the individual perspectives of concerned people, there is no single formula for analysis. In this research an inductive process is used for data analysis. To reflect the current dynamics of the research issue in the research setting researcher collected data from the respondents and presented those in a model.

2.7.1. How Things are done in the Research?
This sub-section discusses the different tasks involved in the process of data analysis and interpretation and makes transparent the analysis of the interview and the process leading to their interpretation. Researcher followed a clear
workflow based on the above mentioned theoretical stance and it is represented below in figure 2.5.

Figure 2.5: Data Analysis and Interpretation Process Details

Transcription

Transcribing audio files verbatim

Repeated Listening of Audio

Rechecking transcription, designing and dividing transcription in terms of theme, issue, pattern, content, insight and concept

Segregation of Transcribed Field Extracts Based on above Categories

Managing transcription with respect to the above mentioned strategic designing

Titling the Segregated Transcription and Developing Structure

Using a suitable title for each segregated transcription to reflect the content in an insightful wording and developing the structure and the content

Depicting the Theme with Details of the Titled Segregated Transcription

Developing the writings using theoretical underpinning supported by the slices of lives of the respondents

Converging Writings to Possible Specific Insights

Developing the flow of writing to some possible explicit or implicit insights for a conclusive ending

Source: Developed by the author

Transcription process started at the beginning of the data analysis phase. The researcher repeatedly listened to ensure exactness in the process of transcription. Researcher at first took notes through playing the tapes and
continuously tried to summarize the information identifying similarities and differences. Interesting and important findings were identified by the intensity and feelings of the respondents. While transcribing and translating in English researcher verified the process by revisiting the steps to check for any discrepancy. After transcription the extracts are categorized in terms of themes, issues, patterns, contents, insights, and concepts. Then the categorized writings are titled to assist readers understand the content of the segment. To maintain the logical sequence a structure is given to the analysis by dividing the document into topics and subtopics. After developing the concepts the analysis is crosschecked with the theoretical framework that allowed the researcher to lead to the conclusions.

An interpretation is an explanation of the meaning of some object of attention. It also refers to making ideas more understandable and may express one’s own understanding of things, for instance, a work of art, a social phenomenon, or a piece of literature. To explain the importance of interpretation Riessman (1993:2) states: “nature and the world do not tell stories, people do, and interpretation is inevitable because narratives are representations.” Some other researchers (Richardson, 1994; Ochs and Capps, 1996; Padgett and Allen, 1997) also support this and argue that interpretation is unveiled through the stories people tell about themselves and their experiences.

The researcher was flexible in developing the study progress and adopted continuous development in building a smooth understanding of the content of
the research. The process of interpretation is influenced by researcher's previous know-how about the research issue as well as the expertise to explain and correlate socio-economical issues in a descriptive manner. The existing theoretical framework is facilitated by reinforcing the development of interpretation with credibility and authenticity. Inclusion of appropriate real-life cases, developed from the respondents' words, added reality and authenticity in the process of interpretation. Use of direct words of the respondents on many occasions reduced the risk of a biased effect, if any, and it is important because the phenomenon is interpreted not by the respondents but by the researcher. Prior permission was obtained from respondents to use their identity in the research and to take and use photographs.

Use of qualitative interpretations heavily relies on the perception of the readers and also the concurrent status of the research setting that is prone to change in the course of time. All the interpretations in the research are based on thoughts about the respondents' perceptions.

2.8. Reliability and Validity

Reliability and validity in qualitative research lack holistic consensus amongst researchers. Although most researchers consider these as appropriate for quantitative research, to tag a level of authenticity these concepts are being used by qualitative researchers as well. The following segments depict the respective theoretical underpinning as well as the relevance with this research.
2.8.1. Reliability

Data are said to be reliable if appear consistent and several checks lead to no deviation. Babbie (1995) opines that reliability refers to whether a particular research technique yields the same results if applied repeatedly to the same object. Yin (1994) also portrays reliability in the similar manner where it is the extent to which a test or procedure produces similar results under constant conditions on all occasions.

Ensuring reliability can help get rid of biasness and minimizing errors (Amaratunga et al, 2002). Researcher believes that reliability can be categorized into two different categories - (1) internal reliability and (2) external reliability. Internal reliability deals with convincing consequences within the writing developed by the research itself. To ensure internal reliability the writing might not require any know-how of the reader on the respective issues as this is all done by the writing itself, although readers' understanding and know-how help significantly in perceiving the discussed phenomenon. The research approach, development of issues that are integrated in the writing, and the outcome of the research create internal reliability.

External reliability transcends the writing contour and generally tries to superimpose written thoughts in the real settings or reality. As reality in qualitative research is a time variant issue therefore external reliability can appear as an unfinished matter that might rely on future reality when existing reality cannot synchronize with the internal one. This may also lead to issues of validity or questions of the feasibility of reliability in qualitative research. This
confusion appears rational as in qualitative research reality is assumed to be constructed by social understanding that varies over the course of time and what could not be realized earlier by previous social perceptions can now be realized by existing ones. This also implies that the meaning that is in tune with current social understanding might appear asynchronous in future regarding the respective social understanding.

In this research several strategic approaches are applied to ensure reliability. To ensure internal reliability the writing process is developed in a structured manner to ease the understanding of the discussed phenomenon. To place slices of reality to allow, to clear understanding direct words of the respondents are used. The methodology - the case study itself is a type that focuses on a reality that can facilitate ensuring reliability. The technique of asking important questions is applied in a repeated manner to ensure consistency in answers and establish reliability. Sometimes the same respondents are interviewed more than once to cross-check their prompts.

2.8.2. Validity
In qualitative research validity is described as not just a single, fixed or universal concept, but "rather a contingent construct, inescapably grounded in the processes and intentions of particular research methodologies and projects" (Winter, 2000:1). Although some qualitative researchers argue that validity might not be applicable to qualitative research, but at the same time, they also realize the need for some kind of qualifying check or measurement. In general
perspective it can be said that validation falls in the realm of proof (Islam, 1986).

Creswell and Miller (2000) opine that validity is affected by the researcher’s perception about it and his/her choice of paradigm assumption. Many researchers have developed their own concepts of validity and have often generated or adopted what they consider to be more appropriate terms, such as, quality, rigor and trustworthiness (Lincoln and Guba, 1985; Seale, 1999; Stenbacka, 2001; Davies and Dodd, 2002).

Validity might be considered as either internal or external. Amaratunga et al, (2002:29) defines internal validity as the following.

*It refers to what or not what are identified as the causes actually produce what has been interpreted as the “effect” or “response” and checks whether the right cause-and-effect relationships have been established*, and external validity as *‘it refers to the extent to which any research findings can be generalized beyond the immediate research sample or setting in which the research took place.*

Amaratunga et al, (2002) tag external validity with generalization although in qualitative research generalization is a crucial issue as it depends on many factors to judge whether to apply the generalized findings to the considered phenomenon or not. If generalization is possible or the researcher has developed own set of perception of validity; some kind of confidence and authenticity in the research findings is required.

To ensure a sense of validity in the research findings, several participants are considered in the same category so that the findings can be crosschecked and validated. Iterative research design is used and changes are made based on the feedback received from the fieldwork. This approach streamlines the flow of
Chapter Two: Research Approach

analysis based on information that is provided by the reality creators, the local people of Cox’s Bazar. Researcher’s previous knowledge on the spot and about the local people’s socio-economic traits assisted depicting the phenomenon authentically. Research findings are crosschecked and verified using information on same or similar grounds that are collected from the immediate backward and forward linked value chain actors.

2.9. Limitation of the Research

Considering the approach of research methodology of this study some may find the chosen approach of qualitative methodology inappropriate, claiming – it does not use numeric fact figures that are easier to figure out and perceive, resulting ease in understanding any phenomenon; and it allows small sample sizes that may facilitate understanding individual issue but the research results can hardly be generalized for wider population. One disadvantage of qualitative approaches is that findings cannot be extended to wider populations with the same degree of certainty that quantitative analyses can. This is because the findings of the research are not tested to discover whether they are statistically significant or not.

One limitation of this research is dearth of updated secondary data. Reliability of secondary data in the context of Bangladesh is another crucial limitation. While using secondary data, researcher was cautious and judgmental to avoid the limitation related to reliability issue. Researcher was further constrained by the difficulty to access data from GoB and NGOs as government and private sector
entrepreneurs are reluctant to give interviews. This limitation is minimized by convincing reluctant respondents and accommodating according to their requirements. Insufficient fund was another constraint to conduct the research, especially during data collection process. As a self-financed student researcher had to cope with a limited budget, at the same time tried best to ensure adequate level of perfection.

2.10. Summary

This chapter presents the discussion on the justification and explanation of the research paradigm and philosophy that has legitimated the choice of the selected methods and techniques for data collection and analysis. Figure 2.6 shows the inter-links between all the significant methodological selection aspects in a flowchart format to facilitate overall understanding of the research methodology.

At first the research approach is discussed in sequential logic levels that are used in this research. Then epistemology of this research, theoretical perspectives, research methodology, and research methods are explained sequentially to better explain the reasoning behind the philosophy of the research design. The selected research method, semi-structured interview, is detailed afterwards to legitimate its use in the research. A detailed discussion is provided about the sampling approach, procedure and size. In the data analysis and interpretation section the process of data analysis and interpretation are
noted down. Although in qualitative research, reliability and validity are confusing issues, the researcher has explained the legitimacy of their usage.

**Figure 2.6: A Holistic Overview of the Research Methodology**

Source: Developed by the author
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Chapter Three: Literature Review

3.1. Introduction

The study of tourism is the study of people away from their usual habitat, of the establishments which respond to the requirements of travellers, and of impacts that they have on the economic, environmental and social well-being of their hosts (Wall and Mathieson, 2006:1).

Tourism in developing countries is often seen as an industry bringing foreign exchange, employment, and a modern way of life (Jenkins, 1991; Sharpley, 2002; Kibirige, 2003; Saayman and Saayman, 2006). Some other researchers (Butler, 1992; Hall and Page, 1999; Duffy, 2002) think that tourism raises the spectre of the destruction of traditional lifestyles and culture; initiates neo-colonialist relationships of exploitation (Mbaiwa, 2004); and causes overdependence upon an unreliable single industry and inflation (Butler, 1992; Hall and Page, 1999). As this research assesses economic and social impacts of tourism on a local community, a comprehensive literature review assisted the researcher to understand the problem and develop a theoretical perspective on the research questions. This chapter presents the review of the literature on economic development in section 3.2, tourism and development in section 3.3, sustainable tourism in section 3.4, economic impacts of tourism in section 3.5, social impacts of tourism in section 3.6, community participation in tourism in section 3.7 and summarized these with a conceptual framework in section 3.8.

3.2. Economic Development

The concept of economic development is complex and difficult to define in an inclusive manner. Initially, development has been defined in terms of Western
style modernisation achieved through economic growth (Redclift, 1987). From a Western perspective, economic development means modernisation of economic systems through economic growth. Economic growth increases national productivity and per capita income and thus the standard of living of the population. It emphasizes on the production and level of output and if achieved then its benefits will trickle down to the population as a whole. But in reality this sometimes appears not true as in many countries where the benefits of development are enjoyed by elite sections of the population, the larger population does not have access and right to enjoy these benefits.

Ray (1998) argues that economic growth indicators are only taken into account in order to measure economic development or more precisely, progress in economic development. The International Commission on International Development Issue (ICIDI) also criticised the economic growth model of development. ICIDI (1980:49) says ‘world development is not merely an economic process…. Statistical measurements of growth exclude the crucial element of social welfare, of individual rights, of values not measured by money.’ Many scholars (Seers, 1969; Todaro, 2000) claim that development can not be seen just as an economic phenomenon and have rejected economic growth as the objective of economic development because it overlooked the ‘human element’ of development. Because, in many countries economic growth was not only failing to solve social and political problems but was also causing and increasing them (Seers, 1969). Many countries had achieved their economic growth targets, but ‘the levels of living of the masses of people
remained for the most part unchanged’ (Todaro, 2000:14). Dudley Seers
(1969:6) highlights some specific issues in this regard:

The questions to ask about a country’s development are therefore: what
has been happening to poverty? What has been happening to
unemployment? What has been happening to inequality? If all three of
these have declined from high levels, then beyond doubt this has been a
period of development for the country concerned. If one or two of these
central problems has been growing worse, especially if all three have, it
would be strange to call the result ‘development’, even if per capita
income had doubled.

A broader definition of economic development emerged by the 1970s which
included reduction of poverty, creation of jobs to address unemployment,
reduction of the inequality between rich and poor and self-reliance. In this
respect Sen (1994:220) states that growth ‘may matter a great deal, but, if it
does, this is because of some associated benefits that are realised in the
process of economic growth’.

According to Todaro (1989) development is not only an economic process but
rather a multidimensional process involving the reorganisation and reorientation
of entire economic and social systems not just improvements in incomes and
output, but also radical changes in institutional, social and administrative
structures, attitudes and customs and beliefs. Todaro (1989:89) identifies that
the ultimate goal of development is a -

multidimensional process involving major change in social structures,
popular attitudes, and national institutions, as well as the acceleration of
economic growth, the reduction of inequality, and the eradication of
absolute poverty. Development in its essence, must represent the whole
gamut of change by which an entire social system, tuned to the diverse
basic needs and desires of individual and social groups within that
system, moves away from a condition of life widely perceived as
unsatisfactory and toward a situation or condition of life regarded as
materially and spiritually better.
Therefore, development is not only involved with the increasing economic well-being of populations of a particular nation it also involves their minds and desires to have a good quality of life. In the Human Development Report (1990) of the UNDP, economic development is defined in a similar manner - development is the enlargement of people’s choices the most critical being to lead a long, healthy life, to acquire knowledge and to have access to the resources needed for a decent standard of living.

The term development has several meanings, including: “economic growth, structural change, autonomous industrialisation, capitalism or socialism, self actualisation, and individual, national, regional and cultural self-reliance” (Harrison, 1988:154). In the beginning, the term development only included economic growth but later it included social, moral, ethical and sustainability considerations. Researcher adopts the following definition of development given by Sharpley (2002:27).

> Development, then, is a complex, multidimensional concept which not only embraces economic growth and ‘traditional’ social indicators, such as healthcare, education and housing, but also seeks to confirm the political and cultural integrity and freedom of all individuals in society.

### 3.3. Tourism and Development

As tourism emerges from the shadow of economic policy to a centre-stage position, it has become imperative to evaluate its role in economic development. The industry is shrouded in myths and stereotypes, and there is a need to examine critically recent trends in tourism, its economic organization and its contribution to economic development (William and Shaw: 1991:2).

WTTC (2008) predicts a steady growth for world travel and tourism between 2009 and 2018, with average growth of 4.4% per annum over the period,
supporting 297 million jobs and 10.5% of global GDP by 2018. Since 1960s academic approaches towards tourism have been considering it as a development stream (Peters, 1969; de Kadt, 1979). Tourism provides foreign exchange, increases employment, attracts foreign and domestic private capital for development and promotes economic independence (Britton, 1982). The developing and least-developed countries (LDCs) have considered tourism as an effective tool for achieving economic development.

UNWTO (2002) argues that through its potential for job creation, linkages with the local economy, foreign exchange earnings and its multiplier effect, tourism can lead to economic growth and economic development. Developing countries are characterized by their dependence on agriculture for export earnings, poverty, low per capita income, uneven distribution of income and wealth, low level of industrial development, high unemployment, small domestic market, small amount of disposable income and uneven regional development.

A considerable body of literature (Thirlwall, 1983; Wall and Mathieson, 2006) find that export expansion is a major factor contributing to sustained economic growth. It has been argued that, in developing countries, a transformation from a traditional agricultural economy to an industrial economy is required for modernization and economic development. Such transformation demands huge capital and foreign earnings and this has encouraged governments in the developing countries to treat tourism as a mean of generating financial
resources required for economic development (Wall and Mathieson, 2006). Roche (1992:566) comments:

whether for good or ill, the development of tourism has long been seen as both a vehicle and a symbol at least of westernisation, but also, more importantly, of progress and modernisation. This has particularly been the case in Third World countries.

Jenkins (1980) points out a number of reasons why LDCs want to use tourism as a development tool. According to Jenkins, these reasons are: international tourism has been continuously growing since 1960 because of the introduction of long-haul travel. Tourism in theory helps to redistribute the wealth from rich countries to poor countries. In the case of tourism, there are no trade barriers as there is for other international trade and compared to other industries, tourism requires low capital investment. For this reason, many countries regarded it as an important and integral tool of their development strategy (Jenkins, 1991).

It is not only LDCs, rather most of industrial countries have also realised the contribution of tourism in economic development. In Western Europe there has been evidence of government support for the tourism sector even dating back to the 1920s and 1930s (Shaw and Williams, 1994). Shaw and Williams (1994:1) also point out that “tourism-along with some other selected activities such as financial services and telecommunications have become a major component of economic strategies.” Hall (1993) also points out the potential of tourism in the economic development process of Eastern Europe in countries such as Poland, Estonia and Lithuania. National development plans for most developed countries now incorporate the assumption of ‘trickle down’ tourism benefits as a general stimulus to other sectors of the economy (Mowforth and Munt, 1998).
However, tourism not only contributes to economic development it also reduces the discrimination of income and infrastructure development between core and periphery. Christaller (1963) argues that tourism can be used to achieve economic development in peripheral regions because tourists travel from core metropolitan areas to the periphery.

The contribution of tourism to the economic development of a country has not escaped criticism. Some academics (Bryden, 1973; Turner, 1976; de Kadt, 1979; Britton, 1991; Mowforth and Munt, 1998; Torres and Momsen, 2005) express their reservations about the role of tourism in economic development. Torres and Momsen (2005) argue that growth of tourism increased dependency on foreign imports which in turn compete with the development of local agriculture and small industry, while also leaking foreign exchange. De Kadt (1979) criticizes tourism as a strategy for economic development because it is associated with dependency upon external-and often fickle-sources of growth. In LDCs, benefits of tourism often do not reach local people, as the lion’s share of the benefits are transmitted to large trans-national companies, non-local entrepreneurs and national governments (Bryden, 1973; Britton, 1991; Mowforth and Munt, 1998).

The above discussion about the contribution of tourism in the economic development of a country does not provide a clear conception of whether it is a blessing or blight for a particular country. Whether tourism is advantageous or disadvantageous for the economic development of a country, depends on the
scale of the tourism demand, the structure of the tourism industry and the pattern of the economy. Wolfson (1967) suggests that there has been a tendency for policy makers in some developing countries to use tourism as an easy means of economic development.

3.4. Sustainable Tourism

Over the last few decades there has been rapid development of tourism generating huge growth in destination areas all over the world. The rapid expansion of tourism also creates environmental, economical and social problems. Governments and Non Government Organizations (NGOs) are increasingly concerned about the negative impacts of tourism and its effect on livelihoods. These situations demand more environmental and host friendly tourism activities. Since the 1980s, sustainable development has become a popular word in development studies, in general, and in tourism research in particular. The concept of sustainability has its roots in environmentalism. Economic activities have been negatively affecting the environment and biodiversity, creating depletion of the ozone layer and contributing to increased pollution. So protecting the environment and making development less harmful is essential as development takes place in the environment. Policymakers realise that environment and economics need to be supportive to each other for sustained growth. The concept of sustainable tourism development - “achieved virtual global endorsement as the new [tourism] industry paradigms in the late 1980s” (Godfrey, 1996:60). Saarinen (2006) notes that the term sustainability is
transferred to tourism from the concept of sustainable development with the Brundtland Commission’s report - “Our Common Future” in 1987.

The concept of sustainable development has caused debate from academics and policy makers. It is difficult to define sustainable development because there are no globally accepted definitions of sustainable development. Steer and Wade-Gery (1993) identify over 70 different definitions of sustainable development. In 1960 the concept of sustainable development emerged as a result of the perceived clash between the environment and the development process. The International Union for the Conservation of Nature and Natural Resources (IUCN) report (1980: Section 1.2) for the first time introduces the term sustainable development and defined it as: “the integration of conservation and development to ensure that modifications to the planet do indeed secure the survival and well being of all people”. But the definition of sustainable development has been criticized because it puts more emphasis on environmental morality and ethics. Sharpley (2000:7) argues that this definition does not take into account social and political barriers to development. He also claims that these barriers to development also militate against sustainable tourism development and says that “sustainable development may be conceptualised as a juxtaposition of town schools of thought: development theory and environmental sustainability”.

sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. This report explains two key concepts (1987:47): “(i) the concept of needs and subjective well-being, particularly to the poor to whom priority should be given; and (ii) the idea of limitations imposed by the state of technology and social organization on the environment’s ability to meet the present and future needs”.

In 1992, the UN Conference on Environment and Development (UNCED) arranged the Earth Summit to help governments around the world to formulate policies to combat the destruction of natural resources and pollution of the world. The conference produced three major agreements among the participating countries to tackle the abovementioned problem. The Commission for Sustainable Development (CSD) was formed to provide support to government to achieve the aims. However the Brundtland Commission Report has been criticised for its central, western techno-centric development through an economic growth concept (Adams, 1990). This report also assumes expansion of global economic growth although in reality the degree of growth varies from country to country and also ignores social and cultural livelihood patterns. Jacob (1994) and Barrow (1995) argue that sustainable development promotes contradictory ideas. On one hand it argues that economic growth is essential but on the other hand blames economic growth for causing environmental degradation. Butler (1999:27) also claims in a similar manner:

In areas that currently experience low standards of living, extremely low incomes, overpopulation and resource scarcity, such mundane concerns as survival perhaps deserve more consideration than they have had to date in the rush to impose the sustainable doctrine by an overly moralistic of developed world.
Caring for the Earth Report (IUCN, 1991) states that, rich countries live unsustainably either through their ignorance or lack of concern and assumes that resource problems are not really environmental rather human problems. Escobar (1995) notes that fundamental inequality between North and South is not considered in the sustainable development concept. He further says that the natural assets in the South are ruined to meet the lavish demands of the North. Butler (1999) and Twining-Ward (1999) criticize the concept of sustainable development for its limited concentration on ecology and economic issues. After 10 years of the Earth Summit where policies were recommended, there has been little achievement. The UN (2002:4) comments that:

> ten years later, despite initiatives by governments, international organisations, business, civil society groups and individuals to achieve sustainable development, progress towards the goals established at Rio has been slower than anticipated and in some respects conditions are worse than they were ten years ago.

The sustainable development concept emphasizes that economic development activities should be harmonized with the natural environment. This concept assumes that only economic activities create negative environmental impacts ignoring the fact that poverty also contributes to negative environmental impacts. Pollution due to poverty emerges in many poor countries from degradation of marginal farm lands leading to erosion of soil and desertification. In developing countries, a lack of resources and unequal distribution of income increase the poverty gap. But the sustainable development concept does not provide any answers to these problems. Table 3.1 presents principles and objectives of sustainable development.
Table 3.1: Principles and Objectives of Sustainable Development

<table>
<thead>
<tr>
<th>Fundamental Principles</th>
<th>Holistic approach: development and environmental issues integrated within a global social system</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Futurity: focus on long-term capacity for continuance of the global ecosystem</td>
</tr>
<tr>
<td></td>
<td>Equity: development that is fair and equitable and which provides opportunities for access to and use of resources for all members of all societies</td>
</tr>
<tr>
<td>Development Objectives</td>
<td>Improvement of the quality of life for all people: education, life expectancy, opportunities to fulfil potential</td>
</tr>
<tr>
<td></td>
<td>Satisfaction of basic needs; concentration on the nature of what is provided rather than income</td>
</tr>
<tr>
<td></td>
<td>Self-reliance: political freedom and local decision making for local needs</td>
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<tr>
<td></td>
<td>Endogenous development</td>
</tr>
<tr>
<td>Sustainability Objectives</td>
<td>Sustainable population levels</td>
</tr>
<tr>
<td></td>
<td>Minimal depletion of non-renewable natural resources</td>
</tr>
<tr>
<td></td>
<td>Sustainable use of renewable resources</td>
</tr>
<tr>
<td></td>
<td>Pollution emissions in assimilative capacity of environment</td>
</tr>
<tr>
<td>Requirements for Sustainable Development</td>
<td>Adoption of a new social paradigm relevant to sustainable living</td>
</tr>
<tr>
<td></td>
<td>International and national political and economic systems dedicated to equitable development and resource use</td>
</tr>
<tr>
<td></td>
<td>Technological systems that can search continuously for new solutions to environmental problems</td>
</tr>
<tr>
<td></td>
<td>Global alliance facilitating integrated development policies at local, national and international levels</td>
</tr>
</tbody>
</table>

Source: Sharpley, 2000:8

Hardy, Beeton and Pearson (2002) argue that the concept of sustainable tourism was evident in the literature even before the concept of sustainable tourism was officially used. Rosenow and Pulsipher’s (1979) ‘new tourism’ and Butler’s Tourist Area Lifecycle Model (Butler, 1980) reflect indirectly the concept of sustainable development (Hunter, 1995). Table 3.2 presents the conceptual and operational context of sustainable tourism development.
Table 3.2: Conceptual and Operational Context of Sustainable Tourism

<table>
<thead>
<tr>
<th>Year</th>
<th>Economic Vision</th>
<th>Conservation Vision</th>
<th>Community Vision</th>
<th>Academic Response</th>
<th>Industry Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1880</td>
<td>Industrialization and Economic Growth</td>
<td>Romantic Vision (Hall, 1998)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>1991: Caring for the Earth</td>
<td></td>
<td>Knowledge based Platform</td>
<td></td>
<td>Extension Guides with Environmental focus Sustainable Tourism Popularization</td>
</tr>
<tr>
<td>1992</td>
<td>1992: Rio Earth Summit (UNCED)</td>
<td></td>
<td>Increased focus on community role</td>
<td></td>
<td>Cooperative Research Centre for Sustainable Tourism (Australia)</td>
</tr>
</tbody>
</table>

Source: Hardy et al. (2002)
In tourism, there are a multitude of definitions for sustainability and sustainable development (Butler, 1999; Page and Dowling, 2002). Like sustainable development, there are variety of definitions and terminologies for sustainable tourism. Box 3.1 provides some definitions of sustainable tourism.

**Box 3.1: Definitions of Sustainable Tourism**

- To be sustainable (tourism) requires the establishment of an industry which includes consideration of long-term effects of economic activity in relation to resources and therefore, concerns for the twin needs for this and future generations.

- The concept of sustainability is central to the reassessment of tourism’s role in society. It demands a long-term view of economic activity… and ensures that the consumption of tourism does not exceed the ability of the host destination to provide for future tourists.

- Sustainable tourism depends on: (a) meeting the needs of the host population in terms of improved standards of living in the short and long term, (b) satisfying the demands of increasing tourists number and continuing to attract them to achieve this (c) safeguarding the environment to achieve the two foregoing aims.

- Tourism which meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future.

- Tourism that respects the environment and as a consequence does not aid its own disappearance. … sustainable tourism is responsible tourism.

Source: Adopted from Southgate and Sharpley (2002:242)

Sharpely (1999) identifies that from various definitions two broad interpretations of sustainable tourism development can be drawn. The first one is the development of sustainable tourism as a perspective which focuses on the tourism product with the main objective being to sustain tourism itself, which Hunter (1995) refers to as ‘tourism-centric’. The second interpretation is the sustainable tourism development approach which believes tourism can be used
to achieve overall sustainable development. The principles and practices of sustainable tourism development have been widely discussed in the literature. Box 3.2 presents a summary of sustainable tourism principles and practices.

**Box 3.2: Summary of Sustainable Tourism Principles and Practices**

- The conservation and sustainable use of natural, social and cultural resources is crucial. Therefore, tourism should be planned and managed within environmental limits and with due regard for the long term appropriate use of natural and human resources.

- Tourism planning, development and operation should be integrated into national and local sustainable development strategies. In particular, consideration should be given to different types of tourism development and the ways in which they link with existing land and resources uses and socio-cultural factors.

- Tourism should support a wide range of local economic activities, taking environmental costs and benefits into account, but it should not be permitted to become an activity which dominates the economic base of an area.

- Local communities should be encouraged and expected to participate in the planning, development and control of tourism with the support of government and the industry. Particular attention should be paid to involving indigenous people, women and minority groups to ensure the equitable distribution of the benefits of tourism.

- All organizations and individuals should respect the culture, the economy, the way of life, environment and political structures in the destination area.

- All stakeholders within tourism should be educated about the need to develop more sustainable forms of tourism. This includes staff training and raising awareness, through education and marketing tourism responsibility, of sustainability issues amongst host communities and tourist themselves.

- Research should be undertaken throughout all stages of tourism development and operation to monitor impacts, to solve problems and to allow local people and others to respond to changes and to take advantages of opportunities.

- All agencies, organizations business and individuals should co-operate and work together to avoid potential conflict and to optimise the benefits to all involved in the development and management of tourism.

Source: UNWTO/ WTTC, 1996.
Prosser (1994) identifies four forces of social change that influenced tourism's search for sustainability. They are: dissatisfaction regarding existing tourism products; growing environmental concern and cultural sensitivity among the population; destination communities’ realization about the value of their natural and man-made environment and its vulnerability; and changing attitudes of tourism investors. Therefore it is believed that a sustainable approach will minimize the negative impacts of tourism activities and will help to preserve and conserve the natural and manmade environment. Coccossis (1996) identifies that there are at least four ways in which to interpret tourism with the principles of sustainable development. They are: economic sustainability, ecological sustainability, long-term viability of tourism and accepting tourism as a part of an overall strategy of sustainable development. On the other hand, Bramwell (1996) identifies seven dimensions of sustainability in sustainable tourism management and these are: environmental, cultural, political, economic, social, managerial and governmental.

Bramwell and Lane (1993) believe that a sustainable approach will reduce tension and friction created by tourism through its interaction between tourists, the tourism industry, the environment and host communities. They also believe that a sustainability approach will maintain capacity and quality of natural and man-made resources. Lane (1994) claims that sustainable tourism is an approach which does not discourage tourism but encourages maintaining the interests of all parties involved with tourism. He wants to integrate tourism into a
balanced relationship with boarder economic development and with conservation goals.

Buckley (2003) asserts that the principle of sustainable tourism can benefit the local community through protecting the environment. He cites many examples of tourist destinations such as Londolozi Private Game Reserve in South Africa, Turtle Island in the Pacific and Soufli Froest Reserve in Greece where implementation of a sustainable tourism approach protects these environmental resources. The World Bank (WB, 2003) claims that sustainable tourism development economically benefits local communities; in Mauritius income from tourism increased from $47 million in 1982 to $247 million in 2001. One of the major drawbacks of tourism development is leakage of revenue and exclusion of the local community from the benefits. But in Mauritius, development of tourism incorporated local capital using local workers and management. Foreign investors in Mauritius also patronize local businesses and try to ensure that benefits are shared among the community. Lang and Vries (2007) argue that sustainable tourism puts emphasis to minimize the negative social impacts of tourism on local community livelihoods. They note that in Australia, conservation of Aborigines cultural heritage attracts more Aborigines to visit their ancestral land and now some of the land returns to them and they get actively involved with tourism activities in the areas around Uluru (Ayers Rock) and Alice Springs.
Many tourism academics (Liu, *et al.*, 1987; Bramwell, 1993; Buckley, 2003; WB, 2003) unquestioningly accept the basic concept of sustainable development and its implementation in tourism and believe that its adaptation will solve many negative effects of tourism. But a few tourism academics (Wheeler, 1993; Butler, 1999; Sharpley, 2000; Lansing and Vires, 2007) raise their concerns about the effectiveness of the sustainability concept in tourism. Sharpley (2000:1) argue that “sustainability in tourism is a vague concept, given to varying interpretations”. Bramwell *et al.* (1996) identify seven dimensions of the sustainability concept and Butler (1999) argues that researchers and decision makers in each of these dimensions interpret the sustainability concept differently. Wheeler (1994) questions whether there can be a symbiotic relationship between tourism and the environment, arguing that the commitment of tour operators, tourists and host communities to the principles of sustainability will tend to be conditional on self-interest. Wheeler (1994:649) points out that “we rarely sacrifice so much as to cause any adverse effect on ourselves. The utility derived (by us) usually outweighs the cost of that sacrifice.”

Cater and Lowman (1994) claim that much of the discussion about sustainability in tourism has been in the context of the environment and most of the research has been done in Third World countries. Supporters of this approach claim that, it is easier to examine the sustainability concept in ‘green-field’ rather than mature and declining urban sectors. This approach totally ignores the impacts of tourism on human, physical and social livelihoods of a destination. Tourism
activities not only influence the environment, they also affect human, physical and social elements of the natural environment. Butler (1999:14) states that “however, relatively little attention has been paid to date by researchers in determining how sustainability in the context of the human environment could be determined”.

Some academics (Poon, 1993; Croall, 1995) believe that the sustainable tourism concept is not applicable to mass tourism. They propose alternative tourism that often means small-scale eco-tourism, green tourism and soft tourism. They believe that through these types of tourism the sustainability concept can be implemented. However supporters of mass tourism argue that tourism is a social phenomenon and the growth of tourism will continue in future. Therefore, alternative tourism will not accommodate large number of tourists and only mass tourism will accommodate the continuous demand of tourists. Wheeller (1993) argue that, although mass tourism is popular, it is not going to disappear or replaced by alternative tourism. Furthermore Wheeller (1993:126) notes that “globally we are heading towards mega-mass tourism as all countries in the world strive for economic growth, increases standard of living and corollary of desires and ability to travel and, hence, tourism”.

Richter (1989) claims that the sustainable tourism concept ignores the issues of control and politics of tourism. Who will control tourism activities and what political beliefs will influence decisions are very important for implementing the sustainability concept in tourism. It is another example of treating tourism as an
isolated single sector. The given discussion briefly analyzes the concept of sustainable development and its implementation in tourism. It appears from the discussion that there is confusion about the definition of sustainability and sustainable tourism and there are wide theoretical debates about whether the concept of sustainability is applicable to tourism. Generally, most researchers agree that sustainable tourism is necessary. Therefore, it is time to incorporate all stakeholders in tourism planning and the development process to motivate them to implement the principle of sustainability in tourism. The public sector, especially government and influential members of the private sector might play a key role in implementing the principle of sustainability in tourism. The principles of sustainability can be considered in terms of environmental, social and economical dimensions of tourism and advocate a balance between these dimensions so that long term sustainability can be ensured.

3.5. Impacts of Tourism

The rapid growth of tourism and its potential as a development tool has given rise to increasingly pronounced economic, social and environmental effects. Since the late 1970s, a large number of impact studies have been carried out (Lankford et al., 1997; Mason and Cheyne, 2000; Tosun, 2002; Gursoy and Rutherford, 2004; Sebastian and Pajagopalan, 2009). There are a number of studies which assess the economic impact of tourism in the host destination. However, very little research has been done to assess the impact of the development of tourism on the social and environmental sectors of the host destination. Mathieson and Wall (1994) state that impacts of tourism are viewed
as being more than the results of specific tourist events. Impacts emerge in the form of altered human behaviour which stems from the interactions between the agents of change and the subsystems on which they impinge. It means that tourists, local communities and environmental interactions create the impacts and all elements of tourism activities are affected by this interaction. The impacts can be positive or negative to tourists and the host destination. In this research two types of impacts been studied - economic and socio-cultural. The following sections include reviews of discussions on economic and socio-cultural impacts of tourism.

3.5.1. Economic Impacts

As an economic activity, tourism has major effects on the economies of destination areas. Tourism, both international and domestic, brings about an intermingling of people from diverse backgrounds, and also a considerable amount of financial resources which has a significant impact on the destination area. Many tourism researchers (McIntosh and Goeldner, 1984; Dincer and Ertugral, 2003; Torres and Momsen, 2005; Wood and Hughes, 2006) focus on the economic impacts of the industry. Some researchers claim that tourism contributes to income and standard of living (Liu and Var, 1986; Milman and Pizam, 1988; Caneday and Zeiger, 1991); some (Ross, 1992; Sebastian and Pajagopalan, 2009) assert that it increases employment opportunities; some (Brougham and Butler, 1981; Milman and Pizam, 1988) identify that it increases tax revenues; and others (Ross, 1992) say that it increases real estate prices.
Early studies on tourism economics (Ogilvie, 1933; Alexander, 1953; Waugh, 1962) explain the economics of tourism but they do not investigate the wider economic impacts of tourism which are mentioned in more recent tourism studies. Wall and Mathieson (2006:70) say that

> the development of tourist facilities and recreational opportunities has frequently been viewed as stimulating a major positive contribution to the national balance of payments, as a means of redressing regional disparities in incomes and employment, as responsible for revenues gained from direct tourism expenditures and through taxes and levies.

Until now few studies assess the economic costs of tourism, the direct costs of entering the tourist market and the indirect costs to destination areas (Young, 1973; Jafari, 1974; Turner, 1976).

Wall and Mathieson (2006) argue that several factors contribute to the economic emphasis of the majority of tourism impact studies. Firstly, compared to physical and social impacts, economic impacts are relatively easy to measure whereas physical and social impacts are difficult to quantify. Few researchers try to assess the qualitative aspects of tourism impacts. Secondly, there is a lack of availability of reliable data on physical and social aspects of tourism. For assessing the economic aspect of tourism, data on expenditure, employment, income and tax revenues should be readily available. So research on economic impact of tourism dominates the tourism research. Thirdly, government and private sector investors believe that tourism can yield rapid and considerable returns on investments and can be a positive force in remedying economic problems and they have often seen tourism as a means of counteracting the economic difficulties that they face. So, organizations usually promote and sponsor research focusing on the economic benefits only. However, Sharpley
(2000) points out that the result of the economic impacts of tourism should be considered cautiously because of overemphasis on economic success.

Archer (1973:42) notes that “The tourist industry consists of a heterogeneous group of establishments which provide a wide range of goods and services for tourist consumption”. So economic impact of tourism depends on the distribution of tourist expenditure and linkages it has within the economy. Discussions on the economic impacts of tourism generally begin with the claim that tourist expenditure represents an injection of new money into a destination area (Frechtling, 1987; Fletcher, 1994; Archer and Cooper, 1998). The main economic impacts of tourism relate to foreign exchange earnings, contribution to government revenues, generation of employment and income, and stimulation of regional development. Cater (1987:202) says that “for developing countries tourism seems an attractive proposition in earning muchneeded foreign currency. Tourism has stimulated employment and investment, modified land use and economic structure, and made a positive contribution to the balance of payment”.

Some academics (Shivji, 1973; Torres and Momsen, 2005) claim that the economic impact of tourism also brings negative consequences to tourist destinations. The eminent Tanzanian academic Issa Shivji (1973, cited in Lea, 1988:37) argues that “the justification for tourism in terms of it being “economically good” …. completely fails to appreciate the integrated nature of the system of underdevelopment”. This argument states that while assessing
the economic benefits of tourism it ignores perceived social and environmental costs created by the tourism industry. Torres and Momsen (2005:261) state: “tourism growth, more typically, results in increased dependency on foreign imports which, in turn, compete with or inhibit the development of local agriculture and small industry, while also draining precious foreign exchange reserves”. In less developed countries tourism benefits tend to bypass local inhabitants, with the lion's share accruing to trans-national corporations, non-local entrepreneurial elites, and national governments (Britton, 1991; Mowforth and Munt, 1998). Some of the economic impacts of tourism which have been documented in the literature are discussed below.

3.5.1.1. Tourism and the Balance of Payments

It is recognized in some of the tourism literature (UNWT0, 2001; International Monetary Fund (IMF), 2002) that tourism earnings positively contribute to the balance of payments of a country. Most of the developing countries face the problem of generating enough foreign currency because they do not have a competitive advantage over developed countries. Therefore, the tourism industry provides them with a chance to earn foreign currency. There are limited research studies examining relationships between tourism and the balance of payments to identify the ways in which the effects of tourism are felt and recorded in the balance of payments account (Chase and McKee, 2003; Wall and Mathieson, 2006). Airey (1978) divides the balance of payment effects into three categories. Primary effects refer to actual tourist expenditures made by foreign tourists in the host country and expenditure made by the residents of the
host country abroad. Secondary effects include expenditure on overseas marketing, imports, commission paid to foreign travel agencies, interest and dividend outflow. Tertiary effects refer to the flow of currency not initiated by direct tourist expenditure, but related to activities like investment opportunities created by tourist activities.

According to Airey (1978) it is easy to measure the primary effects but it is more difficult to measure secondary and tertiary effects. Lea (1988) says that the failure to measure secondary and tertiary effects of tourism expenditure creates problems in finding out where tourism expenditure goes and the effect of its circulation. For example, Chase and McKee (2003) find that in Jamaica, major investments have been made in tourism development projects and it has resulted in a negative change in the balance of payments. It is believed that foreign currency earnings from tourism have provided much needed capital for developing countries for their development. However, because of the import of infrastructure and other tourism related materials, most of the foreign currency earnings leaked out from the Jamaican economy. Sharpley (2001) finds that in Cyprus, tourism accounts for about 40% of total exports and balanced the rapidly increasing import bills whereas Pitchford (1990) claims that the expansion of tourism does not alter the balance of trade in the long term.

3.5.1.2. Leakage

Generally, the local economy in developing countries lacks the capacity to fulfil the requirements of tourist demand. The economies of developing countries
usually face difficulty to supply the quantity and quality of goods and services required to meet the demands created by international tourists (Sadler and Archer, 1974) and so developing countries usually import many products and services to satisfy tourist requirements. Chase and McKee (2003) conduct an economic impact study on cruise tourism in Jamaica and find that a large amount of tourist expenditures leak out of the country. Mastny (2002: 74) states that “on average, half of the tourism revenue that enters the developing world ‘leaks’ back out, going to foreign owned companies or to pay for imported goods and labour”. Similarly Bryden (1973) notes that decline in agricultural production in the Caribbean islands during the 1960s, reduces self-sufficiency in food production and the need to import food up to 4% annually. This means a larger portion of tourism earnings were spent on importing food.

Yu and Turco (2000) argue that a large portion of visitors’ expenditure in transportation in New Mexico, USA, leak out immediately at the first round of transaction, and reduce the total amount of economic impact. Wall and Mathieson (2006) claim that foreign ownership problems are compounded by the emergence of international hotel chains, tour operators, restaurant chains, and the tendency towards both horizontal and vertical integration in the industry. Brohman (1996) notes that the three most lucrative components of international tourism: marketing, international transportation, and food and accommodation are handled and owned by vertically-integrated Western companies. Host destinations hardly have any control over these resources and it often results in significant amounts of leakage from destinations. Sharpley and Sharpley (1996)
identify that in the Gambia all goods to support the tourism industry are imported and therefore only a minimal amount of backward linkages have occurred throughout its economy.

Some countries try to minimize the leakage problem. Dwyer (2000) studies the economic contribution of tourism in Andhra Pradesh in India and find tourism boosting its economy and argues that by increasing visitor expenditure and reducing leakages through the integration of agriculture, construction, furniture, handicrafts, jewellery and leather-ware industry with tourism, the Andhra Pradesh economy keeps most of its tourism earnings. Butcher (2003) argues that large scale tourism can bring economic benefits in the form of low leakage and poverty reduction. High leakage from this sector in developing countries can result in a negative impact on their economic development as profit of this sector has usually been enjoyed by the developed countries. However Wall and Mathieson (2006) argue that, in small countries, the economy is likely to be less diversified than that of the larger countries.

**3.5.1.3. Investment**

Foreign ownership of tourist facilities and dominance in tourism investment are common features of tourism, particularly in developing countries (Jackson, 1973; Young, 1973; Talbot, 1974; Marsh, 1975; Turner, 1976; Chase and Mckee, 2003; Gu and Wong, 2006). According to Turner (1976) foreign control over the tourism industry is a normal phenomenon although it is also undesirable especially from the perspective of developing countries. Developing
tourism infrastructure requires huge capital investment, which developing countries rarely possess. Inbakaran and Jackson (2006) identify that development of tourism in Victoria, Australia brings new investments in the region. Chase and McKee (2003) find that in the recent past Jamaica made large investments in infrastructural development for tourists and the Jamaican government was not the source of the investment for that. According to the WB (2000) foreign direct investment (FDI) to Jamaica for this sector shows substantial changes going from negative 6 million dollars in 1981 to positive 523.7 million dollars in 1999.

Dwyer and Forrsyth (1994) argue that lack of entrepreneurship skills among the domestic investors to involve themselves with the tourism industry, coupled with reluctance by domestic financial institutions to make funds available for tourism developments, have led to FDI to fill this gap. Therefore they are seeking foreign investment to develop their tourism sector which results in profit outflow from their countries because foreign investors return their profits to their home countries from host countries. Apart from the leakage of profit host countries also lose control of businesses as Cater (1987:210) also points out that: “the degree of foreign ownership carries with it an element of loss of control, together with a reduction of locally realized benefits”.

Lack of suitable infrastructural development to support development of tourism is one of the greatest constraints hampering growth in this sector (Inskeep, 1991; Gunn, 1994). Demand for land increases land prices which creates a
negative impact on other industries, particularly in terms of their costs (Dwyer and Forrsyth, 1993). Dwyer et al. (2000:332) note that “higher operating costs or costs of new investment will be funded by higher taxes, which in turn reduces the economic impacts of tourism growth over the long term”. Gu and Wong (2006) find that in China local communities opposed the new investment in their area because powerful hotel developers were removing beach sand for hotel construction which damaged the natural environment. Therefore it can be said that local people do not always welcome investment from outside even though they do not have the capital required to develop tourism infrastructure.

It is apparent from the above discussion that tourism brings investment in the local economy and facilitates infrastructural development and the benefits of which can be enjoyed not only by tourists but also the local communities as well. Tourism resources are frequently public property and local communities usually bear the cost of maintaining these resources. Another important issue which is also often ignored by tourism academics is the opportunity cost of investment. Policymakers and private investors often do not consider the other investment opportunities which may be economically more beneficial to the local community than tourism related investment. Another unrealistic assumption is that local communities and institutions are capable of absorbing the impacts of the development process of building tourism infrastructure. Loukissas (1982) find that the size of projects sometimes exceeds the capacity of local institutions and bringing outside suppliers and manpower can create tension between local communities and outsiders. Loukissas (1982:539) also
argues that more attention should be given to “the local capacity to absorb development, the potential interaction between local and tourists and the integration of the tourism industry with rest of the economy”.

3.5.1.4. Employment and Income

Tourism industry can generate three types of employment: direct, indirect and induced. However, it requires a higher ratio of unskilled and semi skilled labour than other industries. Many developing countries have large populations and usually do not have required skilled manpower and for these countries tourism can provide significant employment opportunities. The UNWTO (1992:40) points out that “at all levels, in all categories and in every type of tourist receiving country human resources could emerge as the single most important issue facing tourism operators into the next century”. In the tourism sector, most of the employees do not need formal training to get a job and hence semi and unskilled manpower can be used in this sector. But to manage businesses requires highly skilled manpower. In developing countries, foreign expatriates usually occupy management positions.

Lea (1988) notes the following generalizations about tourism and employment. There is a correlation between tourism expenditure and job creation but the correlation is not perfect. High income from the tourism sector does not create proportionately more jobs.

- Different types of tourist activities create different numbers of job opportunities in the tourism sector. Some tourism activities are more
labour intensive than others, for instance more employees work in bars and restaurants than in hotels and motels.

- Local people’s skills and knowledge have an effect on tourism employment.
- Tourism has little effect in reducing unemployment because it actually takes employees from other sectors or creates part-time jobs.
- Most of the tourism jobs are seasonal and demand based.

Burns and Holden (1995) make further generalizations about tourism and employment. They argue that the employment pattern in tourism may conflict with traditional cultural patterns. For example, shift based work at night might create negative attitudes amongst the employees and the traditional cultural value system also might not accept this. The nature of tourism jobs is also different from that of other sectors. Burns and Holden (1995) identify the following characteristics about tourism jobs.

- In the tourism sector the main requirement is for semi or unskilled jobs.
- Most of the jobs are on a seasonal basis and this affects employee career and self development.
- In many countries, tourism employees do not have any trade union to represent themselves. It is not only true for developing countries sometimes it is also the case for developed countries.
- This sector employs both core and periphery workers. Most jobs are designated as semi or unskilled, seasonal and form a peripheral workforce. But some key jobs of chef, chief waiters, accountants and
engineers are permanent and they form core workers. Hudson and Townsend (1992) find that most of the core employees are male.

- In the tourism sector many jobs are traditionally associated with females, such as cleaning, washing, serving and receptionist.

- In the tourism industry employees are part of the service provided to the tourists and this might create conflicts with different cultural values.

It is evident that most tourism employees are unskilled and semi-skilled. The lack of skilled labour in tourist destinations forces local entrepreneurs to recruit trained and skilled employees from abroad and they receive more financial benefits and get higher positions. The low status and low wage jobs are generally left for the local communities. This situation creates barriers to local community participation, creates conflict between local and foreign employees, puts pressure on local community social services (Long, 1991; Inskeep and Kallenberger, 1992; Tosun and Jenkins, 1996); and restricts the local community’s ability to maximize benefits. Woodley (1993:143) states: “without a trained local work force, the industry can only function by importing staff, in which case the principle of ensuring local benefits from tourism is thwarted”.

But recently many countries are trying to develop skilled employees. Dincar and Ertugral (2003) find that in Turkey, hotel and heritage tourist establishments prefer to employ qualified employees, i.e. with at least an undergraduate degree in a tourism related subject. This situation creates employment opportunities for qualified people, as well as stimulating the need for education and training among less qualified staff. It is clear from the above discussion that the quality
of tourism services has received attention amongst policy makers in developing countries and they are investing significant amounts of resources in training. But Liu and Wall (2006) argue that it is difficult to establish these skills and obtain large investment because local culture and community attitudes often do not recognize the value of skills enhancement.

One of the strong arguments for the development of tourism in developing countries is that it creates job opportunities for the local people and increases their income. Upneja, et al (2001) find that in Pennsylvania sport, fishing and angler wildlife-watching activities create more than 43,000 jobs. Bratek, et al (2007) find that the local population in Sarawak region in Malaysia preferred tourism job over agricultural work because it was seen as clean and engaging work delivering immediate cash benefits. But the benefits of tourism are not evenly distributed and this is true particularly for developing countries. Bull (1995) finds that in LDCs, tourism normally provides increased employment but not always with high wages. Cater (1987:215) argues: “by enhancing the earning capabilities of one section of the population compared with those still engaged in subsistence activities, the dualism between these two sections of the population is further increased”. Torres and Momsen (2005:261) find that “rural immigrants in search of improved job prospects typically compete for a limited pool of low paying jobs and end up living in cramped, squalid and unsanitary conditions on the resort periphery”.
Although tourism creates jobs and wealth for society, it can be said that most of the benefits of creation of job and wealth are enjoyed by the elite within the society. This situation is particularly relevant in developing countries. Harrison (1992) also says that in developing countries the elite, who usually promote tourism businesses, usually enjoy the major portion of these benefits. Cukier (2002) makes six generalizations about the relationship between tourism and employment in developing countries. Firstly, there is a positive correlation between income and employment generation with tourism development. Secondly, generation of employment depends on the type of tourism product. Some types of works in this industry are labour intensive while some others are capital intensive. Thirdly, early stages of the development of tourism created more jobs for unskilled or semi-skilled workers. Fourthly, although managerial positions often go to expatriates, employment in the tourism industry is attractive to locals due to low pay in other sectors of the economy. Fifthly, although most of the employment in tourism may be seasonal or part-time, workers may earn enough money during the peak season which compensates their low income during the low season. Finally, development of tourism creates employment opportunities for women who previously may not have had the opportunity to work within a formal sector.

In regional economic impact studies, researchers have tended to exclude local resident expenditures from their impact estimates (Pedersen, 1990; Dawson et al, 1993). It is assumed that only tourist expenditure generates new money in the host area. Local resident expenditure on tourist facilities is not usually
calculated in the impact assessment. But Yu and Turco (2000) argue that if local residents do not spend money on tourist facilities they will spend the money outside the tourist area.

One of the significant dimensions of tourism employment is the gender bias between the male and female. Although in the last few decades we have seen that various governments tried to eliminate the discrimination of wages there are still inequalities between male and female workers in the tourism industry. Shaw and Williams (1994:150) argue that “women workers carry into the workplace their subordinate status in society at large. The work of women is often regarded as inferior or unskilled, simply because it is undertaken by women. The definitions of skill may be no more than a social classification based on gender”. Sinclair (1997) find that in tourism business most employees are women and they usually occupy low paid, part-time and seasonal positions; whilst most of the managerial positions are occupied by men.

In this context female employment is treated as a rare opportunity and so usually they avail this opportunity to enhance their advancement. Therefore, the Western perception of gender discrimination is not strong in the minds of the majority of female employees in developing countries. Dwyer (2000) find that the tourism industry in Andhra Pradesh played a very important role as a source of employment for women. Pandey (2006) also find that tourism in Jodhpur has benefited the local community by providing employment, especially employment for women. Similarly, Macleod (2006) finds that tourism in Vueltas provided jobs
for women. Shah and Gupata (2000) find that in Nepal nearly 20% of tourism related jobs were occupied by women. Additionally, Wall and Mathieson (2006) argue that women who are working in the tourism sector in developing countries earn higher incomes and gain more independence within their households through new employment opportunities within tourism. It must be noted that in less developing countries, where unemployment is acute, any job creation has multiple positive economic, social and political impacts and is normally welcomed by the government and society.

On the other hand, Cater (1987:215) argue that the “positive effect of increasing employment in services in certain instances may be more than offset by a countervailing negative impact of siphoning off labour from the agriculture sector, especially at times of peak need”. Due to the development of tourism, patterns of agriculture may have changed. Tourist infrastructures have often been developed at the direct expense of agricultural land. Pandey (2006) notes that mountain communities in India increased their earnings by exploiting tourism demand in their localities, through providing accommodation, food, handicrafts and transport, the local community increase their earnings but at the expenses of some of their traditional agricultural activities.

Based on the literature review the following model (figure 3.1) is developed which identifies the significant positive and negative economic impacts of tourism and facilitates to understand existing literature on the research issue.
Figure 3.1: Model of Economic Impacts of Tourism

Positive Impacts

- Employment
- Entrepreneurship development
- Income
- Infrastructure development
- Investment
- Standard of living

Economic Impacts

Negative Impacts

- Dependency
- High price of commodity
- Income disparity
- Increased land price
- Seasonality

Source: Developed from literature review

3.5.2. Socio-Cultural Impacts

Several research studies have been conducted on travellers, their needs and motivation (Krippendorf, 1987; Sharpley, 1994), while the social impacts of tourism on local community has been given less priority. Tourism activities causing positive or negative impacts on local communities must be considered and addressed for the long-term sustainable development of the industry. Murphy (1985:133) also argue that “if tourism is to merit its pseudonym of being “the hospitality industry”, it must look beyond its own doors and employees to consider the social and cultural impacts it is having on host community at large”.

Pizam and Milman (1984:11) define social and cultural impacts of tourism as:

the ways in which tourism is contributing to changes in value systems, individual behaviour, family relationships, collective lifestyles, moral conduct, creative expressions, traditional ceremonies and community organization.
According to Sharpley (1994) the social impacts of tourism have a significant, immediate and visible effect on destination communities. According to him, these impacts can be divided into two categories: impact from the development of the tourism industry and the impacts of tourist-host interactions. Social impacts of tourism can be classified as: host-guest interaction and relationships, socio-cultural impacts of tourism in general, the impact of tourism on host communities and response and adjustment strategies to the impacts of tourism. The impact of the development of tourism on the social life of tourist destinations can be positive, but there are also negative consequences which must be taken into account. Pizam and Milman (1986) identify some different categories of social and cultural impacts: impact on population structure; transformation of forms and types of occupations; transformation of values; influence on traditional life style; and modification of consumption patterns and benefits of tourists. Some researchers also address the social impacts of tourism on host communities including impact on recreation opportunities (Ross, 1992; Lankford, et al. 1997); crime (Haralambopoulos and Pizam 1996); traffic congestion (Liu et al., 1987); changes in law and social order (Travis, 1984); prostitution and child begging (Besculides, et al. 2002; Pandey, 2006); commercialized host-visitor relationships (Travis, 1984) and improved public health and conservation (Travis, 1984).

Relationships between tourism and socio-cultural impacts are complex and Hashimoto (2002:212) in this regard claims that “tourism development has often wrongly been accused of being the sole agent of rapid social and cultural
change in host communities”. Most of the tourism related socio-cultural impact research highlights the negative impacts and overshadows the positive impacts, which might have established the perception expressed by Hashimoto. Crandall (1994:414) says that “negative impacts are more prevalent in developing countries than in large developed regions with a mature and stable economy”.

Social impacts of tourism on local community can be divided in two categories: socio-economic and socio-cultural. According to Gjerald (2005) socioeconomic impacts are: labour force displacement, changes in the form of employment, increased land price and change of ownership, increased standard of living and changes in the economical and political system. Apart from that, other socio-economic impacts are also seen in tourist destinations such as increasing female participation in tourism activities, seasonal nature of employment, low wages and social status of tourism jobs and development of infrastructure. Gjerald (2005) identifies several socio-cultural impacts of tourism: increase of undesirable activities, social dualism, demonstration effects, commercialization of culture, and growth of negative attitude towards tourists. Hall and Page (1999) note changes in collective and individual value systems, behaviour patterns, community structures, lifestyles and the quality of life.

3.5.2.1. Impact Models

Several models are developed to assess the impacts of tourism on the host community and the ways in which these impacts are perceived by locals. Doxey’s Irrihex Model (1975), Butler’s Tourist Area Life Cycle Model (1980) and
Social Exchange Process Model (Ap, 1992) are widely used to assess tourist-host relationships and their specific socio-cultural impacts.

A. Doxey’s Irridex Model

Doxey’s Irridex Model (1975) presents an analysis of the effects of tourism development on the social relationship between host and tourists and figure 3.2 presents this. Its four stages describe different stages of tourism development and their influence on hosts and tourists. At the first stage, tourism development is minimal, few tourists visit the destination area, tourists want to mix with the local population and they welcome the tourists. At this stage, limited commercial activities take place. At the second stage, the number of tourists increase, the local population perceives that more tourists will visit their destination and the relationship between tourists and the local community becomes formal.

**Figure 3.2: Doxey’s Irridex Model**

<table>
<thead>
<tr>
<th>Stages</th>
<th>Host Community Attitude</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1</td>
<td>Euphoria</td>
<td>• Small number of visitors&lt;br&gt;• Visitors want to merge with local community&lt;br&gt;• Host community welcome tourism&lt;br&gt;• Limited commercial activity in destination area</td>
</tr>
<tr>
<td>Stage 2</td>
<td>Apathy</td>
<td>• Visitors number increases&lt;br&gt;• Visitors are taken for granted&lt;br&gt;• The relationship between tourists and the host community is more formalised</td>
</tr>
<tr>
<td>Stage 3</td>
<td>Irritation</td>
<td>• The number of tourists grow significantly&lt;br&gt;• Increased involvement of external commercial organizations&lt;br&gt;• Increased competition for resources between tourists and residents&lt;br&gt;• Locals concerned about tourism</td>
</tr>
<tr>
<td>Stage 4</td>
<td>Antagonism</td>
<td>• Open hostility from locals&lt;br&gt;• Attempts to limit damage and tourism flows</td>
</tr>
</tbody>
</table>

Source: Adapted from Keyser (2002)
At the third stage, there is significant tourist growth demanding more resources. A competition of resources creates tension between the local population and tourism. The local population becomes concerned about tourism and its impact on their livelihood. At the fourth stage a conflicting situation is presented where tourists are seen in a negative way. Tourists and tourism becomes the victim of society’s wrong doings. Doxey (1975) argues that resident irritation is determined by the degree of incompatibility between residents and tourists.

**B. Butler’s Tourist Area Lifecycle Model**

Butler’s Tourist Area Lifecycle Model (1980) proposes that tourism is developed through the stages of exploration, involvement, development, consolidation, stagnation and decline. At the exploration stage, the destination area is discovered by independent or explorer-type tourists, commercial activities in the destination area are usually minimal and the tourist and the local resident contacts are frequent. At this stage little or no marketing activities occur. At the involvement and development stages, infrastructure and services are created to serve the growing number of tourists. At these stages, robust infrastructural development occurs. Initially, locally-owned businesses are set up to provide tourism services but gradually control of tourism is transferred to the externals.

Mass tourists replace explorer type tourists and the relationship between tourists and hosts becomes more commercial. At the consolidation stage the social impacts of tourism emerge. According to Butler (1980:8) “the large numbers of visitors and the facilities provided for them can be expected to
arouse some opposition and discontent among permanent residents”. At the stagnation stage maximum number of tourists is achieved and the destination area is no more perceived as an attractive place. At this stage larger tourist businesses transfer their investment from the destination area while at the rejuvenation stage new markets and new sources of investments are sought to reposition the destination area.

C. Social Exchange Process Model

Many writers (Lankford and Howard, 1994; Ryan and Montogomery, 1994; Haralambopoulos and Pizam, 1996; and Faulker and Tideswell, 1997) assess the social impacts of tourism by using social exchange theory. Modern social exchange theory has evolved through the works of Homans (1961), Blau (1964), and Emerson (1972). Homans (1961) claims that social exchange theory is based on the premise that human behaviour or social interaction is an exchange of activity. The basic assumption of social exchange theory is that individuals create and continue social relations on the basis of their desire that such relations will be mutually advantageous.

Ap (1992:688) defines social exchange theory as “a general sociological theory concerned with understanding the exchange of resources between individuals and groups in an interaction situation. Interactions are treated as a process in which “actors” supply one another with valued resources”. The term actor refers to a person or a group that behaves as a single unit (Emerson, 1972). Foa and Foa (1980:78) define resources as “any item, concrete or symbolic, which can
become the object of exchange among people”. And Ap (1992) identifies that resources may be of a material, social or psychological nature. Blau (1994) notes that, the initial stimuli for social interactions are created by the exchange of intrinsic and extrinsic benefits independently of normative obligation. Ap (1992:670) develops the Social Exchange Process Model to understand the resident perceptions of tourism. This model describes the process by which individuals or community groups become engaged in tourism exchanges, continue the relationships and how they become disconnected from the exchanges. Figure 3.3 pictorially presents the Social Exchange Process Model.

**Figure 3.3: Social Exchange Process Model**

Source: Adapted from Ap (1992:670)
The main components of the model are need satisfaction, exchange relations, consequences of exchange, and the no-exchange outcome. The figure presents a set of processes that link the main components of the model. They are: (1) initiation of exchange; (2) exchange formation; (3) exchange transaction evaluation; (4) positive evaluation of exchange consequences, that is, reinforcement of behaviour.

According to Ap (1992) individuals engage in exchange if three preconditions are realised: (1) the rewards are valued (2) the exchange produces valued rewards and (3) the costs do not exceed expected rewards. The exchange process follows a sequence of events. The first event is identification of need. Ap (1992:672) says: “an actor will initiate an exchange relationship when there is a need to satisfy”. To initiate an exchange there must be a need to satisfy and satisfaction of need justify the rationale for engaging in social exchange. Therefore, unless a community has a need to develop tourism or perceives tourism as a means of achieving social and economic benefits, it is unlikely to welcome the development of tourism (Ap, 1992; Ap and Crompton, 1998). The social exchange must be reciprocal, i.e. the resource exchange between parties should be roughly equivalent. Gouldner (1960) defines reciprocity as “a mutual gratifying pattern of exchanging goods and services”. Ap (1992:675) further argues that “reciprocity in exchange means that each actor will provide benefits to the other equitably and with units of exchange that are important to the actors”. It is a very important component of social exchange.
theory. In social exchange both parties should feel that they are getting equivalent rewards from each other. If any party feels that they are being exploited by the exchange then the exchange becomes unbalanced and the exploited party is likely to have a negative attitude towards the exchange. Blau (1964) notes that exploitation resulting from violating norms of fair exchange can create conflict and retaliation against violators. However, if the achievement of benefits and reciprocity are fulfilled, then the exchange will be perceived as equitable. If parties involved in exchange, i.e. the host and tourist both feel that they have achieved a satisfactory outcome then each will have a positive perception of the encounter (Ap, 1992; Sharpley, 1994).

The major components in the exchange relation are power, cohesion, and power imbalance. Power can be defined as the ability of one actor to influence the outcome of other actor’s behaviour and experience (Lippit, Polansky and Rosen, 1952; Wrong, 1979). Power comes from having and controlling resources which other actors need to achieve their objectives. Another characteristic related to power in the exchange relation is cohesion (Emerson, 1972). Cohesion can be defined as the average of two actor’s power or dependence on each other. Emerson (1972:63) argues that “cohesion “comes into play whenever one or both actors in the relation encounter value conflict. In the absence of conflict at a given time, it is an assessment of the level of potential conflict which the relation can survive or absorb”. Therefore, it can be said that power and cohesion are directly related and greater cohesion creates greater satisfaction in the exchange process.
Ap (1992) argues that at the beginning stage of tourism development, tourism actors enjoy a power advantage position. Krippendorf (1987:50) notes that “since many areas are eager to develop tourism, it must accept any price offered by the bidder”. At the point when tourism activities improve the local economy and tourism impacts are realised by the community, local community actors enjoy more power advantage than tourism actors because at that time they can impose lots of terms and conditions on tourism actors. Zhang, et al (2006) note that from the tourism perspective social exchange theory views community attitudes towards tourism as a trade-off between the costs and benefits perceived by members of the community. Ap (1992) argues that residents who believe that exchanges with tourists are beneficial will support tourism, while those who believe that the exchanges are not beneficial for them will not support it. Social exchange theory holds that if people are employed in tourism then they may have positive attitudes towards the industry but if the experiences are negative then they might have negative attitudes.

The above three models provide a theoretical basis for assessing the social impact of tourism in destination areas. Doxey’s Irridex Model (1975) and Butler’s Tourist Area Lifecycle Model (1980) are valuable because they highlight that negative social impacts will increase if tourism is not well-planned, managed and developed. They explain the growing irritation on the part of the community which has been supported by earlier studies (Pizam, 1978; De Kadt, 1979). However, neither of them can explain in detail the heterogeneity amongst residents within the same community. Faulkner and Tideswell (1997)
claim that because both models assume a degree of homogeneity and unidirectional feature in the community therefore, these models ignored intrinsic factors associated with members in the community, such as individual demographic and social characteristics. But Ap (1992) and Fredline and Faulkner (2000) assert that heterogeneity exists among community residents. Doxey’s Irridex Model (1975) and Butler’s Tourist Area Lifecycle Model (1980) are criticized by Pearce, Moscardo and Ross (1996) because both models assume that tourism development maintains stages of development. The Doxey’s Irridex Model (1975) assumes that host and tourist relationships pass in a single direction through four stages from initial euphoria to antagonism by the host communities. But Pearce (1988:4-5) points out that Doxey’s one dimensional approach does not take into account the fact that “direct and indirect effects are on different time scales”, and impact of tourism is also influenced by the specific situational factors. Pearce, Moscardo and Ross (1996) identify that Butler’s Tourist Area Lifecycle Model (1980) does not directly assess the impact of tourism; and this model is concerned with the evolution of tourist areas. They also claim that, from both Doxey’s (1975) and Butler’s (1980) models; it is not clear whether the whole community becomes hostile to tourism or a part of it that are negatively affected.

Mowforth and Munt (1998) say that Butler’s Tourist Area Lifecycle Model (1980) fails to explain the relationship between the different elements of the industry such as tourist, service provider and local community and the wider context of the tourism development process. However, these two models assume that in
the different stages of tourism development within a particular region, local communities behave in a particular way. But Ap and Crompton (1993) note that host communities have the ability to develop strategies to cope with tourism and these strategies mediate their perception of tourism.

This research uses the Social Exchange Process Model to assess the socio-cultural impacts of tourism in Cox’s Bazar in Bangladesh because it assesses both the positive and negative perceptions of the local community about the impacts of tourism. As human behaviour is influenced by the benefits and costs individuals receive from a particular behaviour therefore, this theory helps to logically explain community perceptions about tourism. Additionally, it contributes to understanding why the community develops positive and/or negative perceptions about impacts of tourism.

3.5.2.2. Host-Guest Relationships

Tourists encounter local people and form relationships, which are frequently referred to as the host-guest relationship (Smith, 1989). Sharpley (1994) identifies that Sutton (1967) first attempts to analyse the host-guest relationship and identifies the following characteristics of the host-guest relationship. These are: contact is transitory in nature; both parties want to satisfy their needs immediately, the relationship is unbalanced because tourists generally are financially more well off than host and hosts have more local knowledge than tourists, the encounters the tourists experience with the host is unusual and there are cultural differences between host and the tourists.
According to Wall and Mathieson (2006) the host-guest relationship lasts for a short period of time because the tourist usually spends only a few days in the destination area and therefore, their relationship is superficial. Tourists are under pressure to enjoy a wide variety of experiences in a short period of time and this situation can be exploited by local residents. Tourists have limited opportunities to meet with local people because tourists spend most of their time in tourist facilities with other tourists. The local people they meet are the people who are working in the tourism industry so host-guest relationships have often been formalised and pre-planned. They also believe that the host-guest relationship is unbalanced in terms of wealth, power and status. Pearce (1998) identifies that the host-guest relationship is variable and the following factors influence it in a destination area: tourist motivation, attitude, expectations, experiences, socioeconomic background, economic, social, and technological conditions in a tourist destination and the size of the tourism industry.

De Kadt (1979:50) identifies three contexts under which host-guest interaction occurs. They are “where the tourist is purchasing some good or services from the hosts, where the tourist and host find themselves side by side, for example, on a sandy beach… and where the two parties come face to face with the object of exchanging information or ideas”. But Keyser (2002) emphasizes that host-guest relationships occur within a social, economical and cultural context. Social relationships occur while tourists and local people use shared resources and facilities available to both tourists and local people, for example beaches, restaurants, historical sites and public facilities. Economic interaction occurs
when tourists and hosts engage in transactions for example, buying and selling goods, tour guiding and enjoying services. Cultural interaction occurs when tourists interact with the local community through enjoying cultural resources, like, visiting local villages, enjoying cultural performances and seeing local heritage sites. It appears from the above discussion that the host-guest relationship occurs most of the time in planned and controlled situations. As tourists spend a larger portion of their time in tourist facilities, they have little opportunity to meet with local people and experience their real life. Often, the local people who work in the tourist facilities are trained to be welcoming to tourists. Therefore, their behaviour does not represent real situations.

Tourism may also contribute to attribute changes amongst the host community and sometimes it creates positive impacts on the host community. This change of attitude not only influences their values and lifestyle but also influences the way they view the world. The following extract from Allan (1988:14) presents the positive impact of tourism in the mountainous regions of South Asia.

Mountains for the local mountaineers have obtained an aura of mysticism acquired from the Western ideal… The typical attitude of the mountaineer toward the mountains once was 'if only they were flat, I could plough them', has changed through working and guiding Western Alpinists. This Western attitude is reinforced when the elite local porters and climbers are taken to Western countries for climbing workshops and tours. Gradually other notions that Westerners have about mountains such as conservation… seep into the vocabulary and thoughts of the local mountain populations as interaction with the tourists becomes more frequent and intense.

Tourism as a social phenomenon involves social interactions between residents and tourists and between the tourists and the tourism industry (Cohen, 1979).
This interaction may result in social change. Tourism is also influenced by various social factors such as social status, change of social value and norms.

3.5.2.3. Improvement of Quality of Life

It is argued earlier that tourism creates employment and therefore increases the income of host communities. Through the creation of jobs and income generation it brings economic benefits to host communities and in turn improves the quality of life of the local people by providing modern facilities in the form of goods and services. Greenwood (1976) and Pacione (1977) both find that in Spain, tourism's contribution in creating employment opportunities improved the standards of living of the local people. Suntikul (2007) points out that tourism development in Luang Namtha, Laos greatly improved the standard of living of local residents. Sebastian and Rajagopalan (2009) also find that tourism development in Kerala, India contributes to the improvement of standard of living of local communities. Development of tourism not only creates job opportunities for the local communities but also creates new entrepreneurs in the local communities. It creates a new avenue for local individuals who have entrepreneurial skills and who can make a living in the tourism business. Sebastian, Telfer and Wall (1996) provide evidence of a local farmer in Indonesia, who used to supply agricultural products to the tourist hotels and his home was one of the most luxurious houses in his village. Suntikul (2007) finds that money earned from tourism has already had a positive effect on the village population of Ban Nalan, Laos, where a good amount of tourism revenue is used to give the village people a supply of clean water.
The Government of India also recognizes that tourism benefits rural areas by reducing disparities. Tourism employs women, youths, tribes, disadvantaged groups, and weaker sections of the society. In a study of the socio-economic impact of tourism on folk artists and artisans in two states, namely Kerala and Rajasthan, it finds that more than 90% of artisan income comes from tourist-related activities and this help them to access higher education and better standards of living. Tourism can create strong relationships between the communities and develop social values. Upneja, et al (2001) identify that tourists believe that tourism and recreational activities strengthen the relationship between people; and it has positive impacts on social cohesion.

Gu and Wong (2006) identify other implications in their study where they find that, in China, tourists coming from different cities bring new information, such as, how to advertise online or how to install running water for the local community. They argue that apart from monetary gain, such new information helps members of the host communities to modernise their lifestyles which ultimately contributes to the improvement of their standard of living. On the other hand, Sebastian and Rajagopalan (2009) and Bratek, et al (2007) also note that tourism related jobs are accorded a relatively higher status and increased their standard of living.

3.5.2.4. Impacts on Traditional Art, Music and Crafts

Some researchers (Pagdin, 1995; Simpson and Wall, 1999; Besculides et al., 2002; Boyd, 2002; Sebastian and Rajagopalan, 2009) think that tourism
contributes to endeavours to preserve traditional art, music and crafts. However, other researchers (Inskeep, 1994; Cohen, 1992) believe that excessive commercialisation of traditional art, music and crafts might result in a loss of authenticity or the distortion of the purity of those strong cultural elements. Pearce (1991) notes that tourism been accused of being culturally arrogant for manipulating the traditions and customs of people to make tourist experiences more interesting and satisfying.

Social impacts of tourism do not always produce negative impacts. One of the strongest arguments for the benefits of tourism is that it can provide LDCs with new opportunities and ideas which they would not otherwise achieve. Liu (2003) claims that the socio-cultural changes caused by the development of tourism are beneficial and the role of tourism in promoting modern values, social progress and cultural changes should be appreciated. Tourism development can revitalize the host area’s ethnic art, crafts and tradition. Waters (1966:117) notes that “this cultural renaissance is taking place all the way from the grass roots at the village level to the top councils of national governments”. With a modest amount of help, the native craftsman practising a dying art may find a new demand for his product and then employ young apprentices, thus teaching his trade to a new generation. De Kadt (1979:36-48) says that:

the frequent charge that tourism contributes to a degeneration [of culture] appears to be an exaggeration. Even though curio production, airport art and performances of fake folklore are of course stimulated by tourist demand... frequently arts, crafts and local culture have been revitalised as a direct result of tourism. To be authentic, arts and crafts must be rooted both in historical tradition and in present day life; true authenticity cannot be achieved by conservation alone.
Sebastian and Rajagopalan (2009) find that in Kerala, India local communities are very happy about the tourism development in their community as it revived the tribal art forms. Dhariwal (2005) identifies that the Indian government has been promoting folk artists in different parts of the country for tourism purposes. This not only conserves the cultural heritage of India but also provides folk artists with a better standard of living and recognition. Suntikul (2007) finds that tourism development in Laos creates an alternative source of demand for traditional handicrafts, and thus helps preserving these local handicrafts. Pagdin (1995) finds that the consequences of tourism and related activities help Nepal in a favourable manner with the country’s local arts and crafts. This is particularly important for LDCs as tourism can patronize the preservation of the local cultural heritage that sometimes appears impossible due to the host country’s lack of resources or entrepreneurial excellence or sometimes the unfavourable political or administrative willingness to do so. In most of the cases, these traditional arts, music and crafts have little demand in the domestic market due for a variety of reasons and this de-motivates endeavours to try and preserve them for future generations.

Some ethnic groups from developed countries also benefit from the development of tourism in preserving their traditional arts, music and crafts. For example, Hall, Mitchell and Keelan (1992) find that tourism development in the Maori community in New Zealand provides financial support to the local people in preserving their cultural heritage. Therefore, the development of the tourism industry has the potential to assist nations in preserving their traditional cultural
heritage in quite a profitable manner with motivations stimulated by financial supports and gains.

An important facet of globalization is that cultural diffusion is making it difficult for local people to preserve their traditional cultural heritage as they also feel pressured to exposing their traditional cultural heritage in such a manner that both tourists’ expectations and commercialization motives are met. Henrici (1999) finds that in Peru local craftsmen modifies Pisac pottery to suit tourist’s taste. Generally the physical forms of traditional cultural heritage, like different kinds of products or services, are produced in distinct traditional ways but availability of modern technologies is forcing the local craftsmen to use technology rather than the traditional means and this sometimes causes a significant distortion in the product features, yet has the blessings of ease of production at a cheaper cost and at an increased rate of production. Although there is a threat of losing the exceptional traditional features in the tech-based production practice, this commoditization can be accepted as it at least helps preserve the tradition. Hashimoto (2002:215) states: “if not commoditisation, tourism development can contribute to the protection and enhancement of traditions, customs and heritage, which would otherwise disappear through the waves of modernisation”.

3.5.2.5. Demonstration Effect

One of the most visible socio-cultural impacts of tourism is the demonstration effect on the host community. Pearce (1989) defines the demonstration effect
as the introduction of foreign lifestyle and ideologies in a host community that have not been exposed to it before. De Kadt (1979) claims that by observing tourist lifestyles, the host community may want to change their attitudes, values and behaviour. The demonstration effect is used to represent a picture of copying of tourists’ consumption patterns, lifestyles and values and reducing community cohesion and morals. But it is also noteworthy that sometimes this demonstration effect has some positive impacts on the destination community. Wall and Mathieson (2006) identify that it can create positive impacts if it motivates the local community to work more for the things they lack. It can be said that tourists bring new products and ideas to the host community and this creates opportunities for them to modify their behaviour and help them to introduce new styles, products and economic activities into their community.

However, most of the researches (Jafari, 1974; Turner and Ash, 1975; de Kart, 1979; Burns, 2002) find that it has greater negative impacts than positive ones and Clevedon (1979) in this regard points out that it encourages local communities to consume commodities which they have to import thereby generating an economic drain on the local economy. On the other hand, Shaw and William (1994) claim that adaptation of foreign values may accelerate the premature departure to modernisation which creates rapid changes in the host society. Bratek et al (2007) find that tourism created unrealistically high expectations among the residents in Sarawak, Malaysia who believe that tourism will solve all of their problems and this situation might create divisions in a host society between those who want to adopt foreign values and those who
want to maintain traditional lifestyles and thus the conflict in society may create socio-political unrest in developing countries where traditionalists have a majority and this conflict may hinder the development of tourism.

Some researchers find that the demonstration effect is a one-way process but it is not the reality all the time, as tourists are also sometimes influenced by the host communities’ values. It is also important to note that in tourism research most of the researchers (Kousis, 1989; King, 1993; Saldanha, 2002) solely blame tourism for the demonstration effect but ignore the media, modern technology, easy and cheap communication that also play significant role in changing the lifestyle and values of the members of destination communities. Brown (1998) claims that tourism contributes to the disruption of communities through the demonstration effect and asserts that media also significantly contributes to it. Fisher (2004) finds that in many places host communities are also influenced by friends and relatives who live in other countries and by their visits to other countries as tourists or workers.

3.5.2.6. Impacts on the Family Structure and Values

One of the major impacts of tourism is the change in family structure and value systems. Hashimoto (2002) identifies that tourism businesses appear to prefer using the feminine touch thereby giving women an opportunity to work in this industry. In LDCs sometimes women are earning more than their male counterparts as they work in the traditional kind of jobs that offer less earning power than the tourism industry. This situation plays a pivotal role as an agent
for change in the family structure and the power structure in society. Therefore, women can gain economic and social empowerment and play a more active and decisive role in her family and society. Peck and Lepie (1989) find that the development of tourism also tends to change the composition of the family within society. They argue that tourism is responsible for the modification of family size mostly increasing nuclear family structure. De Kadt (1979) argues that, in most of the traditional societies, relationships between generations are governed by strict patterns of authority. Traditionally younger generations depend on their elders regarding economic issues but tourism has offered the young more lucrative earning opportunities and gave them economic freedom. Although this economic independence of women and the young help to decrease their dependence on their elders, it might affect kinship, community bonds and cohesiveness.

Migration due to tourism also influences family structures and social value systems. According to Tomljebivic and Faulkner (2000), migration occurs in two ways in tourism: leisure migration and migration of labour. Hashimoto (2002) identifies that leisure immigrants have little impact on the labour market but contribute to the increase of income generating activities; but he claims that migration of labour has significant impact on the local society and economy. Dahles (2000) states that in most developing countries, jobs are low paid, unemployment rates are high, the jobs in the tourism industry attract young people to migrate to the tourist areas and these migrant people stay alone and this situation changes the behavioural pattern of these men as they often copy
the tourist lifestyles and are not under the control of their families. So sometimes their behavioural patterns are found contrary to the existing social norms and values resulting in tension between them and the host communities.

3.5.2.7. Impacts on Language

Language is an important element in the analysis of social and cultural change and could be treated as a useful indicator to measure the socio-cultural impact of tourism. White (1974) identifies three ways in which tourism can lead to language change: i) through economic change where immigrant workers speak their own language; ii) through the demonstration effect where locals want to copy the tourists' language, and iii) through direct social contact that involves direct communication between tourists and the host community.

As host communities are eager to satisfy the tourists and tourists do not have any urge to speak the host language therefore host communities always try to adopt the language of the tourists. Local people think that it removes the barrier to communicate and increases acceptability. Cohen and Cooper (1986) argue that interaction between tourists and host communities is also a reflection of a power relationship. Usually tourists from developed countries do not want to speak the local language. Sebastian and Rajagopalan (2009) find that in Kerala, India local communities enhance their foreign language skill to communicate with tourists. However, development of tourism alone cannot be blamed for this type of distortion in local languages. The development of communication infrastructure, easy access to cable television, and internet influences local
communities to change their language. However, some host communities realize that their native language can be a good representation of their cultural heritage that can be used to attract tourists. Ryan (1991) argues that language can be a tool to maintain distinctiveness in the host community.

### 3.5.2.8. Impacts on Moral Behaviour

The moral issues concerned with the impacts of tourism are largely concerned with prostitution, sex tourism, crime and gambling (Shaw and Williams, 2000; Harper, 2001; and Leung, 2003). In many parts of the world prostitution has specifically been patronized to attract tourists. For instance some Asian countries like Thailand and the Philippines use sex tourism to attract tourists to earn ample foreign currencies. Hall (1996) points out that the Thai government has taken favourable steps to promote sex tourism in Thailand. Pandey (2006) finds that sex tourism in the rural area of the state of Kerala in India is increasing day by day. Pandey (2006) also notes other negative impacts of tourism in rural India, as gradually villagers are changing their traditional style of dress and males of the villages who encounter foreign tourists develop sexual relationships and may become irresponsible towards their family. Leung (2003) finds that tourism can create new opportunities for sexual relationships as factors such as anonymity, sensory stimulation, time, levels of affluence and reduced social control help to increase the possibility of sexual relationships. Hall (1992) identifies three types of prostitution: casual, formal and bonded prostitution. Generally host communities gain economic benefits from this trade, but the economic benefits of the sex workers are not known. Scarcity of jobs
and uncertain futures sometimes force them to take this profession. Staudt (1998:106) says that “women and girls who work in the sex industry for both local men and male tourists’ earn from mere pittance wages to salaries that surpass that of factory jobs”.

Lea (1988) claims that it is difficult to find evidence about the role of tourism to promote prostitution. For example, high levels of prostitution are there in Nigeria which possesses low levels of tourism involvement. So before blaming a certain society for promoting sex tourism it should be considered that different societies and cultures have different moral codes and values and what might be acceptable to one society might be unacceptable to another. Opperman (1999) opines that sex tourism is not simply a matter of monetary exchange; rather it should be viewed from a multi dimensional perspective.

Haralambopoulos and Pizam (1996) suggest that crime should be considered as an externality of the development of tourism. However Mathieson and Wall (1982) and Ryan (1993) indicate a positive relationship between the increase in crime and the development of tourism. Wall and Matheieson (2006) identify that the occurrence of crime depends on factors such as criminal activity in the area, the stage of development of the destination area and the proximity of the tourist zone. They also think that local involvement in the development of tourism helps to reduce criminal activity. However, Ryan (1993) claims that tourists often generate opportunities for criminal activity. Chesney-Lind and Lind (1985) identify that in developing countries significant differences exist between the
income of the hosts and the guests and which is often highlighted in the
demonstration effect leading to an increased frustration in the host community
that sometimes might result in crime.

Gambling is considered as a tourist attraction particularly in developed countries
and as one of the growth industries in the world economy. Through the
gambling industry, some governments (Meyer-Arendt and Hartmann, 1998;
Hsu, 1999) earn ample tax revenues. Therefore, public and private sectors in
USA and Canada use this industry to promote tourism in their local area.
Stokowski (1998) claims that the casino industry generates 21% of direct
income for Atlantic City and 28% of its direct employment. Kindt (1994)
suggests that the economic benefits do not always offset the costs associated
with increased traffic congestion, parking problem, noise, additional security
costs and loss of local business activity. On the other hand Kang, Long and
Perdue (1996) claim that gambling makes economic and social changes in
communities and changes the image of the destination. Therefore it can be said
that policy makers must consider social and image costs of gambling before
calculating its economic benefits and should not ignore its long term social and
cultural costs in favour of the immediate economic gains. The following table 3.3
presents major socio-cultural impacts identified by various authors.
Table 3.3: Major Socio-cultural Impacts According to Various Authors

<table>
<thead>
<tr>
<th>Authors</th>
<th>Socio-cultural Impacts of Tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mathieson and Wall (1982)</td>
<td>Tourism modifies the internal structure of the community dividing it into those who have or do not have a relationship with tourism or tourists.</td>
</tr>
<tr>
<td>Krippendorf (1987)</td>
<td>Tourism has colonialist characteristics.</td>
</tr>
<tr>
<td>Allen et al. (1988)</td>
<td>Lower or moderate level of the development of tourism is mostly for financial gains.</td>
</tr>
<tr>
<td>Crompton and Sanderson (1990)</td>
<td>Employment in tourism demands flexible working patterns that results eroding gender segregation.</td>
</tr>
<tr>
<td>Urry (1991)</td>
<td>Ample opportunities for women in tourism sector provide a greater degree of economic independence.</td>
</tr>
<tr>
<td>Harrison (1992)</td>
<td>It provides new opportunities instigating social changes.</td>
</tr>
<tr>
<td>Sharpley (1994)</td>
<td>Employment opportunities attract younger people to areas of tourism development. It improves quality of life through developments and improvements of infrastructure.</td>
</tr>
<tr>
<td>Burns and Holden (1995)</td>
<td>It provides socioeconomic benefits at one extreme and dependency and reinforcement of social discrepancies at the other. The biggest problem is congestion or overcrowding. Pressure for change is politically initiated.</td>
</tr>
<tr>
<td>Walle (1996)</td>
<td>It changes value systems, collective lifestyles, traditional ceremonies and community organization.</td>
</tr>
<tr>
<td>Shah and Gupta (2000)</td>
<td>It influences the value system and the roles and responsibilities within the family unit.</td>
</tr>
<tr>
<td>Fagence (2003)</td>
<td>Tourism creates demonstration effect that results in members of the host community/family units adopting tourists’ traits and behaviour including desire for foreign goods, prostitution, and the gradual homogenization of the host culture.</td>
</tr>
<tr>
<td>Akama and Kieti (2007)</td>
<td>It facilitates the preservation of natural sites and culture but on the other hand undermines social values and increases prostitution and crime.</td>
</tr>
<tr>
<td>Simpson (2008)</td>
<td>It provides and stimulates infrastructural development and facilities workforce development. It also promotes greater cross-institutional participation.</td>
</tr>
</tbody>
</table>

Source: Compiled by the author

Based on the above discussion researcher develops the following model (figure 3.4) which identifies the significant positive and negative socio-cultural impacts of tourism. This model facilitates a brief understanding of what existing literature discuss about the research issue.
3.6. Community Participation in Tourism

Community participation in the process of development of tourism as a Western paradigm within natural resource management and utilization is widely discussed in sustainable tourism development research (Murphy, 1985; Inskeep, 1991; Ryan and Montgomery, 1994; Brohman, 1996; Straede and Hells, 2000; Archabald and Naughton-Treves, 2001; Sharpley and Telfer, 2002; Tosun, 2006). Community participation in tourism is concerned around the issues of their participation in the decision-making process and how the benefits of development of tourism can be enjoyed by them (Murphy, 1985; Inskeep, 1994; Timothy, 1999; Tosun, 2000 and 2006). Tourism creates employment and
income for the local community and considered as a tool for conserving natural
environment, heritage and building infrastructure, communication and political

Some academics (Stacey, 1969; Scherer 1972; Thorns, 1976) realize that the
term community is difficult to define. Scherer (1972:1) opines that “in spite of
costant usage, community remains an untidy, confusing, and difficult term”. It
is important for this study to find an appropriate definition of community and
some of the definitions of community are examined from which the researcher
develops one working definition. The word community is derived from the Latin
word *communitas*. Mitchell (1968:32) defines community as follows:

> people who occupied a geographical area; people who were together
> engaged in economic and political activities and who essentially
> constituted a self-governing social unit with some common values and
> experiencing feelings of belonging to one another. Examples are as a
city, a town, a village or parish.

This definition pinpoints that the concept of community is endowed with
demographic, geographic, economic and political dimensions which leads the
community to rule itself as an autonomous social unit. This autonomous social
unit is strengthened by common values and experienced feelings of
belongingness. Poplin (1979:8) defines community as “community refers to the
places where people maintain their homes, earn their livings, rear their children,
and carry on most of their life activities”. This definition puts emphasis on
geographical, economical, social and time dimension elements.
Lewis and Lewis (1979:30) define: “a community is a place where individuals interact with each other and receive the greater part of their physiological, psychological and social needs”. This definition points out that community reflects a particular geographical area where people live and maintain their life and realize their needs. Singh et al (2003:7) define community as: “a set of people living together, symbiotically bound to each other and their habitat, thereby rendering themselves a distinct collective personality”. Here they point out that collective living creates a unique personality which separates one community from other community. Urry (2000) defines community as a cluster of like-minded people and where unlike minded people are isolated as non-communes. Hollnsteiner (1977) argues that any social group living in a territory and meeting all its problems of survival and continuity needs to be considered as a community. Considering the above discussion, researcher defines community as - it involves people, who dwell in a specific geographical area, live their life, earn their living, raise their family, share common cultural values and norms, have a sense of belongingness for their fellow members and try to satisfy their social, economical, political and psychological needs.

In the tourism literature community is researched in the form of case studies (Price, 1996; Lew, 1999) rather than being defined. Tourism academics refer to communities as locals, native, residents, indigenous people, destination people and hosts. They have usually put much emphasis on the term host. Swarbrooke (1999) points out the complexity of the term community within the tourism context and suggests that it involves geography, ethnicity, demography,
governance, stakeholders and the power structure that exists within the community. Tosun (1998:19) defines tourist destination community as: “it is an area of common territory where the aggregation of individuals intends to their whole life, rear their children, share the basic condition of life, have almost no choice to live in an alternative territorial unit and thus, have to live with whatever the outcomes may be of tourism development”. Therefore, it can be said that tourist destination community bears all the characteristics of community discussed above. Yet one significant difference is that it has to accept the impacts of tourism activities because as a community they have tourist attractions and are providing tourism services to tourists.

Tourism as a business has different characteristics than other types of businesses. Jones and Tang (2005: 3) argue that “tourism products have unique characteristics differentiating them from manufactured products” and they identify several characteristics of tourism products: intangibility, perishability, inseparability of production and consumption, heterogeneity and interdependence. In tourism, consumers come to tourist places to enjoy the place as well as to consume the products and services. These unique features create positive and negative impacts on local community. If policy makers want to use tourism as a development tool local community participation is needed. Hollnsteiner (1977) notes that local community participation in government activities starts from the beginning of human society. Midgley et al (1986:13) says - “the idea of participation is an ancient one finding expression in the
cultural traditions and practise of small preliterate societies and the writing of ancient sages and philosophers”.

According to Arnstein (1969:216):

it is the redistribution of power that enables the have-not citizens, presently excluded from the political and economical processes, to be deliberately included in the future. It is the strategy by which the have-nots join in determining how information is shared, goals and policies are set, tax resources are allocated, programs are operated, and benefits like contracts and patronage are parcelled out.

In this definition Arnstein (1969) argues that have-nots should be included in the political and economical process and they should have power about allocation of resources and distribution of benefits. However Arnstein acknowledges that it requires social reform and political willingness of the ruling elites. In developing countries the socio-political context to achieve the objectives is difficult because in most of the developing countries power lies with a few groups of people who may resist any significant change regarding redistributing power. While defining community participation Stone (1989:207) says:

that intended beneficiaries are encouraged to take matters into their own hands, to participate in their own development through mobilising their own resources, defining their own needs, and making their own decisions about how to meet them.

Here Stone (1989) claims that local communities should play an important role in the development process but ignores the fact that resources and political power frequently lie with the central government and so it is difficult for local communities to participate in the development process if the central government does not permit their participation.
Kaufman and Poulin (1994:339) define community participation as “a process in which individuals take part in decision making in the institutions, programs and environments that affect them”. Thus community has the right to take part in the decision-making process but cannot influence the process due to lack of power.

Askew et al (1986:5) defines community participation as:

> an educational and empowering process in which people, in partnership with those able to assist them, identifies problems and needs and increasingly assume responsibilities themselves to plan, manage, control and assess the collective actions that are proved necessary.

The definition provides a comprehensive idea about community participation in the development process advocating an active participation from the local community. It also notes that local community participation needs support from the government to help them to control and manage development activities.

Different arguments have emerged regarding community participation in tourism from many scholars and practitioners (Murphy, 1985; Lea, 1988; Inskeep, 1991; Pearce, 1994; Brohman, 1996; Dei, 2000; Tosun and Timothy, 2003). Murphy (1985), one of the pioneers on community participation in tourism activities, argues that the local community who live in the tourism destination bear the main impacts of tourism whether it is positive or negative. Murphy (1985:165) says - “the industry uses the community as a resource, sell it as a product, and in the process affects the lives of everyone”. Lea (1988) finds that in developing destinations, maximizing quality of tourism benefits community participation is essential. Inskeep (1991) opines that the host community must play a role in tourism activities in their community and further says that their maximum involvement would help to maximize their socioeconomic benefits from tourism.
Pearce (1994) identifies that community involvement represents a technique of limiting negative social impacts. Brohman (1996) claims that local residents have received very limited and unfair benefits although they have to live with probable impacts of the development of tourism such as overcrowding, conflicts over resource use, rising prostitution and other crime, social control disorder, loss of cultural identity and increase of inflation. Brohman (1996) says community participation in the tourism development process as if it is a panacea to overcome tourism related problems in Third World countries. He asserts that community participation in the tourism development process will achieve a more equal distribution of the benefits, discourage undemocratic decision-making and meet the needs of the local community in a better way. Taylor (1995:48) supports the concept of the distribution of costs and benefits of tourism development and states:

*tourism entrepreneurs within a community may not actually be part of that community. They may be ‘off-comers’, strangers who import qualities which do not and cannot stem from the group itself, or they may be in some ways marginal, perhaps better equipped to profit from tourist enterprise.*

Dei (2000) suggests that community involvement in tourism development helps to create entrepreneurial opportunities for locals and engages them in development related decision-making processes particularly regarding socio-cultural and environmental consequences associated with tourism. Tosun and Timothy (2003) outline seven arguments to support the necessity of community participation in tourism: (i) community participation is a crucial component in the implementation of tourism plan and strategies; (ii) sustainable tourism development can be achieved; (iii) tourists’ satisfaction can be increased; (iv)
better tourism plans by tourism professionals can be facilitated; (v) fair
distribution of costs and benefits among community members; (vi) local identity
needs can be satisfied; and (vii) the democratization process can be
strengthened in tourist areas. Tosun (2000) says that community participation in
tourism helps implementation of sustainable tourism development by creating
better opportunities for local community to gain larger and balanced benefits.

Inskeep (1994:8) notes that local community involvement in tourism activities
result in more positive attitudes towards tourism development and help the
conservation of local resources, asserting:

*...*

sustainable development is emphasising community based tourism. This
approach to tourism focuses on community involvement in the planning
and development process, and developing the types of tourism, which
generate benefits to local communities. It accrues to local residents and
to outsiders. Maximizing benefits to local resident typically results in
tourism being better accepted by them and their actively supporting
conservation of local resources.

Mitchell and Reid (2001) find that 90% of respondents from the local population
of Peru feel that they can increase their earnings if can enjoy greater
participation in tourism activities. The views of the local community must be
taken into account if the industry is to be sustainable in the long run (Williams
and Lawson, 2001). Scheyvens (2004) claims that community involvement and
their control over tourism resources lead to better distribution of economic
benefits among the community.

Community participation might be assumed as homogenous by nature but some
researchers (Mason and Cheyne, 2000; Iroegbu and Chen, 2001) find that there
is heterogeneity within communities and this result in a variety of attitudes
towards tourism. There exists divisions of class, status and power within the community and these differences might create difficulties in integrating the community into tourism activities. In this regard Tosun (2000) claims that in developing countries it sometimes appears difficult to implement community involvement in the process of tourism development. Sometimes different communities might show similarities of interests. Ioregbu and Chen (2001) undertake a study in Virginia, USA and found that, males living in urban areas with college education and more than $25,000 per year earning supported tourism activities regardless of their different local originals. It might be inferred from the above discussion that local community participation in tourism development is a pre-requisite if communities want to gain benefits although the meaning and goal of community participation in tourism might vary according the socio-political and economic structure of that area. Midgley et al (1986:ix) say that “community participation is not a simple matter of faith but a complex issue involving different ideological beliefs, political forces, administrative arrangement and varying perceptions of what is possible”.

In developing countries tourism has been developed and controlled mostly by the multinational companies such as chain hotels, airlines and tour operators who usually have little interest in local socio-cultural and economic conditions (Timothy and Ioannides, 2002). Generally developing countries depend on developed countries that have the wealth and expertise to develop this industry and thus the developed ones enjoys control over the tourism industry of developing countries. In this regard Mitchell and Reid (2001:114) find that “local
people and their communities have become the objects of development but not the subjects”. Timothy (1999) points out that autocratic power system exclude grass-root involvement in tourism activities where democracy is discouraged. In contrast Carmichael and Jones (2007) find that some members of local communities in Montville, USA claim that they have no say in what happens on tribal land or in relation to casino development in their area to promote tourism. Tosun and Timothy (2003) argue that in developing countries central governments prepare the majority of tourism plans but they might not have adequate knowledge about the locality and the locals. Ignoring the local community and its condition might result in delay and even demise of many policies and projects prepared by the central government.

In 1980 UNWTO gathered 1619 tourism plans and found that 66.5% of plans were implemented. Hitchcock et al (1993) argue that local community participation in the planning and development of tourism is an essential condition of sustainable tourism. Murphy (1985:153) also says that tourism “relies on the goodwill and cooperation of local people because they are part of its product. Where development and planning does not fit in with local aspirations and capacity, resistance and hostility can… destroy the industry’s potential altogether”. Liu (2003) points out that the more benefits communities gain from tourism the more they will be interested to preserve destination resources and support tourism activities. Swarbrooke (1999) opines that increased local participation in tourism planning facilitates raising the voice of those who are affected by impending developments and helps policy makers
use local knowledge in decision-making that might reduce potential conflicts between tourists and the host community. All forms of local participation might not help to achieve community’s expected benefits and it can take many forms ranging from autocratic participation to citizen power (Arnstein, 1969; Pretty, 1995; Tosun, 1999). Figure 3.5 presents forms of local community participation.

**Figure 3.5: Normative Typologies of Community Participation**

<table>
<thead>
<tr>
<th>7. Self-mobilization</th>
<th>8. Citizen control</th>
<th>Spontaneous Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Interactive Participation</td>
<td>7. Delegate power</td>
<td>Bottom-up; active par.; direct participation; par. In decision making, authentic participation. Self planning;</td>
</tr>
<tr>
<td>6. Partnership</td>
<td>Degree of citizen power</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. Functional Participation</th>
<th>5. Placation</th>
<th>Induced Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Participation for material incentives</td>
<td>4. Consultation</td>
<td>Top-down; passive; formal; mostly indirect; degree of tokenism, manipulation in implementation and sharing benefits; choice between proposed alternatives and feedback.</td>
</tr>
<tr>
<td>3. Participation by consultation</td>
<td>3. Informing</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. Interactive Participation</th>
<th>4. Consultation</th>
<th>Coercive Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Participation by consultation</td>
<td>3. Informing</td>
<td>Top-down, passive; mostly indirect, formal; participation in implementation, but not necessarily sharing benefits; choice between proposed limited alternatives or no choice; paternalism, no participation, high degree of tokenism and manipulation.</td>
</tr>
<tr>
<td>2. Passive Participation</td>
<td>2. Therapy</td>
<td></td>
</tr>
<tr>
<td>2. Therapy</td>
<td>2. Therapy</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1. Manipulative participation</th>
<th>1. Manipulation</th>
<th>Non-participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Manipulation</td>
<td>1. Manipulation</td>
<td></td>
</tr>
</tbody>
</table>

Pretty’s (1995) typology of community participation
Arnstein’s (1971) typology of community participation
Tosun’s (1999) typology of community participation

**Keys:** Corresponding categories in each typology

Source: Tosun (1999:130)
This figure contextualizes local community participation as a term that allows participation of people or host community at local, regional or national levels of activities and in various forms i.e., manipulative, coercive, induced, passive and spontaneous under location specific conditions (Tosun, 2006).

Arnstein (1969) offers a typology of citizen participation which includes eight levels of participation classified among three categories relative to the extent of citizen’s power. The lowest category represents non-participation, the highest category refers to degrees of citizen power and the middle category indicates degrees of citizen tokenism. The lowest category includes two rungs of the ladder: manipulation and therapy. In manipulation and therapy participation process people are not encouraged to participate. The main objectives are to educate, cure and get support from the participants about the project. Arnstein (1969:218) says: “instead of genuine citizen participation, the bottom rung of the ladder signifies the distortion of participation into a public relations vehicle by power-holders”. The middle category includes three rungs of the ladder: informing, consultation and placation. In the informing process people receive information about their rights, duties and opportunity they get from the power-holders. Most of the time, the communication occur from the power-holders at a later stage in the planning process. The process of communication is one way and people usually do not have opportunity to convey their thoughts and views. In the consultation process, power-holders consult with people through attitude surveys, neighbourhood meetings, and public hearings.
In the placation process power-holders nominate or choose few people from the community to participate in the decision making process. By doing this, they want to show that the local community has power to influence planning and decision-making processes and demonstrate that local community participation has been addressed. The extent to which people are placated depends on two factors: their ability to articulate their priorities and the extent to which the community puts pressure on those priorities. In most cases people who are incorporated in the decision-making process do not have the required qualities to influence the process or they are outnumbered by the power-holders.

The highest category represents degrees of citizen power which includes three rungs of the ladder: partnership, delegated power and citizen control. In the partnership process, power is redistributed between power-holders and community through negotiation and both parties share planning and decision-making responsibilities. In the delegated power process rungs, a community wants to play a dominant role in decision making over a project whereas in citizen control process, they enjoy full power to run a project. In the later case no other authority interferes with the decision making process and the community possesses the rights and responsibilities to operate a project.

Pretty’s (1995) model explains community participation at seven levels from manipulative participation to self-mobilization. Each level allows different degrees of external involvement and local control, and presents the power relationship between them. In the manipulative participation process, people’s
representatives join decision making committees but most of the time these representatives are picked by external agencies. Usually these representatives do not have any power to influence the decision-making process. In the passive participation process decisions are taken without consulting the local people’s representatives. Pretty (1995:4) says: “these range from manipulative and passive participation, where people are told what is to happen and act out predetermined role.”

In the participation by consultation process local people are consulted about solutions to problems but the process does not give any assurance that their views are considered in the decision-making process. In participation for material incentives process people participate in the decision-making process through material incentives. For example, they may provide resources for material gain but they do not have any stake in the process. In the functional participation process, people may participate to meet predetermined objectives related to the project. This type of participation might be interactive and involve shared decision-making but tends to arise after major decisions have already been taken by decision makers.

In the interactive participation process local people involve themselves with the decision-making process by participating at the beginning of the project. They contribute to the development of the plan, take control of local levels of decision making and also help to determine the allocation of resources. In this stage, participation is seen as a right not just the means to achieve project goals. In
the self-mobilization participation process, local initiatives influence the decision-making process independently and the locals seek financial and technical support from external agencies, keeping their control unchanged.

Arnstein’s (1969) and Pretty’s (1995) typologies of community participation are developed in the context of development studies and these are not related to any particular sector of the economy. Tosun’s (1999) typology, however, is specifically designed for tourism and in it community participation is classified in three headings: spontaneous, coercive and induced community participation. Spontaneous participation represents an ideal model of community participation through full managerial participation and authority from the host community side. Induced participation allows the local community to hear and be heard as they can express their voice but this level of participation does not give any assurance that their recommendations will be considered. Coercive participation is manipulative and represents the lowest level of participation where powerful interest groups try to educate the local community to minimize the potential threats to tourism development.

From the above discussion the following model (figure 3.6) is developed which identifies the significant positive and negative community participation impacts of tourism. This model facilitates a brief understanding of what existing literature discuss about the research issue.
Figure 3.6: Model of Community Participation Impacts of Tourism

Positive Impacts

- Create entrepreneurial opportunities for locals
- Discourage undemocratic decision making
- Ensure equal distribution of benefits
- Ensure successful implementation of tourism plans and activities
- Increased control of local community over the tourism assets

Negative Impacts

- Increased negative socio-economic impacts
- Sustainability of the development of tourism is threatened
- Increased conflicts between tourists and the host community
- Policy implementation gets delayed

Source: Developed from literature review

3.7. Summary

This chapter presents a comprehensive literature review and provides a theoretical framework for assessing economic, socio-cultural and community participation impacts of tourism. After categorically analyzing the existing literature three distinct models are developed, based on the literature review, focusing both positive and negative impacts on economic, socio-cultural and community participation. In figure 3.7 the researcher integrates these three models for a better understanding of the three issues together and also for facilitating the analysis and interpretation of the data gathered during the field study. The model can be treaded as the extracts from the literature pinpointing the major impacts in the concerned areas. As this model is in line with the
research aim and objectives hence this will guide to examine the impacts of tourism on local community in the research area.

Figure 3.7: Conceptual Framework Derived from Literature Review

Positive Impacts

**ECONOMIC**
- Employment
- Entrepreneurship development
- Income
- Infrastructure development
- Investment
- Standard of living

**SOCIO-CULTURAL**
- Enhanced status of women
- Increased awareness for education
- Increased local pride for tourism resources
- Increased women empowerment
- Patronization of local art and culture

**COMMUNITY PARTICIPATION**
- Create entrepreneurial opportunities for locals
- Discourage undemocratic decision making
- Ensure equal distribution of benefits
- Ensure successful implementation of tourism plans and activities
- Increased control of local community over the tourism assets

Negative Impacts

**ECONOMIC**
- Dependency
- High price of commodity
- Income disparity
- Increased land price
- Seasonality

**SOCIO-CULTURAL**
- Commodification of arts and culture
- Crime
- Demonstration effect
- Gambling
- Increased social disorder
- Increased social gap
- Language change
- Loss of identity
- Over crowding
- Prostitution

**COMMUNITY PARTICIPATION**
- Increased negative socio-economic impacts
- Sustainability of the development of tourism is threatened
- Increased conflicts between tourists and the host community
- Policy implementation gets delayed

Source: Developed by the author
Chapter Four: An Overview of Bangladesh

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Chapter Four: An Overview of Bangladesh

4.1. Introduction

This research is conducted in Bangladesh and data are collected from Cox’s Bazar Municipality as this is the case study area. This is why in this chapter an overview of Bangladesh is provided to let the reader be acquainted with the context of the research. Researcher discusses the history, geography, climate, demography, culture, administrative and a political structure, economy, and employment in section 4.2. Then a brief discussion on tourism development in the Asia-pacific region, tourist attractions in Bangladesh, tourism in Bangladesh, BPC, domestic tourism, the Strategic Master Plan for Tourism, National Tourism Policy and its limitations, Poverty Reduction Strategy Paper, and National Industrial Policy 2005 is provided in section 4.3. Section 4.4 includes an overview of the Cox’s Bazar Municipality providing its physical setting, economic and socio-cultural background, and development of tourism in this area. The chapter is concluded with a brief summary.

4.2. Bangladesh at a Glance

In this section precise information on key dimensions of Bangladesh are given to make the reader realize the context of this research.

4.2.1. History

Bangladesh is “born” as a modern state in 1971 with its distinction in geography and history. The land has a history spanning over thousands of years and has been known to the world including medieval Europe. In ancient times this land
has drawn invaders and immigrants of various races and tribes coming from
different parts of the world. The reconstruction of the history of Bangladesh is
difficult due to paucity of sources of information (Chowdhury, 2004). The
difficulty is felt more acutely for the earlier period from the earliest time to the 4th
century A.D., when Bangladesh came under the rule of Imperial Guptas
(Chowdhury, 2004). From then onwards history is found in written format using
the method of epigraph and literature.

There are two schools of thought regarding the political evolution of ancient
Bengal and according to one school Bangladesh in the ancient period was an
integral part of the powerful empires in north India (Chowdhury, 2004). Between
the middle of the 8th and 12th centuries the country was under the rule of the
kings of the Pala dynasty who were Buddhists. Thereafter, a ruling dynasty from
the South Indian region known as the Senas established its supremacy in
Bengal (Ahmed, 2004). The second school of thought argues that the traditional
interpretation overstates the role of all-India empires in the political life of
Bangladesh and epigraphic evidence suggests that only some of the areas
currently constituting Bangladesh were occasionally integrated in the larger
empires of South Asia (Chowdhury, 2004). Historians argued that political
fragmentation was the ultimate historical destiny of the region in ancient times.

It is believed that Islam came to Bangladesh long before the Muslim conquest in
the thirteenth century (Chowdhury, 2004). Some Arab Muslim traders who
arrived in around the 8th and 9th centuries are said to have established
settlements in the coastal regions of Bangladesh particularly in the surroundings of greater Noakhali and Chittagong district. The Muslim conquest of Bangladesh in the 13\textsuperscript{th} century facilitated the spread of Islam. Muslim rule started during the 12\textsuperscript{th} century and ruled 550 years. Bengal was ruled by Delhi based Mughal empires for about 200 years and rest of the time it remained independent.

This Muslim rule can be divided into three phases where the first phase lasted from 1204 A.D. to 1342 A.D. witnessing the consolidation of Muslim rule in Bengal. The second phase existed from 1342 A.D. to 1575 A.D. and experienced the emergence of independent local dynasties such as the Ilyas Shahi (1342 A.D. -1414 A.D.), the king Ganesha (1414 A.D. -1442 A.D.) and Husain Shahi (1493 A.D. -1539 A.D.). The third phase lasted from 1575 A.D. to 1757 A.D. resulting in the emergence of a centralized administration within the framework of the Bengal Empire (Ahmed, 2004).

Establishment of British colonial rule in 1757 initiated modern Western civilization in the region (Ahmed, 2004). Important political, economical and social changes took place under British colonial rule. Before British rule, Bengal used to export finished products to different corners of the world and it traded with the Romans, the Chinese, and the Arabs but the British were not interested in the finished products rather wanted raw materials to support their industrial revolution. Thus Bengal turned from a vibrant, self-sufficient economy to a dependent of a distant power that took the wealth and left poverty (Gary, 1999).
In 1947 the British departed the region leaving behind a divided India. Bangladesh became a part of the then Pakistan and came to be known as East Pakistan and remained a colony of West Pakistan for the next 24 years. During these 24 years, a political struggle ensued again, first to demand the right of using Bengali as the mother tongue and then against various economic, social and political injustices. These deprived situations made the Bangladeshi population motivated by an intense patriotic feeling and be conscious of their distinct secular cultural identity.

The great Bengali leader Sheikh Mujibur Rahman (1920-1975) made the most significant contribution to the awakening of this new Bengali national consciousness. Under his charismatic leadership the Awami league became the national platform of the Bengalis of this region. Through a series of historic events, namely the Six-point Movement of 1966, the mass democratic uprising in 1969 and the general elections of 1970 Sheikh Mujibur Rahman emerged as the undisputed national leader of Bangladesh. Under his dynamic leadership all section of people- Muslim, Hindus, Buddhists, Christians and tribes were united as they were never before. This constitutional democratic movement eventually led the war of independence of 1971 and resulted in the birth of independent sovereign Bangladesh (Ahmed, 2004). Table 4.1 shows the historical development phases of Bangladesh.
Table 4.1: Historical Development Phases of Bangladesh

<table>
<thead>
<tr>
<th>Year</th>
<th>Historical Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000 BC</td>
<td>Aryans arrived in the Indian sub-continent</td>
</tr>
<tr>
<td>3rd C</td>
<td>Hindu Maurayan Empire; trade with the Mediterranean via India started</td>
</tr>
<tr>
<td>AD 4th-7th C</td>
<td>Hindu Gupta Dynasty; Hsuan Tsang visited from China as traveler</td>
</tr>
<tr>
<td>8th-12th C</td>
<td>Indian Buddhist tradition spread from Bengal to Tibet and Indonesia under Pala Dynasty; Arab traders arrived</td>
</tr>
<tr>
<td>12th C</td>
<td>Hindu Sena Dynasty</td>
</tr>
<tr>
<td>13th C</td>
<td>Khilji introduced Islam to Bengal; traveler Ibn Battatu visited Bengal</td>
</tr>
<tr>
<td>14th-17th C</td>
<td>Mughal Empire established; Bengal Sultanate started</td>
</tr>
<tr>
<td>16th C</td>
<td>Trade with Europe expanded; Portuguese, French and British arrived</td>
</tr>
<tr>
<td>1757</td>
<td>Battle of Plassey - British East India Company won power in Bengal</td>
</tr>
<tr>
<td>19th C</td>
<td>Rule of British Emperor started</td>
</tr>
<tr>
<td>1905</td>
<td>Partition of Bengal (short lived)</td>
</tr>
<tr>
<td>1906</td>
<td>Muslim League was established</td>
</tr>
<tr>
<td>1940</td>
<td>Lahore Resolution for a separate homeland for Muslims</td>
</tr>
<tr>
<td>1947</td>
<td>Independence from Britain; partition of sub-continent into India (Hindu majority) and Pakistan (Muslim majority, divided into East and West); Hindus migrated to India, Muslims to Pakistan; Arrival of Bihari Muslims of India</td>
</tr>
<tr>
<td>1952</td>
<td>Language Movement to establish Bangla as a state language</td>
</tr>
<tr>
<td>1958</td>
<td>Martial Law declared; General Ayub Khan took power; Government took plan to establish Cox’s Bazar as a tourist spot</td>
</tr>
<tr>
<td>1965</td>
<td>War against India; further migrations took place</td>
</tr>
<tr>
<td>1969</td>
<td>General Ayub Khan over thrown from power by popular upraise organized by political parties</td>
</tr>
<tr>
<td>1970</td>
<td>Awami League won election and got majority in the parliament; election result was rejected by the Army and West Pakistani political leadership</td>
</tr>
<tr>
<td>1971</td>
<td>War of Liberation began in March; Sheikh Mujibur Rahman was arrested; on 16th December Bangladesh won the war</td>
</tr>
<tr>
<td>1972</td>
<td>New government took the power and Sheikh Mujibur Rahman became the Prime Minister of Bangladesh; BPC was established</td>
</tr>
<tr>
<td>1975</td>
<td>On 15th August Sheikh Mujibur Rahman was assassinated by army and in 7th November army led by General Ziaur Rahman took the power</td>
</tr>
<tr>
<td>1981</td>
<td>General Ziaur Rahman was assassinated by army and General H.M. Ershad took the power; Government gave permission to the private sector to start business in the tourism sector</td>
</tr>
<tr>
<td>1988</td>
<td>Strategic Master Plan for Tourism was formulated</td>
</tr>
<tr>
<td>1990</td>
<td>Fall of General H.M. Ershad and democratically elected government led by Begum Khaleda Zia took the power</td>
</tr>
<tr>
<td>1992</td>
<td>National Tourism Policy of 1992 was formulated</td>
</tr>
<tr>
<td>1996</td>
<td>Begum Khaleda Zia lost the election and Sheikh Hasina was elected as a Prime Minister</td>
</tr>
<tr>
<td>2001</td>
<td>Sheikh Hasina lost the election and Begum Khaleda Zia took the power and was elected Prime Minister</td>
</tr>
<tr>
<td>2006</td>
<td>Caretaker government took the power</td>
</tr>
<tr>
<td>2007</td>
<td>Government established powerful committee to review existing tourism policy and formulated overall strategic planning to promote Bangladesh</td>
</tr>
<tr>
<td>2008</td>
<td>Sheikh Hasina won the election and elected as a Prime Minister</td>
</tr>
</tbody>
</table>

Source: Complied by the author
4.2.2. Geography and Climate

Bangladesh is one of the largest deltas of the world formed with the fertile silt washed down from the Himalayan highlands by some of the mightiest rivers of Asia notably the Ganges and the Brahmaputra (Ahmed, 2004). Lands are mostly flat, low-lying, and subject to annual flooding. The only significant hilly area is the Chittagong Hill Tracts at the south-eastern part constituting less than one-tenth of the country's territory. The area of Bangladesh is 144,000 square kilometres (55,900 square miles). The country is a land of rivers crisscrossed throughout the mostly flat areas. There are six seasons in the country: summer, monsoon, autumn, fall, winter and spring. However, only three seasons are distinguishable - summer, monsoon and winter due to its tropical monsoon-type climate featuring a hot and rainy summer and a dry winter.

Chittagong Hill Tracts, portions of the Madhupur Tract, and the Sundarbans with a great tidal mangrove forest in the southwestern corner of the country are the principal natural vegetation in Bangladesh. This country is rich in fauna including nearly 250 indigenous species of mammals, 750 types of birds, 150 kinds of reptiles and amphibians, and 200 varieties of marine and freshwater fish. The Sundarbans area is one of the principal remaining domains of the Royal Bengal tiger, and herds of elephants and many leopards inhabit the Chittagong Hill Tracts.
4.2.3. Demography and Culture

Bangladesh is a country with a total population of 142.4 million and its projected population is about 250 million by the year 2035 (BBS, 2006 and 2008). The country is significantly a homogenous one with 98% Bengalese.
The dominant religion is Islam with 80% of the total population. The second religion is Hindu with 16% and the others are Buddhist and Christian. Bangladeshi culture is influenced by three religions - Islam, Hinduism, and Buddhism with Islam having the most pervading impact. The population composition in 2008 is given in table 4.2.

**Table 4.2: Population Composition by Religion**

<table>
<thead>
<tr>
<th>Total Population</th>
<th>142.4 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population Growth Rate</td>
<td>2.06%</td>
</tr>
<tr>
<td>Major Religions</td>
<td></td>
</tr>
<tr>
<td>Muslim 83%</td>
<td></td>
</tr>
<tr>
<td>Hindu 16%</td>
<td></td>
</tr>
<tr>
<td>Others 1%</td>
<td></td>
</tr>
</tbody>
</table>

Source: BBS, 2008

About 77% of the population live in villages (BBS, 2003) and these villages usually are situated near the banks of rivers, canals, ditches, tanks or marshes. The rural economy is agriculture based and the main crops produced are paddy, jute, mustard, sugarcane, pulses, vegetables and fruits.

The minorities include Biharis and tribes where tribal races constitute less than 1% of the total population. Most of them live in the Chittagong Hill Tracts and in Mymensingh, Sylhet, Cox’s Bazar and Rajshahi. Major tribes are the Chakmas, Maghs (or Marmas), Tipras, Murangs, Kukis and Santals. They speak Tibeto-Burman languages and also differ in their social organization, marriage customs, birth and death rituals, food, and other social customs.

The country has a rich literary heritage. The earliest available specimen of Bengali literature is about a thousand years old (Ahmed, 2004). During the medieval period Bengali literature developed considerably with the patronage of Muslim rulers and Chandi Das, Daulat Kazi and Alaol were
some famous poets of that period. The era of modern Bengali literature began in the late 19th century and the Nobel Laureate Rabindranath Tagore has a significant influence in shaping the Bengali culture. Here music can be divided into three categories: classical, folk and modern. The classical music - vocal and instrumental is rooted in the past of the sub-continent. Ustad Alauddin Khan (father-in-law of Pandit Ravi Shankar) and Ustad Ayet Ali Khan are internationally renowned classical instrumental musicians. Other popular cultural activities are drama, jatra (open air folk drama), dance, puppet show, and fairs on different occasions.

4.2.4. Administrative and Political Structure

Bangladesh is a unitary, independent and sovereign republic comprising of three basic organs: the administration, the legislature, and the judiciary. The head of state is the president elected by the members of the parliament. The president acts in accordance with the advice of the prime minister and the supreme command of the armed forces rests with him or her. Thus the executive power is exercised by the prime minister who commands the support of the majority members of the parliament and is appointed by the president. Ministers are appointed by the prime minister who nominates the cabinet members from among parliament members.

4.2.5. Economy

Poverty is pervasive in the country with 44% of the population living in absolute poverty having an income of less than US$1 per day (WB, 2006). Life
expectancy increased from 40 years in 1970 to 62 years in 2006 (BBS, 2006). Over the last decade GDP of the country has grown by more than 5% although this has helped to reduce poverty by only about 1% per year (BBS, 2006). But Bangladesh in the last three decades achieved significant success in the economic sector. In 2007 GDP was US$78985 million and per capita income was US$554 (BB, 2008). Table 4.3 presents the GDP growth rate over the last five years which on average is more than 6% and it increased from 1.7% in 1985 to 6.2% in 2007.

**Table 4.3: GDP Growth over Five Years (2004-2008)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP Growth %</td>
<td>6.0</td>
<td>6.6</td>
<td>6.5</td>
<td>6.2</td>
</tr>
</tbody>
</table>


Previously the economy of this country was totally dependent on agriculture but now industrial and service sectors are major economic sectors of the country. However, agriculture is still a crucial economic sector for Bangladesh as 75% of the population is directly or indirectly dependent on this sector and more than 60% of labour force is engaged in it (BBS, 2006). Until 1970, agriculture was the major contributor in the GDP but its share decreased from around 57% in 1970 to 20% in 2005 (BBS, 2006).

Rice is the principal crop although yields per hectare are among the lowest in Asia (BBS, 2006). Bangladesh accounts for as much as 24% of world jute production (BBS, 2007). It is the world’s leading exporter of raw jute and jute products, including carpets, backing, twine and sack. But the future of jute production and export is uncertain because of falling demand of jute in the
international market. In the agricultural sector tea follows jute as an important cash crop; however it represented only 1% of the country’s total export earnings in 2007 (BBS, 2008). Export of frozen fish has become an increasingly important source of foreign exchange earnings. The industrial sector is small but it has experienced rapid growth after the independence. In 1971 it had only a few jute and textile mills and the contribution in the GDP was negligible. But in the last two decades the expansion of manufacturing industries is very encouraging. In 2006 it contributed 27.5% in GDP and its contribution exceeds the contribution of the agricultural sector (BBS, 2006).

The readymade garments industry with a workforce of nearly 2 million people with 80% women became the main contributor of foreign exchange earnings (BBS, 2006). Garments account for nearly 70% of the country’s exports. Bangladesh is the 5th largest exporter of readymade garments however it has lost the guaranteed US market when quotas were withdrawn in 2005. Other growing industries like leather and leather related products and pharmaceutical products have contributed to exports. Table 4.4 shows the trend of export growth since its inception.

**Table 4.4: Trend of Export Growth**

<table>
<thead>
<tr>
<th>Trend in Export</th>
<th>1972-73</th>
<th>2004-2005</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Product</td>
<td>25</td>
<td>162</td>
<td>548%</td>
</tr>
<tr>
<td>Number of Market</td>
<td>68</td>
<td>173</td>
<td>154%</td>
</tr>
<tr>
<td>Total Export</td>
<td>348</td>
<td>8655</td>
<td>2387%</td>
</tr>
</tbody>
</table>

Source: BB, 2009

After independence, the then government adopted socialist economic policies and nationalized most of the industrial and service sectors. But this economic
philosophy resulted in inefficiency and stagnation. From 1975 the economic philosophy of the government has changed and it gradually provided greater opportunities for private sector participation. Since 1990 state owned enterprises have been privatized excluding a large portion of banks, insurance companies, jute mills, textile mills and the aviation industry. The privatization pace of public sector industries and the reform in regulatory system is slow which impedes rapid growth of the private sector. Recently, government has taken firm steps to accelerate the privatization process and reformation of laws which may motivate entrepreneurs to become involved in the economic sectors. Table 4.5 summarizes the structure of the economy of Bangladesh.

Table 4.5: Structure of the Economy of Bangladesh

<table>
<thead>
<tr>
<th>% of GDP</th>
<th>1985</th>
<th>1995</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>32.8</td>
<td>26.4</td>
<td>21.0</td>
<td>20.1</td>
</tr>
<tr>
<td>Industry</td>
<td>21.4</td>
<td>24.6</td>
<td>26.6</td>
<td>27.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>14.2</td>
<td>15.3</td>
<td>16.1</td>
<td>16.5</td>
</tr>
<tr>
<td>Services</td>
<td>45.8</td>
<td>49.1</td>
<td>52.4</td>
<td>52.6</td>
</tr>
<tr>
<td>Average decade-annual growth</td>
<td>1985-95</td>
<td>1995-05</td>
<td>2004</td>
<td>2005</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2.2</td>
<td>3.8</td>
<td>4.1</td>
<td>2.2</td>
</tr>
<tr>
<td>Industry</td>
<td>6.3</td>
<td>6.8</td>
<td>7.6</td>
<td>8.3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>6.3</td>
<td>6.0</td>
<td>7.1</td>
<td>8.2</td>
</tr>
<tr>
<td>Services</td>
<td>3.7</td>
<td>5.3</td>
<td>5.7</td>
<td>6.4</td>
</tr>
</tbody>
</table>

Source: WB, 2007

4.2.6. Employment

About 75% of the labour force constituting about 56 million is directly or indirectly engaged in agriculture (BBS, 2006) and only 12% is engaged in industry. Unemployment rate is around 18.5% (BBS, 2006) and to reduce it the government has taken various measures to expand the opportunities for
domestic and overseas employment. Table 4.6 presents the data related to employment by major industries.

**Table 4.6: Employment by Major Industry**

<table>
<thead>
<tr>
<th>Category</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2002-03</td>
</tr>
<tr>
<td>Total (in million)</td>
<td>44.3</td>
</tr>
<tr>
<td>Agriculture, forestry, fisheries</td>
<td>22.9</td>
</tr>
<tr>
<td>Mining and queering</td>
<td>0.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>4.3</td>
</tr>
<tr>
<td>Electricity, gas and water</td>
<td>0.1</td>
</tr>
<tr>
<td>Construction</td>
<td>1.5</td>
</tr>
<tr>
<td>Trade, hotel and restaurant</td>
<td>6.7</td>
</tr>
<tr>
<td>Transport, storage and communication</td>
<td>3.0</td>
</tr>
<tr>
<td>Finance and business services</td>
<td>0.3</td>
</tr>
<tr>
<td>Public administration and defence</td>
<td>2.5</td>
</tr>
<tr>
<td>Community and personal service</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Source: Labour force survey 2003, BBS

Foreign remittances had a steep rise during the nineties due to a massive outflow of workers. As an export item manpower export currently occupies the 2nd position with an annual inflow of over 5 billion US$ (BB, 2006). The Middle East countries along with Malaysia, South Korea and Japan are the principal destinations for migrant workers. The Labour Policy embodies creation of an environment conducive to have an improved labour-management relation. Labour welfare, employment generation, earnings according to work, and a healthy growth of trade union emphasizes to ensure the basic needs of all and to achieve a balanced economic growth.

**4.3. Tourism Development in the Asia-Pacific Region**

International tourism is still relatively concentrated in the industrialized countries of Europe, USA, East Asia and Pacific. However with increasing disposable income many emerging economies have shown fast growth in the last decades
and many new destinations have emerged alongside traditional ones. In 2008 over 184 million tourists visited the Asia-Pacific region (UNWTO, 2009). The region is making profit from strong intra-regional demand and new emerging markets like China, South Korea, and Taiwan are increasingly taking over the tourism industry of the Asia-Pacific region. The following table 4.7 provides a statistical view of the international arrivals across the Asia-Pacific region.

**Table 4.7: International Arrivals across the Asia-Pacific Regions**

<table>
<thead>
<tr>
<th>Year</th>
<th>Asia and the Pacific</th>
<th>North-East Asia</th>
<th>South-East Asia</th>
<th>Oceania</th>
<th>South Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourists (in million)</td>
<td>Market share %</td>
<td>Change</td>
<td>Average Annual growth %</td>
<td>Tourists (in million)</td>
<td>Market share %</td>
</tr>
<tr>
<td>Year</td>
<td>'90 00 06 07 08 '08 07/06 08/07 00-08</td>
<td>Year</td>
<td>Year</td>
<td>Year</td>
<td>Year</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td>55.8 110.1 166.0 182.0 184.1</td>
<td>20</td>
<td>9.6</td>
<td>1.2</td>
<td>6.6</td>
</tr>
<tr>
<td>North-East Asia</td>
<td>26.4 58.3 92.0 101.0 101.1</td>
<td>10.9</td>
<td>9.8</td>
<td>-0.1</td>
<td>7.1</td>
</tr>
<tr>
<td>South-East Asia</td>
<td>21.2 36.1 53.1 59.7 61.7</td>
<td>6.7</td>
<td>12.3</td>
<td>3.5</td>
<td>6.9</td>
</tr>
<tr>
<td>Oceania</td>
<td>5.2 9.6 11.0 11.2 11.1</td>
<td>1.2</td>
<td>1.7</td>
<td>-0.9</td>
<td>1.8</td>
</tr>
<tr>
<td>South Asia</td>
<td>3.2 6.1 9.8 10.1 10.3</td>
<td>1.1</td>
<td>2.6</td>
<td>2.1</td>
<td>6.8</td>
</tr>
</tbody>
</table>

Source: UNWTO, 2009

Hall and Page (2000) identify that in the South Asian countries (India, Pakistan, Bangladesh, Nepal, Bhutan and Maldives) the colonial British rulers developed tourism resorts relatively earlier compared to other Asian countries but international tourism received relatively less consideration as an economic development tool by the governments of this region until 1990s. The south Asian countries have rich cultural and natural resources which makes it one of the most attractive places for visitors. According to Hall (1997) South Asia is now one of the world’s fastest growing tourist regions.
To accelerate the economic and political development of this region a regional cooperation organization named South Asian Association for Regional Cooperation (SAARC) was established in 1985. SAARC countries focus on issues of agriculture, rural development, preferential trading arrangements and tourism is a late area to focus. However the establishment of a Tourism Council by SAARC Chamber of Commerce and Industry (SCCI), the apex organization of business and industry, is probably the most significant tourism initiative.

4.3.1. Tourist Attractions in Bangladesh

Bangladesh is not yet fully explored by tourists. It has a distinctive attraction of its own with a land of enormous beauty, hundreds of rivers and lakes surrounded by green landscape, tropical rain forests, beautiful tea gardens, world's largest mangrove forest, world's longest natural sea beach, rich cultural heritage, relics of ancient Buddhist civilizations and colourful tribal lives. The major tourist attractions include some sea beaches: Cox’s Bazar, Inani, Saint Martin Island, Patenga, Parki, and Kuakata. The archaeological spots symbolize the rich culture and age-old heritage. Some of the attractive archaeological places are Moynamoti, Mahasthangarh, Paharpur, Chandranath Temple in Sitakunda, Shatgobmbuz Mosque in Bagerhut, Shona Mosque in Rajshahi, Kantijir Temple in Dinajpur, Ahsanmanjil and Lalbagh Fort in Dhaka.

4.3.2. Tourism in Bangladesh

In this section the evolution of tourism in Bangladesh is presented. Since the late 1950s the development of tourism started in this country mostly based on
Cox’s Bazar and then spread all over the country. The 20 year perspective master plan (1965-1985) for the development of tourism in Pakistan was approved by the Government of Pakistan (BPC, 1988). This plan included recommendations regarding the development of tourism in East Pakistan which is now Bangladesh. According to this plan the major areas in Bangladesh identified for the development of tourism are Dhaka, Kaptai, Rangamati, the Sundarbans, Sylhet and Cox’s Bazar. At the outset the then government had a plan to develop and promote tourism by investing public money as private sector involvement was not encouraged. According to the plan the Public Works Department under the ministry of communication was responsible for developing tourism infrastructure in Cox’s Bazar. After the independence the new government established BPC and assigned it responsibilities to develop, promote and regulate the tourism sector. A detailed discussion about the BPC and its role in developing tourism is presented in section 4.3.3.

Tourism in Bangladesh has not yet achieved the level of development and popularity like its neighbouring countries. For a long time the government of this country did not give adequate attention to the development of tourism sector. Tisdel (1997) argues that bureaucratic red-tape and inadequate infrastructure in the tourism sector are the main reasons for the limited development of tourism in Bangladesh. However, Clift and Page (1996) identify a number of other significant factors affecting the image of Bangladesh in this regard. According to them the poor public image is attributed to the monsoon, natural disasters and political instability and these cause limited tourism development.
Figure 4.2: Map of Tourist Spots in Bangladesh

Source: http://mappery.com/maps/
Tisdell (1997) identifies the following institutional constraints in the development of tourism in Bangladesh:

- government restrictions on foreign investment,
- securing government permission to start a big project in the private sector takes long time and discourages entrepreneurs,
- visa processing for the foreign visitors takes a long time discouraging tourists to visit,
- immigration and airport facilities are labour intensive resulting in delays and in some cases airlines fail to maintain schedules, and
- tourist facilities are run mostly by the government with its inadequate administrative skills resulting in a poor quality of customer care.

The government now wants to utilize tourism as a development tool. Policy makers realized that tourism could be used as a potential source of foreign exchange earnings, scope for new jobs and regional development and therefore in line with the existing government policy encourage local and foreign investments in potential tourist sites. Tisdell (1997) claims that according to IMF and WB, Bangladesh started a process of structural adjustments to reduce the size of public sector and increase the role of the private sector. This policy has some impacts on the tourism sector. For instance, exchange controls have virtually been eliminated, restrictions on foreign investment have been relaxed, and some government hotels and accommodation facilities have been either sold to the private sector or are operated as joint ventures. There is pressure on the government from travel agencies to reduce bureaucratic procedures.
4.3.3. BPC

The Ministry of Civil Aviation and Tourism is responsible for policy formulation and implementation. BPC is an autonomous organization that ensures tourism supply and marketing facilities for tourists. In addition to local private tour operators, a few foreign tour operators are providing services to tourists. Before independence, there was a department of tourism under the central government which was responsible for promotional and regulatory works. However, the development of tourism infrastructure and commercial operations were mostly left with the private sector. In 1971 this public and private sector operations continued for about a year and during that period the government constituted a committee to assess the status of tourism business. The committee recommended combining public and private sectors to form one organization under the government control with the aim to promote tourism and tourist infrastructural facilities. Based on that recommendation BPC was established on 1\textsuperscript{st} January 1973 under the Presidential Order number 143 of 1972 as a national tourism organization with the aims of promotion, better operation and development of tourism (Hassan, 1998). As an autonomous organization initially it was under the administrative control of Ministry of Commerce (Foreign Trade Division) and later in August 1975 was placed under the Ministry of Civil Aviation and Tourism.

BPC has the dual responsibility of developing tourist facilities and promoting tourism. Since its inception the corporation renovated existing tourist facilities and created new facilities at important tourist places. Tourism facilities
established so far include hotels, motels, cottages, youth hostels, restaurants, duty free shops, land and water transports. Currently 42 tourism units are in operation with 1186 hotel beds and 1665 restaurant seats (Morshed, 2006). Beside these, BPC offers sightseeing tours, package tours and excursion trips. Following the government’s privatization policy, 11 commercial units of BPC are handed over to the private sector under lease agreement (BPC, 2006).

As tourism is a service oriented industry it is important to train and develop skilled employees. BPC took the initiative in human resource development for the industry and in 1978 established the National Hospitality Tourism Training Institute (NHTTI) jointly funded by the GoB and the UNDP and trained more than 24,000 trainees for different trades in the industry. It is the only government institute which is providing training and related education. Recently a few public and private educational organizations have started offering tourism related courses to students and other interested persons. NHTTI regularly conducts training on (a) travel agency and tour operations, (b) front office and secretarial operations, (c) housekeeping and laundry, (d) food and beverage production, (e) bakery and pastry production, (f) computer operations, (g) hotel management diploma, and (h) chef course. Besides these, other short term and tailored professional courses are also organized.

In Bangladesh the arrival of foreign tourists and foreign earnings from tourism are increasing every year however, recent unexpected incidents like swine flu, avian flu in Asia, bombings in Bali, the devastation of the tsunami, and political
violence in Bangladesh affected tourist’s confidence and slowed down the influx of tourists. Table 4.8 and 4.9 depict foreign tourist arrival by years and foreign exchange earnings through their visit.

Table 4.8: Foreign Tourist Arrival by Years (1997-2005)

<table>
<thead>
<tr>
<th>Year</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total tourist arrival</td>
<td>182420</td>
<td>171965</td>
<td>172751</td>
<td>199251</td>
<td>207199</td>
<td>209245</td>
<td>244509</td>
<td>271270</td>
<td>207652</td>
</tr>
<tr>
<td>% Changes</td>
<td>9.37</td>
<td>-5.73</td>
<td>0.47</td>
<td>15.33</td>
<td>4.01</td>
<td>0.02</td>
<td>17.98</td>
<td>10.94</td>
<td>-23.45</td>
</tr>
</tbody>
</table>

Source: BPC, 2005

Table 4.9: Foreign Exchange Earnings from Tourism (1996-2005)

<table>
<thead>
<tr>
<th>Total Earning (Million)</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Taka</td>
<td>2745.40</td>
<td>2654.80</td>
<td>2451.90</td>
<td>2527.50</td>
<td>2653.80</td>
<td>3352</td>
<td>3310</td>
<td>3957.58</td>
<td>4413.39</td>
</tr>
<tr>
<td>In USD$</td>
<td>62.45</td>
<td>52.37</td>
<td>48.95</td>
<td>50.37</td>
<td>51.54</td>
<td>57.21</td>
<td>56.01</td>
<td>66.52</td>
<td>70.21</td>
</tr>
</tbody>
</table>

Source: BPC, 2005

Domestic tourism in Bangladesh is a big business generating huge earnings. BPC claims that about 900,000 tourists visit Cox’s Bazar (BPC, 2005). WTTC (2007) forecasts that travel and tourism of Bangladesh, may experience BDT668.7 billion of economic activity by 2017. Total demand is expected to grow by 7% in 2007 and by 5.7% per annum between 2008 and 2017. According to WTTC (2007) Bangladesh is a middle-tier sized, less intensive, and fast growing travel and tourism economy. The Bangladesh travel and tourism market share is generally increasing. It contributed 1.5% to gross domestic product in 2007 (WTTC, 2009). Table 4.10 shows statistics for Bangladesh travel and tourism in the year 2007 and forecasts for the year 2017.
### Table 4.10: Statistics for Bangladesh Travel and Tourism (2007)

<table>
<thead>
<tr>
<th>Category</th>
<th>2007 BDT bn</th>
<th>2007 % of Total</th>
<th>Growth BD bn</th>
<th>2017 BDT bn</th>
<th>2017 % of Total</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Travel &amp; Tourism</td>
<td>98.0</td>
<td>2.8</td>
<td>5.5</td>
<td>267.7</td>
<td>3.3</td>
<td>5.4</td>
</tr>
<tr>
<td>Business Travel</td>
<td>45.4</td>
<td>----</td>
<td>6.9</td>
<td>117.4</td>
<td>----</td>
<td>5.0</td>
</tr>
<tr>
<td>Government Expenditures</td>
<td>5.7</td>
<td>2.1</td>
<td>8.3</td>
<td>19.5</td>
<td>2.2</td>
<td>7.8</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>53.6</td>
<td>4.6</td>
<td>7.8</td>
<td>168.2</td>
<td>4.4</td>
<td>6.9</td>
</tr>
<tr>
<td>Visitor Exports</td>
<td>6.4</td>
<td>0.6</td>
<td>6.8</td>
<td>18.7</td>
<td>0.7</td>
<td>6.0</td>
</tr>
<tr>
<td>Other Exports</td>
<td>31.4</td>
<td>3.2</td>
<td>10.2</td>
<td>77.3</td>
<td>3.0</td>
<td>4.8</td>
</tr>
<tr>
<td>Travel &amp; Tourism Demand</td>
<td>240.5</td>
<td>----</td>
<td>7.0</td>
<td>668.7</td>
<td>----</td>
<td>5.7</td>
</tr>
<tr>
<td>T &amp; T Industry GDP</td>
<td>70.0</td>
<td>1.5</td>
<td>5.4</td>
<td>185.4</td>
<td>1.4</td>
<td>5.1</td>
</tr>
<tr>
<td>T &amp; T Economy GDP</td>
<td>182.4</td>
<td>3.9</td>
<td>6.3</td>
<td>503.7</td>
<td>3.9</td>
<td>5.5</td>
</tr>
<tr>
<td>T &amp; T Industry Employment</td>
<td>752.3</td>
<td>1.2</td>
<td>2.5</td>
<td>970.2</td>
<td>1.1</td>
<td>2.6</td>
</tr>
<tr>
<td>T &amp; T Economy Employment</td>
<td>2,024.4</td>
<td>3.1</td>
<td>3.3</td>
<td>2,727.9</td>
<td>3.1</td>
<td>3.0</td>
</tr>
</tbody>
</table>

Source: WTTC, 2007

### 4.3.4. Domestic Tourism

In the South Asian region, domestic tourist travel accounts for 85% of the total travel (BPC, 2006). In 2005 a total number of 207,652 foreign tourists visited Bangladesh (BPC, 2005) and in most of cases Cox’s Bazar was the spot they visited. Neither BPC nor any other government or private sector organization maintains any record regarding domestic tourism. Therefore the problems of quantifying domestic tourism and measuring the impacts are difficult. BPC only maintains records regarding their commercial interests while the immigration office maintains records of foreign tourists. According to a local national daily newspaper 1.3 million people visited Cox’s Bazar and its adjacent areas in 2007 (Prothom Alo, 2008). The existing international tourist market is relatively small and hence the domestic market should be developed to support the initiatives of the tourism industry. With increasing urban population and economic success, the market for domestic tourism is expected to expand rapidly.
4.3.5. The Strategic Master Plan for Tourism

After independence the government undertook several measures to promote tourism in Bangladesh. As it is one of the poorest countries in the world and does not have any significant natural resources, the country has been seeking better utilization of its natural beauty to attract tourists. But its poor image as a land of poverty and political instability creates barriers to achieve this objective. In 1988, with the assistance of UNDP, International Labour Organization (ILO) and foreign consultants, the government prepared the Strategic Master Plan for Tourism. The country is adorned with unique and precious tourism resources and these are the bases and strengths of the plan. Inskeep (1994) identifies that the plan is capable of ensuring benefits from the development of tourism in terms of increased balance of payments from foreign exchange earnings; employment opportunities; increased interest in conservation; and investment in infrastructural development. The Strategic Master Plan for Tourism (1988) presents the following objectives:

- planned growth of international and domestic tourism;
- marketing Bangladesh as a tourist destination in international markets;
- establishment of zones of tourism development for the purposes of increasing investment and tourism development in potential areas;
- conservation of the natural wildlife and cultural heritage;
- development of an attractive tourism environment
- reducing travel restrictions for inbound tourists;
- strengthening domestic tourism to reduce leakage from the economy;
- improvement of the transportation sector.
The plan identifies that a lack of tourism infrastructure is one of the main constraints in improving the situation. As Bangladesh has no tourism law hence sometimes it becomes difficult for the private sectors to invest in tourism. Lack of law and administrative red tape discourage international and local private sector investors to invest. Apart from these systematic barriers ignorance about the role of tourism within the national economic development and planning process is another reason of limited private sector investment. Analyzing the Strategic Master Plan for Tourism the researcher identifies the following reasons for private investors’ reluctance to get involved in this sector: (1) it takes long time to get government approval of the project due to bureaucratic red tape; (2) difficulties exist in purchasing land as most of the attractive lands are owned by government and purchasing procedures are lengthy, complicated and corrupted; (3) low rate of return on investment due to small market; (4) custom duties on imported raw materials, high sales tax and value added tax (VAT) and (5) high price and restricted availability of alcohol.

The plan recommends several measures to overcome the mentioned constraints and envisages short, medium and long-term planning strategies for the promotion of tourism. In short and medium term strategies improvement of the existing tourism infrastructure are proposed. According to the plan the major product development strategies may include River Tourism Product, Village Tourism Development particularly in tribal and rural indigenous population area, Cultural Heritage Product and Forest and Wildlife product.
Hall and Page (2000) identify that the plan also outlines methods for strengthening the organizational framework for tourism, with the establishment of a tourism development corporation, similar to that in India. They argue that for the implementation of the plan, illegal tourism developments need to be controlled and prevented and at the same time the natural environment should be conserved together with the historical and cultural artefacts. It requires effective coordination and plans for each tourist zone with the provision of appropriate development sites for the private sector. The plan advocates close links between the agricultural sector and tourism industry to reduce the leakage of economic benefits along with an effective marketing approach. For the marketing of the tourism products of Bangladesh, domestic and South Asian promotion are advocated in the plan until further product improvements are made to encourage the marketing of more lucrative international markets.

As a response to the Strategic Master Plan for Tourism the GoB establishes six tourism zones based on the areas of potential for tourism development where investment and development activities can be clustered to maximize the economic benefits. Dhaka as the capital acts as an urban tourism gateway for to the country. The plan devises the zones with a themed tourism development strategy. For example, river tourism is developed as a theme to capitalize on the natural beauty of enriched rivers the Jamuna, the Padma and the Meghna. A village tourism theme facilitates the benefit spread in favour of local people living in villages near to Dhaka, promoting day trips for international visitors. The country’s abundant ancient cultural heritage has distinctive historical
educational value. The conservation of these sites is seen as paramount and achievable through tourism development. The forest areas and wildlife are also considered as having tourism value.

GoB has taken some measures according to the plan but a major portion of that is yet to be implemented. It has not established any tourism development corporation to increase and promote investment in this sector and on the contrary has been reducing investment allocation and patronizing the private sector investment. But sometimes the private sector is reluctant to invest heavily due to a lack of government initiatives that can facilitate the development of the tourism infrastructure. GoB spends a minimal amount of money to promote tourism in the outside world. It does not formulate any tourism law to regulate the market and thus fails to provide a legal framework to protect the interests of the private sector and the tourists as well. Political instability and lack of trust between the governments in the South Asian countries also create barriers to promote tourism in this region. Therefore lack of resources, absence of strong political commitments and negligence of bureaucrats are the main reasons for the failure of implementing the plan.

4.3.6. National Tourism Policy

Bangladesh is one of the founder members of the UNWTO established in 1975. The GoB has recently recognized that tourism can make remarkable contribution to the economy and can increase wealth. Although Bangladesh has many natural and manmade resources which would attract tourists to visit but till
now very few definite and coordinated actions have been taken to utilize these opportunities. The National Tourism Policy acknowledges that the performance of the tourism industry does not reflect its full potential even with increasing foreign and domestic tourist arrivals.

After the independence of the country several plans were prepared to develop the tourism sector with the help of the UNDP, WB, IMF and Asian Development Bank (ADB) but no significant achievement been made. The Government established BPC and gave it all the responsibilities in relation to the promotion and patronization of tourism in the country. Government’s involvement in the economic sector of the developing countries is necessary as most of the developing countries are characterized by scarcity of resources such as infrastructure, superstructure and shortage of skilled human resources. In the first five year plan (1972-1977) GoB initiated holistic development plans for the war affected economy but in the subsequent five year plans it emphasized the potential of tourism development in a focused manner although no coordinated efforts have been taken to materialize the opportunities. GoB formulated a National Tourism Policy in 1992 to address and rectify the flaws of the previous plan and focuses on some major issues like: lack of funding, uncoordinated development, lack of private sector investment and poor marketing strategies.

Government policy makers believe that tourism can make a significant contribution by ensuring increased private and foreign investment, creating employment, reducing poverty and by developing small and medium
Chapter Four: An Overview of Bangladesh

businesses. GoB formulates this policy to materialize the above mentioned belief through specific strategies some of which are:

- involving more private sector interests to utilize sector’s opportunities;
- phasing out the public sector investment step-by-step to facilitate private sector involvement;
- considering tourism as a separate and distinct industry;
- increasing fund allocation to build appropriate infrastructure;
- providing incentives for increased local and foreign investment;
- taking right steps to promote conservation of nature and tourist spots;
- considering special areas and islands for creation of modern amenities for foreign tourists;
- providing marketing facilities to promote small-scale businesses;
- assisting government for both public and private initiatives aiming professional skill building endeavours;
- establishing more accommodation and other tourist facilities for mid-income and low-income domestic tourists;
- allocating adequate budget for BPC to undertake promotional activities targeting both domestic and foreign tourists.

4.3.6.1. Limitations of the National Tourism Policy

The National Tourism Policy emphasizes that tourism can be an important tool in creating employment; increasing the income and living standards of the local community, and foreign exchange earnings; and reducing poverty by encouraging private-sector investment and community-based small enterprise
development. Nevertheless it is not flawless and the following limitations are identified by the researcher:

- the target groups were not included in the process of policy formulation;
- the policy overlooked the issue that the local community does not have the adequate knowledge and skills for producing and marketing most of the products and services;
- the policy does not provide any suggestions by which the widespread sharing of tourism benefits can be achieved;
- it does not give any clear idea about how the local community will finance their businesses given that usually they do not have access to the formal financial institutions;
- the policy fails to identify the way in which the local community will take part in the process of the development of tourism and its marketing and to what extent they are going to share the profit;
- it ignores the fact that foreign investors will take most of the economic benefits to their respective countries and thus their investment will have little impact on economic development; and
- it fails to specify how government support will facilitate the process of ensuring private sector’s major role playing.

4.3.7. Poverty Reduction Strategy Paper (PRSP)

It is one of the major planning and policy reform strategic documents in which government’s budget allocations for different sectors are specified. In the PRSP
tourism is included and identified as one of the potential economic sectors of this country substantiating the importance of this sector.

4.3.8. National Industrial Policy 2005

The National Industrial Policy 2005 first identifies tourism as an industry and categorizes it as a “thrust sector” as government grants generous support for its development. Earlier it was difficult for the investors to get financial support and the sector was deprived of technical and tax support from the government. The inclusion of tourism in the National Industrial Policy was designed to create new opportunities for this sector as tourism has a high growth potential and a high impact on societal well being. It recommends privatization of the sector and offers incentives to local and foreign investors to encourage investment (GoB, 2005). The incentives offered by the government are: (a) tax exemption on royalties; (b) tax exemption on interest on foreign loans; (c) tax exemption on and capital gains from the transfer of share; (d) avoidance of double taxation of foreign investors on the basis of bilateral agreements; (e) exemption of income tax on salaries up to three years for the foreign employees; (f) remittance up to 50% of the salary of the foreigners employed in Bangladesh and the facilities of repatriation of their savings, retirement benefits and personal assets at the time of return; (g) facilities for repatriation of invested capital, profits and dividends; (h) guarantee against expropriation and nationalization of foreign private investment; (i) provision for transfer of shares held by foreigners to local partners with the permission of Bangladesh Bank; and (j) reinvestment of dividend as new foreign investment (GoB, 2005).
4.4. Cox’s Bazar: the Case Study Area

Cox’s Bazar is the longest (120 km) natural sandy beach in Bangladesh, sloping gently into the Bay of Bengal. It is approximately 440 km south of Dhaka and 150 km south of Chittagong. It is adorned with rich natural resources like hills, rivers and the sea. A labelled map of Cox’s Bazar is presented in figure 4.3.

Figure 4.3: Map of Cox’s Bazar District

Source: www.pmo.gov.bd/pmolib/maps/index.html
The district covers an area of 2492 sq.km. It is located at 21°35′0″N, 92°01′0″E and bounded by the Chittagong district in the north, the Bandarban district in the east, and the Bay of Bengal in the west and the south. Major rivers are Matamuhuri, Bakkhali, Rejukhal, Naf, Maheshkhal channel and Kutubdia channel. It is divided into eight administrative areas which are locally called *upazila* and has three municipalities with a population of 177,3000 (BBS, 2007). Cox’s Bazar Municipality is one of the municipalities of the district which is the case study area. Earlier Cox’s Bazar was known as “Paanowa”, which means “yellow flower”; while others think that its original name was “Palongkee” (Ahmed, 2005). To trace the identity of today’s Cox’s Bazar one needs to trail back to the history of Arakan, which was an independent country near Burma till 1784 and was ruled by the Chandra dynasty (788-994), Mrao dynasty and others. Greater Chittagong, including Cox's Bazar, was under the rule of the Arakan King Kantideva of Chandra’s dynasty in the 9th century after he captured Chittagong in 953 AD (Ahmed, 2005). Since then Cox’s Bazar has been a part of the kingdom of Arakan. Fakhr-Uddin-Mubarak Shah, the sultan of Sonargaon, who conquered Chittagong in 1346 and established Muslim rule but could not establish its rule in other parts of the district. In 1666 the Mughal emperor defeated the Arakani kingdom and took over Chittagong and Cox’s Bazar. In 1760 the Mughals handed over Chittagong and Cox’s Bazar to the East India Company which had political power in Bengal at that time.

Later in 1784 the Arakan state lost its independence and became a part of Burma (Ong, 2005). During that time a large number of Arakani including both
Muslims and *Rakhains* (a Buddhist community) migrated to Cox’s Bazar to be safe and live in peace, although it created a huge problem to rehabilitate them (Ahmed, 2005). These people are identified as refugees. Hindus and Buddhists are early inhabitants of Cox’s Bazar. Two types of Buddhists are living in Cox’s Bazar one type is Bengali speaking Buddhists who are the primitive people of this region. The other Buddhist inhabitants of Cox’s Bazar are the descendants of the Arkanese who do not speak Bengali and like to introduce themselves as *Rakhains*. They are not indigenous to Cox’s Bazar, rather they are immigrants. Though *Rakhains* are living here for last 200 years, they have not lost distinct identity as they still maintain their language, dialect and culture.

The arrival of Muslims in Cox’s Bazar and their subsequent settlement took place in two ways. The Arab merchants had a business relationship with local people and their ships used to carry products for this area. Due to this business relationship, some Arabs settled here. In 1346 A.D. when Fakhr-Ud-Din Mubarak Shah conquered Cox’s Bazar it paved the way for disseminating Islam in the district. Thus Cox’s Bazar became a homeland of the Muslims, the Hindus, the Buddhists and the Christians (Ahmed, 1990). The East India Company in 1797 sent Captain Hiram Cox to arrange for the rehabilitation of the refugees. Each refugee family was granted 2.4 acres of land and food support for six months. Captain Hiram Cox died in 1799 before the completion of the rehabilitation work (Ong, 2005). To honour the role played by Captain Hiram Cox, a market was established and named after him as Cox’s Bazar (market of Cox) and this way current name originated (Ahmed, 2005).
Figure 4.4: Map of Cox’s Bazar Municipality (*Paurashava*)

Source: Cox’s Bazar Municipality, 2009

Cox’s Bazar Municipality was established on 1<sup>st</sup> April, 1869 by the British government with a population of only 800 and an area of 1 sq.km (Ahmed, 2005). In 1960 this place was renamed as Cox’s Bazar Town Committee by the Pakistani government and in 1983 was changed to Cox’s Bazar Municipality by the government. Its population by then reached 30,000 (Ahmed, 2005) and covered an area of 32.90 sq.km that is divided into nine wards with a total population of 232,432 (GoB, 2007). Thus, in 138 years the population increased by 28954% while the land area increased by only 3190%, which indicates very
high population density. It has 133 *mohallas* or *para* that generally refers to a cluster of 200 to 500 houses. Usually people with similar religious, social and economic backgrounds live in the same *mohalla*, however, homogeneity of dwellers is not evident everywhere.

### 4.4.1. Physical Setting

Cox’s Bazar Municipality is located just beside the Bay of Bengal which is situated in the south east corner of the town. The range of hills runs parallel to the beach for about 96 km. During low tide people can drive jeeps along the beach for a long distance where they can enjoy views of both the sea and the hills in parallel. The sea is safe for bathing, swimming and surfing as it is free from sharks and other dangerous species. The exquisite pagodas and Buddhist temples in and around the town are also tourist attractions. Tourists can visit other beautiful beaches like Himchari, Inani, Teknaf, Moseskhali, Sant Martin and Sonadia islands. It is worth mentioning that tourists can also enjoy exotic food including delicious sea-fish and world famous shrimps.

**Figure 4.5: Cox’s Bazar Beach and Pagoda**

Source: Photographs taken by the author
Cox’s Bazar can easily be accessed by both air and road although the later is preferred by most tourists. A three km. long *Kalatoli* road passes through the municipality and ends up at the beach. As per the municipality officials the area has a total of 47 roads out of which the three major ones: the main road; the new circuit road; and the motel road were constructed and maintained by the roads and highways department of the government. The other 44 roads are under the maintenance of the municipality. On an average 500 passenger buses and 200 cars and microbuses enter the town everyday. Until 1950 there was no rickshaw (local three-wheeled manually driven vehicle) commuting into the area and in the first part of 1951 only two rickshaws were seen moving in the area (Ahmed, 2005). At present more than 5000 rickshaws commute providing cheap, convenient and environmentally friendly means of transport.

The tourist infrastructure of this town is concentrated around the motel road and the Kalatoli road. Most of the BPC tourist infrastructure like motels, cottages, swimming pool, restaurants and parking facilities are situated alongside the Motel road but most of the private owned hotels, rest-houses and restaurants are concentrated on both sides of the Kalatoli road. According to the government plan one side of this road is designated for the development of tourist infrastructure, while the other side for residential purposes. However, much tourism infrastructure has been developed within the residential plots while only a few were developed within the government designated tourist plots and this reflects inappropriate allocation of plots slowing down the pace of tourism infrastructure development.
During the early 1960s, some hotels and motels were established in the inner part of the town and these are still popular places to stay. During the peak season when all the hotels, motels and rest houses are booked then local dwellers offer extra rooms to the tourists in exchange for a fee and some of them even continue this offering throughout the year. Expatriates working for government and non-government organizations, foreign students and foreign young tourists may prefer to stay with local dwellers. The major markets are also situated in the inner part and these are quite famous among the tourists. A wide variety of items are available in the markets. Some of these markets are known as Burmese markets which are usually run by the Rakhains. They make a variety of cigars, colourful handloom fabrics, and a range of other goods for the tourists. Most of the souvenir shops are located near the main beach and these are famous for fancy pearls and sea shell items.

4.4.2. Economic and Socio-cultural Background

The religious composition of the population of this town is different from that of other places. About 80% of the population are Muslim, 10% are Hindu, 6% are Bengali speaking Buddhists and the rest are Rakhain (GoB, 2007). In Bangladesh the total tribal population is 1,410,169 of which 50% live in the greater Chittagong region including Cox’s Bazar (BBS, 2007). Rakhain is one of the tribal groups who have been living here since 1784 and outnumbered the Muslims during the British period (Ong, 2005). After the independence some Rakhains migrated to Burma due to religious tension. Currently 40000 Rakhains live in 15 mohallas in the Cox’s Bazar Municipality area (Ong, 2005) which
provides a distinctive feature of this destination in terms of ethnicity. Table 4.11 presents the demographic composition of the town.

**Table 4.11: Demographic Composition of Cox’s Bazar Municipality**

<table>
<thead>
<tr>
<th>Item</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>116,382</td>
</tr>
<tr>
<td>Female</td>
<td>116,050</td>
</tr>
<tr>
<td>Total Population</td>
<td>232,432</td>
</tr>
<tr>
<td>Households</td>
<td>33694</td>
</tr>
<tr>
<td>Population Growth Rate (%)</td>
<td>4.3</td>
</tr>
<tr>
<td>Density of Population</td>
<td>7065</td>
</tr>
<tr>
<td>Household Members</td>
<td>6.9</td>
</tr>
<tr>
<td>Literacy Rate</td>
<td>30.17</td>
</tr>
</tbody>
</table>

Source: GoB, 2007

It can be assumed from the data that the town is heavily populated. Some significant reasons of this high population density are job opportunity and availability of diverse economic activities. The average literacy rate of the town is 30.17% which is low compared to the national average which is 46.15% (BBS, 2007). Local people are poor with average daily income of only $1 (GoB, 2007). Traditionally the economy of the town was based on fishing, the timber business and salt production but for multifaceted reasons these are shrinking. To protect environment, government imposed restrictions on timber industry. Traditional salt manufacturing industry failed to keep pace with the modern salt industry due to lack of technical competencies and financial resources. Thus employment opportunities for the local population have become scarce.

The municipality and the adjacent areas receive over 80% of international and domestic tourist arrivals. Cox’s Bazar Municipality and the coastal region are
considered as one of the areas with high incidence of poverty and poorest living conditions. The following table 4.12 shows household income levels.

**Table 4.12: Household Income Levels in Cox’s Bazar Municipality**

<table>
<thead>
<tr>
<th>Income Category (TK. per month)</th>
<th>Number of Household</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-2000</td>
<td>1624</td>
</tr>
<tr>
<td>2001 to 3500</td>
<td>21537</td>
</tr>
<tr>
<td>3501 to 8000</td>
<td>952</td>
</tr>
<tr>
<td>8001 to 15000</td>
<td>6893</td>
</tr>
<tr>
<td>15000 to Unlimited</td>
<td>2932</td>
</tr>
</tbody>
</table>

Source: GoB, 2007

About 69% households earn within the $1 to $2 per day range and as per the government statistics households which earn $1 or less are termed as hardcore poor and households which earn $2 are considered as poor (GoB, 2007). These people cannot afford a decent meal and about 90% of the population live in *Kacha* and semi-*Pucca* houses (GoB, 2007). A *Kacha* house is made of bamboo and thatch and a semi-*Pucca* one is of bamboo and corrugated sheets. About 10% of the population live in *Pucca* houses made of brick and concrete.

**Figure 4.6: Kacha and Pucca Houses in Cox’s Bazar**

Source: Photographs taken by the author
About 50% households enjoy electricity while only 30% have access to clean water and/or basic sanitary facilities (GoB, 2007). Due to urbanization agriculture is diminishing in this area and only 10% of the working people work in agricultural and the agri-processing sector. About 25% of the working people are employed in the fishing industry that includes fishing in the sea and fish processing activities. Fishing is still a dominant sector of the local economy but scarcity of fish in the Bay of Bengal has created a barrier to its expansion. About 45% of the working people are involved in small businesses, like jobs in hotels, motels, restaurants, transport, and small shops. Approximately 15% are self-employed involved in poultry business, tea stalls; making and selling shell ornaments etc. while about 5% are in the manufacturing sector mainly in salt and handlooms (GoB, 2007). Hence it can be concluded that more than 50% of the working people are directly or indirectly involved with tourism.

4.4.3. Development of Tourism in Cox’s Bazar

Development of tourism in the town started during the 1950s as the then Pakistan government took the initiative to develop the tourism infrastructure. The Ministry of Public Works was responsible for developing tourism infrastructure in Cox’s Bazar and, at that time, built a sea beach rest house complex. In the complex they built a rest house, six cottages and a restaurant. The ministry operated it on a commercial basis that started the tourism industry in Cox’s Bazar. In 1961 the then government developed a plan called “Development of Cox’s Bazar as Health Resort” to develop the place as a health resort for tourists. Under this plan the government constructed four
motels in 1963: Probal, Upal, Shaibal and Laboni and dug out a man-made *dighi* (water body that is bigger than pond) and a restaurant called Sagorika. The government started to construct internal roads in the tourist area from 1961 and before that most of the internal roads were earthen.

In 1965 a 20 year master plan (1965-1985) for the development of tourism in Pakistan was approved by the then Government of Pakistan (UN and WTO, 1988). After independence the importance of Cox’s Bazar as a tourist resort has increased. In 1977 the Commonwealth Fund for Technical Co-operation prepared a report to evaluate the tourism potential in Bangladesh and it recommended developing Cox’s Bazar as a tourist resort. But this recommendation was not implemented by the government as no money was allocated for tourism development in the 3rd five year plan 1977-1982 (GoB, 1990). During the period of 1977 to 1982 tourism development activities were financed by BPC and it invested money from its own sources and thus the amount was not adequate to develop a world class tourist resort (GoB, 1990).

In 1989, the government formed a committee headed by a minister to recommend how tourism could be developed in Cox’s Bazar. This committee submitted their report in 1990 that included a detailed plan and suggested land allocation for tourism infrastructures. The following table 4.13 shows the land allocation in hectar for tourism purpose.
Table 4.13: Land Allocation for Tourism in Cox’s Bazar Municipality

<table>
<thead>
<tr>
<th>Category</th>
<th>Land Area in Hectar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel Motel Zone</td>
<td>81.94</td>
</tr>
<tr>
<td>Sports and Golf</td>
<td>19.00</td>
</tr>
<tr>
<td>Water sports</td>
<td>6.00</td>
</tr>
<tr>
<td>Sea Beach Area Development</td>
<td>100.00</td>
</tr>
<tr>
<td>Tourist Park</td>
<td>30.00</td>
</tr>
<tr>
<td>Open Space</td>
<td>105.00</td>
</tr>
<tr>
<td>Build administration and Security office</td>
<td>10.00</td>
</tr>
<tr>
<td>Tax free Market</td>
<td>.05</td>
</tr>
</tbody>
</table>

Source: GoB, 1990

To develop infrastructure, they recommended that various projects be implemented on a short, medium and long-term basis. In the short-term they identified 24 projects and requested the government to allocate 319.4 million Bangladeshi taka to implement those projects. This committee wanted to finish those projects by 1992 but until 2009 only nine projects were implemented. In the medium-term they recommended five projects and asked government to allocate 150.0 million taka to implement those. The committee recommended finishing these projects by 1997 but to date government has finished only two projects. In the long-term they recommended seven projects and asked government to allocate 1779 million taka for implementation and set a target finish year of 2000 (GoB, 1990). But to date none of these projects has been finished. The government did not allocate money to implement the long-term projects although some of the projects need big budgets to implement.

In 1990, government took a plan to establish an exclusive hotel motel zone. This plan is a part mid-term plan of the ministerial committee. For this they acquired 72 hectares of land in the Kalatoli area of which six hectares were
owned by individuals and the rest by the government. To implement this project
government confiscated private land and thus 163 households lost their land
(GoB, 1990). In 1990, the first privately owned hotel, the Zia Guest Inn was
established and now 49 private hotels and motels are operating there.

Figure 4.7: Kalatoli Road and the only Five Star Hotel in Cox’s Bazar

Source: Photographs taken by the author

Now (2009) 143 hotels, motels and rest houses operate in Cox’s Bazar with
trade licences from the municipality (Cox’s Bazar Municipality, 2009), but there
are some hotels, restaurants, etc. operating without trade licence. There are
more than 200 hotels, motels and rest houses providing services. Most of the
hotels have their own restaurants and apart from these there are more than 50
restaurants. Accommodation services can be categorized into four levels
according to facilities. There are three star private hotels with 300 rooms. About
50 hotels provide good facilities including hot running water, air conditioning,
television with cable connection, and telephone services; and these hotels have
50-100 rooms. There are about 100 hotels providing the basic services with 30-
50 rooms. There are another 45 to 50 hotels each with 10 to 30 rooms. In total these hotels offer 10000 beds per night to tourists.

4.5. Summary

In this chapter the researcher discusses the history of Bangladesh and gives its political, social, cultural and economical background with the intention of creating an impression about the research area. This discussion is important because the background information helps readers to understand the context in which the research is undertaken and to correlate its findings. Researcher provides this background to introduce the reader to the geographical, economic and political context of the research area. It presents the discussion on issues like tourism in the country, attractive tourist spots, different relevant government policies and plans of different timeframe and government initiatives for promoting this sector to justify the relevance of this research.
Chapter Five: Economic Impacts of Tourism

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Chapter Five: Economic Impacts of Tourism

5.1. Introduction

This chapter presents the findings and interpretation of qualitative data gathered through intensive field work. There are four sections in the chapter. This section introduces the topic, the second section provides an analysis of the positive economic impacts of tourism, the third section includes negative economic impacts of tourism, and the last section concludes with a brief summary. As a whole, the majority of the discussion in this chapter is based on empirical data. Hence, it is noteworthy that the identification of positive and negative economic impacts of tourism is done by the respondents of the study. Major parts of the collected data are presented in its original form and with author’s interpretation.

At the outset, it must be mentioned here that statistics regarding tourism are scarce in Bangladesh. The government maintains the number of foreign visitors and limited tourism related information only. During the field study the researcher tries to collect information about the private sector’s performance although cannot find sufficient official data. GoB does not maintain separate accounts for tourism income. The private sector tourism organizations and non-government research organizations also do not maintain enough data. Thus, it is nearly impossible to get information from the private sector and moreover the situation is worsened because they are not interested to share information. This is because of the fact that in Bangladesh most businessmen usually maintain two sets of records of their business activities: one ‘official’ set of records for the
government and another ‘unofficial’ set for themselves. Although the researcher tries hard to get official figures and in some cases gets limited information, most of the time he relies on unofficial statistics received from respondents.

5.2. Positive Economic Impacts

The role of tourism is significant and represents a growing sector in the local economy of Cox’s Bazar. The impacts identified by the respondents as positive economic impacts of tourism are discussed below.

5.2.1. Employment

Bangladesh has a growing population and increasing unemployment and hence tourism presents an opportunity to turn the tide of unemployment through the creation of jobs. Cukier (2002) points out that tourism may create three types of employment opportunities: direct, indirect and induced. One of the strongest arguments for tourism development in developing countries is that it creates opportunities for the employment of local people to increase their income (Frederick, 1993; Wang and Godbey, 1994; Toomam, 1997; Diagne, 2004; Akma and Kieti, 2007). Another important fact is that tourism is a labour intensive industry and this feature has the potential to create enormous employment opportunities for the population of developing countries (Ahmed and Josiam, 1996). The UNWTO (2002) identifies a number of reasons why tourism is particularly good as a vehicle for economic development in developing countries and the LDCs as it employs more local poor people creating changes in existing employment practices. Tourism not only depends
on financial capital but also on natural and cultural capital possessed by the poor. Moreover tourism employs more women than other economic sectors having greater impact on the livelihood of poor people.

Tourism in Cox’s Bazar is developing at a fast rate and it is extremely difficult to determine the precise number of employees working in different related activities. There are two main reasons for this: 1) employment related statistical data is not available; and 2) local organizations related to the tourism sector are reluctant to reveal these statistics because they believe this information is a business secret and should not be shared with outsiders. Diagne (2004) also finds same situation when assessing tourism impacts in Senegal.

**Figure 5.1: Self-employment Opportunities**

Source: Photographs taken by the author

In Cox’s Bazar most of the employment is created through hotel, restaurant and other accommodation services, beach photography, local tour operations, souvenir and ornament making and selling businesses, and trading of other products. The effect of tourism on employment is greater than it seems because
many new jobs are created in construction, real-estate development, transportation, finance, related services and trading that are directly or indirectly related to tourism.

In the accommodation and food sectors, tourism creates about 3000 full-time and part-time jobs in Cox’s Bazar. During the peak season about 2500 people work in the accommodation and food sector, about 500 people work as beach photographers and as workers in the 67 photo processing studios in the town. About 4000 people are working in the transportation sector. In Cox’s Bazar Municipality area 3500 rickshaws have licenses to carry passengers (Cox’s Bazar Municipality, 2008). The rickshaw puller’s income heavily depends on tourism. About 500 people work as tour operators who provide sightseeing services in and around Cox’s Bazar. Most tour operator employees work on a part-time basis during the peak season. On the beach, about 200 people work in deck chair and umbrella rent services, horse riding, and beach and water sports businesses. There are about 500 people working in ornaments and pickle making and selling business. The traditional handloom products and Burmese products are very popular among the tourists and about 1000 people work in these businesses. Apart from that about 100 people deal in tea/coffee, mineral water, boiled egg, Bombay-mix, coconut, and sunglass. The above scenario of employment structure in Cox’s Bazar also reflects the views of Echtner (1995) that most of the employment generated by tourism is in the form of self-employed and small entrepreneurs including tour guides, small shop owners, shop workers and vendors.
Construction is now a booming business in Cox’s Bazar and about 1000 people work in this sector. Many hotels, flats, shopping complexes and other tourism infrastructures have been constructed at an increasing rate. Currently five real-estate companies are constructing flats to sell to people who are going to use them as second homes.

**Figure 5.2: Construction Works**

![Construction Works](image)

Source: Photographs taken by the author

Approximately 10,600 people work in the tourism sector out of which about 60% work on a full-time basis and 40% work at least nine months a year. Apart from that about 1000 people are indirectly related to the tourism sector such as poultry farmers, vegetable producers, fish sellers and landlords. Thus it can be said that the development of tourism in Cox’s Bazar has been successful in terms of job creation. This also justifies the argument of Archer, Cooper and Ruhanen (2005) that tourism seems to be more effective in creating employment and income than other sectors of the economy in peripheral regions of LDCs where alternative opportunities of development are limited. Mr. Dulal, an employee of a local hotel comments:
Tourism development provides me job here. In this town we are totally dependent on tourism. We are very lucky that we have the sea beach therefore tourism is developing here. If there is no tourism then I have to go to other city for a job.

People in Cox’s Bazar are benefiting from tourism development because traditional economic sectors like fishing and salt manufacturing mostly provide employment to villagers and thus people from the municipality area are dependent on tourism for their livelihoods. Mr. Chakraborti, a resident says:

_I am a retired person. I am not related to tourism. But I am benefiting from it. My income is coming from renting flat. I have six flats to rent. All of my tenants are directly or indirectly related to tourism and the rent is comparably higher than any other semi-urban city in Bangladesh._

Non-locals are concentrated in the best jobs in hotels and restaurants, such as managerial, front desk, main chef, accountants and chief waiters, thus are better paid than local people. These jobs are about 10% of total jobs and these are occupied by male and skilled people and their employment patterns are also different from others. Semi or non-skilled people usually work in hotels and restaurants on a temporary basis and get lower wages than permanent staff.

Burns and Holden (1995), and Hudson and Townsend (1992) argue a similar situation that core and peripheral workers have different patterns of employment where most of the core employees are male.

It is interesting to note that about 70% of total employees who work in hotels and restaurants in Cox’s Bazar are non-locals. The remaining 30% employees are locals and most of them hardly have formal skills due to their low level of formal education. The fieldwork results show that the municipality has lower literacy rates than the national level resulting in incapacity to compete for better
qualified jobs. This is why most local employees are recruited as cleaners, gardeners, security guards, porters and cooking helpers that provide low wages and status. Long (1991); Inskeep and Kallenberger (1992); Tosun and Jenkins (1996); Cukier (2002) and Diagne (2004) in a similar manner claim that low wages and low status jobs in tourism are left for members of the local communities. Most of the employees who work at these lower levels earn £20 to £30 per month. It should be mentioned here that most of the employers provide free accommodation and food to their employees. Employees also get a good amount of tips from their guests. Considering all these monetary benefits, they earn more than other employees in other sectors of the economy. Mr. Alam, an employee of a local hotel, says:

I am better off than my friends. My friends said I am doing very well in my job and financially I am better off than them. I had the opportunity to get a government job and also had the opportunity to go abroad but I preferred my present job. I believe I made a right decision.

Tourism industry all over the world traditionally employs a larger proportion of females than do many other industries in the organized sector of the economy (Baum, 1993). But the fieldwork reveals that only 10% to 15% of the total workers are women. Most of the women work as cleaners and cooking helpers while few work on the front desk and as telephone receptionists. Findings of Burns and Holden (1995) show that in tourism women are traditionally involved with the above mentioned jobs. It is interesting to note that most of the women working on the front desk are Rakhains although some of them are also involved in different businesses. These women look different in their appearance to indigenous women and they also dress differently. Regarding this issue Mr. Idris, a local employer, says:
We want to employ them because they have market value. It provides us some competitive advantages. Our customers like these women because they are different.

Figure 5.3: Women at Work

Source: Photographs taken by the author

The above comment indicates that cultural authenticity is one of the attractions to the tourists. In developing countries women play a crucial role in their family life which Moser (1991) terms as ‘triple role’: reproductive, productive and community management role. In most cases, they do not get a chance to get a job in the formal sector of the economy. This situation also persists in Cox’s Bazar as a small number of women are involved with the formal sector. The researcher finds that many women are involved in the informal sector that produces products and services for tourists such as food, poultry, ornaments and handicrafts. Most of these women are self-employed and work according to their own schedule. Mrs. Rokeya, a local woman comments:

*I have to maintain my family and look after my children as well. Nobody supports me in my household work. Apart from that here male members of the family are reluctant to send their wife outside for work. Therefore, I am not interested to work in any organization because it will create many problems in my life. But I need money therefore it is better for me to work from home. I can work according to my wish and it does not create any problem to perform other duties.*
These women are earning a good amount of money that helps them to live a good life. It also gradually changes family relations and attitudes toward women in this town. In Bangladesh traditionally, women have an insignificant role in the family and enjoy low status although they are performing a majority of household works. One of the main reasons is that most of the women do not earn money and therefore they do not have power to exert their influence in the family and society. But power relations are now changing as more women are getting involved in economic activities. Now they can exert their influence in the decision making process and enjoy more social status than before. This situation is particularly true for the women who are involved in economic activities. The tourism development in this town creates this opportunity for women. Cukier, et al (1996) and Dixon (2000) also find increase in women’s participation in the informal tourism sector in Bali Island in Indonesia.

Out of nearly 200 hotels in Cox’s Bazar only Hotel Saymon has a trade union for employees. Burns and Holden (1995) find that in many countries tourism employees do not have trade union. They also note that it is not only the case for developing countries, sometimes it is also the case for developed countries. Most tourism employees overwork, often working 15 to 16 hours a day, but do not get benefits such as pensions, paid holidays or insurance coverage. Diagne (2004) also finds the same situation in the tourism sector of Senegal. But during the fieldwork the researcher finds that employees are not unhappy regarding this situation. For instance, Mr. Dulal, a hotel employee, says:

Jobs are scarce here. Lots of people in our community do not have any job. I am very happy because I have a job and I am earning money to
feed my family. I do not care about trade union because my owner looks after me.

The above statement shows that people are more concerned to get a job to earn money than to get more benefits from their jobs. Researcher identifies that there exists a paternalistic relationship prevailing between employees and employers, particularly in middle and small hotels. Owners of hotels help employees when they fall sick or face unexpected situations. Employees of these hotels seem happy to get these types of assistance from their employers.

Apart from hotels and restaurants many people are working in other tourism related jobs in Cox’s Bazar. They have the same job characteristics as people who are working in the hotels and restaurants. It is interesting to note that the tourism literature is mainly concerned with hotel employees and has ignored other employees. Researcher finds many people working in other tourism related jobs that create a lot of employment. He also identifies that many children under the age of 18 work in this sector and they usually work in the hotels, restaurants and as street vendors, construction workers and in shops. This finding conforms to the ILO (1997) claim that children constitute 10% to 15% of employment in the tourism sector. In most cases, children work long hours and get small amounts of money. But the children are happy to work under these conditions as Mr Amin, father of a child employee, says:

My son goes to school in the morning and in the afternoon when he does not have anything to do he sells drinks to tourists. By doing this he is earning money which helps my family because we are very poor.
In some cases researcher finds that the earnings of these children have great impacts on their livelihoods. Their earnings contribute to increased standards of living and sometimes also facilitate their education. Mr. Amin says:

You know, I employed private tutor for my son who teaches him mathematics and English. My son’s earning makes it happen.

As most of the people live in very poor conditions in the Cox’s Bazar Municipality where more than 67% are poor or core poor, any income opportunity is treated as a positive matter. Therefore families who cannot provide adequate food to their children are not concerned about the working conditions rather are concerned about the money they bring home. This argument also seconds the claim of Bliss (2009) that, from the poor family’s perspective child labour is not exploitation but is an economic fact and crucial for their survival.

The following life sketch of an employee working in the hotel industry shows how tourism in Cox’s Bazar changes one ordinary man’s life.

Mr. Shah Alam has been working since 1980 in Hotel Saymon, a well reputed hotel in Cox’s Bazar. He is employed as a senior housekeeper although he does not have any formal education in hotel management except an effective training on housekeeping offered by the European Union in 2002. At the beginning it was not a well paid job and he used to get only £25 (Tk.3000) per month with other benefits like accommodation and food. After six years the amount reached £50 (Tk.6000) only considering all benefits and tips from the guests.
Choosing a tourism job was a big challenge for him as he gave up government job and even foreign placement opportunity. He is lucky to prove his confident choice as a right one. This job paid him to purchase land at Cox’s Bazar to build his own home and some shops in front of his home. He is earning a regular monthly rent of £40 (Tk.5000) from his shops. He is now enjoying electricity services and modern home appliances. He is a very good example of a man blessed with a high standard of living and most importantly a handsome financial solvency provided by the tourism industry.

This tourism related job has given him good social status, empowered him to send his children to good schools and to engage a house tutor for them. He is now also capable of investing in income generating activities. The job has also offered him a social network with powerful and wealthy people. He and his family members have also benefited from his cordial relationships with the hotel guests as it offered them social networks. The job has given him a new life with security, honour and comfort of being detached from his early political involvement. Mr. Alam does not have social or religious conservative mindset rather his liberal approaches have so far been the hope to initiate the cha for development in this area.

5.2.2. Investment and Infrastructural Development

In Cox’s Bazar there has been significant investment in the development of tourism infrastructure during the last 15 years particularly by private sector. During 1972 to 1975 a crash programme was taken to renovate the
accommodation units of BPC and repair the tourist transport fleet which were damaged during the war of independence. For these purposes government allocated US$0.84 million to BPC. In the 1\textsuperscript{st} five year plan (1973 to 1978) the government allocated US$1.85 million to develop new motels, cottages, picnic spots, and duty free shops and to establish a good transportation system.

After the military takeover in 1975, the government changed their political philosophy and started to establish a free market economy. For that reason government formulated a two year development plan (1978 to 1980) and allocated US$2.64 million to develop tourist infrastructure. In the 2\textsuperscript{nd} five year plan (1980-1985) it allocated US$3.59 million and in the 3\textsuperscript{rd} five year plan (1985-1990) allocated another US$4.08 million to BPC for the development of tourist infrastructure (Hassan, 1992). In the 4\textsuperscript{th} five year plan (1990-1995) government allocated to BPC further US$6.2 million (BPC, 1996). In the 5\textsuperscript{th} five year plan (1997-2002) the government allocated a total of US$74.8 million for the development of tourism but out of this US$71.92 million was allocated for private sector and only US$2.88 million was allocated to BPC (Morshed, 2006). In this plan emphasis was given to the development of the private sector and to create integrated tourism facilities to attract both international and domestic tourists. Under this plan, private and public sector jointly worked to develop physical facilities in the three districts of Chittagong Hill Tracts, costal areas and in Mymensingh, Bogra, Dinajpur and Sylhet.
From 2002 to 2006 government allocated US$30 million for the development of tourism (Morshed, 2006). It is must be noted that all government resources allocated to BPC were invested to develop hotels, motels, picnic spots, construct the head office of BPC and buy cars for officials and other vehicles for tourists. The above mentioned allocations were not used for the development of other crucial tourism related facilities such as communication infrastructure, utility facilities etc. Mr. Kibria, an owner of a tour operating company says:

Tourism has positive impacts on investment in local economy and infrastructural development. It creates business opportunities and employment. I have seen lots of changes in the last decade. This place has totally been changed due to tourism. Investment is coming and new businesses are started frequently. Communication has been improved. The government has expanded and built a new highway connecting Cox’s Bazar with the rest of the country. New luxurious coach services are available here. Internal communication has been improved. When I started my work here people had to use locally made trawlers to travel to Saint Martins and Moheshkali. Now there are numbers of ocean going vessels operating to take tourists to Saint Martin and Moheshkali.

The above comment justifies the argument of Archer, Cooper and Ruhanen (2005) that infrastructure such as highways and airfields which are constructed for tourism development but eventually these facilitate access to a wider market for local products.

To attract foreign investment government offers financial benefits to investors such as tax holiday and facilities to transfer profit. This situation conforms the argument that particularly in developing countries to build tourism infrastructure foreign invest is needed and governments take measures to attract foreign investments (Jackson, 1973; Talbot, 1974; Turner, 1976; Chase and Mckee, 2003; and Gu and Wong, 2006).
Figure 5.4: Increased Investment

In Cox’s Bazar BPC has four motels and six cottages. Out of these, three motels have already been handed over to private operators on long-term lease basis. Apart from that, all hotels and rest houses and other tourism infrastructure are established and operated by the private sector. In Cox’s Bazar government allocated 100 acres of land to the private sector in 1991 to build tourism infrastructure and this is the initiation of significant private sector investment in Cox’s Bazar. About 50 hotels have been established in the area in last 16 years and some big hotel construction is going on. One entrepreneur, Mr. Idris says:

*I have invested Tk.5 crore (£400,000) to build my hotel. My hotel is a medium standard hotel. You will find at least 35 to 40 hotels like mine which were established in the last 15 years by the private entrepreneurs. There are some big hotels where huge amount of money ranging from Tk.50 to Tk.100 crore (£ 4 million to 8 million) was invested.*

The above comment reflects that private sector investment is significant in the tourism sector in Cox’s Bazar. This investment is partial because it only demonstrates investment in hotel sector. Private sector businessmen are also
investing money in building new shopping centres and real estate businesses. The second home concept has become popular and now five real estate companies are constructing several high-priced multi-storeyed residential buildings. It is interesting to note that no foreign company has invested in this area yet. Another entrepreneur Mr. Kabir comments:

Some of the foreign investors from Malaysia and Singapore are interested to invest here. They submitted their proposal to the ministry but did not get cooperation. You know, politicians and government officials always put barriers to private sector. For their non-cooperation the foreign investors lost their interest.

Political biasness in resources allocation and policy formation make it difficult for foreign investors to invest. Particularly in allocating government land to private sector to build hotels in Cox’s Bazar presents a corrupt picture of administration. In 2003 the then government allocated 164 acres of land to 65 businessmen to build hotels for tourists. Out of those businessmen, 16 got plots who were either ministers or members of parliament and were directly involved in Bangladesh Nationalist Party (BNP) and Jamayat-E-Islami politics (Bhorer Kagoj, 2007) that were in power during that time although most of them did not have any tourism related business experience. Mr. Idris further says:

These are the most lucrative lands we have in this area and all of these lands are owned by people who do not have any experience about tourism business. Do you think that real businessmen from aboard will come here under this situation!

Interestingly, entrepreneurs here are only motivated to build hotels, markets and residential flats but are not interested in establishing other facilities for the tourists. Mr. Kabir’s words also reflect this entrepreneurial intention:

Other than hotel we do not need anything. Tourists are not interested in other things.
Lack of innovation and entrepreneurship skills of the local businessmen particularly in developing countries is common (Dwyer and Forrsyth, 1994). Inadequate infrastructural facilities for tourists are another constraint for the development of tourism and Inskeep (1991), Gunn (1994), and Akama and Kieti (2007) also identify the same problem in other developing countries.

5.2.3. Business Linkages and New Business Opportunities

One of the major outcomes of tourism development in Cox’s Bazar is the diversification of business and the linkages with the formal tourism sector. Tourism develops new types of opportunities that are created for investments resulting reduced extent of leakages of revenues. In Cox’s Bazar many new business organizations have been established as a result of tourism development. Apart from the establishment of accommodation services new business organizations have been established to provide services. But it must be mentioned that this expansion of business receive little or no support from government and/or from the international agencies.

Figure 5.5: Diversified Business Endeavours

Source: Photographs taken by the author
During field study researcher finds that this diversification of business opportunities attracts new investments in the area. Local and non-local entrepreneurs are invested in new businesses. This situation validates Ennew’s (2003) argument that tourism encourages entrepreneurs to establish new businesses and also helps to develop new small businesses. This also supports the UNWTO (2002) argument that a linkage between the local economy and tourism is necessary to enhance economic benefits to the local community. These new businesses not only create employment but also help to retain some tourism earnings in the area. A restaurant owner, Mr. Kamal states:

I purchase most of the raw material for my restaurant from local suppliers. You know, local businessmen can supply me whatever I need for my restaurant. Few years back I had to go to Chittagong for collecting some of the items like drinks and toiletries but now I can purchase everything from local suppliers.

Most of the hotels are small and medium sized and therefore the entrepreneurs are not interested or sometimes not even capable of establishing backward linkages by themselves. A few years back, almost everything like food, drinks and different services like laundry facilities and others were bought from the neighbouring city Chittagong or the capital Dhaka. Now the situation has been changing gradually and Mr. Mohiuddin in this regard says:

I have established a laundry business five years back. I left school at the age of 16 and tried to find a job but could not find any. I was frustrated and then found that local hotels need laundry services as most of them do not have own laundry. ... So far I have invested Tk.500,000 (£4000) and employed three people in my business. I am earning good amount of money and planning to invest more in this business.

These new business opportunities also help local women to start their own businesses. In Bangladeshi culture it is assumed that the male should maintain
the family. Again, due to religious reasons women are not encouraged to participate in outside activities but due to economic hardship and changing attitudes women are now encouraged to participate in economic activities. As argued earlier, Cox’s Bazar is a religiously conservative area and therefore women’s participation in economic activities is rare. But this scenario has gradually been changing and women are increasingly taking part in economic activities. During the field study it is found that women work in hotels, restaurants, shops, ornament making factories while some of them have their own businesses. For instance Mrs. Chowdhury has a poultry farm supplying eggs and chickens to the local hotels. She says:

*I am doing this business for the last 15 years. Now I have 5,000 chickens in my farm. I have five employees and four of them are women. During peak season local hotels need 50,000 eggs and 5,000 chickens per day. Now we are able to meet their demand because in Cox’s Bazar district many people are engaged with this business and some of them are women who have their own farms.*

**Figure 5.6: Mrs. Chowdhury’s Chicken Farm**

Source: Photographs taken by the author

This business opportunity leads to many new opportunities like supplying animal feed, medicine and other activities. Therefore, it can be argued that due
to tourism development a chain of backward business organizations have been developed in this area contributing in the stimulation of economic activities. This reality validates Eadington and Redman’s (1991) argument that tourism plays a significant role in stimulating economic growth. These business operators are investing their capital into diverse business ventures which also increases the competitiveness of the tourist area because these businesses are offering new products to market which attract customers and they are spending more money in the area. This increased spending has a great impact on the livelihood of the local economy. Most of the money spent by the tourists stay in the local economy as businesses are local and are mostly run by members of the local community. The comment of Mr. Hasanullah, a local entrepreneur, clarifies it:

*I am a local businessman and I have invested Tk.10,000,000 (£77,000) in the water sports instruments and employing more than 50 people and most of them are local. Through my business I am attracting more tourists and they have scope to spend money here. As I am a local person my earnings stays in this area.*

Investments by local businessmen are important for the local economy as these businesses can minimize the leakages of earning from this area. As UNWTO (2002) argues, the best way to enhance economic benefits to the local community is to increase the extent of linkages between the formal tourism sector and the local economy. Archer, Cooper and Ruhanen (2005) also argue that the growth of tourism creates markets for new products and services.

The following life-story of Mr. Hasanullah shows how increasing linkages between the formal sector and local businesses help the local community to gain more economic benefits from tourism development in this area.
Mr. Hasanullah is a local businessman living in this area for the last 30 years. He is now 40 years old and he started working in his childhood on the beach as a helper of tourists to look after their belongings and as a guide. At his 15 he found that many tourists were coming to enjoy the sea and its surrounding beauty but there was a lack of support for them. He explains:

*When tourists used to come to the beach from the hotel to enjoy themselves they found nothing in the beach which can help them to stay more and to enjoy the beauty of nature. I realized that it is the opportunity for me to offer something to tourists. I bought two deck chairs and umbrellas and few rubber tubes and started to rent them to tourists. This is the beginning of my business. All of a sudden I found that I am not dependent on the mercy of tourists any more as I have my own business and I am earning a good amount of money to live my life.*

**Figure 5.7: Hasanullah’s Business on the Beach**

Source: Photographs taken by the author

This opportunity is the beginning of a journey of a successful businessman. After the initial success of his business he bought more deck chairs and umbrellas. He says that a local carpenter and mechanic help him to manufacture these deck chairs and umbrellas. He buys most of the raw materials from a local market. Now he has 150 deck chairs and umbrellas but thinks that he should offer new products to his customers. He says:
You know, there is plenty of opportunity for me to do business here. Tourists come here for relaxation and are willing to spend money if you can offer them right products and services. Therefore, I always look for new products which I can offer to my customer. I bought horses, speed boats, water scooters and beach bikes. Now my customers are happy and particularly the young are spending more time and money here. I have employed ten people and there are working in manufacturing and repairing side of my business. This business not only changed my life but also the lives of the people associated with it.

The potential for tourism related business like the one of Mr. Hasanullah, shows how the local community can involve themselves with the tourism development. It also demonstrates that the linkages between tourism and local businesses are beneficial for both of them. This type of small business creates earning opportunities for the local community and creates new opportunities as well.

5.2.4. Standard of Living

It is difficult to measure the standard of living of a particular community because the criteria to measure the standard of living varies from country to country. Sometimes quantitative data are used to measure the standard of living of a particular community but in the case of Cox’s Bazar it is not possible due to a dearth of relevant information. According to UNDP (2001) standard of living means “the notion of human welfare (well being) measured by social indicators rather than by ‘quantitative’ measures of income and production”. Therefore it can be argued that on an individual level, the standard of living can be measured on the basis of quality of life a person enjoys in such areas as housing, food, education, clothing, transportation, and employment opportunities. In Cox’s Bazar more than 67% of people earn £1 to £2 per day.
literacy rate is low compared to the national level, 50% households have electricity connection and only 10% households have running water and proper sanitation facilities. Hence it can be said that the standard of living of the majority of people in this area is generally low.

However, the measurement of standard of living of a particular community should not be only measured on the basis of the definition set by international organizations but also the reality perspective of the particular community should be considered. If we always follow the international definition which is primarily developed based on the standard of developed countries, then we may ignore the changes occurring in developing countries due to its economic development. So, the researcher’s argument is that tourism in Cox’s Bazar has a positive impact in increasing the standard of living of its population. Scheyvens (1999) also argues that tourism brings long term financial benefits to the destination communities that results in distribution of benefits across the community and improvement of the local services and infrastructure.

As traditional economic activities like fishing, salt manufacturing and timber business are decreasing so getting a job has also become challenging in this area. In most cases non-locals occupy those occupations in this area. Tourism is treated as the main economic sector and the prime source of earning in this area. Mr. Rahim, who works in a tour operator company, informs:

*Since my childhood I have been serving in this tourism sector. My parents were very poor and could not provide me food and education. I survived because of tourism. I do not have formal education but got a job and now living a decent life. Person like me would have left for Dhaka or Chittagong to get a job if tourism were not here.*
In Bangladesh, where the unemployment rate is very high and particularly in peripheral areas like Cox’s Bazar, public sector investment is low in creating employment, any earning opportunity makes a difference to people’s lives.

**Figure 5.8: Infrastructural Development**

![Infrastructural Development](image)

Source: Photographs taken by the author

Considering the benefits of tourism, government took initiatives to develop the basic infrastructures in this area and built a highway and bridges that connected Cox’s Bazar with the rest of the country. Now everyday 500 buses and many private vehicles come to this town. The town has an airport and receives three flights daily from Dhaka and Chittagong. This town is enjoying comparatively better electricity and water supplies compared to other peripheral areas of Bangladesh. Mr. Siraj, a local resident mentions:

*I believe our standard of living has been increased. Tourism has accelerated the pace of development and that has major impacts in our living condition. I want to give you one example: electricity came to this town in 1957 where most of the semi-urban towns came under electrification in the mid 70s. Roads in our town are well constructed and well maintained, luxurious vehicles come to our town which make our journey comfortable and easier. I think these facilities contribute to the improvement of our standard of living.*
The argument of Archer, Cooper and Ruhanen (2005) also supports the above comment as they argue that whilst tourism infrastructure is primarily developed for tourism purposes these utilities also serve local people.

**Figure 5.9: Symbols of Enhanced Standards of Living**

Source: Photographs taken by the author

It is found that people working in tourism related jobs have a better life than those working in other sectors. Findings of Suntikul (2007), and Sebastian and Rajagopalan (2009) are also similar. Tourism related jobs in hotels, restaurants, tour operators and transportation, provide more financial and other benefits. Tourism has become a formal and dominant economic sector in this area attracting educated and skilled people. Moreover, employment in tourism also increases social status as it is considered as a gentlemen’s work. This finding is consistent with that of Bratek et al (2007), Sebastian and Rajagopalan (2009), and Mbaiwa and Sakuze (2009) who claim that tourism-related jobs accord a relatively higher status and increase standard of living. Cukier (2002) also notes that in developing countries employment in tourism provides more wages and requires easy activities with less physical labour and thus becomes an attractive option for local people. The life-sketch of Mr. Surat Alam provides an example of how tourism is increasing people’s standard of living.
Mr. Surat Alam was born in this town in a very poor family. His family was so poor that it could not provide him sufficient food to survive therefore he had to start work at the age of five. Now he is 30 years old. He does not have any formal education. At the beginning he was working as a street vendor to sell shell ornaments and souvenir. About his childhood experience he states:

*In my childhood I had to work 10 hours and had to contribute to my family. We were six people living in a single room and did not have enough food to eat. My parents could not send me to school because they did not have money to support my education. If I had not started working at the age of five, I would not survive to tell you my story.*

He has been working in a beach entertainment company for the last 10 years. Now he is earning Tk.6000 (£50) per month. A few years back he bought land in this town and built a semi-*pucca* house where he enjoys electricity and water supplies. In his house he has bed, wardrobe, dressing table, television, cable connection, music system and electric fan. He has a mobile phone that he uses for contacting his customers. Mr. Alam is an experienced surfer and participated in surfing competition in Bali and Colombo that was sponsored by a group of American tourists and some foreign tourists even stayed in his house.

**Figure 5.10: Mr. Alam’s Family Benefited from Tourism**

Source: Photograph taken by the author
He has two children who go to school and also have a private tutor. His wife works at home to make shell ornaments and sell to the street vendors. He says that his wife’s earnings also help to maintain a good living. He states:

*I am a very happy man now. When I look back and think about my childhood and teenage memories I can not believe I overcome all the hardship and poverty. Now at the age of 30 I have a house to live in and money to maintain my family with dignity. When I was constructing my house everybody became very surprised because they could not believe it as they knew my past. All happened because of tourism. It not only changed my life but also changed lives of many.*

The life of Mr. Alam and his family members have changed and now they have a decent life. He is looking forward to provide his children with proper education so that they can have better jobs. His house with all required facilities and job giving a good amount of money and foreign trips - all these make a difference in his life. All these favourable changes have been possible only because of tourism.

5.3. Negative Economic Impacts

The development of tourism in Cox’s Bazar has undoubtedly been playing an important role in the economic development but is also creating some negative economic impacts. The respondents identify the following negative impacts of tourism that hinders the wellbeing of the local community.

5.3.1. Increased Land Price and Rent

Some significant negative economic impacts of tourism are increased land price, land grabbing by influential people, high rent and shortage of housing for
local people. Several tourism impact research studies reflect similar scenario (Diagne, 2004; Archer, Cooper and Ruhanen, 2005; Akama and Kieti, 2007). The rapid expansion of tourism infrastructure has created huge demand for land to build tourist facilities. Until 1980s most infrastructural developments have been done by the government and generally used its own land. But since 1990s private sector entrepreneurs have started showing interest to invest here and it resulted in increased demand for land. Then government decided to develop an exclusive tourist zone and acquired a large area of private land and many people lost land. Earlier, most of the lands in the designated area were used for private housing and farming. When government acquired private land and distributed among private investors then adjacent areas appeared attractive for building tourist infrastructure. Mr. Akbar, a former landlord, says:

*I had land adjacent to government designated hotel-motel zone. When people started to build new hotels then businessmen came to my house and offered huge amount of money for land and I could not prevent myself. I sold my land. But I could not buy enough land in this town because price of land of the other part of the city also increased. I used to cultivate paddy in my land and it was my main earning source. Now I am virtually landless, can not cultivate and so my income decreased.*

**Figure 5.11: Changed Land Use**

Source: Photographs taken by the author
The development of tourism needs land and in consequence land price rises. Therefore local people particularly the owners of marginal and medium size land become tempted to sell their land for higher price. It has consequences of landlessness among the local people and thus decreases their standard of living. This finding validates those of Archer, Cooper and Ruhanen’s (2005) that during the tourism development process farmer and other land owners are encouraged to sell their land and in this process they are converted to landless. Now many real-estate companies are building flats and wealthy people from Dhaka, Chittagong and other parts of the country are buying these flats. The price of these flats is very high and sometimes equals the price of flats in Dhaka city. Mr. Siraj, a local resident, mentions:

They are not constructing these flats for us because we can not afford these. These flats are for the wealthy people coming from the other places. Can you tell me what will happen to our children? Where will they live in future as we failed to buy flat or land to construct a house?

Diagne (2004) also identifies similar problem in Petite Cote region in Senegal.

Most of the wealthy people who buy these flats generally do not buy for commercial reasons rather for social status and most of the time these are left unused and empty. It is almost wastage of resources as Bangladesh is a poor and densely populated country. In the commercial part of Cox’s Bazar businessmen build new shopping complexes to sell at high price. In most of the cases existing local businessmen cannot buy shops due to high price. Businessmen from other parts of the country buy shops in the newly built shopping complex which also marginalizes the local community to be a part of this development process. Mr. Sobhan, a local, says:
I had a small shop here before they constructed this shopping complex. But now I am out of my business as I could not buy any shop. All shops are expensive and mainly the non-local businessmen purchase these. My landlord made lots of money by selling the land to the developer but what will happen to us?

Sofield (2008) finds that in Vietnam land owners are not properly compensated by the government after the acquisition of their land for tourism development. During the field study it is also found that people who lost their land due to government acquisition for development of exclusive hotel-motel zone are not properly compensated. They claim that government officials often ask for bribes to arrange the compensation from government offices. Government allots most of the lands in the hotel motel zone among the non-businessmen, ministers or their relatives and businessmen who are related to the ruling political party. These new owners most of the time sell the land to real businessmen at a higher price. An entrepreneur, Mr. Alam, says:

*I bought this plot from one minister of the previous government. He got this land from government by paying only Tk.3.5 million but I paid him Tk.15 million for the same. You can imagine that it had great impact on my business as I have to pay huge interest for my bank loan. Ultimately customers have to bear the expense as I need to charge high price.*

There are other sad stories about land grabbing from the local residents by using terror and political power. The powerless people usually cannot get justice from the government officials and law enforcing agencies as these entities always want to appease their political master. As these people do not possess any political power therefore they need to leave the town and move to villages. Local people who live in the main tourist zone often feel insecure and helpless to protect their ancestors land. In the long run this situation may cause social and political unrest which may hinder tourism development in this town. The
following story gives a picture of how influential people destroy a family by grabbing their land.

Mr. Nuru Miah lost one acre of his land when the government wanted to build a hotel motel zone for tourism development. The government acquired his land and promised to give him compensation at current market rate. Mr. Miah was devastated to lose his land because it provided food for him. He told me that he thought he would use the compensation money to build a multi-storeyed building on his other land near the hotel-motel zone. But his dream was shattered when he found that he had to spend a huge amount of money as a bribe to get his compensation. He mentions:

*When government took my land I was very worried because I did not face this situation in my life before. But government officials told us we need not worry about compensation money because government has instructed to pay compensation as early as possible. After few days some local middlemen came to tell me that I have to pay some money to the government officials and they also want money as they will work for me to collect this compensation from government office. At the beginning I refused to give money and tried for six months to get my compensation but failed. At last I had to pay 40% of my compensation money to these middlemen to get my money from government. I was devastated but I did not lose hope to use this money for better future.*

But this is not the end of the story and has another twist. After a few months some local political activists came to his house to tell him that an influential minister wanted to buy his land because he was allotted a plot by the government which was beside his land. The minister wanted to build a hotel and so need to buy Miah’s land. They offered him current market rate but he refused to sell the land and started to construct a house but could not continue as the local political activists threatened him not to progress with the construction. At
one stage they physically assaulted his sons and threatened to kill them. He went to the local police station to lodge a complaint but even the police refused to help him. He says:

When police refused to help me and advised me that it was better for me to accept the proposal otherwise my family would face more problems then I lost every faith on the government. I realized that people like me do not have any right in this country and nobody will help us. I gave up and decided to sell.

Later he had to sell his land to that party and had to give a good amount of money to the local activists to celebrate the event with sweets. He could not buy any land in the town and had to move to a village which is five kilometres away. Now his sons who are working at the town commute everyday. He raises a question - “Can you tell me who got benefit from this development?”

5.3.2. Increased Income Disparity

Harrison (1992) argues that benefits of tourism development in the LDCs are mostly enjoyed by the local elites and the majority of the population only receive the minimal benefits. This research finds a similar scenario. For the last 20 years it has been contributing as the main economic sector of this area but this has occurred along with increasing income disparity. As labour is abundant and there is no minimum wage rate set by the government, employers take the privilege to offer low wages to the local people and hardly offer any other benefits. An employee, Mr. Khalil says:

We are helpless. There are few jobs here but lots of unemployed people. Hence what you can do? We have accepted whatever money they offered.
This kind of disparity is not only limited in the case of income. Most of the tourist resources are owned by outsiders and local elites while most of the local people are increasingly losing their land and other resources. Therefore the local community is mainly dependent on wage-based job in the formal and informal sectors of the economy as they cannot compete with outsiders and the local elites to obtain and control tourism resources. Lack of ownership of tourism resources contributes to the increased income disparity among the local people. Mbaiwa (2005) also finds the same and claims that rapid development of tourism in the Okavango Delta in Botswana fails to meet the basic needs of the members of the local communities. Rogerson’s (2002) findings that most of the tourism resources are owned by white South Africans in the Highlands Meander where majority are black is inline with the finding of this research. Akama and Kieti (2007) also claim that despite of tourism development, the income disparity is increasing in Kenya. Hall (1992) opines that tourism brings inequality to relatively poor developing countries.

The situation in Cox’s Bazar is not a different phenomenon to elsewhere in Bangladesh as all over the country majority of the people own small portion of the total national resources. In this country eight private companies and 55 individually owned companies possess more than 60% of the total bank deposit (Prothom Alo, 2009). Ironically the local community in Cox’s Bazar cannot capitalize the opportunities created by the recent tourism development in this area. A local entrepreneur, Mr. Idris opines:
I am not blaming non locals or local elites for our economic misery. I am blaming ourselves as we do not have the qualities to identify business opportunities but the non locals have.

There are several reasons for their failure to utilize the opportunities to improve their income and livelihood. Firstly most of the local people lack proper understanding about the nature of tourism business and hence often they fail to enter the market timely. But the non locals succeed in this regard. They capture the market and pose barriers to the local people to enter the market. Secondly, the lack of skills due to high illiteracy rate in this area usually results into minimum involvement of the local community in the economic process. Thirdly, lack of government support in terms of finance and access to tourism resources often hinder the local community’s participation. Finally, political influence and biasness in allocating tourism resources sometimes cause income disparity.

5.3.3. High Price of Essential Commodities and Services

In Cox’s Bazar the researcher finds that one of the visible and most talked about negative impacts of tourism is the higher price of common commodities. The local people are quite concerned and critical about the high price of food, transportation and rent. They blame the tourists and immigrant workers for this price hike. A local community member, Mr. Rakkhit says:

*Price of almost everything is quite high here. Sometimes it is expensive than Dhaka. People who have limited income face difficulty in maintaining livelihood.*

Akama and Kieti (2007), and Sebastian and Rajagopalan (2009) also find that due to tourism development the price of essential food items and others increases. The researcher identifies some reasons for this price hike of
essential goods and services. The country is not self-sufficient for producing food and needs to import food and other items. The large population of the country also puts pressure on supply but the local production of food and poultry products fail to cope with the growing demand. This situation results in price hikes of food and hence it is not appropriate to single out tourism development and increased number of tourists as the sole reason for the price hike in necessary commodities.

Respondents claim that transportation costs increased due to tourism development. Many private transport companies have introduced luxurious bus services to transport passengers from this town to other parts of the country and their target customers are tourists who are willing to pay even high prices for their comfort. Therefore most of the local people find it difficult to afford such transportation cost. This situation also promotes lower-end bus companies to charge high price as they identify that local people do not have any other option to travel. Generally local people use rickshaw to commute internally and the fare of this transport is also high due to the presence of large amount of tourists in the town. According to the respondents house-rent has also increased as many immigrant workers come to this town for work and supplies of accommodation is short compared to demand.

It is interesting that this negative impact has also created some opportunities for the local community. A local entrepreneur, Mrs. Chowdhury says:

*High demand of food, transportation and housing helps the local economy in changing the economic pattern of this town. Now many local*
people are engaged in commercial production of vegetable and poultry and are making good profit as local hotels are willing to pay high price for products.

The above statement implies that the starting of commercialization of agricultural production is a shift from subsistence agriculture. This is consistent with the finding of Hall (1992) who claims that tourism development boosts food production and creates new employment in Cuba. The commercialization of agricultural and poultry businesses is gradually increasing the production, that helps the local community to meet their demand. These new economic activities are also creating job opportunities particularly for women in the poultry industry which is a significant economic and social change for this town. Until now only a few members of the local community benefited from this changed situation while major benefits are going to the non-locals as they have capital to start businesses. Therefore, a majority of the locals fail to avail immediate benefits from the development but have to bear the sufferings of high price.

5.3.4. Seasonality Effect

The effects of seasonality are well documented in the tourism literature (Butler, 1994; Baum, 1999; Wilton, 2003; Wall and Mathieson, 2006). Researcher identifies that Cox’s Bazar is also facing the seasonality effect and it has negative impacts on the livelihood of the local community as well as on investors and tourists. Seasonal variation of tourist arrivals is a major problem for the development of tourism in Cox’s Bazar. Seasonality is also hampering the diversification of tourism related business. Some respondents of entrepreneur category mention that they are not investing in theme park, water
sports equipment, modern cinema complex and other tourist attractions as it is
difficult to arrange financing. An entrepreneur, Mr. Hasanullah says:

    We want to diversify our business because tourists tell us that apart
    from sea and hills they need something else to enjoy. But we are afraid
    to invest because in the off peak season we will not be able to keep it
    open due to lower income.

Seasonality also puts pressure on the service quality and it validates the finding
of Butler (1994) and Baum (1999). During the peak season huge numbers of
tourists visit Cox’s Bazar and especially in weekends and on government
holidays the number even exceeds the capacity of the area. This excessive
tourist arrival puts tremendous pressure on accommodation and other support
services. Some hotels and other service providers sometimes take advantage
of this situation and earn a lot of money by charging higher price. One
entrepreneur, Mr. Kibria mentions:

    In the peak season some hotels and service providers charge
    unreasonably high price from the tourists. They just get ripped off by
    them and it is creating bad image about this town.

The service qualities also deteriorate during the peak season and tourists
become very unhappy about it. Mr. Sujit, an employee, states:

    During the peak season sometimes we cannot provide adequate and
    satisfying services to our customers. It is not our fault because we do
    not have required facilities to cater huge number of tourists but
    customers think that as they are paying money they deserve good
    quality services.

Employees working in the middle and lower levels in different business
organizations, self-employed small businessmen, photographers and rickshaw
pullers are usually affected heavily due to the seasonality effects. Their
business and earnings depend on the number of tourists and thus during the
off-peak season they suffer from less income. These people generally do not have any second job and there are not many options of income generating activities. Therefore they face difficulty in maintaining their day to day expenditures. Mr. Surat Alam, a local employee, says:

*During the peak season I just hope that I could make enough money so that during the off peak season I can provide food to my family. We are earning a small amount of money during the off peak season and have to borrow money to survive.*

The seasonality effect not only affects the people directly related with tourism but also affects the livelihood of other people who are not directly related with tourism. A resident, Mr. Islam, mentions:

*During the off peak season I do not get rent from my tenant regularly and it affects my life because it is my only income source. I wish tourists visit all the time so that everybody can earn money round the year.*

### 5.3.5. Leakages of Earnings

One of the most negative impacts of tourism is leakages of earnings from destination area. This problem is well documented in the tourism literature. Cox’s Bazar is not an exception to that but the nature of leakages from this area is different from other areas. In Cox’s Bazar tourism mainly depends on the domestic tourists and foreign investment is meagre in this area; therefore the nature of leakages is different compared to that of other places. During the field study the researcher finds that a significant amount of tourism earnings leaks out from this area but there are no official statistics available. It indicates that policy makers are not concerned about this leakage of earnings and the economic consequences and impacts on the local community. As most of the tourism organizations are owned by non-locals and most of the employees are
also non-locals therefore they transfer large portion of their income from this area to their own areas. Mr. Tewari, an employee of a hotel, says:

I am sending most of my income to my family living at Chandpur (another district not adjacent to Cox’s Bazar). I know that most of the other employees are doing the same.

Most of the owners of tourism organizations also transfer the major potion of their profit to other parts of the country. As tourism business is generally profitable and the owners make good profits therefore some of them use their surplus earnings to develop separate businesses elsewhere. One such entrepreneur Mr. Kalam says:

I am treating my tourism business here as a cash cow as it generates a good amount of profit and I am using this profit elsewhere to develop other business.

A good amount of money are leaked out not only from this area but from the country at large as Bangladesh needs to import almost all materials to build hotels and other tourism related attractions. For instance, Mr. Alam, one entrepreneur, prefers to import building materials, furniture and fittings from China as it is cheaper and suppliers maintain their commitment. He says:

If you want to buy furniture and fittings from local suppliers they will charge you more and might not keep their commitment. Business with local suppliers increases cost and causes delay.

Researcher identifies that lack of capability of local suppliers and shortage of local skilled manpower are the main reasons for this leakages of earnings.

A good number of backward-linked organizations are developed in food supply, sports equipment, transport rental, maintenance services and laundry services. Entrepreneurs are interested to buy food from local suppliers, services from local laundries and other utilities from local providers. This willingness of
entrepreneurs facilitates keeping a portion of tourism income in this area and also inspires new entrepreneurs. An entrepreneur, Mr. Mohiuddin, says:

*I am a local person and wanted to start own business. One hotel owner advised to establish a laundry and after establishing it I am getting business from him. He also helps me to get business from other hotels.*

From the above comment it appears evident that most of the backward-linked organizations are owned by indigenous people and they are happy to get involved in tourism businesses. Respondents feel that this sort of growth of local organizations gives a positive impression to the local community that they are getting benefits and usually part of the earnings are retained locally.

### 5.4. Summary

In this chapter researcher identifies the positive and negative economic impacts based on the research findings. He also analyzes the findings with that of the previous researches. In chapter three a model (Figure 3.3) is presented summarizing the positive and negative economic impacts developed from literature review. The positive impacts are found more or less matched with the findings of the previous tourism impact studies (Frederick, 1993; Wang and Godbey, 1994; Toomam, 1997; Ennew, 2003; Diagne, 2004; Archer, Cooper and Ruhanen, 2005; Akma and Kieti, 2007; Suntikul, 2007; Sebastian and Rajagopalan, 2009) with some limited extent deviations which been discussed in the text. Whereas in relation to negative impacts some crucial findings are there that are different from the findings of the previous tourism impact studies (Long, 1991; Harrison, 1992; Inskeep and Kallenberger, 1992; Tosun and Jenkins, 1996; Cukier, 2002; Diagne, 2004; Archer, Cooper and Ruhanen,
2005; Mbaiwa, 2005; Akama and Kieti, 2007; Sebastian and Rajagopalan, 2009). Some new findings are presented in the following figure 5.12 that are marked in blue.

**Figure 5.12: Economic Impact Model based on the Research Findings**

The positive and negative impacts can be synthesized according to the views of various respondent groups. Entrepreneur group comprises more non-locals than locals and they enjoy competitive advantage. Large and medium size entrepreneurial activities are mostly undertaken by non-local entrepreneurs and small scale initiatives are taken by locals. Thus a negative impact is leakage of earnings to other parts of the country. Tourism development created major positive impacts for these two groups of entrepreneurs by creating increased demand for goods and services, more opportunity for investment and supportive business environment. Another positive impact of tourism development is
women entrepreneurship development and most of the women entrepreneurs are locals.

Tourism development created avenues of scope of activities for GoB like creating infrastructures, providing utility services, offering support services and regulating the activities of the private sectors. All these activities involve earning for the government and thus power and revenue earning are the positive impacts of tourism development.

Local community directly involved in tourism development are benefited by employment opportunities, more earning and enhanced standard of living. However, these locals are mostly involved in low paid jobs. Locals not directly related with tourism development are also benefited by the high market price of their land, earning through high rent and access to better infrastructural development. Nevertheless local community suffers from high price of commodity, income disparity, loss of land and dependency on tourism industry.
Chapter Six: Socio-cultural Impacts of Tourism

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Chapter Six: Socio-cultural Impacts of Tourism

6.1. Introduction
This chapter is devoted to discuss the social and cultural impacts of the development of tourism on the local communities in Cox’s Bazar. According to Affeld (1975) the focus of the socio-cultural impact research on tourism can be divided into three categories: (i) tourist focused - this type of research examines the tourist’s demand, motivation, attitudes, expectations and purchasing behaviour; (ii) host focused - this type of research is concerned about destination communities and their involvement with tourism and (iii) tourist-host interactions focused - this type of research examines the consequences of host-tourist interactions on social and cultural system. In this study the researcher considered the last two focuses to reach the research objectives.

It is difficult to differentiate the social and cultural elements of a particular society, as these are cross cutting issues and thus it is nearly impossible to segregate social and cultural impacts. Bleasdale and Tapsell (1999:188) argue that “… with any discussion of the socio-cultural impacts of tourism there is the difficulty of separating the social from the cultural, and division can be largely arbitrary…”. In this chapter the author discusses the social and cultural impacts in a merged way. The chapter is divided into four parts including this introductory one. In the second part the positive socio-cultural impacts are discussed, in the third the negative ones are analyzed and in the fourth a
summary is provided with a model (figure 6.7) developed based on the findings that presents the socio-cultural impacts of tourism in the research area.

6.2. Positive Socio-cultural Impacts

The researcher finds the following positive socio-cultural impacts of tourism on the local community of Cox’s Bazar.

6.2.1. Changes in Attitude and Behaviour

Diversified socio-cultural dynamics and challenging natural settings influence the attitude and behaviour of the people of this locality. These influences are vivid among the local community members and the nonlocals also cannot escape these. Influences of religious beliefs, social norms and geo-demographic aspects of the location are prominent in the attitude and behaviour of the local people. Regarding this phenomenon a local, Mr. Dulal, says:

*Our life is extremely hazardous. Most of the people of this town know that any natural disaster like a cyclone and tornado will kill them. Every year many people lose their life in the sea or hill. Therefore, here people are not polite rather they are aggressive and fatalistic because they live their lives taking extreme risk.*

From the 1950s to the 1980s few tourists used to visit this area. There was minimal interaction between the tourists and the local people. One local elderly person told that the tourists had different life-styles and their behaviour was also different. Linguistic differences with the foreigners and the different ways of dressing are the main reasons that create a gap between the foreigners and the local people. Therefore, they are often less interested in interacting with the visitors and usually deliberately ignore them. During the field study it is found that still now the senior managers of BPC and most of the hotel staff are non-
locals. When it is asked why there are few local people working in the tourism industry, Mr. Kabir, an entrepreneur, mentions:

You know, the local people do not know how to treat guests. Guests are expecting welcoming friendly attitude and good behaviour from us but local people are often rude. Most of the local people think that the guests are violating and distorting their social norms as they talk and dress differently. As the local people are often hostile towards the tourists, therefore, usually we do not employ them.

To verify this allegation regarding local people’s attitude and behaviour the researcher talks to some local people and identifies that they, to some extent, do agree with this allegation but claim that outsiders have some misunderstandings as well. They mention that their traditions, upbringing and attitudes towards life influence their behaviour. They also report that this area is remote and situated at the corner of the country, therefore modern ways of life, education, and technology have recently arrived in the town. Geographical distance, close kinship and abundance of natural resources prevent them going to the other parts of the country to get jobs. So, historically they have been living isolated. These characteristics have been shaping a distinct behavioural pattern and attitude among themselves but they mention that gradually attitudes and behaviours of the local community have been changing. Respondents identify that several factors contribute to this change and tourism plays the most significant role in this regard. Mr. Ali, a local says:

Now we realize that tourists bring good luck for us. Earlier this was a sleeping town and there were a few opportunities for us. Now you look around and see what is happening here! We have to welcome tourists and have to be more involved with tourism to get benefits.

Respondents mention that the government implemented some development projects to flourish tourism, like construction of new highways and bridges,
prioritizing the supply of electricity and water at Cox’s Bazar, development of internal roads, and support for the private sector investments. They now realize that tourism is the prime reason for these developmental initiatives that are benefiting them.

Availability of new job opportunities and local young people’s reluctance to join their family profession also contribute to change their attitude and behaviour. Now young people of this town do not want to be fishermen or work in the forest any more like their ancestors. Mr. Surat Alam, mentions:

I do not want to be a fisherman. It is an extremely risky job and does not have the social status I want to enjoy. I want to get a job in the tourism sector as it provides good money and has social status. I want to go to a training school and earn a diploma to work in a hotel.

Harrison (1992) argues that tourism provides new opportunities to the local community and it instigates social changes in the host communities. The new opportunities and changes of attitude of the local community of Cox’s Bazar validate this argument of Harrison.

Apart from economic factors, other factors like the interaction with immigrant workers and tourists play a significant role in bringing about these changes. Most of the immigrants who live and work in the town are more educated than the locals. Some of them have married local women. Moreover, for professional and social reasons they interact with local people and their behaviour and attitude also influence them. Immigrant workers usually earn more than the local people do and enjoy modern lifestyles. These influence the locals and they
realize that they should adopt the philosophy of having a better life. In this regard, Mr. Surat Alam, a local person says:

*Look at these immigrants! They are educated and are very polite. They are living a good life and sending their children to school. They are not like us and they have all modern things. I think it is the best way of life. I am also sending my children to school and maintaining close relationship with them so that I can learn good things from them.*

Bleasdale and Tapsell (1999) find that interaction between locals and the tourists cause changes in behaviour and attitude of the local community of Tozeur, Tunisia.

It must be mentioned here that it should not be assumed that the entire local community has these kinds of positive feelings towards immigrants and tourists. According to the respondents there are a small number of local people who are still hostile towards outsiders but their influence is decreasing. It is interesting to note that religious fundamental groups, who normally create barriers for any change, realize the importance of tourism and agree to accept the trends of change. Researcher identifies that there are at least 20 hotels owned by people who are directly involved with the Islamic fundamentalist political party. The General Secretary of the Hotel Motel Zone Owners Association is also actively involved with that political party. Therefore, based on the above discussion it can be argued that the development of tourism brings economic and socio-cultural changes and the majority of local people perceive these changes as positive impacts. Thus this realization motivates them to bring changes in their attitude and behaviour so that they can reap the optimum benefits from this sector. Cohen (1979) also argues that tourism as a social phenomenon involves
interaction between residents and tourists and this interaction may result in social changes.

6.2.2. Enhancement of the Role of Women

The status of women in a family and society is an important factor determining the overall development of a country. Women constitute about 50% of the population of this country so the socio-economic development is undoubtedly hampered if the status of women in terms of education, employment, health care and legal rights remains low. Socio-economic data reveal that women in Bangladesh bear a disproportionately high share of the country’s underdevelopment impacts compared to men (Islam and Sultana, 2006).

In Bangladesh many people still believe that a woman’s proper place is at home and her responsibilities are restricted to motherhood and household work. In this society women play three roles: in production, reproduction and community. It is expected that women should stay at home, maintain the household and look after the family members. Therefore women have little chance to get involved in paid employment outside the home like men. Moreover, their activities such as sewing, livestock and poultry rearing, collecting and producing fuel materials for cooking and growing vegetable for consumption are not recognized as productive economic work. Although the excess production is often sold, the income usually goes to the husband as in Bangladeshi society women’s access to market is limited and in most of the cases women’s participation in market is not accepted positively. This is why their work remains
mostly invisible and is not recognized as productive works both in the family and at the national level.

The above situation has been changing due to the changed structure of the economy, increased women’s education and changed attitude of the population regarding women’s role in the society. Although before 1980s most of the rural Bangladeshi women used to work in the agricultural sectors, since 1980s growth of the textile and garments industry has been creating lucrative opportunities for women’s employment at a large scale. At present about two million women work in the garment industry in Bangladesh representing about 80% of the total workforce (BBS, 2007). Besides this, many women also work in other sectors of the economy. It must be noted that women’s employment opportunities in formal sectors of the economy are mostly confined to the urban areas. In rural and semi-urban areas most of the women work in the informal sectors and their opportunities for employment in the formal sectors are limited as most of the development activities are centralized in the urban areas.

The above discussion presents women’s role, status and their participation in the economic activities in Bangladeshi society. It may help to understand the nature of impacts tourism development in Cox’s Bazar pose on women’s lives. In this country majority of the small towns usually do not offer significant economic activities other than agriculture and trading. However Cox’s Bazar has totally different economic characteristics compared to other urban towns of Bangladesh. The economy of this town now heavily depends on tourism.
Researcher identifies that in Cox’s Bazar influence of Islam is stronger than any other parts of the country. The Hindu and the Buddhist communities in this area are relatively less conservative and promote women’s education and jobs. Although majority of the Muslim population believe that woman should stay at home but now-a-days they show interests in sending their daughters to schools. Nevertheless they think that women should not be involved in outside work. In this regard, Mr. Amin, a local community member, comments:

*I am sending my daughter to school but I will not let her work outside the home. I think she needs education because it will help me to arrange her marriage with a wealthy family.*

It is found that the attitude of the Bengali Buddhists and the *Rakhain* people regarding education of women has been changing. They are now interested in sending their daughters to school and also encourage their daughters to get jobs outside home. The attitude of the Muslims, particularly those who are economically in lower and middle levels is also changing. Ms. Rebecca, a Muslim woman, says:

*Do you know that my father did not send me to school and after marriage I used to stay at home? I did not have any earning because I was not allowed to work outside. There were few jobs available at that time but now there are many opportunities to earn money. I am sending my daughter to school and I will encourage her to get a job. People who are opposing women’s work do not have any financial worry because most of the times they are getting money from others to maintain their lives but people like me need to maintain family alone as nobody helps.*

Thus it appears that development of tourism in Cox’s Bazar has significant impact on the status of women’s education. The economic opportunities created by tourism have significant impacts on the changes of attitude towards women’s education and in this regard it justifies Ap’s (1992) assumption about accepting
any change that begets economic benefit. But other factors like tourists’ influence in the form of demonstration effect also play an important role. Rebecca further says:

> When we watch women tourists we realize that they live better lives than we do. These women are more educated and enjoy better lifestyle. These encouraged me to send my daughter to school. Now I understand that if you have education then you can get some skills to do something that will help you change your life.

Although the development of tourism has created job opportunities for women but until 1980s only a few Rakhain women were involved in outside work. The above discussion validates the argument of Urry (1991), Sinclair (1997) and Hashimoto (2002) that tourism development increases women’s opportunity to get a job. Cox’s Bazar has been a popular tourist destination since 1950s but only one woman was involved in this sector before 1980. Mrs. Umma was the first woman in Cox’s Bazar who involved herself in a tourism-related business and her story is presented below.

At present Mrs. Umma is 70 years old. She told about her experiences and struggles she encountered to enter the business as a woman. She started business in 1955 and at that time she was only 17 years old and got married before that. She found that tourists were interested about traditional Burmese garments, accessories, pickles and ornaments. During that period only a few shops used to trade these items. She consulted her husband about the idea of opening a shop in front of their house. Initially her husband was not interested about it as it would violate the traditional norms of their society because no woman of that town used to work outside home at that time.
In Bangladeshi society it is vital to obey the social norms but if anyone breaks any social norm members of the society punish him or her and sometimes boycotts that person. So, her husband was quite worried about her involvement in business and tried to discourage her. Moreover, he thought that women do not have the skill, knowledge and capability required to do business. In this regard she mentions:

"My husband is a good man but he had the idea that as a woman I did not have the capabilities required to do business as it was treated as a man’s job. He told me that women’s place is at home and you cannot compete with men. I do not blame him because it is the perception of our society. He was afraid that we might face society’s backlash. Eventually I convinced him and started business with only Tk.2000 (£8)."

**Figure 6.1: Mrs. Umma and Her Market**

Source: Photographs taken by the author

When she opened her shop it created a huge outcry in the town. She was threatened by influential members of the society to close the shop but she refused to do so as she received good response from customers. Local women also supported to continue her business activities because they thought that her involvement in business would prove that women have similar qualities like men
and it would help other women to come out from home and start their careers. Her struggle and perseverance paid her back and she said in this regard:

*Within a few years I established my business and it became the biggest shop in the town. After few years other women came to business and now you will find that women run 50% of the tourist shops.*

She is now a successful businesswoman and owns a market and a four-storied building. Her two children are educated and the daughter even studied in a university. Now both of them are involved in her business. This is a remarkable story of a woman who in 1950s broke the social taboo and proved that everybody was wrong about women’s lack of skills and capabilities. Mrs. Umma also got national recognition by winning the National Best Woman Entrepreneurship award. Her success created a profound positive impact on the livelihood pattern of other women in the town. Mrs. Umma gives all credit to the tourism sector and says:

*I believe that tourism totally changed the lives of women in this town. Here women became involved with economic activities and outside works long before than other towns of Bangladesh. Tourism brings economic success in our life and also brings new ideas that help us overcome the social pressure. Society also accepts our roles as they enjoy the consequences of the benefits. Without tourism it would have been impossible for us to achieve this success.*

The above success story of Mrs. Umma validates the argument of Telfer and Wall (1996) that development of tourism not only creates job opportunities but also new entrepreneurs in the local communities. Other studies (Urry, 1991; Wall and Mathieson, 2006) also claim that there are opportunities for women in tourism sector providing greater economic independence.
Muslim women now realize that to have a good life they must be involved in modern education system and economic activities. This change of attitude is not only limited among the Muslim women but a large portion of Muslim community also agree with this sentiment. Now many girls of the town go to school and women get involved in economic and social activities. Researcher identifies that a few Muslim women also run big businesses. For instance, Mrs. Chowdhury (see figure 5.6 in chapter five) a renowned businesswoman of the town run poultry and forestry businesses by herself and has been involved in these businesses for the last 25 years. She has a poultry farm of 4,000 chickens and is developing an eco-park outside the town for the tourists. Her business turnover is Tk.10 million per year. About 50 people work for her and most of them are women. Regarding her motivation to start the business she says:

*After few years of my marriage I realized that I should not be only confined to maintaining my family. When I found that many Rakhain women were involved in business and it increased their economic and social status within their communities I also wanted to do something. I got my husband’s support as well. He was very progressive and wanted to patronize women’s initiatives. When I started my poultry business, I was the first person in the Cox’s Bazar town to start this sort of business. Now anyone can see how large my farm is! My involvement with business and outside world inspired other Muslim women to start their own businesses or to join outside jobs.*

In 1980, BPC took the first initiative to recruit women but only one *Rakhain* woman Mrs. Tintin was interested and joined. The following section presents a brief life sketch of Mrs. Tintin.

Mrs. Tintin joined as front desk staff in a BPC owned motel and now she works as a manager. About her job experience she says:
My husband was in BPC and he encouraged me to apply for the job. Both of our parents and other relatives were against this decision. They thought job in the hotel is not at all good for women and respectable women should not work there. If any woman of our family works there then our family will lose it’s social status. But I overlooked their opinion and joined the organization.

At the beginning of her career she faced lots of problems. Her relatives and neighbours kept a distance from her. When she went to the work place people used to stare at her and say critical comments. Some of them told that it was disgraceful to take that job because people from other parts of the country may have bad impression about the women of Cox’s Bazar because of her activities. Initially the situation was quite bad and thought she should give up but her husband and colleagues inspired her to continue. After a few years the situation started to change when people could not find any fault with her service. As the job provided economic independence and contributed to increase the standard of living of her family they started to appreciate her activities. Tintin says:

My income has profound impacts on my family life. It helps me to live in a comfortable house with modern home appliances like television, refrigerator, electric fan etc. It also made me capable to send my children to good private school. Now I am able to spend money according to my wish and I am very happy as I am financially solvent. I can now take decisions by myself but most of the women of our country do not get chance to participate in the decision making process as they are financially dependent on their father or husband.

This change of attitude towards women’s involvement in economic and social activities is not confined only with the upper or middle-class women. It is interesting to get tourism development work as a changing agent for the socio-economic development especially for the lower-class women and the whole
female population at large. Researcher identifies that people who are economically vulnerable tend to adapt changes eagerly than any of the economically better-off groups. But it must be mentioned that in Bangladesh social perspective and kinship play important role to develop individual behaviour while the social elite possesses a significant influence in determining the social norms that govern the kinship dynamics. Sometimes the economically-vulnerable group even cannot adopt the changes according to their wish as often they are prevented by the society. Thus social changes in Cox’s Bazar, in relation to women’s participation in the economy through their activities, education, and changing roles in the family and society, are mainly the results of the development of tourism. The following story of Rebecca illustrates how tourism changes a woman’s family life and enables her to feed children and send them to school.

Rebecca got married at the age of only 15 although it was unlawful as in Bangladesh the minimum age for marriage is 18 years for the girls. But implementation of this law is improper and so underage marriage is common in villages and towns. Rebecca’s husband was a fisherman and within three years of her marriage she gave birth to three children. She recalled that although they did not have their own house, she had a good life as her husband used to earn well. They lived in a house provided by the mahajon (employer of her husband). Unfortunately on the fourth year of her marriage, pirates killed her husband while he was in the sea for fishing. She did not get any compensation from her husband’s employer. At that time she neither had savings nor any source of
earning to feed her children. Under that circumstance one of her neighbours advised her to go to Burma as she would be able to get a job there. She sold her gold jewellery and gave the money to that neighbour to arrange the journey to Burma. Some people from Bangladesh go to neighbouring countries like Burma, India, and Pakistan to get a job and sometimes these are illegal migration. Rebecca started the journey to Burma by boat along with her children but were caught by the Burmese border security forces for illegal entry and sent to jail. She spent two and a half years in a Burmese jail with her children and then they were sent back to Bangladesh. When she came back her parents rejected her as they were too poor to help her. She says:

I spent two and half years in the Burmese jail and when I came back, I had nothing. I was living on street with my children and could not give them food. I was begging to people for food.

She mentioned that she was determined not to beg for survival and wanted to do something that would enable her to earn. She says:

I started to think and found that many people were visiting this place. When I left this place three years ago, there were few visitors. Now round the year many visitors are coming to Cox’s Bazar. They buy drinks and snacks but only a few shops sell these items. I thought that it might be a good business opportunity and so decided to set up a shop.

When she communicated with her family about her idea to open a shop near the beach and asked for their support, they disagreed and told her that women were not allowed to do outside activities or to mix with males. They also told her that in Cox’s Bazar Muslim women do not run business and if she was going to do that she would be in trouble with the social leaders and the family would also
not maintain any relationship with her. They were not in a position to help her financially and were afraid of how the society accepts her approach.

**Figure 6.2: Rebecca and Her Business**

![Rebecca and Her Business](image)

Source: Photographs taken by the author

Many *Rakhain* women involved in tourism related activities earn a good amount of money and can maintain a decent life with dignity. Rebecca observed that these women do not face any problem from tourists, not even from the male tourists. She says:

*During that period I occasionally used to work in a hotel as a cooking assistant. When the owner of the hotel learned that I wanted to open a shop, he encouraged me and told that he would give me some money to start the business and support me if I face any problem.*

At the beginning of her business she faced some problems from the local leaders of the society but her courage, and support from the hotel owner and other concerned people helped her to overcome those problems. Now she has expanded her business and earns a reasonable amount of money and does not have uncertainties about the food and accommodation for her family.
There are many women from the lower income group of Cox’s Bazar who are working in the hotels and restaurants as cleaners, housekeepers or cooking assistants. Apart from these, some women are involved in making shell ornaments, pickle and souvenirs and they are mostly working on a part-time basis at home and generally use their leisure time for work.

Field study reveals that like other sectors of the economy of Bangladesh, the tourism sector is mainly dominated by men in terms of decision-making and control of resources. The top and middle positions of tourism-related jobs are mostly occupied by men and they enjoy more financial benefits and career prospects than women. Women mostly occupy low-paid jobs and face more difficulties in their career but most of them who are directly or indirectly involved in tourism hold a positive philosophical view and accept this situation but believe that their continual participation will end this situation in future. In this regard, Mrs. Tintin says:

*We accept this situation, as it is a cultural issue. In our culture women are always treated as inferior than men. Sometimes it happens as we are less educated and less skilled than men. We are the first generation of women of this town who are working outside home and I hope my daughter will get a better position and will compete with men for her right because she will have the same qualities like male competitors.*

The above discussion clearly shows that a trend of social change has started in Cox’s Bazar. It may not seem significant at the outset but these minor shifts gradually might change the women’s perception of life and livelihood pattern. In Bangladeshi conservative society where Islamic ideology sometimes gains support from political parties, religious political groups sometimes try to impose
religious rules on women, the above mentioned changes in women’s status can be identified as a significant development.

The economic opportunities through involvement in economic activities not only economically empower women but also empower them socially. Here most of the women are totally financially dependent on the head of the family, as most of them do not have any income. This situation undermines their position in the society and it also prevents them from taking part in the decision-making process. The researcher finds that women who are involved in economic activities play more active roles in their family compared to those who are not involved in any economic activity. Women who are involved in economic activities get more respect from the family members and can influence the decision-making process. It also ensures a comparatively better life as they can consume better food and other goods and can employ domestic helpers.

Figure 6.3: Women’s Participation in Economic Activities

Source: Photographs taken by the author
Therefore in Bangladeshi society income not only provides financial security but also ensures respect and recognition for women. By creating income generating opportunities tourism sector thus contributes in the social change process. This changed role of women will have greater impact on the livelihood of the community in future as most of the women in this area think that these changes will increase women’s education, their access to income generating activities and will empower them to play more active role in the society. This significant development regarding the social change and women’s status in Cox’s Bazar is supported by the findings of Shah and Gupta (2000), and Walle (1996) as they argue that tourism contributes to changes in value systems and influences patterns of roles and responsibilities within the family unit.

6.2.3. Increased Participation in the Education System

In chapter four it is mentioned that Cox’s Bazar has the lowest literacy rate in Bangladesh but during the fieldwork researcher identifies that parents are now more eager to send their children to school as they now realize the value of education. Parents send their children to school as eventually it generates superior economic benefits in the long run. There are other important reasons for this decision and a member of the local community, Mr. Islam, opines that:

> *Education is important not only for economic reason but also for child rearing as it gives new ideas and inspires children to achieve good life.*

Local community is notably influenced by the lifestyle of tourists. Children of the tourists have also created profound impact on the minds of local people. The visiting children are usually better educated, well-behaved and appear as
having great potential to become successful in life. Local people think that education and modern ways of life resulted into positive attributes. So they believe that only education can change the fate of their children. However, it is difficult to say that tourism development in this town is the only reason for the locals to send their children to school because in Bangladesh, government and NGOs are also taking various measures to motivate parents to send their children to school. GoB provides financial incentives for girls to attend school.

It can also be argued that if parents would not see the economic opportunities related to education they might become reluctant to continue their children’s education. In Bangladesh unemployment rate is high and most of the economic activities are concentrated in major cities. Therefore often people in the peripheral areas are deprived of the economic benefits which ultimately discourage parents, particularly from the lower-income groups to continue their children’s education. Mr. Sobhan, in this regard, opines:

*What is the point of educating children if they are not able to earn enough money in future? Is it worth that after education they have to do substandard job that they can do without education?*

It is a common feature in Bangladesh that generally the wealthier families of the peripheral areas send their children to major cities and sometimes they move to other places to get better education and job. Lower income groups in peripheral areas prefer to send their children to work after a few years of schooling. When these children grow up they work as agricultural, construction or manufacturing labourer, or become a *rickshaw-puller* (driver of the local manual transport) as
they do not have formal education or skill. So, they earn less and cannot break the vicious circle of poverty.

Local people usually do not have proper education, skill or experience to work in this sector and therefore the outsiders do most of the decent and even the petty jobs. But local people are now interested in the tourism related jobs. Particularly middle and lower-income families view these opportunities as a way to change their lives and want to educate their children so that they might qualify for these jobs in future. Many families in Cox's Bazar now send their children to school and various training institutions to get knowledge and skill. Many children after school hours work in hotels, restaurants, shops and with tour operators to gain experience. This study reveals that tourism development in Cox's Bazar is enhancing local people's participation in formal and informal education as it is rewarding and it validates Ap's (1992) assumption that individual behaviour is influenced by the process of give and take.

6.2.4. Increased Internal Migration and Limited Outward Migration

Wall and Mathieson (2006) argue that migration, both international and domestic, is a common feature in tourism and Cox's Bazar is not exceptional in this regard. But some tourism studies (Koea, 1977; Urbanowicz, 1977) point out that this migration creates numerous social problems for the tourist destination and the local community. Many people migrate to Cox's Bazar to work in the tourism sector and they can be classified in three categories: (i) people who
come from neighbouring areas from around 50 km; (ii) people who have come from outside of 50 km; and (iii) people who have come from other countries.

In Cox’s Bazar there are a few foreign expatriates working in the tourism sector. They generally work in hotels and most of them are from Sri Lanka. They occupy higher-level posts in the hotels and earn considerably higher wages than the local employees. In addition, their employment contract is different compared to those of the local employees. These foreign employees usually earn higher salary and enjoy other financial and non-financial benefits. They also enjoy preferential treatments from the employers as there is a perception that without them it might not be possible to run the business smoothly. However, it is found that although local community has some complaints, they are not hostile towards immigrants as they believe that immigrants contribute positively from economical and social perspectives. Mr. Idris, a local entrepreneur, says:

*The immigrants are good for us because they are running most of the businesses here. Without them it will be difficult to run those businesses. We need their knowledge and service as these promote this town which ultimately benefits all of us.*

Several reasons are found behind this attitude towards the immigrants. Firstly, there are a few foreigners working in Cox’s Bazar and they do not usually mix with local people. Therefore their presence and behaviour do not create significant impact on the host community. Furthermore, they are found careful about their behaviour and respect the feelings of the hosts. Local community believes that these people stay here for a limited period of time and are not snatching their jobs as currently local people do not have the skills and qualities
to get those jobs. Thus local community concur that these foreigners are beneficial to them.

Secondly, as most of the immigrants are Bangladeshi workers coming from neighbouring areas and other parts of the country, they have similar characteristics like the local people. They speak the same language; follow the same religion and their behaviour and food habits have lots of similarities with those of locals. So, generally local community treats them as locals.

Thirdly, local community believes that these people are more educated, skilled and knowledgeable than they are and these qualities are somehow beneficial to them. These immigrants’ attitude, lifestyle and modern ways of thinking have significant influence on local community as they bring new hopes. Immigrants bring new ideas and innovations and create new opportunities. Therefore, they think that immigrants have opened their eyes towards a better life through non-traditional jobs and about it, Mr. Idris, a local entrepreneur, says:

*I am very happy about these immigrants. These people have opened our eyes and their hard work brings tourists in our town and all of us are getting benefits from them.*

Fourthly, after a few years of work majority of the immigrant workers want to settle in Cox’s Bazar and try to get settled with the local community. Some immigrants got married with local women and this marriage helps them to integrate with local communities more easily. Those who do not do this usually bring their wives from their home to this town after a few years to settle down.
This situation gives a signal that these immigrants want to join the local community and generally they are welcomed by the locals.

Fifthly, rich and upper-middle class people within the local community encourage immigrants to settle in this town as they gain financially. It increases rent and land price and they normally get the benefits from it. Mr. Chokroborti, a local, comments:

*Increased immigration is good for me. As I am a retired person I am economically dependent on rent. Due to tourism development rent is increasing day by day and it is good for me.*

Sixthly, immigrants want to improve the local schools as they send their children to those. As most of the immigrant workers are educated and keenly interested in education therefore they want to get involved and sometimes establish new schools. Immigrant workers also contribute to the changes in local socio-cultural lifestyle which is relatively a new phenomenon in this town.

Sometimes it appears as a common phenomenon in Bangladesh that young men and sometimes the young women leave their hometown to go to major cities in search of jobs. Most of the towns lack economic opportunities as major economic activities are concentrated in major cities. It is difficult, particularly for the young people, to get jobs in towns and this causes a significant percentage of young men leave their hometowns. This migration creates many social problems and sometimes dilutes the family relationship. These problems are well-documented in tourism literature (Dahles, 2000). But in Cox’s Bazar the researcher finds that local young people prefer to stay in town and involve
themselves with various tourism-related activities. Mr. Kalam, a young beach photographer, mentions:

I am working as a sea beach photographer and living here with my family. I was born here and most of my family members are living in this town. If there is no tourism activity here then I have to leave this town for a job. Like me, many of my friends are also working here. I am very happy because I am living with my family.

Migration is nearly absent in the town and it has many positive impacts in the social and family life of the local community. It increases family closeness because when young people leave their hometown for jobs they also leave their families behind as generally it is not economically possible to take families to the big cities. Therefore, when people stay most of their working life in big cities without their families they may abandon their families and not send money back home. In most cases it is found that children whose fathers stay outside the area for work do not perform well in education because of the lack of monitoring and supervision. Thus due to migration, transport system, local infrastructures like schools, and other social amenities also deteriorate. However, researcher finds that as migration is limited it increased quality of local infrastructure because the local community is more concerned about their quality of life and wants to play active roles in improving their standard of living. The positive attitude towards the immigrant workers, increased immigration, and limited migration from the locality are important findings of this research.

6.2.5. Enhanced Local Pride

The researcher finds that in the minds of the local people the development of tourism exists as a symbol of natural, historical and cultural pride. Nature has
adorned this town with distinctive unique characteristics while demographic characteristics are also different from the other parts of the country. This town accommodates the three different faiths - Islam, Hindu and Buddha along with their colourful cultural elements. In spite of these characteristics this town is not highly visited by the tourists in recent time due to communication and infrastructural constraints and thus fails to fully unveil its beauty and cultural heritage to the outside world (refer to chapter four for detail discussion).

**Figure 6.4: Cultural Heritage**

![Image of cultural heritage](source.png)

Source: Photographs taken by the author

Tourism development since 1980s has brought economic prosperity to local people and at the same time boosted the local prides – as reflected in the following statement of a local person, Mr. Chokroborti.

*I feel very proud when I see tourists coming to our town from around the world to enjoy the natural beauty and cultural mix. This makes me feel that we have something which other parts of our country do not have.*

Local people strongly believe that the global recognition of the natural beauty and cultural heritage of the town has been materialized just because of the development of tourism. According to their views tourism development creates
an atmosphere and facilities that attract tourists. Most of the local people have a positive attitude towards the tourists because of their friendly attitude, interest in local culture and food, and especially because of their respect for local cultural norms and customs. Hospitality is a national trait of Bangladesh and the local people of Cox’s Bazar is no exception to that. Local people treat the tourists as *mehman* (honourable guests) and actively extend hospitality.

Local people believe that increasing tourist arrival and their interactions with the local community have become a good way to enhance their knowledge and an inspiration to preserve cultural heritage. One local, Mr. Rakkhit, says:

> Many intellectuals, writers, artists and high profile people are visiting this town. I feel very fortunate to meet them. It increases my knowledge and broadens cultural horizon. You know, if I would not be here I could not have the chance to meet these people. I think it is a special privilege for us that only tourism development brings these people here.

Increasing interest of the tourists about local culture and tourist spots motivates entrepreneurs and local people to preserve their heritage and also works as a source of pride. Thus, local people think that tourism provides them with opportunities for interactions, knowing other cultures, enhancing knowledge and providing chances to present the town’s natural and cultural heritages to the world. Bleasdale and Tapsell (1999), in a similar tune, find that the population of Tozeur in Tunisia believe that tourism increases their pride as it provides chances to demonstrate cultural heritage to the world. UNWTO (2002) identifies that tourism development in Kenya not only provides material benefits but also brings cultural pride. Similarly the local community of Cox’s Bazar acknowledges the diversified contribution of the development of tourism.
6.2.6. Promotion of Traditional Handicrafts and Artifacts

Cox’s Bazar is famous for traditional handicrafts like tribal handloom garments, bed sheets, household accessories, ornaments, *Burmese churoots* (local cigarette), pickle and processed dry fish. Tourists spend lots of money to buy these products and demand increases day-by-day and local businessmen believe that the growth of tourism development is the reason for this increase. This increasing demand has significant impact on the local economy and social life. Researcher finds that many new shopping complexes and small shops are established in the last five years. The increasing demand for shops increases the land price and creates jobs in construction and interior designing.

Local businessmen claim that local manufacturers are not fully capable of producing all the products they need but new businesses and manufacturing organizations are established in the last few years. Traditional handloom industry is booming here and has remarkable impact on the economic and social life as most of the employees in this sector are women. Many local people have started importing goods from Myanmar and Thailand.

**Figure 6.5: Traditional Burmese Shops**

Source: Photographs taken by the author
Although locals had expertise to produce the mentioned traditional goods but these industries were about to decline due to low demand. Tourism development increases demand for these products and encourages local businessmen to set up manufacturing units. Researcher finds that local craftsmen are benefiting from this increased demand for local artefacts and start to open shops and studios which is unusual for a small town in this country as demand for traditional artefacts is limited only in Dhaka and Chittagong. This scenario increases the economic wellbeing of the local people and helps preserve and sustain traditional products and artefacts. Thus, increased tourist interest has become a necessity both for economic development of local people and survival of local craftsmen and artists. This finding coincides with that of Hall, Mitchell and Keelan (1992) as they find that tourism development in the Maori community in New Zealand provides financial support to the local in preserving cultural heritages. Dhariwal (2000) also claims that due to tourism Indian government has been promoting traditional art, music and crafts and this not only conserves the cultural heritage of India but also provides folk artists with a better standard of living and recognition.

Figure 6.6: Local Craftsmanship and Artifacts

Source: Photographs taken by the author
6.2.7. Safety and Security

Some tourism researches (Pandey, 2006; Wall and Matheieson, 2006; and McKercher and Bauer, 2003) claim that, tourism and increased number of tourists cause crime, prostitution and gambling in the tourist area and undermine the benefits of tourism development creating a negative image in the minds of the host community about tourism. These problems are noted as the major negative outcomes of tourism development in a particular place. However, in this research a different scenario is found in Cox’s Bazar.

In Bangladesh crime rate is unfortunately high and although GoB has been taking several measures to tackle this problem, success rate is limited. So it can be assumed that Cox’s Bazar is no exception to this but findings reveal a different picture which is exceptional from national scenario. In Cox’s Bazar crimes like killing, mugging, robbery and pick-pocketing are low compared to other parts of the country. But it is difficult to prove this finding using statistics as crime statistics are only kept by the police and is nearly impossible to access. Researcher notes that people are moving freely during day and at night in the town without fear of crime. Tourists usually get security measures from government and local people. Mr. Giasuddin, a local government official says:

*We are taking special security measures for the tourists so that they can spend a peaceful time. Higher authority ordered from Dhaka that we should maintain a sound law and order situation. We are careful about it. The crime rate of this town is below the national average.*

Local community, particularly those involved in tourism, is concerned about tourists’ safety and wellbeing and try to prevent crime. Big hotels and shopping
complexes have their own security arrangements responsible for tourists’ security. One restaurant owner, Mr. Kamal says:

*In tourism, security is a crucial issue and we are very serious about it. We want to make sure that our guests feel comfortable about their security and can move around the town freely. These people bring huge hard cash and valuables. So we have to make sure they feel secured.*

The government administration, private-sector entrepreneurs, people employed in this sector and the general people of this town are very vigilant and want to make sure that tourists have a secured stay. They all want to make sure that tourists do not face any problem. For instance, when tourists go to the sea-beach for bathing some people look after their belongings, keep an eye on the suspicious activities and sometimes voluntarily pass information to the police about any suspicion. There exists an economic reason behind their eagerness to maintain a proper law and order situation in Cox’s Bazar and it reflects Ap’s (1992) assumption that human behaviour depends on the benefits they enjoy. This issue is discussed in chapter five that most people of this town are heavily dependent on tourism for their survival and therefore think they would be economically destroyed if tourists feel insecure as that would discourage them from visiting the town. Mr. Islam, a member of the local community, says:

*We are very careful about tourists’ safety. It is our prime concern that they must have a safe stay here. You know, our lives depend on tourism. Many of us are working in the tourism sector and therefore for our business we have to protect tourists from any crime.*

People who are not involved in this sector also acknowledge that due to tourism development they are enjoying a better and safer law and order situation and are also concerned about the sound development of this industry in this town.
The findings also reveal that prostitution is not a problem for this town and tourism development does not significantly contribute to the increase of this issue. Some tourism researchers (Pandey, 2006 and Hall, 1996) report that the development of tourism increases prostitution in the host community. They find that it is one of the main negative impacts of tourism development for the host community. The issue of prostitution is sensitive for this country as people are not interested to talk about it due to conservative nature of the society. It is not normally acceptable to talk about this issue openly and people usually feel uncomfortable talking about it.

In Cox’s Bazar prostitution is not a regular phenomenon rather appears as an occasional issue. Generally prostitutes are from Burmese refugee families while some also come from the surrounding areas. The refugees have come from Burma to avoid the oppression of the military ruler and their livelihood is completely dependant on the welfare endeavours taken by GoB and the UN. Officially they are not allowed to work so some engage themselves in prostitution to survive. Those coming from surrounding areas are usually from lower income groups and get involved due to poverty or social negligence. But findings reveal that very few tourists seek their services and in most of the cases their customers are immigrant workers. Some tourists bring prostitutes with themselves and local hotels usually allow that as it is difficult to deny.

Local administration and hotel owners are careful about prostitution and discourage it. Conservative religious belief also facilitates this type of control
measure of prostitution. Foreign tourists are also careful about local customs and rarely get involved in this kind of activity. A hotel owner, Mr. Idris says:

Religious belief of every faith in our society and strong social values discourage prostitution in our society. Our family members are involved in our business and most of our guests also come with their families, therefore we do not allow prostitution in our hotel.

Thus the stereotyped correlation between tourism development and increased prostitution does not prevail in Cox’s Bazar.

In Bangladesh foreigners are allowed to buy and consume alcohol from authorized sources but local people are not allowed without permission. In Cox’s Bazar only five hotels out of nearly 250 have license to sell alcohol. Due to religious beliefs and traditional social norms most people do not drink alcohol and foreigners also drink in closed doors. Foreign alcohol is expensive so only the foreigners and some rich local tourists buy those. Findings reveal that there also exists illegal production and selling of bangla mod (locally-produced wine). Researcher finds that this is usually consumed by lower income groups but such consumption is not widespread and tourism does not contribute significantly in consumption of alcohol.

The above discussion clearly presents that tourism development and increased tourist arrival are reinforcing safety and security in this town. Local administration, businessmen and local people are concerned about tourists’ safety and want to make sure that Cox’s Bazar has a clean image among the tourists so that it can attract more tourists. Therefore, stereotyped notion and belief that high crime, prostitution and alcoholism are associated with tourism do
not prevail in Cox’s Bazar. Moreover, development of tourism helps to reduce and prevent crime and other antisocial behaviours which ultimately benefit local people and tourists and ensure an atmosphere where both the groups can pursue activities in a sound manner. Doxey’s Iridex Model (1975) terms this stage of development of tourism as euphoria stage where local people welcome tourists and ensure their wellbeing. This is the first stage of tourism development in a destination where local support for tourism is high as they perceive this development as a means of socio-economic wellbeing.

6.3. Negative Socio-cultural Impacts

Development of tourism in Cox’s Bazar has also been creating some negative socio-cultural impacts that are discussed in the following subsections.

6.3.1. Displacement of Poor from their Land

One of the major negative impacts of tourism development in Cox’s Bazar is displacement of poor people from their lands. Before development of tourism in this area people were dependent on fishing and agriculture for livelihood. Land has been playing a crucial role in the livelihood of these people as it is the main source of agricultural production and earning through rent or lease. Recent development of tourism has created increased huge demand for land as both GoB and private sectors want to develop tourism facilities.

Local people particularly the poor are losing lands and moving to neighbouring villages. This displacement has been occurring in three ways: (i) government
acquisition; (ii) willingness of land owners to sell to entrepreneurs; and (iii) forced selling to entrepreneurs. These ways of selling have resulted in displacement of people from their ancestral land and create social problems. Researcher identifies that government acquisition and forced selling have created the main problems for local community. It is found that local people who sell land willingly also face problems. It appears that generally GoB acquires poor people’s land as they hardly have social and political power to resist that. Often when GoB takes possession of land owned by the influential people they get legal injunction from court that prevents government to acquire. Mr. Nuru Miah who lost his land through such acquisition reflects the same in his words:

> When government officials come to find land to acquire; local influential people motivate and influence them not to acquire their lands. We are not able to influence them as we are poor and do not have money and high level connections, and so they identify our land for acquisition.

Poor people in Bangladesh usually do not have enough money to go to court to initiate legal process against the government and sometimes legal system also appears biased, and therefore they fail to hold their land. Usually government provides compensation according to market rate but due to bureaucratic complexity and corruption often these poor people do not get proper compensation (for detail discussion see section 5.3.1 of chapter 5).

The recent development of tourism has attracted a good number of huge private-sector investments and investors have been paying premium price for land. This situation motivates poor people to sell land to get immediate cash. Researcher also finds that poor people who do not want to sell land are sometimes forced by the private investors to sell (for detail discussion see
section 5.2.2 of chapter 5). Poor people who lose their land through this process are not able to buy any new land in the town and sometimes the same happens when they want to buy land in neighbouring villages due to high price of land. This is happening as high demand for land increases price in neighbouring villages and many investors are buying lands in these areas predicting future expansion of tourism. In most cases, after selling land local poor people distribute the money among their grown up children as they want to build their own houses. But due to high price they fail to buy land in the town or even in neighbouring villages and sometimes spend that money to purchase luxury items such as television, mobile phone, clothing and jewellery. Thus after selling ancestral land eventually they become landless.

Under this circumstance they need to rent a house to live in this town or move to remote villages which eventually results dramatic changes in their lifestyle. If they rent a house, which in most cases is expensive, they have to live in a smaller house than the previous one and thus living standard also falls as a large portion of their income is spent for rent. If they move to remote villages that also causes some negative changes in their livelihood pattern. Usually they do not have access to electricity, supply of clean water and good education in those remote villages. Apart from that it becomes difficult for them to adapt with new environment as they have left behind relatives and friends. It is a cultural shock for them as the way of living, customs and values are different there and they need to accommodate with those changes.
This displacement has a negative influence in their family life as well. When a family moves to any remote village, male members often cannot move with them as generally there is virtually no job available for them. As they need to stay in town for job or business families need to maintain two households and thus have to divide their small earning. This division of earning has an effect on food consumption, access to health service, pure drinking water and education for their children resulting in lower standard of living. As a result the children and other members of these families cannot achieve what they might have achieved if they were living in the town.

There is another negative impact created due to this displacement regarding the relationship between the family members. As the male member lives outside the family, sometimes he gets engaged in extramarital relationship. This may lead to another marriage and then the male has to maintain two wives. This situation destroys family cohesion as it is against the cultural and social norms of this country and children usually bear negative consequences as they do not get father’s proper attention. Therefore, people who lose their land become frustrated as they feel that they are victims of tourism development they become marginalized. They also feel that they will not get proper benefit from this development because it drives them out from development centre.

The scarcity of land, increased land price, voluntary and/or forced selling of land and people’s displacement might create other social problems in future causing a complex geopolitical issue hindering the development process of tourism
industry in the town. Gjerald (2005) argues that tourism development increases land value and causes changes of ownership of land but it can be argued that forced sale and garbing of land is a common phenomenon in the less developed countries where state and law usually favour wealthy people. This phenomenon has not been widely discussed in tourism literature as most impact assessment studies have considered developed countries and western scholars are not usually familiar with the land garbing culture. This finding adds a new dimension in tourism research to draw attention to take measures to protect vulnerable poor land owners.

6.3.2. Unrealistic Desire Creates Frustration and Social Disorders

In Bangladesh, societies and families are mostly hierarchical and informal chain of command works based on economic status and age. This norm is treated as an asset, however, during the fieldwork it is found that gradually it is getting changed. According to the respondents development of tourism enhances socio-economic benefits of the local community but also creates unrealistic desires among them that ultimately results in social disorders. In tourism research this situation is termed as demonstration effect (Wall and Mathiesin, 2006; Brown, 1998; and Shaw and Willam, 1994). When tourists come to this town they want to enjoy time and do not hesitate to spend money for luxurious goods and services. In some cases following the tourists, rich segment of the local community is found to live lavishly consuming expensive goods and services which is reflected by their expenditure pattern.
Gaps in consumption patterns of rich, middle, and lower income segments sometimes create adverse psychological impacts on middle and lower income people. This happens because of high involvement of these people with tourists, and local community feel an urge to satisfy their latent demands as they also desire to enjoy time like the tourists but often that is not realistic with respect to their socio-economic status. As a result sometimes local people, out of frustration, do not hesitate to break social order and even commit crimes to facilitate easy cash earning to enjoy their lives like the tourists. This issue eventually creates a long-term negative impact on social cohesion and distorts the norms causing a negative change in cultural originality. Pandey (2006) notes that negative demonstration effects of tourism exist in rural India as gradually villagers are changing their traditional style of dress; and male villagers who encounter foreign tourists develop sexual relationships, becoming irresponsible towards their families.

6.3.3. Increased Social Gaps

In the constitution of Bangladesh it is stated that the main aim of economic and social development is to reduce socio-economic gaps among the citizens (Constitution of Bangladesh, 1972). Researcher finds that development of tourism in Cox’s Bazar enhances economic and social wellbeing of local community. He also finds that these benefits increase socio-economic gaps among the members of local community. This finding validates Harrison’s (1992:24) argument that “tourism development can increase social inequality and lead to other consequences commonly regarded as unacceptable.”
Although ownership of land ensures socio-economic wellbeing and minimize the gap but it is discussed that tourism contributes to this loss of land causing widening the gap. People who are displaced from their land due to expansion of tourism most of the time fail to get jobs in this sector as they lack required skills. This causes more social gaps and most local people believe that economic benefit resulted from tourism only benefits a small group of people and negatively affect the larger portion. Mr. Badal, a local community member says:

*In the long-run people who lost their land or cannot afford to buy land will become the sufferers. It is impossible to buy land or flat here. Only rich people can afford it and are buying land and flats as it is a good investment. Our dreams are shattered as we thought that the development of tourism would help the poor to get more socio-economic benefits but in reality it only helped the rich to make more money.*

Allocation of government land also dissatisfies local community as most of those are allocated to outsiders and a few local elites. Those who receive allotments build hotels and holiday homes and sell those to outsiders as local people cannot buy due to excessive price. According to respondents these are the symbols of social inequality and discrimination. Mr. Badal comments:

*These hotels, flats and houses the rich say everything about our deprivation. As locals we are very frustrated. If things go like this our children will lose their right to live here.*

In Bangladesh, about 20% of the capable population are unemployed and about 50% of that has little or hardly any formal education (BBS, 2007). This high rate of unemployment helps employers exploit employees by offering low wages and limited benefits. Most blue-collar workers who are majority of employees in Cox’s Bazar get low wages and usually do not get pension, insurance or other facilities. Therefore their living condition is not that good, as Cox’s Bazar is a
expensive town to live in. But people who are working in managerial positions and the owners of tourism establishments get the most benefits. It must be mentioned here that GoB has offered various financial benefits to private sectors (for detail discussion see section 4.3.6 of chapter 4) but these financial benefits do not reach the employees as most owners enjoy these. Although workers have right to form trade union but in Cox's Bazar only one hotel allows it. Employees work for long hours and usually get low wages, particularly those who do not have formal education and skill. Sometimes they do not get payment regularly. Most employers do not employ them on permanent basis and do not make written contract. In the words of Mr. Alam, an employee:

*We do not have any written job contract and everything is verbal. As we do not have any proof regarding our terms of employment we do not have any legal right to protect us in case of any dispute.*

Employers thus can terminate employees anytime they wish without paying proper compensation. Employees cannot raise voice against employers as they are not organized and are in a disadvantaged position. Employers often use government officials and local musclemen to suppress activities of employers.

Significant unemployment in the country makes sure the supply of cheap labour and any job or earning opportunity is treated as a positive one. So abundant supply of labour reduces employee bargaining power and most employers use this situation to exploit employees. Employers rarely arrange training program for employees and hence employees cannot improve professional skills that block their career progression. Employees think that limited chance of career growth is a symbol of social inequality and is a deliberate attempt by owners
and the top level managers to maintain status-quo so that they can enjoy majority of the benefits.

Local people are found dissatisfied as they think that a major part of revenue and profit earned by GoB and private entrepreneurs are leaked out from this area. Government has not taken any special initiative to improve standard of living, education, health, supply of utilities and has not constructed adequate public facilities for the local people. Local people think that government should spend more money for their wellbeing as it is earning huge amount of money as tax, vat and customs duty from this area. They believe that it is spending this money for the development of other parts of the country neglecting development of Cox’s Bazar. Mr. Badal, a local community member says:

*Government has a plan to construct rail line in Cox’s Bazar which will connect this town with rest of the country but it has not yet been constructed. We are waiting for the last 38 years for that. Government is always telling us that they want to build the railway but they do not have the money. We do not believe it because it is earning huge amount of money from this town. Basically it does not care for us and our local leaders are not brave enough to put pressure to materialize the plan.*

Thus unequal distribution of wealth among local people, inadequate financial benefit and feeling of job insecurity of employees widen social gap and create two classes in the society that ultimately frustrates employees and reduce their motivation to serve customers effectively. This unequal wealth distribution not only de-motivates employees but also creates social imbalance and hampers its coherence. Mbaiwa (2005) finds that rapid tourism development in the Okavango Delta in Botswana does not bring significant economic benefits in the lives of majority of the people of that region. He also claims that despite tourism development rural poverty has been on the increase. Thus he argues that if
tourism development fails to contribute in meeting basic needs of local community it is unlikely that these people will cooperate with efforts to sustainable development of tourism.

The above mentioned scenario not only exists in Cox’s Bazar, rather is a common phenomenon for the whole country. The issue cannot be solely identified as a consequence of tourism development and it is difficult to blame tourism alone for this social gap in Cox’s Bazar. Lack of democratic institutions, political organization of working people, and lengthy and ineffective judicial process help ruling elites to confine most of the economic opportunities within them and ignore socio-economic wellbeing of mass people. Moreover, people here are usually not concerned or organized enough to initiate concerted movement to change the situation. Culturally people of this country are very accommodative and easily accept social happenings as their fate. But there are other reasons working behind this behaviour: they suffer from a disadvantaged position in the power relations; getting a job is very difficult; and those who get jobs generally cannot protest against undue actions of employers as a consequence might lose job. In such circumstance law even may not protect the sufferer. People’s economic insecurity and social vulnerability set them in such role that they lack the bargaining power and accept their destiny.

6.3.4. Loss of Cultural Originality

It is argued in some tourism impact researches (Shah and Gupta, 2000; Fagence, 2003; and Pandey, 2006) that significant socio-cultural impact of
tourism is the loss of cultural originality of the host community. Cox’s Bazar has a distinct cultural heritage as it has a unique combination of population with significant ethnic composition. Along with natural beauty its unique cultural heritage is also attracting tourists from all over the world. However, importance of cultural heritage to the tourists is not always duly recognized by the concerned people. Researcher finds that local people are unaware about the significance of their cultural heritage. Often they are reluctant to demonstrate their distinctive cultural elements to the tourists. Their perception about the value of their unique culture especially to the foreign tourists is not strong enough to encourage them to cherish the remarkable cultural distinctiveness.

Findings indicate these reasons behind this underutilization of cultural heritage.

(i) As development of tourism in Cox’s Bazar is in its initial stage, therefore entrepreneurs have limited skill and experience to innovate new product features or service dimensions to satisfy customers.

(ii) Local people think that they do not have rich cultural heritage that can be presented to the tourists. They think it is of inferior quality than that of the tourists and so are reluctant to demonstrate. They lack proper understanding of cultural uniqueness and do not know that there is no ‘better or worse’ of culture.

(iii) Some entrepreneurs think that strong religious belief and conservative nature of society hinder the process of commoditization of cultural heritage.

Local people have a distinct language with unique accent. Before recent development of tourism, most people used to speak in own accent and they
were not ashamed of that. However, researcher finds that local people, particularly those associated with tourism and the young ones, deliberately want to change their accent and try to imitate the accent of tourists’. They think that difficulties in understanding each other due to accent sometimes hinder business opportunities and create misunderstanding. So they feel that it is better to follow tourists’ accent to get business benefit. Mr. Rahim, a local says:

*It is very difficult for outsider to understand our accent. We also feel that our accent is not welcomed by the tourists. So we are trying to speak like tourists. It is appreciated by the tourists and also helps to increase our business and social standard as the rest of the society treat us different from the general local people.*

The reasons for changing accent is not only associated with better communication with tourists to increase economic benefits but also have some social reasons. Respondents perceive that their local accent is considered as a symbol of inferior social status. They think that most tourists who visit Cox’s Bazar are economically, socially, and culturally better than them. In this regard Cohen and Cooper (1986) claim that interactions between tourists and host communities are reflections of power relationships. They argue that tourists from developed countries mostly are unable to speak local language and domestic tourists sometimes use different accent. They think that their accent isolates them, so it is better to change accent to uplift their social status.

Tourism also influences clothing pattern of the local people. Particularly young people are interested to wear western-styled and fashionable dress. They get the essence of such clothing style mostly from tourists and the upper class. Traditional dress is gradually disappearing as people are becoming interested
to change their attire. Cultural diffusion from neighbouring towns and through media also contributes to this. This is also applicable in relation to the decrease of popularity of traditional music and dance due to engulfing influence of borrowed culture. This discussion shows how development of tourism influences local people to change traditional accent, dress, music, and dance to gain socio-economic benefits. One may argue that tourism is not the only reason causing loss of cultural originality as many other factors like globalization, technological advancement (satellite television and mobile phone), increased mobility also contribute to this change. Although cultural distortion due to the above mentioned reasons are inevitable but in case of Cox’s Bazar it took place early due to accelerated pace of tourism development.

6.4. Summary

Based on the discussions on positive and negative socio-cultural impacts of development of tourism presented above researcher develops a model. It reflects the concerned socio-cultural factors impacting the tourism industry along with their interrelationships influencing the nature of individual impact. The model identifies precisely the socio-cultural impacts of the development of tourism in Cox’s Bazar. These impacts are synthesized from the qualitative data gathered during the fieldwork. Findings that are different from those of the existing literature (Urry, 1991; Hall, 1996; Walle, 1996; Telfer and Wall, 1996; Sinclair, 1997; Shah and Gupta, 2000; Hashimoto, 2002; McKercher and Bauer, 2003; Wall and Matheieson, 2006; Pandey, 2006) reviewed are made visually distinct by presenting in blue in the following figure 6.7.
Among respondent categories of this research, the entrepreneurs feel that tourism development creates positive impact through promoting and expanding market for traditional handicrafts and artefacts. Moreover, changes in attitude and behaviour of the locals facilitate entrepreneurial activities. GoB contributes positively through maintaining increased safety and security, low level of crime and low level of prostitution. Local community members feel that they enjoy positive impacts of tourism development and at the same time also suffer from the negative impacts identified in figure 6.7.
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Chapter Seven: Local Community Participation in Tourism

7.1. Introduction

In this chapter researcher explores participation of local community of Cox’s Bazar in tourism development and analyzes nature of local community’s participation to identify the barriers they face to get involved in tourism activities. Research findings identify the actual beneficiaries and real scenario of benefit spread among local community members. To reinforce policy implication criterion of this research researcher discusses issues regarding local community’s participation in policy and planning process.

The discussion is presented in seven sections where the first one includes introduction, the second one unveils who makes business decision, the third one unveils who gets the most benefits, the fourth one describes issues related to tourism business control through ownership, the fifth one discusses about local community’s involvement in local administration, the sixth one demonstrates approach of policy makers and lastly the seventh one summarizes issues covered in this chapter.

7.2. Participation in Business Decision Making

In chapter five and six discussion is made about local community’s significant direct and indirect involvement in tourism development and resulting socio-economic impacts on the lives of local community. The fieldwork reveals that majority of the population of this town is directly or indirectly involved in tourism.
Regarding decision making, Gunn (1994), Timothy (1999), Tosun (2000) and Mitchell and Reid (2001) argue that when local communities are involved in decision making process then they can ensure their benefits and maintain traditional lifestyle and values. So it is important to enhance local community’s participation in decision making process of tourism related activities.

From organizational point of view, local community’s involvement in tourism can be categorized in two types: (i) as an employee and (ii) as an entrepreneur. In Cox’s Bazar tourism related organizations are mostly owned by individual entrepreneurs and usually they employ their family members or trusted persons in managerial levels. Most of the owners of such organizations are non-locals and they usually employ their own people in decision making roles. It is also found that non-local entrepreneurs have lack of confidence about quality of local employees and believe that local employees do not have adequate skill and knowledge to run business smoothly. They also feel that as most of the businesses are owned and controlled by family so it is better to keep decision making power within family. Non-local entrepreneurs are worried about their business secret and if they employ local people in decision making process then may lose business secret and due to this fear they exclude local people from managerial level. Mr. Kibria, owner of a package tour company says:

*I can not put local people in the managerial level because I want to maintain strict business-secret. Moreover, these local people do not have the capabilities to run the business. Therefore I brought my brother from homeland to help me to run my business. We take the decisions ourselves and make sure that the local people, who are working for us, follow our instructions.*
Formal tourism related work is structured but formal traditional works involve a flexible chain of command, unstructured management and informal mode of transactions and contracts and that is why local people feel comfortable to be a part of those rather than any formal ones. Local people prefer to do business where individual independence is assured and business is simple and mostly unstructured. This is why they do not feel comfortable to be a part of structured tourism business as it requires collective initiatives. Existence of power struggle between locals and non-locals is another reason for this. These explain the reasons for their reluctance to join tourism business. This reluctance of local businessmen creates opportunity to the outsiders to establish their businesses. Recent rapid development of tourism is attracting many investors to do business and thus dominance of non-locals in this sector is increasing. Mr. Kabir, a local hotel owner says:

At the beginning we were not interested to do this kind of business. Therefore non-local businessmen identified opportunities and came to our town to do business. When we realized the potential we found it difficult to penetrate the market and became excluded from it.

Non-locals can conceive local businessmen’s mindset and perception about the involvement in tourism business and to retain their competitive advantage they think that keeping locals off the mainstream tourism business will facilitate them to better exploit their formal business know-how. Non-local businessmen always remain alert that if they give opportunity to local people to be involved in decision making process then non-locals will lose their power to dominate this sector. This fear and eagerness to dominate tourism sector influence non-local entrepreneurs not to include local employee in decision making process and encourage them to take autocratic approach. This attitude of non-local
entrepreneurs reflects the argument of Taylor (1995:48) that “tourism entrepreneurs within a community may not actually be part of that community”.

Researcher identifies that few local entrepreneurs have started to invest in the tourism sector. In most cases these they employ nonlocals for managerial posts and give them absolute power to run the business. This situation validates the argument of Tosun and Jenkins (1998) that local people who do not have experience of tourism may not operate the business efficiently and effectively. These non-local managers usually employ nonlocals for running business because they think that it helps them control overall business and restrict chance to get dominated by local employees. If they are to take local people as employee then usually employ them in lower level so that locals cannot interfere decision making process. Mr. Kibria, owner of a package tour company says:

> I prefer to appoint non-locals because as a non-local I need people who will support me inspired by fellow feeling to implement my decision. I do not want to take local people in my organization as they might have a tendency to interfere my decisions. I want to take all the decisions by myself because it helps me to run the business smoothly. Non-local employees will stand behind me because their fates rest on me.

This attitude of the managers prevents locals to get a job or to advance in higher positions in tourism oriented organizations. It is interesting to note that in most cases local businessmen, after few months of their business, fail to run business profitably and lease or sell it to non-local entrepreneurs. To address why they fail to run business one local entrepreneur, Mr. Kabir says:

> It has now become a fashion to own a hotel or tourist shop because it increases social status. This inspired many locals to start a tourism business. But these entrepreneurs do not know how to run the business or they even do not have interest to be successful. Therefore after few months they lease or sell their business to the non-locals.
Managers say that they do not want to decentralize decision making process or do not want to take suggestions or advices from lower level employees because in Bangladeshi culture leader should not seek help from subordinates. People think that if managers ask for employee’s suggestions and ideas then it is perceived as decision making weakness of managers. This cultural trait of decision making process makes it difficult for managers to include subordinates in decision making process. It is noteworthy that in most cases employees do not want to get involved in decision making process. They believe that it is not their responsibility to make decisions and think that their main responsibility is to obey instructions of the manager. Mr. Alam, an employee of a hotel says:

*I have been working in this hotel for the last 25 years but I did not get involved in any decision making process throughout my working life. Actually I do not want to get involved as I believe that it is not my responsibility. I am happy to follow the order of my manager.*

Generally social structure of this country is hierarchical and everybody in the society has a specific role to play. In workplace people are usually not encouraged to participate in decision making process. Lower level employees therefore have minimal participation in decision making process as they heavily depend on higher level executives and social leaders. This dependency and social custom help develop a mindset where lower level employees think that it is a norm not to participate in decision making process. Therefore socio-cultural, political and administrative frameworks create a common perception where people are not considered as an integral part of the decision making process. It must also be mentioned here that not only the local community are excluded from decision making process but also mid and lower level non-local employees
are excluded. This reality validates Tosun’s (2000) claim that in developing countries it is often difficult to ensure community involvement in tourism.

7.3. Benefit Gainers of the Sector

One main argument for tourism development is that it enhances local community’s socio-economic benefits. These benefits motivate local community to accept tourism development and help government and private-sector entrepreneurs accelerate the development process. Researcher identifies that local community gains many socio-economic benefits that are described in chapter five and six. People of this town are poor as majority of the working people earn approximately only $1 per day and rate of unemployment is high. Acute poverty and high rate of unemployment create a situation that stimulates people to welcome any sort of income generating opportunity and makes them think that people who are creating these opportunities are doing a favour. Mr. Alam, an employee of a hotel, says:

I have a job and earning some money. I do not have complains against my job although my salary is not enough for a standard living. But if I do not have this job my family will not survive. I am not concerned about who is getting more benefit from the development of tourism here.

This submissive and fatalistic view of accepting the situation cannot hide the extreme exploitation of majority of the members of the community by few local and mostly non-local entrepreneurs and high ranking officials of tourism organizations. Most locals who work in tourism related organizations earn on an average £20 to £25 per month. This is consistent with the findings of Sebastian and Rajagopalan (2009) that most local employees in Kerala receive low wages. It can be argued that people who work in this sector especially in lower
level cannot break the poverty cycle. Employees mostly need to work long hours and do not enjoy other financial and non-financial benefits. So, they have to do other works to maintain livelihood. Mr. Teawari, a hotel employee, says:

*My salary is not enough to maintain my family and after my work in the hotel as room attendant, I have to work as a tourist guide. During the peak season I have to work 12 to 16 hours a day. I am working very hard to survive and it is frustrating for me because I thought tourism would bring financial solvency for me but it has become a mere illusion.*

GoB has not fixed minimum wage for employees working in tourism sector and most employers usually do not care about labour laws and acts. Absence of required laws, lack of private and government initiatives to enforce existing labour law and critical socio-economic conditions create an environment where most employees are not getting appropriate benefits. Wage gaps among managerial, mid and lower level personnel are usually high that range from 500% to 1000%. Managers also get other financial and non financial benefits. Researcher finds that almost all managers are non-locals and they put organized pressure on employers to increase benefits. Employers are usually heavily dependent on non-local managers as they have skills to run the business. Apart from that, most owners of hotels and other tourist organizations do not have prior experience to run the concerned business. Generally these owners have other businesses and they give full autonomy to the managers to run their tourism related ones. One hotel owner, Mr. Kabir, says:

*I have other businesses and do not have experience to run the hotel business. So, I totally depend on my manager to run the hotel. I do not mind to give him high salary because survival and profitability of my business depend on him. You can hire other people easily giving even low salary but experienced managers are rare and they demand high financial benefits.*
This finding is also in line with that of Mbaiwa (2005) that local people’s lack of experience, education and training create barriers to further advancement in jobs and this situation help non-locals to occupy higher positions.

Most of the owners of hotels and other tourism organizations are outsiders who usually do not live in this town and transfer revenues to other parts of the country. Thus this town merely benefits from the economic opportunities created by tourism. Mr. Islam, a local community member says:

*We are getting a small part of the economic benefits and the major part is transferred to other parts of the country. The non-local investors merely have any intention to maximize our benefits as they are not made to do so by the prevailing legal, political and social pressure.*

Apart from unequal wage distribution; there exist other significant discrepancies that create major long-term and short-term economic impacts. For instance, while allotting high value lands with infrastructure, government often follows a biased approach in favour of some interest groups who are mostly non-locals. Thus the value added benefits resulting from tourism development endeavours are mostly enjoyed by non-local people that create a long term impact on income spread among local people. Undoubtedly tourism development causes positive economic development but the irony is, simultaneously it deprives local community. If local investors would have enjoyed government’s land allotments then higher involvement of local community in different levels of tourism activities might have been ensured. The words of a local businessman, Mr. Mohiuddin also sound similar.

*In spite of our financial and entrepreneurial capability most of the business opportunities are facilitated for the non-local people. If we could get more opportunities through government’s patronization then*
we could have engaged more local people in tourism activities that could have decreased the existing gaps.

This finding is consistent with that of Rogerson (2002) that lack of access to land is one of the major barriers for black people to achieve more benefits from tourism development in Highland Meander in South Africa.

GoB took several initiatives for infrastructural development of this town in the last few years. Many new roads, buildings, and other establishments have been constructed focusing tourism development but unfortunately most of the benefits of these are realized by tourists and people staying within tourist spots. This discrepancy appears vivid as local community’s livelihoods are closely integrated with tourism. Most of the local people are deprived of infrastructural and utility facilities like wider and clean road, uninterrupted supply of electricity and running water. To ensure those in the tourist zones sometimes local community suffers from irregular electricity and water supply in a discriminatory manner. Most roads and lanes in the locality are narrow and poorly constructed and maintained but those of the tourist zones are quite well constructed and well maintained. Mr. Islam, a local community member, says:

These discrepancies will make you feel like staying in two towns at the same time! One is enriched with modern facilities and comforts whereas the other is striving for the facilities to ensure the least standard but with frustration. Tourists stay here for a short period of time but enjoy all possible facilities. We assist them to enjoy but cannot enjoy in similar manner. So we feel frustrated for this kind of naked discrepancy.

Cultural centres, drama centres, parks and other establishments are generally accessed by tourists but there exists different barriers preventing locals to access those. Administrative system also works as a barrier and de-motivates
local community to access the facilities. Sometimes even if the local people try to access they are not allowed due to some vague reasons. Role of the local administration in maintaining cleanliness of the town is biased as tourist zones are kept neat and clean and are well maintained while the rest lacks that kind of maintenance. It is interesting to note that not only non-local investors and top level employees are getting the most benefits but some local big investors are also getting benefits. So, it can be argued that economic benefits are usually distributed not on the basis of locality but on the basis of socio-economic classes. The discrepancies prevailing are not exceptions but a common phenomenon of the socio-political system of the country. This also justifies Harrison’s (1992) argument that in developing countries the elite, who generally promote tourism businesses, usually enjoy majority portion of benefits. Figure 7.1 depicts an approximation of benefit spread among key beneficiaries.

**Figure 7.1: Benefit Spread among the Key Beneficiaries**

![Diagram showing benefit spread among key beneficiaries]

Source: Developed by the author
The above figure indicates that usually politically empowered people enjoy the most benefits whereas local community gets the least from this sector. The change in thickness of the green arrow implies proportionate degree of benefit spread where the thickest arrow signifies the most benefit gain.

7.4. Control over Tourism Business through Ownership

Researcher finds that ownership of most tourism related businesses are controlled by outsiders. During the last decade many tourism related business organizations have been established and these organizations have created many economic and social benefits. Lack of control over ownership of business by local community is a significant characteristic of tourism development in this town. It has profound impacts on local community as it influences their attitude towards development of tourism. Timothy and Ioannides (2002) point out that in developing countries tourism is developed and controlled by multinational companies who have little interest in local economic conditions. Mitchell and Reid (2001:114) further argue that “local people and their communities have become the objects of development but not the subjects”. The observations of Timothy and Ioannides (2002), and Mitchell and Reid (2001) are partially reflected in Cox’s Bazar as only some non-local businessmen are controlling the tourism business with no multinational company (MNC) intervention.

Due to land price hike entrepreneurs now need more capital to build hotel, restaurant and shopping complex. Mostly the non-local entrepreneurs have
enough money to invest. It is difficult for small and medium size businessmen to compete with big non-local investors. Mr. Idris, a local entrepreneur, says:

_We cannot compete with the non-local entrepreneurs as they have huge capital to invest. They have increased the land price as they are ready to pay any amount to get the land. Therefore, we cannot buy attractive land or a shop in the shopping-mall and gradually most of the businesses are getting controlled by these non-local entrepreneurs._

This finding validates that of Akama and Kieti (2007) as they find that in Kenya local businessmen mainly engage in marginal and informal business activities but core tourism businesses are controlled by outside businessmen.

Besides above mentioned economic reasons, following cultural elements also actively work in favour of non-local entrepreneurs regarding control over tourism business. Local businessmen merely have any skill or experience to run modern service oriented business as they do not want to change their traditional business practices or learn new ways of doing business. Mr. Kabir, a local entrepreneur says:

_As a businessman I do not understand the modern business practices. We always do business in our own way but the tourism related businesses are different from our existing ones. I think I am not competent enough to run these businesses._

This lack of willingness to learn new business approaches is one of the barriers to take part in tourism business. They admit their incompetence to learn new business practices but at the same time blame the government. In this regard, Mr. Kabir says:

_Government did not take any measure to improve our knowledge and skill of new business practices. We need training to learn new things but there is hardly any initiative. Government thought that we should learn business skill by ourselves but it is very difficult as non-local businessmen do not want to share their expertise with us._
This is consistent with the findings of Akama and Kieti (2007) who identify that in Kenya lack of knowledge among the local community regarding tourism product development and marketing create barrier to effective participation in mainstream tourism business.

Generally local people of Cox’s Bazar treat hotel and restaurant businesses as inferior investments that abase their social status and such perception creates opportunity for non-locals. A local resident, Mr. Chokroborti, says:

*We consider hotel and restaurant business as low class trade and are not interested to get involved into it. We think this kind of business do not beget any social status rather might abase our social image.*

Exploitation of political affiliations is another reason for the prevailing scenario. Lack of political power and connection are major barriers for local businessmen to join tourism business. It is described in chapter five and six, how influential and politically well-connected non-local businessmen purchase attractive land and enjoy preferential treatments from some government officials to take permission for businesses. These influential businessmen easily get permission from local administration for construction but local businessmen usually face problems. Mr. Idris, one local hotel owner, mentions:

*To build my hotel I had to wait one year to get the permission. Every time I met them they wanted new documents and delayed the process. If you give them money or you have political power then it will take only one month to get permission.*

Sometimes non-local businessmen use local government officials to harass and put different types of obstructions on local businessmen so that they face problems to do business. These administrative barriers and discriminative behaviour discourage local businessmen to invest in this sector. Mr. Idris, one
local hotel owner, explains his experience which portrays, how lack of political power nearly destroyed his dream:

*I got an allotment of government plot in 1980 but the local and central administration did not want to give the possession of the land. I went to the court and got the verdict in favour of me. In 1985 I got the possession of my plot and applied for permission for construction but received the permission after one year. Initially no bank wanted to provide me loan and I had to borrow money from my relatives and friends to build my hotel. Now local administration bans all sorts of vehicle parking in front of my hotel. I am facing problem because guests need to walk 250 meters to reach my hotel. Local administration took benefits from the rival hotels and I am losing my guests now.*

The *Rakhain* ethnic group has been utilizing business opportunities created by tourism development in Cox’s Bazar in a better manner than the local people. Their cultural norms are also in favour of such involvement. They set up small factories and produce handloom and other home accessories that they sell in their own shops. These shops are very popular among tourists. For the last few years they have been facing problems to run their business as non-local investors come to this town to buy their shops. Some of them sold their shops but majority do not want to sell as it is their only way to earn money. Some are facing threats to sell their shops and local administration even does not take proper action to protect them. Mrs. Umma, a *Rakhain* local entrepreneur, says:

*Will you tell me how we are going to survive? We are doing this business for the last 50 years and now the non-local businessmen pressure us to sell our business to them. We are not getting any help from police. If situation goes like this then we have to migrate to Myanmar because our life and wealth are not protected here.*

This ethnic group also feels vulnerable as political environment of this town is dominated by Muslim religious political groups. Non-local businessmen sometimes use religious sentiment to grab *Rakhain* businesses as they are treated as minority. Mrs. Umma further comments:
When they fail to purchase our shop then they use religious sentiment and threat us to sell the shop to them. As we are not Muslim and Muslim fundamentalists are very powerful here therefore we are helpless when they exploit religious sentiment. Even the local administration and the secular parties do not help us as they also fear the political affiliation with the Muslim fundamentalists.

This loss of ownership and control of *Rakhain* business not only destroys economic life of this ethnic group but also creates religious unrest and threatens communal harmony. Social unrest caused by economic aggression of non-local businessmen is also destroying the cottage industry as the *Rakhain* are leaving the town; local Muslims do not have the skills to run these cottage industries and non-local businessmen are not interested to patronize this industry. Non-locals also do not want local cottage industry to survive as they think that managing skilled manpower for this labour-intensive industry is troublesome. The closer of these factories will result in loss of employment and extinction of traditional local handicrafts. If this situation continues then in the long run culture and heritage will get distorted and the uniqueness of the nation will gradually disappear.

### 7.5. Local Administration and Formal Inclusion of Local Community

Local community’s participation in any development planning is crucial (Murphy, 1985; Lea, 1988; Dei, 2000; Tosun and Timothy, 2003) as the local views and aspirations should be considered. Some researchers (Inskeep, 1991; Brohman, 1996; Scheyvens, 2004) argue that local community’s participation in planning process enhances scopes for the distribution of benefits among them. This section explores the real picture of involvement of the local community in tourism related decision making process.
Planning process of the GoB is undertaken by planning commission, a government department responsible for planning economic and social activities. Planning initiatives are normally taken by the concerned ministry and tourism sector is under the ministry of Civil Aviation and Tourism. The ministry has created an autonomous body BPC to govern this sector. BPC is primarily responsible to formulate plans and after formulation sends it to the concerned ministry. The concerned ministry reviews it, sends it to the planning commission, there the officials scrutinize the proposal, do necessary amendments and finally incorporate it in national planning document. After that they send their approval to the ministry and ministry then send it back to BPC. After approval, finance ministry allocates fund to implement the plan. It must be mentioned here that BPC has some personnel who have expertise and knowledge about tourism but in the ministry and planning commission there is hardly any concerned expert involved in this process. As the whole process of planning and funding takes about a year therefore sometimes BPC fails to take timely actions to initiate implementation of the formulated policy.

Although there is an office of BPC in Cox’s Bazar but local community is almost ignored by the BPC head office regarding their involvement in policy formulation process. The officials responsible for policy formulation work in head office in Dhaka and usually do not consult with local BPC office. In most cases these officials lack practical experiences of how tourism business works, what the customers expect and how tourism affects local community socio-economically.

Mr. Dey, an official of BPC office in Cox’s Bazar, says:
All the orders are coming from our head office and we are just implementing the policy. The officials who are responsible to formulate policy do not ask for suggestion from us. We cannot share our thoughts.

Some of the officials of local BPC office have been working for more than 20 years and have vast experience about tourism business and its impacts on local community. These officials could have been treated as valuable sources of information but ironically are excluded from policy formulation process. This type of exclusion is a normal phenomenon in Bangladeshi context as in civil bureaucracy high officials think that they know the best and treat local officials less educated, to legitimate their exclusion in decision making process. According to Mr. Ashrafuddin, a high official of BPC:

*We do not need any suggestion from the lower grade officials. These officials are recruited just to carry out the orders. Why should we include them in the decision making process?*

This is consistent with the findings of Li (2004) who identifies that Chinese government officials consider that local communities are not qualified enough to participate in the planning process. The officials of GoB do not seek local people’s opinions, hardly have any technical and practical knowledge about Cox’s Bazar and fail to consider the physical characteristics of the town. Hence some of their plans hardly have economical and social value in favour of local community. Murphy (1985) also opines that planning process must be compatible with local aspirations and capacities.

BPC owns vast land in the tourist zones of Cox’s Bazar where it established many tourist facilities. It has an income generating fishing project for which every year it spends huge amount of money but according to BPC these are not
profitable projects and concerned personnel are also not interested about these.

Mr. Shahid, a BPC employee, says:

_We are not fishermen and not supposed to do this job. Our bosses who are taking this decision have no idea about the skill and knowledge of the BPC staffs. They live in the dreamland and lack accountability. They are instructing us to do a lot of things which only demoralize us and sometimes it is a mere wastage of the tax payer’s money._

It is an irony that people who are responsible for promoting tourism are busy with making plans that do not have significant impact on the promotion of tourism rather demoralizes local officials and causes wastage of resources of this poor country. In Cox’s Bazar all tourism related government committees are headed by District Commissioner (DC) who is the administrative head of the district. Due to diversified workload, DC generally faces time constraints to give proper attention to every issue and sometimes it delays the implementation of some emergency decisions. Other senior government officials who are not related with tourism activities occupy important positions in the committee. As these government officials hold more power and administrative status therefore BPC officials cannot play active and important roles in the committee. Sometimes power struggle among government departments also makes it difficult to implement the decisions. According to Mr. Dey, an employee of BPC:

_Our status is lower than the district government officials. Although they do not have any experience about tourism they are influential and possess more administrative power. Therefore they usually ignore our suggestions and take decisions by their own. In most of the cases these decisions do not bring any positive result to us._

Officials who are responsible for the formulation of policies also ignore the views of local community in policy making process and do not recognize the importance of their participation in decision making process and implementation
stages. Tosun and Timothy (2003) also opine that in developing countries central governments prepare majority of the tourism plans but may lack adequate knowledge about local situation under which these plans are going to be implemented. Researcher identifies that local community especially entrepreneurs and people related with tourism are frustrated and angry about their exclusion from policy formulation and decision making process. In this regard, Mr. Idris, a hotel owner expresses:

*I am very angry with these government officials who stay in Dhaka but make all the decisions without consulting anybody in Cox’s Bazar. Our problems and expectations are not reflected in the plans. Their decisions do not have significant positive impacts in the tourism development as these do not consider the local community’s views.*

Generally, officials of the GoB have a tendency to keep every power in their hands and are very reluctant to delegate power. This results in centralization of power in the hands of only a few people and hinders the progress of privatization and local community’s involvement in policy and decision making process. Mr. Ali, president of the local chamber of commerce, says:

*I have been serving as the president of the local chamber of commerce for the last three years and running business in this town for the last 50 years. During this period no government officials ever invited me to talk about my views regarding tourism. As the head of the chamber of commerce I have sent some proposals to the government for the development of tourism but have not received any reply from them.*

GoB has now realized the importance of tourism and wants to use it as an effective tool for economic development of the local economy and the country at large. This government initiative and the recent increasing popularity of this town as a tourist place are attracting a good number of private sector investments. These investors invest huge amount of money and develop
infrastructure to satisfy the need of different types of tourists. But they are facing problems to retain tourists for longer time as tourists can only enjoy day time sight seeing as proper measures have not yet been taken to offer other innovative attractions or entertainment facilities.

Private investors and local community want to get involved with policy formulation and decision making processes as involvement of private sector is increasing and tourist visits has greater impacts on their livelihood. They are putting pressure on the government regarding their participation. Recently GoB has incorporated a few private investors and few local community members in decision making body to contribute in local level tourism related activities. But Majority of the members of this committee is government officials and they usually dominate the process. It is also interesting to note that most of the public members are chosen by the government officials in a biased manner and they usually support the government members to maximize their own interests by taking special benefits. Generally they are members of the ruling political parties or local elites closely related with the concerned government officials.

Mr. Kamal, a local restaurant owner, claims:

> These representatives from the local community and the private sector do not represent us. They are really ‘yes-men’ to support the government officials. Government wants to show that they are listening to us but it is a farce. They always ignore real representatives as they believe that these people will resist their vested interest.

Researcher identifies that formal government initiatives include local people as representatives only to show off because they are not considered as partners in decision making endeavours. Sometimes local representatives are selected in
a biased manner and often they are members of the ruling political parties or local elites. Tosun (1999) terms this type of participation as ‘induced participation’ where local community can express their voice but this level of participation does not give assurance that their recommendations will be considered in the board by powerful interest groups. This phenomenon is the reason behind the involvement of people unrelated with tourism development. This interest group influences government’s development decisions regarding tourism that sometimes even appear as business decisions in favour of the vested group or go against development approaches. Following incident is a clear evidence of such a phenomenon when infrastructural development causes natural destruction and benefits the well-offs.

There was a small hill just near the prime tourist zone of Cox’s Bazar. It was a natural resource of beauty and abode of many creatures. It could have worked as a tourist attraction but that small hill does not exist now. Local government along with the previously mentioned type of vested group decided to develop a residential area in that particular location for the people who work in tourist zones. It was decided that plots would be allotted for those workers but reality reflected something different as most plots were allotted in favour of those interested group instead of the target group. Thus it appears as a doubly negative impact creating approach. Firstly, the target group is deprived and secondly the nature is losing its innate characteristics. In this way lack of local participation appears as a two-way sword as it is hampering optimum use of
existing limited recourses for the welfare of local people as well as target group is not getting the benefits.

7.6. Socio-Economic Impact Consideration in Policy Formulation

Several formal institutions are involved in policy formulation and implementation in this country. Researcher identifies the following relationships among the concerned parties regarding both policy formulation and implementation tasks. In the following figure 7.2, flows of information in policy formulation and implementation process are indicated.

Figure 7.2: Flow of Policy Formulation and Implementation

Source: Developed by the author

Researcher tries to figure out whether policy makers consider the consequences of socio-economic impacts of tourism development in policy
making endeavours but finds that most of the times focus is given on new initiatives, sources of financing, and profitability of projects. Mr. Ashrafuddin, a high official of the BPC, says:

*Our main concerns are how we can finance the projects and whether it would provide us with enough profit. Proper sources of finance and potentiality of profit are the main criteria for project approval.*

Concerned officials inform that unlike standard practice, during policy formulation planners do not take proper initiative to seek opinions of the local community. Moreover, this exclusion is not even considered by policy planners as a shortcoming of the policy making process. The cause behind this is mainly the perception of the concerned parties which usually do not put emphasis on this issue. They usually think that any development project brings benefits and even if there is any negative impact that will not exceed the overall positive impacts. In this regard, Mrs. Parveen, says:

*Ours is a poor country with ample resource constraint. And development endeavours are also rare. That is why whenever any development project is taken the local people wholeheartedly welcome that and do not bother whether they are consulted or not.*

The findings also reveal that in most cases foreign consultants are involved to prepare policy and often work with time and other resource constraints. Sometimes they are misguided by inappropriate information or feel pressurized by different pressure groups that lead to a distortion in realizing socio-economic context. Local agency effects also hamper unveiling real scenario as foreign consultants need to depend on them on many occasions. Superimposing foreign consultants’ native country framework over the consulted one might be another source of focus dilution regarding socio-economic consequences.
In Bangladesh, most of the top level decision making processes involve close door confidential environment because usually they think that they solely should take part in that process and concerned information should not be shared. This secretive decision making process of GoB discourages public debate on policies. This scenario represents the culture and is also reinforced by centralized decision making structure. Exclusion of local community and their expectation from policy and planning process justify Timothy’s (1999) argument that autocratic power systems exclude grassroots’ involvement in tourism activities where representational democracy is discouraged.

7.7. Summary

In conclusion, it can be said that regarding the involvement of local community in tourism related businesses, ownership pattern, business decision making, benefit realization, and control over those businesses, are found suppressed. This situation is mainly caused by the exclusion of local community from concerned policy formulation and implementation process as due to this, their requirements are not addressed in policies. The policies usually reflect perception of the involved members and therefore do not fulfil needs of local community. This signifies a crucial flaw of a missing reality to apprehend involvement of local community to ensure balanced benefit sharing. A little hope of improvement of this situation is there, as awareness of local community is increasing and this might lead to an equitable benefit sharing in future.
A community participation impact model is developed on the basis of the research findings. Figure 7.3 presents community participation impact model that jots down main positive and negative impacts of development of tourism on local community. The findings that match with existing literature (Murphy, 1985; Lea, 1988; Inskeep, 1991; Brohman, 1996; Dei, 2000; Tosun, 2000; Tosun and Timothy, 2003; Scheyvens, 2004; Sebastian and Rajagopalan, 2009) are presented in black but those which are unique findings of this research are provided in blue for a better visual identification.

**Figure 7.3: Community Participation Impact Model**

**Positive Impacts**
- Diversified business opportunities has created improved entrepreneurship skill
- Increased employment scopes
- Increased local participation creates opportunities for disseminating awareness regarding the preservation of cultural heritage and facilitates balanced benefit spread.
- Increased positive attitude towards the acceptance of non-locals and tourists facilitated by increased participation
- Locals are keen to take part actively in the development of tourism

**Negative Impacts**
- Local community is excluded from the government plan and policy formulation process
- Locals are rarely included in local level decision making and activities
- Locals have limited ownership of tourism assets
- Locals mostly occupied in low paid jobs

Source: Developed by the author
Majority of the big and medium investments in the tourism sector in this research area are made by the non-locals therefore, participation of them in entrepreneurship level is high. While small and in limited extent medium level investments are generally made by the locals. So, local entrepreneurs are also participating in the process of tourism development. As most businesses are owned and managed by the non-locals, the local community only get chance to be involved as employees and have limited involvement in decision making process. A big segment of local community are directly participating in tourism development process and those who are not directly involved in tourism activities are also supportive to the process and keen to take part in it. Local community’s participation in governmental policy formulation and planning process is insignificant as GoB usually takes a centralized decision making approach and often do not seek local community’s opinion. Government’s concern is limited to economic impacts of tourism development and usually not extended to the socio-cultural impacts and community participation in tourism development process.
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Chapter Eight: Key Findings and Recommendations

8.1. Introduction

In this chapter researcher presents his realization regarding some key themes to better analyze the findings to understand the answers to the research questions presented in chapter one. Discussion of this chapter is based on the major findings presented in chapter five, six and seven of this thesis and includes some recommendations.

8.2. Theme Based Discussion on Findings

In the following consecutive sections views of local people along with the analysis and interpretation are presented using a theme based discussion.

8.2.1. Uneven Distribution of Economic Benefits

Tourism development in Cox’s Bazar municipality has created many jobs and it also has significant impact on income of the local community. It has been discussed in chapter five that tourism became the main industry in this particular area and is the major job provider. Local community believes that tourism is a blessing for them as very few other economic activities provide them jobs. This finding is consistent with the argument of Ap (1992) that residents who are getting benefits from tourism development support tourism. It is found that local community is happy to get job although they sometimes express dissatisfaction about salary, working condition and job insecurity. Local people believe that although they are earning low wages from tourism but it is...
comparatively better than working in agricultural or fishing activities as in those sectors wages are even lower, jobs are hazardous and also do not provide expected social status. They feel that entrepreneurs who established their businesses at Cox’s Bazar are doing a favour for them and therefore local community tries to accommodate with what they get than being demanding.

Findings show that most members of local community work in lower level of tourism industry and think that lack of education and skill are the reasons behind their poor status. Their claim appears true as it is found that Cox’s Bazar Municipality has the lowest rate of literacy in the country. Geographic location of this city creates a barrier for industrialization and hence there are a few government and private sector manufacturing industries in this area. Therefore getting a secured and decent job is rare for local people and so any job opportunity created for local people is perceived by them as a blessing because they think that tourism related job not only provides wages moreover offers dignity, higher status and honour within the community. Sebastian and Rajagopalan (2009) and Bratek et al (2007) also note that tourism related jobs are accorded a relatively higher status to those who are working in this sector.

Socio-political environment contributes a lot to the misery of the people of Bangladesh. Even after 38 years of independence people of Bangladesh failed to get a fully people oriented government and two major political parties who were in the government for the last 20 years and also the military controlled government who were in power for 18 years mostly represented wealthy
segment of the society and wanted to maximize benefits of the vested interest groups. There is hardly any social safety net established by the government to protect general people from extreme poverty.

Presence of NGOs in the research area is limited although they are playing significant role to create jobs and stimulate economic activities throughout other parts of the country. Usually NGOs prefer to work in Northern and South-western parts of Bangladesh and do not prefer to work in the peripheral geographical locations. Therefore, political negligence of the recurring governments, low rate of education, lack of government, NGO and private sector patronization have made local people fatalistic and might have caused them to lose their hope for better living.

It is found that most local people who are employed in tourism sector are very poor and do not have adequate education and skills whereas educated and skilled middle class are less interested to serve in this sector as they still believe that working in this sector is demeaning. This approach is caused by the traditional social perception of the status of tourism related work that is assumed to abase social capital of members of the society. Researcher also finds that employers are not interested to employ local educated people for clerical and managerial jobs as they think that managing them would be difficult. This is consistent with the findings of Sebastian and Rajagopalan (2009) as they identify similar attitude of employers in Kerala in India.
It is noteworthy that majority of the established entrepreneurs are non locals and they feel comfortable to employ people of their locality in managerial posts as they think that it helps them control the business better. They want to treat their charismatic business strategies as business secrets and do not feel secured to share these with others. This is why most of the mid and upper level employees are non-locals and most of them migrate from different parts of the country. They usually do clerical, office management, tourist attending and guiding, front desk service, restaurant attendance, sales and marketing, and other managerial types of jobs and earn comparatively better salaries and wages than the locals. Employers show discriminatory approach and provide non-locals free accommodation and food but in case of local employees they do not offer such free accommodation. Most non-local workers are young and they usually do not bring their families in their job area during initial stage of their employment and thus they can save a larger portion of their earnings.

Local people are found to acknowledge their lack of capacity and admit that migrant workers have better skills that bring them in their locality. They believe that if they do not allow migrant workers in their area then it may hinder development of tourism. Although employers show discriminatory approach but nevertheless majority of the local people is not hostile to migrant workers and they accept these migrant workers in workplace though there are considerable socio-cultural differences. This finding is not consistent with those of Inskeep and Kallenberger (1992) and Tosun and Jenkins (1996) because those
researchers argue that discriminatory benefit distribution between local and non-locals creates conflicts.

Most local businessmen are gradually losing their businesses to non-locals. Findings of Sebastian and Rajagopalan (2009:17) are also consistent with this research finding as local people in Kerala, India complain that “kashmiris take away the tourism money”. Local businessmen have established mostly small and medium sized business and unfortunately hardly get support from government. Even private commercial banks usually do not provide them loan as often they cannot show collateral required to get loan. Moreover, mostly these businessmen are not educated enough and are not in a position to provide required papers to complete loan application process and hence fail to further increase investment in their business.

Most local land owners particularly in tourist and commercial zones are losing their lands to outside investors and businessmen, as rich and influential businessmen from different parts of the country are coming to this city to start business. Although local people are offered high price for their lands and most land owners avail the offer to gain immediate benefit, they generally fail to buy another land in locality as price hike is more than they can afford. Thus, increasing demand for land even at higher price appears as a trap for them and cause them lose their land if they avail the alluring high price offer. Sometimes they can buy lands with that money but not in their area rather far away from where they live or from where their lands were. This eventually dislocates them
from their area to far-off area when they shift to reside on their newly purchased land. Sebastian and Rajagopalan (2009) find that in Kerala, India development of tourism increases land price and out migration of local people for exactly the mentioned reason.

Local land owners express their desire not to sell their land but mention that influential non-local businessmen sometimes put undue pressure to sell. Sometimes these powerful businessmen abuse local administration and private musclemen to harass them and thereby somewhat force them to sell. This situation is demoralizing local businessmen and creating social unrest among local communities as they have been observing that outsiders have been getting the most privileges and lion share of benefits whereas they are deprived and feel that it is a sort of violation to rights that should be preserved first.

After analyzing all spheres of involvement of people in this industry it is found that most economic benefits of development of tourism in Cox’s Bazar has been enjoyed by non-local entrepreneurs, migrant workers and only a small segment of local people who have economic and political power, education, professional and business skills. This finding is tuned with the argument of Harrison (1992) and Inbakaran, and Jackson (2006) that elite and high income people enjoy most of the benefits from development of tourism. Researcher also finds that increasing disparities in scopes for income generating activities create conflicts in local community and led to resentment among local people against non local entrepreneurs and migrant workers group.
8.2.2. Influence on Education

Development of tourism has also created significant socio-cultural impacts that are visible and influence every section of local population. Researcher has previous experiences and know-how about the socio-cultural characteristics of the research area and his findings assist to trace social-cultural changes in Cox’s Bazar. Socio-cultural impacts mostly influence lower and middle class of this city. This city is religiously conservative compared to other parts of the country and so religion plays an important role in lifestyle. Parents of poor households usually send their children to madrasha (Muslim religious school) and generally do not send their daughters to educational institution.

Things have started to change in Cox’s Bazar since the last couple of years. Migrant workers who brought their families in this area are less conservative and usually send their children to school and put equal effort to educate their son and daughter. Apart from, that many migrant workers get married with local women and these marriages also lead to significant impacts on social system. Now local people have realized that those who can get educated can also avail better job in tourism sector and this realization convinces them to send their children to school reflecting an instilled change in their attitude. Sebastian and Rajagopalan (2009) also find the same change among communities of Kerala, India where parents are now sending their children to school because they believe that it helps their children to get good job in tourism sector. In addition, it is found that these school going children are now more conscious about health and hygiene issues, social manners, cultural involvements and other socio-
economic factors that could be treated as a clear sign of better days for the society at Cox’s Bazar.

Local people’s educational awareness also has positive impacts on other socio-economic issues. Child marriage is one of the major social problems in Bangladesh and generally poor areas are the worst victim. Having a daughter in this society particularly in poorer section of the society is treated as a burden. Sometimes some religious beliefs also motivate them to keep women at home and constrain their outside activities. However, increased interest and participation in formal education have changed their perception about their daughter and the rate of child marriage has decreased in the area. Many parents now cherish that after completing formal education their daughters also will join professional job market. It is a significant socio-cultural shift in local community although one may argue that apart from tourism other changes in the society like government’s advocacy in favour of education, law against child marriage and easy access to media can also instigate this change but researcher identifies that it is development of tourism that caused this change.

8.2.3. Women’s Empowerment

Development of tourism in this country has enhanced chances of women employment resulting economic freedom for women most of whom were oppressed earlier. This employment opportunity has facilitated women to join mainstream labour-force and earn money. This participation has changed their status in families as well as in society increasing their social capital and dignity.
It is found that development of tourism has this impact with uniqueness considering general status of women in the rest of the country. In chapter five the role of women and their social status have been discussed in detail and from that discussion it can be inferred that women’s formal involvement in economic and social activities in semi-urban areas is rare.

Some Muslim religious political groups are quite strong here that imposes a social system where women’s movement outside home is discouraged and often restricted. Even couple of years back when impact of the development of tourism was not that evident, women of this area usually stayed at home and used to do household works only. If they needed to go out most of them used to maintain *purdah* by wearing *borkha* (veil) and were usually accompanied by a male. Some local women said that they even could not get permission to go to sea beach and could not imagine working outside home but in the recent years development of tourism business has instigated a gradual change. Now many women work in hotels and restaurants. Most of them work in cleaning, housekeeping and kitchen while a few work as receptionists and telephone operators. Women are also employed in many retail stores and some opened own business. Most employers employ local women due to their availability and unavailability of non-locals, as women usually do not migrate alone. This constraint created favourable condition for local women to get job in this sector.

Respondents mention that from the beginning of development of tourism since 1950 women from *Rakhain* ethnic group have been actively participating in this
sector. Most of them work in traditional handicraft factories and sales outlets while a few works in clerical and managerial positions and their involvement has been significantly increased in last few years. Their involvement in economic activities, resulting economic well being, and dignified status in society and family have been an authentic source of motivation for the Muslim women to get involved in this sector. This spirit stimulated not only the poor Muslim women but also middle and upper class women to get involved in income generating activities especially in tourism sector. At the beginning these motivated women faced problems from family and society but situation changed when their family realized that they were earning money that facilitated increasing their standard of living at the same time adorning their position with enhanced social capital. Although this is a progressive change but it is not free from conventional social taboo and religious barriers as conservative social elites and religious leaders are still opposing this movement with firm non-cooperation. They still perceive that such involvement from female side is threatening social norms and religious code of conduct. Male dominance might have caused such attitude but change regarding women’s participation has started.

It is found that women who are involved in tourism sector are more empowered than those who are not working outside home. Working women usually enjoy more mobility and benefit from connection with outside world. This is consistent with the argument of Wall and Mathieson (2006) that women working in tourism sector in developing countries earn higher income and gain more independence within households through new employment opportunities. Researcher also
identifies that some women who were working in this sector later became an entrepreneur by utilizing experiences, skills and affiliation with professional connections. Their opinion is now considered with equal emphasis by the male member of their family and they also participate in decision making process. As family is the unit of society, same change is also reflected in the society. Wilkinson and Pratiwi (1995) also find that women working in tourism sector in Java have greater control over their lives.

8.2.4. Significant Infrastructural Development

It is identified that during last few year significant infrastructural development has been initiated in Cox’s Bazar. A new national highway is constructed to facilitate road transport and government has planned to extend railway network from Chittagong to Cox’s Bazar. It has constructed other road networks to link this city with the adjacent tourist spots. Five public and private sector airlines in total offer air travel service to this city everyday and they usually carry tourists. Road connectivity in the city, particularly in the tourist areas, is good.

Government has already established facilities like running water and electricity supply in tourist areas to make sure that tourist areas get uninterrupted service. Most hotels have own generators to produce electricity and have high capacity water pumps to ensure smooth supply of water. This is a clear evidence of investment for infrastructural development where private sector entrepreneurs have started contributing significantly since recent years. This finding is consistent with those of Sebastian and Rajagopalan (2009), and Sharma and
Dyer (2009) where they identify that tourism development in Kerala of India and Victoria of Australia contribute significant infrastructural development.

In Bangladesh generally most infrastructural developments are found in major cities like Dhaka and Chittagong due to conventional policy, political biasness, lack of resources and skilled manpower. Influential political leaders usually come from major cities and influence allocation of resources in process of infrastructural development. Politicians from peripheral areas like Cox’s Bazar usually do not have strong influence in national politics and in many cases their political career depends on national leaders. Hence they do not want to impose pressure on them to allocate adequate resources for infrastructural development in their areas. As a result most peripheral areas do not have adequate infrastructure to attract investment and to provide good standard of living for the inhabitants. Government’s contribution in development of tourism generally is not that mentionable whereas private sector has done significant development in the spirit of doing business.

Most roads in residential areas where local people live are not of good quality and unfortunately in many cases government does not take proper initiatives to repair or improve these. Government is interested to develop only tourist areas and it divides the city into two distinct parts: tourist area and residential area. In tourist area, roads and other utility facilities have been developed and managed by central government whereas in residential area, roads and water supply are under the control of local municipality. The municipality has limited resources as
its income comes from tax payment and insufficient government fund and so generally it cannot provide adequate facilities. A new trend identified is increasing number of establishment of luxurious apartments with modern facilities focusing needs of tourists that even transcend the imagination of local people. This finding is consistent with that of Harrison (1992), and Inbakaran and Jackson (2006) who argue that elite and people with higher income enjoy more benefits than people with lower income from development of tourism.

Thus, it can be said that development of tourism has created two classes of facilities discriminating local residents and privileging tourists. This dual approach may create social unrest as locals perceive that benefits of infrastructural developments have little impacts on standard of living and their wellbeing is not properly considered by the government. This discriminatory approach regarding allocation of facilities creates an impression in the minds of local people that they are intentionally left out from benefits and this may create serious social, economical, and political conflicts hampering development process of tourism in the research area. It is unveiled that in spite of existing discrimination, local people are very cordial to tourists and believe that further development of tourism will enhance economic and social benefits.

8.2.5. Demonstration Effects
Cox’s Bazar being an attractive tourist spot have been attracting significant number of tourists from home and abroad but spending for vacation or enjoying holidays lavishly is still a luxury for common people of Bangladesh and usually
rich and higher middle class can only afford such holiday. Usually many tourists come to this area by luxurious air-conditioned bus and some by their latest model vehicles. They wear latest-model dresses with western essence and some of them use latest electronic appliances. These people have different accent and their food habits are also different from those of local people.

Local people, particularly young ones are often influenced by tourists. They think that tourists are symbols of good standard of living and thus want to imitate them in attitude, dress, and even accent. Researcher observes that local young male from both Bengali and Rakhain ethnic groups, prefer to dress like tourists and also try to behave like them. As these young people come closer to tourists sometimes as a part of their job or business, they become influenced by them but even other young male of this area are also influenced by this behavioural trend because they think that it is the way to avail modern lifestyle. McCarthy (1994) also identifies the same impact among the youth in Indonesia. Apart from that local employers prefer to employ people who can follow tourists and also motivate them to be like the tourists.

Tourists’ behaviour also has impact on behavioural pattern of female of this area. This causes changes in their conservative dressing and mobility as particularly the young women has started working outside home. They have started to adopt modern attire as well as have changed their approach towards accepting tourists although they don’t follow exact dress style due to some socio-cultural differences in norms. Therefore, most working women do not
wear traditional *purdah* or *borkha* (veil) and it is found that *Rakhain* women are less influenced and prefer to wear their traditional dress and use own language while talking among themselves.

Presence of tourists and their lifestyle create undesirable expectations among local community members. They think that they also deserve to enjoy similar standard of living and lifestyle although such desire does not match with their standard of education and level of income. As a result they become frustrated and that sometimes cause crime and undue pressure on their families creating tension inside family and as well as in society. This finding is inline with that of Bratek *et al* (2007) where tourism creates unrealistically high expectation among residents in Sarawak, Malaysia who believe that tourism development will solve all their problems. This situation creates divisions in host society between those who want to adopt foreign values and those who want to maintain traditional lifestyles.

*Bengali* people do not value their cultural authenticity the way they are expected to do. They think that their accent and cultural heritages are inferior to those of tourists and therefore they feel a drive to speak like tourists and to adopt their culture and norms. Respondents believe that this negligence regarding their culture and heritages is a great loss for local *Bengali* community because this distinctive cultural heritage could have been used as an asset to attract and satisfy more tourists. However, it is found that *Rakhain* people value their cultural authenticity and want to utilize it to attract tourists. This is why
employers of this area want to employ Rakhain women in business as they believe that by employing them they can attract more tourists. This reasoning behind tourists’ interest is termed as authentic value of culture in tourism literature (Ryan, 1991). The economic benefits they are getting this way inspire them to maintain their cultural distinctiveness although it is observed that older people in Rakhain ethnic group raise voice against commercialization of their traditional culture and claim that a few members of their community are exploiting culture just to gain cash benefit that goes beyond their value system.

8.2.6. Unequal Involvement of Local Community

Local people are keen to get involved in development of tourism and this attitude is justified by Ap's (1992) argument that people who get benefits from tourism, support its development and want to get involved. Most people coming from lower and mid level income group want to contribute in this development process through availing jobs. They perceive that they are not able to open their own business as they do not have proper experience or adequate capital and therefore find it easier to be a part of tourism development endeavour as employees. Some upper-middle class are interested to establish small or medium scale tourism related business to provide support services to tourists. Now, local rich businessmen are also interested to be involved with tourism business but earlier they used to think that these were not for gentlemen.

These local businessmen face two fold difficulties coming from non-local entrepreneurs and government. Most large and medium scale businesses are
owned by non-local entrepreneurs and local entrepreneurs find it quite difficult to compete with them because of their lack of business experience and capital. As it was discussed earlier that non-locals are not interested to employ local people in their business therefore these local people find it difficult to penetrate this sector even as employees. Sebastian and Rajagoplan (2009) also find that non-local entrepreneurs in Kerala of India dominate tourism business and usually do not want to provide employment to local people.

Government initiatives to involve local community with tourism activities are usually rare and it hardly takes measure to protect local community’s interests in allocating resources for this area. It allocates lands often in a discriminatory manner and hardly takes initiative to arrange skills development training for local people. This dominance of non-local businessmen on tourism resources might create long term negative effect on development of tourism. Glasson (1995) argues that dominance of non-local businessmen on local resources changes local community’s attitude and feel loss of control over the process. This sense of loss of control might hinder sustainable development of tourism. Local people who do not work directly in tourism sector or do not have direct relationship with it think that development of tourism is good for local community and they are also interested to be a part of it. Particularly educated middle class who usually lead civil society in this area wants to be involved with it. They believe that they can provide new ideas to promote this sector and also can create awareness to preserve the historic, natural, and cultural heritages.
8.2.7. Negligence and Bureaucratic Bottleneck

It is found that policy makers and government officials think their responsibilities are limited, only in policy formulating and providing administrative supports. They believe they are working hard to promote this sector through policies and institutional supports to assist public and private initiatives to build businesses. They believe their prime responsibilities are to attract more private investments as well as tourists in the country. Therefore they are not concerned about socio-economic impacts of development of tourism let alone assessment of impacts of it on the local community. The discussion with key government officials reveals that they believe socio-economic impacts are undoubtedly beneficial to local community and these benefits are distributed automatically requiring no special attention. They feel they do not need to do anything to incorporate local community in tourism development process and this reflects their ignorance and negligence about the well being of common people.

It is also found that BPC is mostly controlled and operated by bureaucrats occupying the chairman and director positions. These bureaucrats usually come from different government ministries and do not have proper experience about tourism and relevant issues. Most of them consider their posting in BPC as an inferior one in terms of power, status and facilities and hence after joining BPC they usually try to put every effort to get transferred to any other government ministry. These high officials enjoy full facilities to visit different countries to join conferences, seminars, training programmes and meetings although in most cases these are targeted for middle rank officials. Their interest for foreign trips
is hampering education and training required for mid-level officers and as a result most mid-level officers in BPC do not have proper knowledge of recent developments. These mid-level officers are responsible for formulating plans and policies but due to lack of proper expertise caused by the mentioned bureaucratic exploitation and malpractices they fail to contribute properly and thus reflection in plans and policies can hardly meet the requirements.

8.2.8. Exclusion of Local Community from Policy Formulation

Local community intends to raise voices and demands to incorporate their views in government policies to gain more socio-economic benefits from tourism. They believe this can be achieved effectively only after becoming an integral part of development of tourism. Many studies (Murphy, 1985; Brohman, 1996; Dei, 2000; Timothy and Loannides, 2002; Tosun and Timothy, 2003) claim that local community’s participation in planning and decision making process is necessary and without their participation they will not get appropriate benefits from this development. But this research identifies that local community is excluded from the process of policy formulation. GoB and policy makers working in Ministry and in Planning Commission usually have the final say about polices and plans. This is consistent with the finding of Feighery (2008: 332) who says: “community participation in the tourism development process in China is muted by centralized administrative system (national and provincial) and an elite domination of business”.

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As a part of the planning process policy makers generally do not visit Cox’s Bazar or other tourist spots and usually even do not welcome suggestion from businessmen, employees, tourists or other members of local community. It is also found that local entrepreneurs, local administrative authority i.e. Cox’s Bazar Municipality and local Chambers of Commerce always try to communicate with BPC and concerned Ministry through local government officials but mostly they do not get positive response. Local people cannot recall a single instance that government policy makers sought their opinion or discussed about the policy issue. In Bangladesh generally it is not a culture to quest advice from common people as people who hold power usually think they know the best and if they consult with lower level people who are less powerful then it will undermine their position. So to show power they often ignore people’s participation in decision making process. Politicians and government officials believe in top down approach of decision making process which Tosun (1999) terms as ‘coercive participation’ and thus voice of local community except a few politically empowered members, is ignored.

8.2.9. Unwillingness in Policy Reformation

After independence only twice GoB took policy initiatives. In 1988 it prepared Tourism Master Plan and in 1992 formulated a Tourism Policy (chapter 4 has detailed discussion). But GoB has not implemented majority of the suggestions of Tourism Master Plan. Tourism Policy includes measures to promote tourism in Bangladesh but in most cases major part of suggested policies have not yet been implemented. It is also interesting to note that during last 17 years
government has not been able to formulate new adaptive tourism policy or modernize existing one. However, it does not mean that government is giving less priority or do not understand its potential in economic development process. Tourism Policy of 1992, Industrial policy of 2003 and PRSP of 2005 give major emphasis on development of tourism industry.

Researcher identifies several reasons against government’s failure to formulate new tourism policy and implement major suggestions of Tourism Master Plan. Lack of government’s fair political commitment is often the main reason for failure. Whenever any change takes place in power new government cancels major economic and political decisions of previous government and employs new set of personnel to formulate new policies. Thus lack of continual government endeavours has been disrupting implementation of long-term projects and policies. For instance, in 2007 the then caretaker government formed a committee to develop new tourism policy and tourism law and after two years the committee submitted report to government but new government rejected that report (Daily Naya Diganta, 2009).

GoB has adopted liberal economic policy and has started giving more importance on private sector involvement in economic process but government officials think this will reduce their power if privatization is appreciated and facilitated. Politicians and government officials find it easier to maximize personal benefits if government controls business and so, both groups create unholy alliance to delay or even not to implement the process of privatization.
8.3. Recommendations

Considering the findings and interpretations it can be said that both government and private entrepreneurs admit that development of tourism in Cox’s Bazar has created positive and at the same time some negative socio-economic impacts on local community. This finding should inspire concerned parties to work side by side with other key organizations to maximize positive impacts and minimize negative ones. Following recommendations may facilitate utilization of potentials and prospects of development of tourism industry in Cox’s Bazar.

Resources and income generating opportunities should be redistributed in a non-discriminatory manner. Findings show that although development of tourism in Cox’s Bazar is economically a success story as it revivifies local economy and creates diversified employment opportunities but economic benefits of local community from this development is not satisfactory. GoB can take necessary steps to redistribute resources effectively in an unbiased manner among local community members and concerned stakeholders and facilitate ensuring income generating opportunities. One can argue that in a free market economy government interference may discourage development but considering long term consistency and congeniality to reduce risk of probable socio-economic unrest, government may pursue private entrepreneurs to include more employees from local community. GoB may give preference to allocate tourist resources like land, new business license and loans to local businessmen as they can hardly compete with non-local entrepreneurs who are often economically and politically more powerful.
Entrepreneurial and service-oriented skill development training programmes for local people should be increased. Proper training on diversified fields should be arranged by government and private entrepreneurs to develop and enhance skills and knowledge so that local community can work in this industry with effective performance and dignity. GoB with the help of local entrepreneurs may establish tourism training institute focusing local community to develop professionalism. Although it is running a training institute but it is in Dhaka and local community members face difficulty to access as it is far away. GoB may provide monetary benefits to locals during training period to encourage their participation as most locals are poor and are not in a position to take training for prolonged time leaving scopes for earning. Local community's lack of entrepreneurial skill is a major reason for their exclusion from development of tourism. As most tourism related business involves intensive services and these people generally have no prior experience so they are not considered as a prioritized workforce. Apart from that they also lack required knowledge to run a modern business in a fierce competitive business environment. Hence GoB should take appropriate measures at local level to initiate capacity building and skill development training programmes to prepare local community to perform effectively to harvest opportunities of this leisure industry.

Effective measures should be taken to minimize negative impacts of tourism. According to government policy makers and officials as local people are poor so any development process will bring positive impacts for the community as it creates employment and income. This presumption of positive impacts
influences them to ignore assessment of real holistic socio-economic impacts of development activity while formulating policies and plans. They usually do not realize and consider that impacts are different in extent and consequences for different levels of society. Little attention been given towards what local people feel, think, need and want. So, concerned policy making and implementing authorities need to change their approach about local peoples’ involvement.

Adequate financial and institutional support should be provided to promote small and medium enterprises (SME). Tourism in Cox’s Bazar has unique features of diversified business value addition opportunities and varying extent of investment scopes. Institutional support to SME is less compared to that of large scale investments although the prospect is high. Due to lack of formal financial assistances in terms of loans, leasing and others, many opportunities are left untapped or partially utilized with less efficiency and effectiveness. Generally both GoB and private sector banks and usually do not offer effective financial assistance to facilitate SME development. If they offer loan packages for SME sector then existing leakage may get reduced and more business initiatives will get consistent financing resulting better earning for the people.

Enriching and upholding cultural originality should be ensured by any means. Access to modern technology and presence of tourists with multicultural ethnicities are influencing the culture of local people. These factors sometimes cause cultural diffusion and borrowing in such a manner that originality and distinctiveness of own cultural pride are perceived in a distorted way. In some
cases this cultural change results immediate benefit for local people as tourists can feel their home environment and enjoy their culture even in abroad but this scenario is a threat to sustainability of authenticity and conservation of culture and heritage of local people. Government and private sectors should take proper awareness raising initiatives mostly targeting young generations so that cultural believes and norms are not distorted rather preserved and enriched. Appropriate maintenance measures for historic places, effective marketing of tourist spots and potential places, patronizing those who are effectively pursuing conservation of local cultures and government’s formal allocation of budget for ensuring these measures can be considered as a way out to protect local culture and heritage from distortion.

In development process local community’s views should be appropriately incorporated. Success of tourism industry depends on attractiveness of the destination and quality of services provided to tourists. However this can only be achieved in an effective manner if local people’s support and cooperation can be ensured. If dissatisfaction and tensions prevailing among local people are not properly addressed then their frustration may affect tourists and make them reluctant to visit the spots. In utilizing natural, economical and cultural resources, tourism industry should show responsibilities to local community as utilization of these resources affects people involved in such activities (Mann, 2000; Smith, 2003). Hence in policy and plan local community’s expectations, desires and benefits should be reflected. This will also facilitate utilizing local
community’s experiences and expertise in the process of development and implementation of policies.

Local authority should be reformed and empowered for a synergistic development process. It is not empowered enough to regulate and promote tourism business. Most decisions are taken in Dhaka and local authority just implements those. It takes longer time to get those decisions implemented due to decentralization overheads and other bureaucratic issues. As local authority also lacks relevant expertise regarding development of tourism, sometimes they are not able to make right decision in time that may hamper development process. They sometimes feel overloaded with tourism related tasks and regular designated responsibilities and hence can pay less attention to contribute effectively in tourism development endeavours. So, GoB should establish a dedicated administrative unit with experience and expertise in tourism so that concerned personnel can take necessary decisions quickly and assist private sector to innovate new products and services to attract new tourists and retain existing ones by exceeding their expectations.

Previous plans should be implemented and relevant policies and laws should be revised effectively. Government officials want to keep power within their control and unimplemented status of majority of recommendations of tourism policy 1992 proves that bureaucrats are not interested to patronize private sector to join the development process of tourism in Cox’s Bazar. In tourism policy 1992, government highlighted private sector’s roles and declared that private sector
would get preferences in developing tourism sector. Despite this recognition, lack of policy and regulatory reform has been hampering development of tourism. Sometimes modifying relevant laws and policies can facilitate adapting development process with the socio-economic dynamics of target society. Therefore government should ensure that policies are implemented in time and appropriate reforms are facilitated.

8.4. Summary
Based on the discussion on the findings presented in previous three chapters major findings are identified and synthesized. Discussions of findings are titled in a theme based manner so that reader can make an idea about the issue that will lead to a clarified understanding. In this chapter researcher discusses major findings related to uneven distribution of economic benefits, influence on education, unwillingness in policy reformation, significant infrastructural development, demonstration effects, unequal involvement of local community, negligence and bureaucratic bottleneck, exclusion of local, community from policy formulation and women’s empowerment. Researcher also makes some recommendations and presents those in different issue based discussions to overcome challenges and better utilize opportunities.
Chapter Nine: Conclusion to Research

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Chapter Nine: Conclusion to Research

9.1. Introduction
In this chapter the thesis is concluded by revisiting the objectives in light of research findings and by explaining contribution of the research to theory and practice. Researcher also identifies limitations of this research and opportunities for future research and at the end provides personal reflections of the research experience.

9.2. Review of the Research Objectives
In this segment research outcomes are verified in relation to research objectives mentioned in chapter one and individual objective-wise discussion is presented.

9.2.1. Objective One
To undertake a critical review of relevant literature on tourism, community participation, sustainable tourism, economic and socio-cultural impacts of tourism to develop a conceptual framework for the analysis of the socio-economic impacts of tourism in Cox’s Bazar, Bangladesh

This objective is achieved through presenting a comprehensive literature review in chapter three. Researcher critically analyzes literature from various sources such as books, articles, reports and organizational documents on some specific key concepts like economic development, roles of tourism on development, sustainable development, sustainable development of tourism, economic and
socio-cultural impacts of tourism and community participation in tourism. In chapter three a detailed discussion on above key concepts are also explained and presented.

Peter (1969), Smith (1978) and De Kadt (1979) argue that since 1960s academic approaches towards tourism issues are considered as a development stream. Economic development should consider environment as it might be affected negatively and this concern for environment stimulates the concept of sustainable development. Rapid expansion of tourism all over the world, as an economic tool for development, demands a sustainable development of tourism. Tourism academics (Liu, et al 1987; Bramwell, 1993; Lane, 2001; Buckley, 2003) accept basic concept of sustainable development and its implementation in tourism and believe that its adaptation features will solve some negative effects of tourism but few researchers (Wheeler, 1993; Wall, 1996; Butler, 1999; Sharpley, 2000; Lansing and Vires, 2007) raise concern about effectiveness of sustainability concept in tourism. It can be argued that there are wide theoretical debates about whether the concept of sustainability of tourism is applicable or not, but most researchers opine that sustainable development of tourism is necessary for sustainable economic development.

Tourism has major effects on economy and livelihood of people living in destination areas. Economic impacts can be positive or negative or mixed. Positive economic impacts unveiled by researchers are increase of income and standard of living (Torres and Momsen, 2005; Wood and Hughes, 2006;
Sebastian and Rajagopalan, 2009; Sharma and Dyer, 2009); increase of foreign direct investment (FDI) (WB, 2000); employment opportunities for local people particularly the women (Cukier, 2002); increased women empowerment (Wall and Mathieson, 2006); increased tax revenue (Milman and Pizam, 1988; Sharma and Dyer, 2009) and increased market price of land in destination area (Ross, 1992; Sebastian and Rajagopalan, 2009).

Tourism researchers also identified some negative economic impacts like negative impact on balance of payment (Chase, 2003), high leakage of earning from developing countries (Mastny, 2002), low pay, seasonal and part time employment (Lea, 1988; Burns and Holden, 1995), and gender discrimination in employment (Shaw and Williams, 1994). It is noteworthy that the main aims of economic activities are to create employment and increase income and other financial and non financial benefits. As most developing countries and LDCs do not have required financial capability to accelerate economic development process, therefore they need to use natural resources to attract investments and generate employments for communities through tourism. In this respect any economic benefit for local community is considered as a changing agent as it has significant impact on their life. Growing regulations and socio-political awareness have been creating pressures on governments and private sectors to minimize negative economic impacts.

Sharpley (1994) divides socio-cultural impacts of tourism into two categories - impacts from the development of tourism industry and impacts of tourist-host
interactions, whereas Hashimoto (2002) claims that relationship between tourism and socio-cultural impacts are complex. Most socio-cultural impact researches highlight negative impacts and overshadow positive ones. However, Crandall (1994) argues that negative impacts are more prevalent in developing countries than the developed ones. Regarding socio-cultural impacts Wall and Mathieson (2006) identify that tourism changes internal structure of the community dividing it into those who have relationship with tourism and tourists, and those who don’t have that kind of relationship. Krippendorf (1987) opines that tourism has colonial characteristics whereas Sharpley (1994) identifies tourism as employment opportunity creator.

Burns and Holden (1995) argue that tourism provides socioeconomic benefits at one extreme, and dependency and reinforcement of social discrepancies at the other. Walle (1996), Shah and Gupta (2000) identify that tourism influences changes in value system, roles and responsibilities within the family. Fagence (2003) unveils that tourism creates demonstration effect which influences host communities to adopt tourists’ behaviour and attitude. Akama and Kieti (2007) find that tourism preserves natural sites and cultural identity. Ap (1992) develops the social exchange theory and the basic assumption of this theory is that - individuals create and continue social relations on the basis of their desire that such relations will be mutually beneficial. The literature emphasizes that socio-cultural impacts of tourism negatively influences host communities, particularly the communities of developing countries.
Tourism researchers (Dei, 2000; Sharpley and Telfer, 2002; Tosun, 2006) argue that community participation in development of tourism is necessary if government and private sector entrepreneurs want to distribute benefits of this development to local communities. Inskeep (1994), Dei (2000), Tosun and Timothy (2003), and Scheyvens (2004) give several arguments in favour of community involvement in the development of tourism and claim that local community’s participation facilitates sustainable development of tourism and fair distribution of costs and benefits among members of the community. Tosun (1999) develops a typology of community participation specifically for tourism. However, in some developing countries democratic practices are rare and many of these are ruled by autocratic ruler, so implementation of public private partnership philosophy and community involvement might appear difficult.

The conceptual framework derived from literature review considering economic and socio-cultural impacts and community participation regarding development of tourism developed in chapter three can be envisaged in figure 9.1.
Figure 9.1: Conceptual Framework Derived from Literature Review on Impact of Tourism

Positive Impacts

**ECONOMIC**
- Employment
- Entrepreneurship development
- Income
- Infrastructure development
- Investment
- Standard of living

**SOCIO-CULTURAL**
- Enhanced status of women
- Increased awareness for education
- Increased local pride for tourism resources
- Increased women empowerment
- Patronization of local art and culture

**COMMUNITY PARTICIPATION**
- Create entrepreneurial opportunities for locals
- Discourage undemocratic decision making
- Ensure equal distribution of benefits
- Ensure successful implementation of tourism plans and activities
- Increased control of local community over the tourism assets

Negative Impacts

**ECONOMIC**
- Dependency
- High price of commodity
- Income disparity
- Increased land price
- Seasonality

**SOCIO-CULTURAL**
- Commodification of arts and culture
- Crime
- Demonstration effect
- Gambling
- Increased social disorder
- Increased social gap
- Language change
- Loss of identity
- Over crowding
- Prostitution

**COMMUNITY PARTICIPATION**
- Increased negative socio-economic impacts
- Sustainability of the development of tourism is threatened
- Increased conflicts between tourists and the host community
- Policy implementation gets delayed

Source: Developed by the author
9.2.2. Objective Two

To assess the economic and socio-cultural impacts of tourism on the local community

This objective is achieved through an intensive fieldwork. Researcher develops a qualitative research methodology and uses semi-structured interview with key participants to assess economic and socio-cultural impacts of development of tourism on local community. In chapter two a detailed discussion is presented on how data were collected, analyzed and interpreted. Choice of the research method is also justified with arguments and theoretical underpinning that ensured justified assessment of impacts.

Chapter five has discussions on findings about economical impacts and chapter six includes socio-cultural impacts. Findings of these two chapters show that development of tourism in Cox’s Bazar has created both positive and negative socio-economic impacts on local community but research findings reveal that local community believes that positive impacts outweighs the negative ones. During data collection process researcher has taken every effort to identify respondent’s view so that it can be assured that the facts presented are the voices of local people and not an analogy developed by the researcher. While analyzing findings, key themes of the respondent’s views are identified and their direct speeches are incorporated to reinforce authenticity of assessment although researcher’s interpretation about the phenomena also clarifies the assessment.
Development of Tourism has created job opportunities that have significant impacts on livelihood of local community as this area suffers from unemployment problem. Employment increases income of the local community and facilitates uplifting standard of living. Most tourism impact researches (Lea, 1988; Burns and Holden, 1995; Pandey, 2006) validate this finding. Infrastructural developments and new investments have also created opportunities for further investments in small and medium size enterprises. Diversified business organizations have been established to strengthen backward linkage regarding tourism products and services reducing leakages from this area. These small and medium scale entrepreneurs are generating opportunities and creating new generations of businessmen.

Increased women’s participation in economic activities, their socio-economic empowerment and awareness about education are significant socio-cultural impacts of development of tourism in this area. Cukier (2002), Wall and Mathieson (2006), and Macleod (2006) also identify these positive impacts in the destination area. It is found that this development also increases safety and security and reduces crime in Cox’s Bazar but these contradict with some tourism research findings (Hall, 1996; Wall and Mathieson, 2006) where researchers claim that development of tourism increases crime.

Some negative impacts are also identified, for instance income disparities among people of this area are very high. This situation validates observation of Harrison (1992), Mowforth and Munt (1998), and Inbakaran and Jackson (2006)
stating benefits of tourism in LDCs tend to bypass local inhabitants. Development of tourism also increases land price and rent in Cox’s Bazar and therefore members of local community not directly related with tourism also get benefits from this. Another major negative impact is displacement of poor people from their land (Sebastian and Rajagopalan, 2009). Researcher also identifies seasonality of employment and the worst victims are low earning employees and small and medium scale businessmen. Findings unveil that high leakage of earning from local area is one of the most significant negative impacts. Chase and McKee (2003) claim that in Jamaica most of the earnings from tourism leak out of the country. In Cox’s Bazar most investors are Bangladeshi, therefore a small percentage of earnings are leaked out of the country and most of it goes to other parts of it, especially Dhaka and Chittagong.

Researcher develops the following models based on the research findings to facilitate assessment of economic and socio-cultural impacts of tourism on local community. Figure 9.2 presents economic impacts and figure 9.3 socio-cultural ones. In both models findings that differ from those of existing literature are presented in blue for better visual identification.
Figure 9.2: Economic Impact Model based on the Research Findings

**Positive Impacts**
- Employment
- Entrepreneurship development
- Income
- Infrastructure development
- Investment
- Standard of living

**Negative Impacts**
- Control of Tourism assets by non local people
- Dependency
- High price of commodities
- Income Disparity
- Leakage
- Loss of land
- Low paid job for local people

Source: Developed by the author

Figure 9.3: Socio-cultural Impact Model based on the Research Findings

**Positive Impacts**
- Changes in attitude and behaviour
- Enhanced local pride
- Increased awareness for education
- Increased safety and security
- Increased women empowerment
- Limited outward migration
- Low level of crime
- Low level of prostitution
- Promotion of Traditional Handicrafts and Artifacts

**Negative Impacts**
- Displacement of poor from their land
- Commodification of arts and culture
- Demonstration effect
- Increased social disorder
- Increased social gap
- Language change
- Loss of identity

Source: Developed by the author
9.2.3. Objective Three

To assess the extent to which local community derives benefits from the development of tourism

In chapter seven, researcher discusses assessment of the level of benefits local community of Cox’s Bazar is deriving from the process of development of tourism. This study reveals that majority of local community members get only a small portion of benefits as most members are involved in low paid jobs. Educated rich and middle class young locals find it very difficult to get a job in this sector as concerned employers prefer to employ their own people to keep control over their business and this finding is consistent with that of Sebastian and Rajagopalan (2009). The rich and the middle class of this area are also getting benefits from this development as land price is increased and they can earn more money even by renting their property.

GoB has taken significant infrastructural development endeavours in this area during last couple of years. Mules (2005) and Sebastian and Rajagopalan (2009) also identify that development of tourism accelerates infrastructural development in destination area. Communication infrastructure between Cox’s Bazar and other parts of Bangladesh has been improved. Government has also constructed internal roads in the area although most of these are in tourist areas and are maintained by government itself. Unfortunately the road network in other parts of this area is not good and properly maintained. Government
developed adequate utility facilities with uninterrupted supply in tourist area but most local people do not adequately get these utility facilities.

In many cases local people find it difficult to start their business due to lack of capital and entrepreneurial skills. This study reveals that the rich and the middle class of this city claim lack of political empowerment as being one of the major constrains to ensure proper benefits from this development although majority of people cherish a desire to get more benefits as they find that non-locals and tourists get most benefits. In spite of such desire they are not too hostile to get more benefits from this development as they realize that these non-locals have required capital, skills and knowledge to get jobs or to establish their business. Although they believe that without contributions from non-locals development of tourism would not take place but they hope that in future they will get more benefits from this development as they believe that GoB and non-local entrepreneurs will take appropriate measures to spread more benefits to local community.

Researcher derives the following model (figure 9.4) based on the findings to unveil the extent to which local community derives benefits from development of tourism. Alike previous ones this community participation impact model presents researcher's findings in blue along with the ones coincide in existing literature.
Figure 9.4: Community Participation Impact Model based on the Findings

**Positive Impacts**

- Diversified business opportunities has created improved entrepreneurship skill
- Increased employment scopes
- Increased local participation creates opportunities for disseminating awareness regarding the preservation of cultural heritage and facilitates balanced benefit spread.
- Increased positive attitude towards the acceptance of non-locals and tourists facilitated by increased participation
- Locals are keen to take part actively in the development of tourism

**Negative Impacts**

- Local community is excluded from the government plan and policy formulation process
- Locals are rarely included in local level decision making and activities
- Locals have limited ownership of tourism assets
- Locals mostly occupied in low paid jobs

Source: Developed by the author

9.2.4. Objective Four

**To examine the ways in which local community wants to get involved in tourism**

Researcher examines and analyzes local community’s views about how they want to get involved in tourism sector and provides a detailed discussion in
chapter seven based on the findings. Local community has a high desire to get involved in development process in this area and believe that recent development of tourism has not only given them a chance to get involved but also opened opportunities for socio-economic development. It is found that although development of tourism has already involved many locals but they feel that they are passive partners of this development as they cannot contribute actively according to their expectation. They want more control in decision making process in public and private sector activities.

Government policymakers do not consult with locals while formulating policies and generally follow a closed-door approach in decision making and do not seek suggestion from locals. Even during implementation phases locals can hardly express their suggestions as generally local government officials are not interested to listen to them. Therefore local people feel that they are totally excluded from development process which is being developed for them. This finding is consistent with that of Feighery (2008) who identifies that in China local communities are excluded from planning process. Locals of Cox’s Bazar also believe that this exclusion is one of the main reasons for not getting proper benefits.

Local people also want to get involved in private sector business. As most businesses are owned by non-locals therefore locals want preferential treatment from government in allocation of tourism resources so that they can compete with non-local businessmen. Local people want financial and non-financial
supports from government to build their business. They believe that non-locals should offer them jobs, in managerial positions so that they can take part in decision making process of these businesses.

9.2.5. Objective Five

To make recommendations for the government and private sector entrepreneurs in relation to the development of tourism to maximize the benefits of this sector for the local community

In chapter seven researcher discusses several issues in relation to government policymakers’ and officials’ views in developing and implementing tourism development policies in Bangladesh. This analysis unveils that local community is not treated as a part of planning and decision making process. It is identified that government officials assume that if any economic development process takes place then consequent benefits will automatically be distributed among local community members. Therefore, they totally ignore figuring out the extent to what economic and social impacts affect local community. Economic gain is more desirable to them as they think that any economic endeavour should be judged on the basis of its performance. In chapter five and six researcher also includes discussions about role of private sector entrepreneurs and their desire to keep control over their business. Some recommendations are made to facilitate maximizing benefits of this sector for local community. If these recommendations are implemented then present discriminated benefit spread pattern may change.
9.3. Major Findings

Researcher discusses major findings of this research in chapter eight under nine broad themes. In this segment those nine findings are precisely summarized according to economic, socio-cultural and community participation component.

It is found that development of tourism brings economic benefits to local community in the forms of employment opportunities, increased income, development of small and medium size enterprises and land price increase. However, one of the major finding is that economic benefits are unevenly distributed among local and non local people. Significant infrastructural development resulted by development of tourism although a discriminatory benefit spread exists.

Researcher identifies significant socio-cultural changes and changes in people’s perception about education, women’s empowerment and attitude of people caused by demonstration effects. Local people now realize importance of education and treat education as an effective tool to avail better employment opportunities. Women are now getting involved in tourism related jobs and business, enjoying more decision making power and are playing active roles in family and society. Therefore, tourism is working as a blessing in enhancing status of women through empowering them. Unfortunately, demonstration effects are distorting originality and cultural heritage of the host community.
It is found that local community is involved in tourism activities however their involvement is mostly in lower levels of organizations signifying unequal involvement. These local people are usually excluded from the process of policy formation and even if they try to participate their endeavour is generally rejected. This is characterized mostly by bureaucratic approach of the nation creating bottleneck in development process and even GoB is sometimes not active to create effective policy or reform the old ones.

9.4. Contribution of the Thesis

In the following segments contributions of this thesis with respect to theory and practice are presented.

9.4.1. Contribution to Theory

This research contributes to the discipline of tourism research in generating new body of knowledge regarding assessment of socio-economic impacts of development of tourism and involvement of local community in that endeavour in Bangladesh. There is no previous study that assesses socio-economic impacts of tourism on local community of Cox's Bazar and addresses what local community expects from development of tourism and how they want to get involved. It is noteworthy that most tourism impact assessment researches focus developed countries or the Caribbean regions.

An important contribution of this research is that some of the findings contradict with existing literature. Researcher identifies contradictions with existing
literature while discussing the findings and few important contradictions are motioned earlier in this chapter during revisiting the second objective of this research.

In Bangladesh this area of study is considerably unexplored; therefore the research makes a pioneering contribution to the body of knowledge in tourism research. In this thesis researcher develops several new models with insights that upon successful practical acceptance might be considered as significant contribution to theory.

9.4.2. Contribution to Practice

Governments of South Asian countries have identified development of tourism as one of the potential and alternative sources of foreign exchange earnings and want to use it as a development tool. Therefore findings of this research may help the governments and private sector entrepreneurs directly involved in developing and promoting tourism.

One of the unique contributions of this thesis is the finding that domestic tourism can be used as an economic development tool for regional development in a developing country like Bangladesh. In this country most government policymakers and politicians give emphasis on industrial development and expect that foreign investments and technology transfer will accelerate the economic development process. However, it is found that development of tourism is a public and private partnership endeavour and this can be used as a
successful model for the development of tourism and can be replicated even in other parts of the country.

This thesis provides a comprehensive socio-economic impact analysis of the development of tourism in Cox’s Bazar. Findings reveal that development of tourism in this area has significantly influenced livelihood patterns of the local community. The main contributions of the development of tourism identified in this research provide indications for future policy reform and thus contribute in practice.

One of the important contributions of this thesis is that it identifies the leakage of earnings from Cox’s Bazar to other parts of the country including a small part even going out of the country and therefore the income coming from tourism is mostly staying within Bangladesh. Here, entrepreneurs mostly come from other parts of the country and they just transfer earnings to their home area within the country. Lack of local production and supply of tourism goods and services, and shortage of skilled labour in tourism are the main reasons of this leakage.

Findings of this research have identified some flaws which have been termed as negative socio-economic impacts. In chapter eight, researcher suggests some recommendations to maximize socio-economic benefits, to minimize negative impacts and to increase local people’s participation in planning and implementation stages of development of tourism. In this regard the recommendations of the researcher can be considered as insightful contribution
of the research to practice. Therefore, findings and recommendations, if utilized may help government policy makers and private entrepreneurs in promoting and enhancing sustainable development of tourism in Cox’s Bazar.

9.4.3. Contribution to Methodology

In most cases tourism research is conducted by western scholars who might not have adequate economic, political and socio-cultural understanding about the research area. Their lack of contextual knowledge and understanding of local community’s way of life constrain to find out the real impact of development of tourism in the destination area. Being a native person researcher has not faced that kind of constraints. Furthermore, an impact assessment done by a native researcher can present a holistic picture of tourism development impacts and may provide a different perspective and insight of tourism research to better understand the phenomena. Researcher’s native identity contributes positively in the quality of research findings and interpretations that may be identified as a significant methodological issue and thus it can be considered as a contribution to methodology. Although it is a common practice that researchers conduct researches in their own countries but the identification of methodological significance of this matter is researcher’s own way of understanding.

9.5. Opportunities for Future Research

This research topic is an under-researched issue in Bangladesh context and while reviewing literature it is found that previously no research initiative was taken to examine the specific research questions of this research. Therefore
most findings in relevance to those research questions are creating new literature and for further addition to this body of knowledge, future research scopes are there.

This research has a specific focus and there are other potential issues that can be researched in future. For instance, environmental impact of tourism and ways of conservation of natural resources and cultural heritage can be future research issues. Another scope for further research is, how indigenous entrepreneurship in the form of SME can be developed and in what way this development helps them to maximize benefits.

9.6. Personal Reflection

This thesis is the outcome of an extensive research effort designed to explore some interesting and important tourism related issues. It allowed the researcher to explore and investigate many issues which have not been researched earlier in Bangladesh and for this unexpected dearth of information was faced while searching for relevant country context information. Every possible effort was taken to collect data from different sources but many of the sources did not have recent data. Researcher found some recent data from other than the native sources.

During the research process, researcher has learned a lot. The research methodology used in this study was new to him and the methodology selection process was a unique experience as well. This PhD programme enhanced
knowledge and opened new avenue of understanding. The process helped the researcher to see the world in different perspective and to analyze and examine various events. During the field study researcher got opportunities to interact with cross sections of people related with tourism and members of local community. In the data collection process researcher faced some problems and while solving those, researcher learnt how to convince and encourage respondents to express their experience freely. This process not only was time consuming but also to some extent tiring. Researcher’s learning about research methodology, training and advice received from supervisors from UWIC helped to face situations conveniently. This research process not only improved researcher’s knowledge and capability to conduct a research independently but also increased his ability to understand new situations and adaptability which may not be experienced by the researcher if he would not conducted this research. In addition, it enhanced researcher’s research capabilities that can be used for further research and can be shared with his colleagues and students at home. This process also enriched academic skills and capabilities of the researcher.

After completing the study when the researcher is reflecting on research journey he thinks that the study focus is dispersed among three broad dimensions – economic, social and local community participation, which he now thinks would be better to limit on any two of those. It could have allowed more in-depth analysis and interpretation possible.
In UWIC researcher met people from different cultural background and it was a learning experience to view the world in different ways. It also helped to understand different culture and increased cultural adaptation ability of the researcher. The experience in PhD programme at UWIC was significantly different from previous education experiences. Earlier, researcher experienced a structured and rigid taught courses during MBA programme at the University of Salford whereas in PhD programme he has gone through diversified disciplines under a relatively flexible structure.

Before starting the programme researcher had a perception that the PhD program in UWIC might be a very strict and difficult one but in reality it was found that it had flexibility and allowed him to cope with even his health difficulties during the programme. At that time he got sincere care and support from the supervisors and all the staffs at UWIC. Researcher believes that this thesis is an outcome of integrated efforts of the researcher, the supervisors and the respondents who provided valuable information. Success of the research and this thesis depends on proper utilization and application in future policy formulation and research endeavours.
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APPENDIX - 1
[A] Question Schedule for Local Community Directly Involved in Tourism

Questions to Address Economic Impacts

1. How long have you been working in the tourism industry?
2. What economic impacts does tourism bring into your life?
3. What economic opportunities did tourism create for local community?
4. What is your opinion about tourism impact on the livelihood of people involved in tourism?
5. How advantageous are the impacts of tourism on your family?
6. Has tourism been a strain or a benefit for you?
7. Are you economically benefited from tourism activities?
8. What do you think are the main advantages of tourism to the local people in Cox’s Bazar?
9. What benefits are you getting from tourism development?
10. Are you happy about the benefits you are getting from tourism?

Questions to Address Socio-cultural Impacts

1. What effects tourism has on social and personal life?
2. Do these effects have changed your lifestyle?
3. Does tourism improve the standard of living?
4. What do you consider to be the main impacts of tourists on the traditional values of your community?
5. What are the tourism impacts on cultural activities such as arts, music and historical places?
Questions to Address Community Involvement

1. Do you face any barriers to be involved in tourism?
2. What should be done to address these barriers?
3. What are your expectations from the tourism sector?
4. What roles do you think the local community should play in tourism?
5. What can you tell me about the community’s degree of control over tourism in Cox’s Bazar?
6. Who controls tourism in Cox’s Bazar?
7. Should the community have more control over tourism?
[B] Question Schedule for Local Community not Directly Involved in Tourism

Questions to Address Economic Impacts
1. What is your opinion about tourism impact in the development of Cox’s Bazar?
2. What are the major advantages of tourism in Cox’s Bazar for the local community?
3. What are the disadvantages of tourism for the community?
4. Who has economically benefited from tourism activities in your community?
5. What benefits are you getting from tourism development?
6. Are you happy about the benefits you are getting from tourism?

Questions to Address Socio-cultural Impacts
1. Does tourism affect your social and personal life?
2. Does tourism improve the standard of living of the local community?
3. How advantageous are the impacts of tourism for your family?
4. What do you consider to be the main impacts of tourists on the traditional values of your community?
5. What are the tourism impacts on cultural activities such as arts, music and historical places?

Questions to Address Community Involvement
1. Do you want to be involved in tourism activities?
2. In what way(s) do you want to be involved in tourism?
3. Do you face any barrier to get involved in tourism?
4. What should be done to address these barriers?
5. What are your expectations from tourism?
6. What roles the local community should play in tourism in Cox’s Bazar?

7. Who controls tourism in Cox’s Bazar?

8. Should the community have more control over tourism?
[C] Question Schedule for Local Entrepreneurs

1. How long have you been doing this business?
2. Who are the major suppliers to your business?
3. Do you get your supplies from local sources?
4. How would you describe your collaboration with other tourism businesses in Cox’s Bazar?
5. Do you employ women in your business?
6. What percentage of employees in your business are from local community?
7. Does your business benefit from tourism?
8. How do you want to utilize the opportunities created by tourism?
9. Do you face any problem to run business?
10. What support(s) do you want from government to expand your business?
11. Who own the tourism related business in Cox’s Bazar?
12. What can you tell me about the local entrepreneur’s degree of control over tourism business in Cox’s Bazar?
13. What is your advice to boost up this sector?
[D] Question Schedule for Government Officials

1. What are the main features of the tourism policy of Bangladesh?
2. Why it was developed?
3. How does the government want to achieve the objectives of the policy?
4. Describe your experience while implementing the tourism policy.
5. What is your experience about the coordination of tourism activities with different government departments?
6. To what extent local community’s views were considered while formulating tourism policy?
7. Do you think socio-economic impacts of tourism at a local level were taken into account before any decision was made regarding tourism development?
8. What benefits local people have been enjoying from tourism development?
9. Do you have any other policy to maximize the local community’s benefits?
10. What are the barriers for the local community participation in tourism?
11. How can local community’s involvement in tourism be increased?
12. What supports the local entrepreneurs are getting to improve business?