Development of Tourism in Emerging Economies: A Literature Review

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Abstract: Tourism is believed that one of the most rapidly emergent fields in the world. By this study, it is expected to contribute to the body of knowledge ensuring the sustainability of any venture in relation to tourism. Through this paper, researchers try to examine how the tourism industry impacted the emerging economies in the world. Tourism can be pointed out considering two aspects as the role of tourism as a foreign exchange earner and employment provider for communities. In this study, it was considered a tourism implication for the community. By 1960s, many peripheral tourist destinations were subject to socio-economic and cultural changes of which some are beneficial but some are not. The main focus of this study is to do a critical inquiry about the scholarly views, extracted information from useful sources such as definitions, concepts, keywords, and theories related to socio-economic and environmental impacts associated with tourism. These various experiences have turned the world tourism industry to a key position shaped by many factors. And in this investigation researchers have tried to gather the scholarly views to a certain place as to facilities other researchers to re-think the industry development in the journey of sustainable tourism development.

Keywords: Community development, Economic impact, Socio-cultural impact, Sustainable tourism

I. INTRODUCTION

The contribution of tourism to an economy has long been a subject of great interest from a policy perspective. Tourism has proven to be a strong and resilient economic activity that generates billions of dollars in exports and creates millions of jobs (Srinivasan et al., 2020). Tourism has become not only a major force in world trade but also a vital factor in a country’s economic, cultural and social development (Sharpley, 2009). Over the last decades, tourism has experienced continued growth and increased diversification becoming one of the fastest economic sectors in the world. These dynamics have turned into a key driver of socio-economic progress in nations worldwide. And also the development of tourism in emerging economies have been shaped by many factors (Mohammad, 2016).

Tourism generates a large impact on any under-developed countries development and also peoples’ living standards. Therefore the overall aim of this study will obviously be to suggest ways to enhance the benefits from tourism both for the country and its people while studying the socioeconomic impacts of tourism on the local community. Recently, with the decline of traditional industries (such as rural village industries, fishing village industries, and aboriginal tribe industries), some rural communities must explore alternative means through which they can strengthen their economic resources for community development (Lepp, 2006). Community-based tourism has become a viable option for developing traditional rural industries because tourism can provide economic benefits to local residents, promote host destinations and provide visitors with high-quality experiences and greater environmental awareness (Lepp, 2006).

The lifestyle of the community’s residents may influence the structural changes within the tourism industry occurring as a result of the ongoing development of tourism, such as changes in the local economy, cultural changes, and environmental changes. A community that plans and uses tourism as an alternative means of strengthening its economic development must develop sustainable tourism to meet the needs and demands of its residents.

The development of sustainable tourism is difficult without the support and participation of community residents. Thus, the support of residents is a critical factor for ongoing community development. Therefore, examine the literature in this regard is very much essential.

The objective of the study:

As stated above tourism development has a wider impact on a region. It contributes to infrastructural development, cultural impact, the standard of living, the occurrence of crime and cultural exchange (Ali, 2013). But the reality is tourism can also have a negative impact on communities. This may include environmental damage and social disruptions. This is the main thesis argument focused in this study. In consequence, this study was designed to examine how the impacts on tourism considered by scholars as an opportunity to improve well-being of the industry. Therefore, the main objectives of this paper are:

- To inquire the scholarly view such as definitions, concepts, keywords with the empirical literature
- To investigate theories related to socio-economic and environmental impacts associated with tourism.

Significance of the Study

Tourism is one of the world’s largest sectors, but it is also one of the most complex industry, impacting on and impacted by countless actors and actions (Mohammad, 2016). Including
Sri Lanka and other emerging countries has to be ready to improve the opportunities of the tourism industry in the world. But it is a question that the sustainable tourism development of tourism will how fat to become a success and can gain better diagnoses arising out of the outset demand. Therefore it is critical to think and evaluate the sustainable development driving forces and motivation of tourist to attain the balanced growth of the country is a challenge. By considering the current and future economic development of the industry, it is required to ensure identify the impact and constraints of tourism development activities and how successful be satisfy the rural livelihood improvement by developing the tourism industry. By all means, this situation has created a gap in the exploration field in regional tourism (Ediriisinghe, 2016).

II. RESEARCH GAP

Further compared to the previous studies an obvious difference is seen in this study. Most of the other studies done in Sri Lanka has not paid serious attention to describing how the spread of positive and negative impacts affects the culture of the local community, how the local community themselves perceive the socio-economics impacts of tourism and which factors may influence to the coastal area centered tourism separately countries like Sri Lanka. Just described the negative impacts and the general rule seen in the previous studies and very few are in positive impact especially amongst the emerging economies.

III. DIMENSIONS OF TOURISM IMPACTS

Tourism has been described as the “3G” industry: get them in; get their money, and get them out. This is somewhat cynical description provides some fundamental information about the industry—that there is more to tourism than just the tourist; and, that—from a resident’s view, at least—there may be both positive and negative consequences associated with the phenomena (Easterling, 2004). Mathieson and Wall (1982) divided Tourism impacts into economic, social and physical.

Tourism

Sometimes, it has been popular for most academia to think about tourism impacts in three domains which are: social, economic and environmental (Mohammad, 2016). Swarbrooke (1999) concludes in his previous research that tourism can be seen as an economic activity that produces a range of positive and negative impacts.

Sustainable Tourism

However sustainable tourism seeks to achieve the best balance between economic benefits and social and environmental costs. In order to plan and develop tourism successfully, economic, environmental and social aspects of tourism must be well understood (Ahammed, 2010). Tourism is emerging as promising phenomena for countries in solving critical economic problems. By tourism, Sri Lanka too can keep trust in sustainable development (Ediriisinghe, 2014).

Furthermore following are described how the impact of tourism has noticed by the various scholars.

<table>
<thead>
<tr>
<th>Scholar</th>
<th>Issue/Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harrison (1992)</td>
<td>Tourism provides new opportunities and instigates social changes.</td>
</tr>
<tr>
<td>Burns &amp; Holden (1996)</td>
<td>Tourism provides socioeconomic benefit at one extreme and dependency and reinforcement of social discrepancies at the other extreme. The biggest problem is congestion/overcrowding.</td>
</tr>
<tr>
<td>Sharpley (1994)</td>
<td>Employment opportunities and the presence of visitors lure young people to areas of tourism development. Tourism improves quality of life through improvements to infrastructure.</td>
</tr>
<tr>
<td>Pizam et al, 1982</td>
<td>Tourism is a potential determinant of crime.</td>
</tr>
<tr>
<td>Sharpley (1994)</td>
<td>Tourism contributes to the preservation of religious and historic buildings.</td>
</tr>
<tr>
<td>Mcintosh et al, 1995</td>
<td>Resentment is generated by the economic gaps arising between host and tourists.</td>
</tr>
<tr>
<td>Murphy (1985)</td>
<td>Attitudes changes are an indication of acculturation.</td>
</tr>
</tbody>
</table>

Community

Rahman (2010) 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.

Community Development

The United Nations (UN, 1995) 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) 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” (Rahman, 2010). By observing these ideas major impact of tourism on the local community can be identified as follows.
Positive Economic impact of tourism

And also tourism has a multi-dimensional impact, economically, socio-culturally, environmentally as well as politically. Following are mentioned identified themes of the considering area of this research by the selected scholars and their findings.

<table>
<thead>
<tr>
<th>Employment Opportunities</th>
<th>Findings</th>
<th>Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard of Living</td>
<td>Tourism has significantly increased the standard of living for the community</td>
<td>Akis et al., 1996; Belisle &amp; Hoy, 1980; Laflamme, 1979; Liu &amp; Var, 1986; Pizam, 1978; Edirisinghe, 2014</td>
</tr>
<tr>
<td>Support for Infrastructure</td>
<td>Tourism enhances investment, development, and infrastructure spending</td>
<td>Akis et al., 1996; Ap &amp; Crompton, 1998; Sharpley, 1994</td>
</tr>
<tr>
<td>Economic Growth</td>
<td>Tourism is perceived to increase economic growth; a dominant factor in the economy</td>
<td>Ahmed, 1986; Cooke, 1982; Greenwood, 1972; Perdue et al., 1990; Sheldon &amp; Var, 1984; Georgantopoulos, 2013; Chen et al., 2009</td>
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Finding:

<table>
<thead>
<tr>
<th>Researcher</th>
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<tr>
<td>Akis et al., 1996; Belisle &amp; Hoy, 1980; Laflamme, 1979; Liu &amp; Var, 1986; Pizam, 1978; Edirisinghe, 2014</td>
</tr>
<tr>
<td>Akis et al., 1996; Ap &amp; Crompton, 1998; Sharpley, 1994</td>
</tr>
<tr>
<td>Ahmed, 1986; Cooke, 1982; Greenwood, 1972; Perdue et al., 1990; Sheldon &amp; Var, 1984; Georgantopoulos, 2013; Chen et al., 2009</td>
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</table>

However, Georgantopoulos (2013) fails to support the causal links between tourism and economic growth (Srinivasan et al., 2012). Moreover, particular attention was given to examining the perceptions of the respondents towards the potential positive impacts of tourism on the local community. Such impacts may include, cultural developments and exchange, modification of consumption patterns, meeting visitors and positive changes in values and customs (Edirisinghe, 2014).

Negative impact of tourism

The sector has also negative impacts in terms of motivating begging and dependence, seasonal unemployment and unstable income, aggravating prostitution and student dropout, loss of cultural identity, environmental and heritage degradation and taking of intelligence. Negative impacts of tourism, illegal activities such as child abuses and underage drinking have been increased due to tourism and the prices of goods and services have been increased due to tourism. Tourism was responsible for social problems such as crime, drug addiction, gambling, prostitution, etc. in the community (Edirisinghe, 2016). Tourism is also known to have produced some negative impacts which affect the economy of nations. Such negative impacts include; Opportunity Costs: The opportunity cost of tourism development in many cases is enormous. The public resources spent on the provision of tourism infrastructure reduce government investment in other critical areas such as education, health, and security.

(2) Hike in Price of Goods and Services: Tourists’ demand increases costs of basic goods and services. Some studies stated that as a consequence of tourism development and demand, the prices for local goods and services could increase up and increase up rents, land value, taxi fares, and hospital bills.

(3) Neglect of Local economy: Because of purposes of convenience, the local people may lose interest in their laborious economy and shift to the tourism business. Over-reliance on tourism carries significant risks.

The negative economic impact of tourism

<table>
<thead>
<tr>
<th>Findings</th>
<th>Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism results in increased costs of living for host populations</td>
<td>Carmichael et al., 1996; Faulkner &amp; Tideswell, 1997; Greenwood, 1972; Liu &amp; Var, 1986; Prentice, 1993; Stynes &amp; Stewart, 1993</td>
</tr>
<tr>
<td>Residents perceive that tourism results in increased prices (i.e., food, services, goods, land, etc.)</td>
<td>Ahmed, 1986; Akis et al., 1996; Liu et al., 1987; Long et al., 1990; Schroeder, 1999; Stonich, 1998; Var et al., 1985; Pizam, 1978</td>
</tr>
<tr>
<td>Residents believe that economic benefits accrue to a minority of the host</td>
<td>Belisle &amp; Hoy, 1980; Brougham &amp; Butler, 1981; Freitag, 1994; Getz, 1994; Johnson et</td>
</tr>
</tbody>
</table>
The social impacts of tourism

Positive Socio-Cultural Impacts of Tourism Development

<table>
<thead>
<tr>
<th>Findings</th>
<th>Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Understanding of Different Cultures</td>
<td>Residents report enhanced understanding of differences</td>
</tr>
<tr>
<td>Ap&amp;Crampton, 1998; Liu &amp;Var 1986; Mathison &amp; Wall, 1982; Milman &amp; Pizma, 1988; Pizma, 1978; Sheldon &amp; Var, 1984</td>
<td></td>
</tr>
<tr>
<td>Revitalized Traditional Practices</td>
<td>Residents believe that tourism has revitalized traditional practices leading to their preservation</td>
</tr>
<tr>
<td>Besculides, Lee, &amp; McCormick 2002; DeKadt, 1970;</td>
<td></td>
</tr>
<tr>
<td>Increased Demand for Local Arts</td>
<td>Tourism has increased the demand for local crafts and arts</td>
</tr>
<tr>
<td>Ap&amp;Crampton, 1998; Liu &amp; Var 1986;</td>
<td></td>
</tr>
<tr>
<td>Preserves Cultural Identity of Hosts</td>
<td>Residents believe that tourism has helped to preserve the cultural identity of the local community</td>
</tr>
<tr>
<td>Liu &amp; Var, 1986; Evans, 1976;</td>
<td></td>
</tr>
<tr>
<td>Greater Pride in Community</td>
<td>As a result of the tourism development, there are greater community pride and cohesion</td>
</tr>
<tr>
<td>Improve Quality Life</td>
<td>Tourism development is believed to improve residents overall quality of life</td>
</tr>
<tr>
<td>Burns 1996; Pizma, 1978; Milman &amp; Pizma, 1988; Perdue, Long &amp; Allen, 1990</td>
<td></td>
</tr>
<tr>
<td>Promotes Cultural Exchange</td>
<td>Belisle &amp; Hoy, 1980; Elko &amp; Kyngas (2007); Liu; Shaldom &amp; Var, 1987; Liu &amp; Var, 1986; Sheldon &amp; Var, 1984</td>
</tr>
</tbody>
</table>

Like every coin has its reverse side, tourism also has some positive impacts which are enjoyed by both the visitors and host communities. They include: Conservation: Conservation of Wildlife and natural resources such as rainforests which are now regarded as tourism assets. It reduces environmental problems such as overfishing and deforestation in developing societies. This is the essence of ecotourism. Local people learn from tourism the value of their culture, immediate surroundings and regard for visitors. Some communities have a hostile attitude towards visitors but tourism teaches cooperation and harmonious co-existence. Tourism promotes the beautification of attractions to make them more appealing and pleasing to visitors. And also Tourism creates both seasonal and permanent employment in hospitality industries, health delivery systems, transportation, security, mass media, insurance, immigration, etc. When considered the contribution to the national economy of tourism has emerged as a major component of national economies, it is also a socio-economic phenomenon with tremendous positive contributions to GDP of a nation and international tourism contributes 10% of the world’s Gross Domestic Product.

Further, the scholars have described that tourism has the potentials of promoting and positioning a nation’s image as well as sub-localities more than any sector of the national economy (Ibru, 2004). Other positive economic impacts of tourism include the limitation of rural-urban migration, economic opportunities for the local people, thus it helps in the alleviation of rural poverty, stimulation of local goods and production of local crafts which enhances community pride and heritage.

By examining the above ideas following hypothesis can be developed as follows.

Hypothesis 1

There is a significant relationship between local residents attitude (MQ) and Economic factors (EF).

Negative Socio-Cultural Impacts of Tourism Development

<table>
<thead>
<tr>
<th>Findings</th>
<th>Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of Native Language</td>
<td>Residents report that as a result of the influx of tourist languages, their native language has been lost</td>
</tr>
<tr>
<td>Coppock, 1987; Cybrisky, 1970;</td>
<td></td>
</tr>
<tr>
<td>Increased Prostitution</td>
<td>Residents believe that tourism results in increased Prostitution</td>
</tr>
<tr>
<td>Belishe &amp; Hoy, 1990; Liu &amp; Sheldon, 1984; Delamere &amp; Hinch, 1994;</td>
<td></td>
</tr>
<tr>
<td>Tourism Damage to Community Culture</td>
<td>Tourism erodes social fabric of communities</td>
</tr>
<tr>
<td>Faukenberry et al., 2000; Bisillat, 1979; Braytey et al., 1990;</td>
<td></td>
</tr>
<tr>
<td>Residents negative attitude may become hostile behaviors</td>
<td>Doxey, 1975; Dogan, 1989; Munt, 1994</td>
</tr>
<tr>
<td>Tourism Intensifies labor burdens</td>
<td>Burden of accommodating tourists intensifies residents stress and exploits workers</td>
</tr>
<tr>
<td>Braytey et al., 1990; Freitag 1994;</td>
<td></td>
</tr>
<tr>
<td>Tourism Leads to a Loss of Authenticity</td>
<td>Tourism creates inauthentic behaviors on the part of the host population</td>
</tr>
<tr>
<td>Brougham &amp; Butter, 1961;</td>
<td></td>
</tr>
</tbody>
</table>

Source: Easterling, 2014
Considering the negative impacts of tourism, the respondents were in moderate opinion. The youth population in the area imitate tourist behaviors, illegal activities such as child abuses and underage drinking has been increased due to tourism and the prices of goods and services have been increased due to tourism. This may reflect uncertainty regarding these issues from the respondents’ perspective. Unsurprisingly, the majority of the respondents agreed that the prices of property such as land, building, etc. and rental values have increased due to tourism. In the same way, the respondents agreed that tourism was responsible for social problems such as crime, drug addiction, gambling, prostitution, etc. in the community (S D Edirisinghe, 2014).

The social environment is also affected by tourism such as spreading of diseases due to tourism sex, conflict arising from tourist behavior which are not in line with the local way of life, increase in crime rate at the local communities (Mathieson and Wall, 1982), relocation of settlement to alien location, example, Maasai in East Africa and displacement or adulteration of local culture and tradition (Brohman, 1996).

When considering the above scholarly view following hypothesis can be developed as follows.

Hypothesis 2

There is a significant relationship between local residents’ attitude (MQ) and Cultural factors (CF).

Factors Affecting Residents’ Attitudes

A number of factors influencing residents’ perceptions have been identified in the literature. Tourism planners and developers are interested in knowing how community members view tourism activities in their area. This is important for them to gain residents’ support when it comes to the development of tourism policies (Ap, 1992) and one perceives can be substantially different from objective reality. Brida, Disegna, and Osti (2011:5) argue that residents do not form a homogenous group in terms of their perceptions of tourism impact therefore, perceptions differ from one person to the other. It is believed that those who obtain more benefits perceive tourism positively whereas those who have less benefit would perceive tourism impact negatively (Brida et al., 2011:5).

Previous studies have examined residents’ attitudes towards tourism development by identifying certain socio-demographic and independent variables. Variables such as age, income, gender, length of residence, and ethnicity have been used to understand and explain how attitudes towards tourism development differ from one resident to the other (Mohammad, 2016).

Demographic Factors Resulting in Positive and Negative Impacts

<table>
<thead>
<tr>
<th>Demographic Factor</th>
<th>Positive Impacts</th>
<th>Researchers</th>
<th>Negative (or Neutral) Impacts</th>
<th>Researchers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td>Younger residents more favorable towards the development</td>
<td>Haralambopoulis, 1996; Ritchie 1998</td>
<td>• Middle-aged residents concerned about infrastructure</td>
<td>Bastias et al., 1993</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Older residents less tolerable of tourism and more concerned about community impact</td>
<td>Tomiljenovic, 1999</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>More educated residents are more involved and supportive</td>
<td>Ayres &amp; Potter, 1989; Korca, 1998</td>
<td>• More educated residents resent tourism</td>
<td>Ahmed, 1986</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Higher education leads to higher awareness</td>
<td>Bastias et al., 1993</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>More opportunities for women workers in the tourism industry</td>
<td>Tooman, 1997; Urry, 1991</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td>The higher the income, the more positive the attitude toward tourism</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Length of Residence</strong></td>
<td>Newer residents more favorable</td>
<td>Stynes, 1993; Ayres &amp; Potter, 1989; McCool, 1994</td>
<td>• Residence has no effect on tourism attitudes</td>
<td>Clements et al., 1993</td>
</tr>
<tr>
<td></td>
<td>Longer-term residents become more attached, more involved</td>
<td></td>
<td>• Long term residents are less favorable</td>
<td></td>
</tr>
<tr>
<td><strong>Residential Location—Proximity to Tourist Activity</strong></td>
<td>Urban residents more favorable</td>
<td>Pearce, 1980 Belisle &amp; Hoy, 1980</td>
<td>• The closer the proximity, the greater the concerns</td>
<td>Faulkner &amp; Tideswell, 1997; Korca, 1998; Teo, 1994</td>
</tr>
</tbody>
</table>

According to the (Ali, 2013), considered the demographic factors as tourists’ occupation, age, gender, and marital status. Gender, age, marital, education, and occupation are considered as demographic factors of Residents’ Attitude toward Tourism Development (Meimand et al., 2017). Some determinants might affect residents’ perceptions more heavily than others. For example, residents’ level of education could have more influence on residents’ perception than age and gender of residents. Thus, residents could have different perceptions of such dimensions of perceived tourism impacts according to their determinants (S D Edirisinghe, 2014).

Therefore the third hypothesis is developed as follows.

Hypothesis 3

There is a significant relationship between local residents’ attitude (MQ) and Social factors (SF).

Theoretical background

Models of the impact of tourism which considered residents’ perceptions as the foundation. The models which are introduced here are Doxey’s Irridex Model, Butler’s Tourist Area Life Cycle (TALC) Model, and Social Exchange Process Model, Trade and endogenous growth models, endogenous growth theory, Heckscher–Ohlin (H–O) theorem, Doxey’s Irridex Model

In the Irridex model, Doxey developed a useful framework for the analysis of community attitude towards tourists, the irriderx (derived from irritation index) represents the escalating irritation of the residents as the impacts of the visitors’ number increases.

Doxey’s Irridex Model (1975) presents an analysis of the effects of tourism development on the social relationship between host and tourists. It’s 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 increases, the local population perceives that more tourists will visit their destination and the relationship between tourists and the local community becomes formal.

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 become the victim of society’s wrongdoings.

Doxey (1975) cites the physical presence of tourists, the differences between tourists and locals and the foreign ownership of local resources as possibly constituting the primary factors causing social impacts. This model is a useful simplification of the complex relationship and set of attitude that developed between tourists and host communities. The specific abilities of the host communities to accommodate or tolerate tourism, and the attitudes that are formed in consequences, are different from community to community and are determined by a number of factors, including the number and type of visitors, length of visit, and cultural distance between host and guests (Doxey, 1975).

Butler’s Tourist Area Life Cycle (TALC)

Tourism Area Life Cycle (TALC) is a model developed by Butler to explain the stages involved in the development of a tourism destination. TALC model has identified six stages involved in the life cycle of a tourist destination. These stages include: exploration, involvement, development, consolidation, stagnation and decline/rejuvenation. While many tourism scholars have adopted Butlers TALC model as tool for tourism destination planning, there are still a few tourism scholars who think that the model that not provide a comprehensive understanding of the development of tourism destination. Butler’s TALC model provides a useful means of understanding the historical evolution of tourism destination. Though this model is not comprehensive, it provides an effective tool that can be used in tourism destination planning.

According to Butler’s TALC model a tourism destination goes through six stages. The first stage is exploration. This stage involves a few tourists discovering a new tourism area (Butler, 2011). This stage is usually characterized with minimal number of visitors due to limited access, limited knowledge and inadequate facilities. The tourist visiting such areas are mainly the allocentric or adventure seeking tourists. The second stage, involvement, begins when local community begins to participate in the tourism development process. On seeing a few tourists interested with their area, members of the local community begin to develop simple infrastructures and facilities such as access roads and small accommodation and catering facilities (Butler, 2011). More tourist gain knowledge of the area and the number of visitors begin to rise. At this stage the area is still popular among the allocentric type of tourists.

The development stage begins to set in when the government and small scale investors take notice of the interest of tourist on this area (Butler, 2011). The government set in to provide necessary infrastructure such as roads and electricity while investors begin to provide sophisticated infrastructures such as accommodation and transport facilities. The areas also become widely marketed as tourism destination further increasing the number of tourist visiting the area. The midcentric tourists begin to have confident with this area and start visiting further increasing the number of visitation. Consolidation stage is marked by entry of the big players in the tourism industry into this area (Butler, 2011). Small facilities are replaced by large tourism establishments design to serve large masses of tourist. More and more tourist flock
into the areas as the psychometric begins to gain confident with this destination.

Butler’s Tourist Area Life Cycle (TALC)

![Butler's Tourist Area Life Cycle Diagram]

Source: Butler, (2011)

The stagnation stage is marked by stabilization in the growth of the number of tourist (Butler, 2011). This is mainly as a result of the all centric tourist leaving the area as it begins to lose its novelty status and their number is replaced by the psychometric tourists who are appealed by the comfort and familiarity offered by the area. The rising number of tourists begins to irritate locals as they begin to feel the pressure associated with the large number of tourists. Decline or rejuvenation stage may follow the stagnation stage. Decline stage results from the tourism areas undergoing degradation as a result of increased pressure from the large number of tourists. Environmental and social problems begin to haunt the area leading to the area losing its appeal. However, the area’s tourism appeal may be rejuvenated through various means such as developing new products beside the product that had initially attracted tourist into the area.

Social Exchange Process Model

Modern social exchange theory has evolved through the works of Emerson (1972). Homans (1961) claims that social exchange theory is based on the premise that human behavior or social interaction is an exchange of activity.

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 behavior.

According to Ap (1992), Social exchange theory suggests individuals engage in exchange if three preconditions are realized: (1) the rewards are valued (2) the exchange produces valued rewards and (3) the costs do not exceed expected rewards. This principle suggests that residents will be willing to enter into an exchange with the tourists if they can reap some benefits without incurring unacceptable costs.

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. Social exchange theory which is generally concerned with explaining the exchange of resources (physical or symbolic) between people or group of people is similar to Nash’s suggestion.

Trade and endogenous growth models

These studies use comparative advantage theory and Heckscher–Ohlin theorem to explain the nexus between tourism and economic growth. The Ricardo’s comparative advantage theory which asserts that, if country 1 is more efficient in absolute terms in producing certain goods than country 2, then trade can be gained if country 1 specializes in the production and export of these goods. In this case, country 1 produces relatively efficiently than country 2, which is called comparative advantage for country 1. Hence, Ricardian theory is useful in indicating the gains which countries can make from international tourism if they are relatively efficient in tourism production and, hence, points to the importance of increasing production efficiency.

Heckscher–Ohlin (H–O) theorem

Heckscher–Ohlin (H–O) theorem which describes the pattern of trade between countries in terms of relative differences in their factor endowments. This theory postulates that a country’s endowments of factors of production (labour, capital and land/natural resources), rather than relative efficiencies of production, determine its comparative advantage. The availability of accessible natural resources becomes a comparative advantage in the tourism production function and explains why destinations with these elements have often specialised in tourism. Accordingly, the role of countries’ different resource endowments helps to explain international tourism which means that the country with a relative abundance of the natural resource will specialize in tourism. Therefore, countries like Sri Lanka which have a large supply of labour and land as well as plentiful natural resources such as wildlife, rain forest, mountains and beaches and heritage sites would appear to have a comparative advantage in tourism.

Endogenous growth theory

Endogenous growth theory focuses on investment in human capital, innovation, and knowledge which are significant contributors to economic growth. The endogenous growth model establishes the links between long-run growth and technological progress, and provides a framework in which trade can increase the rate of growth through technology transfer, positive externalities and spillover effects (Lucas, 1988; Romer, 1990). Some researchers have used Lucas’ endogenous growth model (1988) to explain the tourism (Gokovali and Bahar, 2006; Lanza and Pigliaru, 1995; Parrilla et al., 2007; Seetanah, 2011). The inclusion of tourism (tourism specialization), as a third input in the production function, helps countries increase their economic growth. According to Lanza and Pigliaru (1995), as productivity is a major component of growth, if technological progress is higher in the manufacturing sector than in the tourism sector, tourism specialization is growth enhancing if, and only if, the change in the terms of trade between tourism and manufacturing goods more than balances the technological gap of the tourism sector.

Equity theory

Equity theory was utilized by Pearce, Moscardo and Ross (1991) to explain variance (opposition or support) in host attitudes toward tourism development. Their study found that residents’ attitudes tend to follow a fundamental equity equation (costs vs. benefits). Residents viewed tourism development as equitable only when they perceived a balance of positive and negative consequences or when the positive aspects outweighed the negative (Easterling, 2004).

Growth machine theory

Growth machine theory suggests that only certain stakeholders (those who seek to gain) will support growth in order to maximize their personal economic returns. Others within a community may not support growth or may actively oppose it. Martin, McGuire and Allen (1998) found support for this theoretical perspective in their study of resident retirees’ attitudes toward tourism development. They further suggest that some degree of consensus is necessary between residents and developers for the ultimate success of tourism development efforts (Easterling, 2004).

Lifecycle theory

Lifecycle Theory parallels product life cycle theory, suggesting that tourism develops through distinct stages over time. Butler (1980) identified these stages as: exploration, involvement, development, consolidation, and stagnation, and said that they could be followed by subsequent strategic choices ranging from rejuvenation to decline. Hovinen’s (2001) study of a mature tourist destination provided further support for the theory’s efficacy. Lifecycle theory has also been used to illustrate residents’ strategies in response to tourism development. Doxey (1975) described tourist resident interactions with his “Irritation Index” that included four stages: euphoria, apathy, irritation, and antagonism. Building on this foundation, other researchers (Dogan, 1989; Ap and Snepenger et al., 2001; Snepenger et al., 1998; Tosun, 2002) have provided support for the theory. The stages can also be presented as a continuum ranging from embracement-toleration-adjustment-withdrawal (Ap and Crompton, 1993).

Power theory

Power Theory was utilized by Kayat (2002) to explain residents’ attitudes toward tourism. According to Kayat, personal power (based on property, money, skills, knowledge
and competence) affects one’s ability to exploit exchanges. He found that “no power” residents were more favorable toward tourism development than those with power—even though both may financially depend on tourism (Easterling, 2004).

Tourism and Community participation

Community participation involves collaboration between community members for the purposes of achieving common goals, improving their local community and pursuing individual benefits. In the context of tourism development, community participation refers to the process whereby the community influences the direction of the tourism development rather than simply being passive recipients of its benefits. Community participation strengthens communities as it involves making connections between individuals within the community, these relationships help to create a sense of belonging, trust and credibility among community members. Community participation can also settle conflicts between the needs and interests of residents, between improving their quality of life and promoting economic development.

Moreover, in the context of tourism planning, community participation is an empowering process involving all tiers of stakeholders (i.e. local government, local residents, developers and private enterprise), such that problem identification and decision-making are shared, and that stakeholders have a collective interest in the sustainability of the development (Tosun, 2000). Both the community and tourism developers alike benefit from their involvement in this process, boosting their respect for the traditional lifestyle and values of the destination community. Destination communities, due to their historical knowledge of how the community adapts to change and being the group most affected by tourism, should be actively involved in tourism planning, especially given the expectation that they will become an integral part of the tourism product. Furthermore, some of the negative impacts of tourism might be avoided and the positive impacts maximised through community participation in the planning process.

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; Tosun, 2000 and 2006).

The concepts of community involvement and communication participation which are one and the same thing, have received considerable academic interest. However, (Arnstein, 1969) seminal work, Ladder of Participation has often served as a useful reference point. Arnstein (1969) recognized that there are different levels of citizen participation, ranging from manipulation or therapy of citizens, where participation is a sham, through consultation, to citizen control regarded as genuine participation. The ladder of participation identifies eight levels of citizen participation (Figure 2). According to Arnstein (1969), citizen participation is the redistribution of power that enables have-not citizens to be deliberately included in the developmental decision-making process. It is the “means by which they can induce induce significant social reform, which enables them to share in the benefits of the affluent society” Arnstein (1969). In this definition of participation, the most important point is the degree of power distribution. Arnstein (1969) has conceptualized the degree of citizen participation in terms of a ladder or a typology of citizen participation comprising of eight levels, which are classified into three categories relative to the authenticity of citizen participation. While the lowest category represents non-participation, the highest category refers to degrees of citizen power and the middle category indicates degrees of citizen tokenism (Mohammad, 2016).

Tosun (2000) defined community participation as a form of action in which individuals confront opportunities and responsibilities of citizenship. The opportunities may include joining in the process of self-governance, responding to authoritative decisions that impact one’s life and working cooperatively with others on issues of mutual concern.

IV. SUMMARY

According to the scholarly views tourism is an important phenomenon over the last decades in many countries have experienced variously. These various experiences have turned the world tourism industry to a key position shaped by many factors. In this investigation researchers have tried to gather the scholarly views to a certain place as to facilities other researchers to re-think the industry development in the journey of sustainable tourism development.

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