Tourism As a Means For Economic Development in the Global South:

Plan of Action & Potential Obstacles

Rex Alex, Frank Du, Zakaria Kazmi, Yingci Lin,

James Lopez-Perez, Gursimran Padda, Seth Pedersen

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Professor Timothy Moran

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Tourism should be recognized as an industry with great potential to bring economic development and alleviate global poverty. Benefits of a tourism sector primarily include economic growth. As per the United Nations Sustainable Development Goals, a tourism industry will lead to increased job opportunities. Tourism will also lead to a robust exchange of goods and services which will lay the groundwork for increased entrepreneurship in destination regions. Additionally, a tourism industry will incentivize the public sector of developing countries to invest in sustainable and reliable infrastructure. However, for the tourism industry to reach its full potential, reforms must be made to ensure that development takes place without exploiting local communities and creating dependency.

The United Nations World Tourism Organization (UNWTO), which is a United Nations specialized agency, claims to promote the development of sustainable and competitive tourism industries which accounts for social welfare and economic security for destination countries. To accomplish this goal, the organization encourages foreign direct investment with their Investment Guideline Series which presents strategies on how to attract investors for the tourism sector[1]. Moreover, though training is offered by the UNWTO[2], due to the consent based nature of the UN as an organization, tourism programs need to reach out to the UNWTO to take part in them, and in many parts of the world they won't have access to reach out. Similarly, the Global Sustainable Tourism Council (GSTC) is famous for promoting sustainable tourism with their Industry and Destination Criterias, which are regulatory frameworks that grade private and public sector actors on their commitment to sustainable tourism. For example, hotels can be graded based on building safety and compliance with local environmental laws[3]. However, the

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[1] "World Tourism Organization." UNWTO. Accessed November 19, 2022. https://www.unwto.org/our-focus.
[2] "World Tourism Organization."
[3] "GSTC Industry Criteria for Hotels." GSTC, November 3, 2022.
https://www.gstcouncil.org/gstc-criteria/gstc-industry-criteria-for-hotels/.

certification is completed by a third party which is accredited afterwards by the GSTC, thus their involvement is limited. While both of these organizations contribute to reforming tourism, they continue to operate indirectly and within the neoliberal model of tourism which disproportionately empowers foreign direct investors and the private sector over local communities.

Tourism based on a neoliberal model creates conflict between investors and those who live in destination countries. Particularly, multinational corporations who profit from global tourism are responsible for "high rates of economic leakage, government revenue losses through investment incentives, the degrading of infrastructure, and limited contributions to local communities."[4] Such effects lead to the exacerbation of poverty which contradicts the popular notion of tourism leading to development. Moreover, tourism commodifies land and culture which leads to inauthentic and poor quality of experiences for both tourists and residents of the destination country. This is exemplified by Boracay, a popular island destination in the Philippines that was closed to visitors by the government due to unregulated development by private companies which led to deterioration of the environment including polluted waterways[5]. Moreover, commodified eco-tourism has led to air pollution and erosion in countries such as Nepal where locals have also complained about the invasion of "western consumer culture" which makes it difficult for locals to preserve their culture[6]. Perhaps the most prominent characteristic of the neoliberal model of tourism is the privatization of national assets including railways, airports and forests.[7] This leads to paternalism and dependency with private corporations wielding a disproportionate amount of power compared to the residents of

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[4] Wearing, Stephen Leslie, Greig Taylor, Tzach Ronan, and Matthew McDonald. "Neoliberalism and Global Tourism." Handbook of Globalisation and Tourism, 2019. https://doi.org/10.4337/9781786431295.00010.
[5] Wearing, et al.
[6] Wearing et al.
[7] Wearing et al.

destination countries. To overcome these problems and foster sustainable development a

relationship of partnership and not paternalism should be encouraged.

Understanding the present issues that tourism enterprise development faces in the global

south, such as neoliberalism, and the lack of involvement on the part of the World Tourism

Organization in directly accruing funds or training, is central to our group's resolution. Our

resolution seeks to work around these issues through putting more control of the enterprise in the

hands of the local communities they're designed to benefit, and by giving UN Agencies such as

the UNWTO and GSTC a more hands-on role than they currently have.

The resolution itself revolves around creating levels of partnerships at the local, national,

and international level, ultimately facilitated by the UNWTO in order to develop tourism in the

global south. The partnership program won't target nation states as the primary actors, as to

avoid issues of paternalism, but instead will look to independent university, corporate, and NGO

investors. These actors will also be the most likely to get involved, as we've seen more

corporations and NGOs get involved in creating sustainable tourism in the global south, our

resolution adds onto this with a more structured approach that is fair for the communities they

work with.[8] Investors entering the program are paired with countries, but work more at the local

level via community trusts. Community trusts are entities made up of 5 or so villages in an area

that are given a sizable swath of land from their government in order to operate their tourism

venture on. This is critical as it puts ownership and control of the land and resources into the

community, and grouping the villages together creates more bargaining power. The partnership

between the investor and the country operates at the trust level. Depending on who the investor is

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[8] World Bank Group, "World Bank Report: Investing in Protected Areas Reaps Big Rewards," World Bank (World Bank Group, June 14, 2021), https://www.worldbank.org/en/news/press-release/2021/06/14/world-bank-report-investing-in-protected-areas-reaps-big-rewards.

and the type of tourism operated, this relationship will work differently, however the ultimate

goal is to create relatively self-sustaining operations, and pass down skills to the local inhabitants

which both bring with them development.

The basis for the resolution's system is from community based natural resource

management (CBNRM) in Botswana, a developing country that has had highly successful

tourism development. In this system the trusts themselves are communally owned tourism

companies that likewise are given land from their governments, and work with corporations in

joint venture partnerships.[9] Rather than merging assets with the investing companies and the

trust, the trust instead leases off its land or parts of its land to the corporate partner. The corporate

partner will give rental income, thereby giving direct funding, but will also generate employment

and create infrastructure for the enterprise to function.[10] This model has brought much needed

economic development and infrastructure to rural areas of Botswana which is why we took it as

inspiration. Tourism or tourist adjacent industries have gone on to employ 10% of Botswana's

population and makes up 5% of its GDP.[11] Within our resolution a crucial change we'd like to

add is that the joint venture has to employ local populations primarily. Through employment,

infrastructure, and training, we see useful skills in project management, community wealth, and

proper infrastructure bestowed to the community. This works to make the enterprise more

independent in the future, or for locals to create new enterprises on their own. For example,

through ecotourism joint ventures such as safaris, camping, or ecolodges, important skills are

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[9] Naomi Moswete and Brijesh Thapa, "Local Communities, CBOs/Trusts, and People–Park Relationships: A Case Study of the Kgalagadi Transfrontier Park, Botswana," *The George Wright Forum* 35, no. 1 (2018): Pages 96-97. https://www.jstor.org/stable/26452995.

[10] Nico Rozemeijer et al., " Community-Based Tourism in Botswana: The SNV Experience in Three Community-Tourism Projects," *Community-Based Tourism in Botswana: The SNV Experience in Three Community-Tourism Projects* (The Hague, South Holland: SNV Netherlands Development Organisation, 2001).

[11] Olivia Yasukawa and Katie Pisa, "In Botswana, Ecotourism and Conservation Draw Travelers," CNN (Cable News Network, June 8, 2016), https://www.cnn.com/travel/article/botswana-ecotourism-mpa-feat/index.html#:~:text=An%20African%20success%20story%2C%20Botswana,5%25%20towards%20the%20country%27s%20GDP.

transferred to locals such as hospitality, customer service, and conservation.[12] Similarly through other non corporate partners, such as universities and NGOs, similar growth in developments can be made. Within the aforementioned ecotourism, NGOs such as the World Wildlife Fund (WWF) have stepped up considerably already through funding ecotourism projects in highly biodiverse areas. Unlike with corporate partners, NGOs work more towards developing skills and pushing projects to be self-sustainable from the beginning, though they have the caveat of being less lucrative. Within the WWF project of the Kavango Zambezi Transfrontier Conservation Area (KAZA), the NGO has funded and worked with local trusts to develop independent local conservancies for ecotourism purposes, and using the influence of the WWF to specifically cater to and advertise them to ecotourist consumers.[13] To make it more self-sustaining, the WWF trained locals in economic management of the enterprise, and provided training in important skills for the enterprise to flourish, similar to corporate partnerships.[14] Examples of success stories such as these illustrate how within our resolution, tourism avoids its previous neoliberal pitfalls of dependency through equipping locals with much needed skills to make their enterprises more self sustainable.

The structure of the trust itself will be designed to deal with inequality within villages. The trust will be made up of all members of the villages that are above 18 years old, and have lived in the village for at least 5 years. As opposed to having a direct democracy structure, there will be representative elections for an elected board that voices the community's opinions on the trust. Board members can serve up to 3 terms of 5 years. The elected board will work with

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[12] J.E. Mbaiwa, O.T. Thakadu, and M.B.K. Darkoh. "Indigenous Knowledge and Ecotourism-Based Livelihoods in the Okavango Delta in Botswana." *Botswana Notes and Records* 39 (2008): Page 71
http://www.jstor.org/stable/41236634

[13] Joel Centano, "Kaza: How a Shared Vision for Conservation Became the World's Largest Transboundary Protected Region," Good Nature Travel Blog | Stories are made on adventures (Natural Habitat Adventures & World Wildlife Fund, April 15, 2022), https://www.nathab.com/blog/kaza/.

[14] Centano, "Kaza"

government officials assigned to the trust in working out contracts with joint venture partners. The elected board can thereby act as a parliament of sorts for individual village interests, and thus a broader plan of action for the trust as a whole. Quotas will be met as to include those from diverse backgrounds and classes in the villages, and to make sure women in particular get a voice. The quota model is put in place as issues arose within Botswana's trust model of local elites holding too much power and influence over the trust.[15] Our solution of diversifying the trust and not making the elected board a permanent position can lead to more transparency in trust operations that meet the needs of all of those in the village.

The role of the UNWTO and GSTC is much more active within our resolution, though at the same time one based on consent. If a country were to give its consent and enter the partnership program, the UNWTO and GSTC will use their training programs to help teach local trust members on financial literacy in regards to tourism enterprises, and help teach trust members how to operate their trusts in the GSTC criteria. Likewise on the other end of the partnership, investors will have to be certified by the GSTC in order to be allowed to operate their business with the trust, again under GSTC guidelines. The GSTC solely accredits organizations currently, and the certification is done by third party organizations.[16] Within our resolution we'd like to make this more active on the GSTC's end, with them certifying directly with input from the governments they are working with. In this manner, countries would be more willing to get involved in the partnership program as they would have more of a direct say on what occurs in their country.

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[15] Susan Snyman, "Partnership between a Private Sector Ecotourism Operator and a Local Community in the Okavango Delta, Botswana: The Case of the Okavango Community Trust and Wilderness Safaris," *Journal of Ecotourism* 13, no. 2-3 (February 2014): Page 13, https://doi.org/10.1080/14724049.2014.980744.

[16] GSTC and UNWTO, "The Difference between Certification, Accreditation, and Recognition," GSTC (Global Sustainable Tourism Council, November 24, 2021), https://www.gstcouncil.org/certification/accreditation-certification-recognition/.

Additionally, the community trusts will be able to allocate money to local social enterprises with any direct funding they receive. Social enterprises are businesses which have the primary goal of alleviating social problems instead of solely existing for profit. Examples of social enterprises involved in this resolution include, childcare services, hygiene facilities, construction services, and even job training and financial planning services. By subsidizing such locally owned enterprises with the rent money from the corporate partners or contributions from NGOs and universities, development takes place from the ground up. NGOs and universities would be incentivized to contribute to this mission, because the trust and the social businesses will offer opportunities for volunteer tourists, researchers and students to be involved. The locally owned social businesses will allow volunteer tourists, from religious organizations or other NGOs, to work with them to distribute their services, and the trust will partner with universities to host research and study abroad trips in exchange for financial contributions. This relationship harnesses the demand for poverty tourism, which is typically demeaning to the local population, and utilizes it productively to mitigate poverty and foster development. Especially as the trust, the NGOs, and local social businesses, would collaborate to implement a sustainable Village Hive Model to distribute the benefits from this program. The Village Hive Model is a preventative approach to poverty which aims to combat multidimensional poverty by integrating multi sectoral services, such as those provided by social enterprises, into the community instead of social services being controlled by a separate NGO. This approach was famously used by the Cambodian Children's Trust (CCT) to reform orphanage tourism and alleviate child poverty in Cambodia and was commended by UNICEF for their successes.[17]

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[17] Higgins-Desbiolles, Freya, Regina A. Scheyvens, and Bhanu Bhatia. "Decolonising Tourism and Development: From Orphanage Tourism to Community Empowerment in Cambodia." Journal of Sustainable Tourism, 2022, 1–21. https://doi.org/10.1080/09669582.2022.2039678.

In terms of potential opposition, though we addressed issues of local inequality within the trust through quotas, and issues of dependency through the idea of a communal trust, other issues will likely still persist. Of such issues, the most notable is these foreign investors potentially out competing fledgling local tourist industries in the destination countries of the partnership. For example, though not within the tourism industry exactly, within Haiti during the earthquake there was a need for sustainable forms of electricity and energy filled by local entrepreneurs.[18] They later struggled after being unable to compete with the NGOs and foreign corporations investing in the industry.[19] Despite these potential issues, we do see the positives outweighing the negatives in this case, as the trust is locally owned and the benefits of NGO and foreign corporate presence should in theory be seen through community wealth generation and job creation.

All in all, this resolution generates new opportunities for economic growth in the global south by developing the tourism industry, while avoiding many pitfalls associated with other international economic development programs. For instance, as universities, corporate partners, and NGOs, work with local trusts, we mitigate the risks of dependency and exploitation as the trust holds the power over land use. This ensures members of local populations are kept as a part of the industry as it grows, and actually see the wealth it creates. Tourism can be the industry to jump-start the economy of developing nations through jobs, increased exchange of goods and services, and direct investment of international partners.

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[18] Acton Institute. (2014). Poverty, Inc. . United States.
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