

Role of Tourism Sector in Achieving the Millennium Development Goals

Lawal Mohammed Marafa

Department of Geography
and Resource Management

The Chinese University of Hong Kong

Abstract : When the millennium development goals (MDGs) were articulated and presented on the eve of the millennium, tourism as an industry was not explicitly mentioned. But over the years it became clear that tourism, a multifaceted industry and one that is now used by many countries for poverty alleviation and economic development and can contribute immensely in pursuing the goals set at the millennium summit. This paper therefore discusses and highlights the role of tourism in achieving the MDGs. Examples of African and Asian context are drawn especially China to underline the fact that MDGs 1 and 7 can be directly supported by specific tourism policies while MDGs 2, 3, 4, 5 and 6 can be indirectly supported by tourism. MDG 8 can constitute a bridge that can bring about success in any framework of implementation. But these framework however, vary in priority from place to place.

Keywords: Tourism; Millennium Development Goals; Poverty; Sustainable Development; New Wave Tourism.

Introduction

When the millennium development goals (MDGs) were proposed on the eve of the new millennium, tourism as an industry was not explicitly mentioned. Over the years, it became clear that it has a role to play in helping to achieve some or all of the MDGs identified. Increasingly, it is being recognized that the potential impact of tourism in reducing poverty is significant (Brohman, 1996; Ashley et al., 2000). Therefore it is now widely acknowledged that if tourism development is planned and implemented properly, it could be used as an effective tool for poverty reduction (Torres and Momse 2004) and thus achieving other MDGs.

In contemporary development discussion, poverty has assumed center stage. Dating back to 1970s, the international community has identified poverty as one of the most important aspect of third world development (Britton, 1982; Carter, 1987, Joppe, 1996). Consequently, when world leaders gathered on the eve of the millennium to debate the plight of the world poor, they made a moral declaration that resulted into the MDGs. The MDGs are eight in number but are made up of many indicators and targets. Success in achieving the goals is hinged on the fact that many sectors are incorporated and interrelated. In order to underscore the importance of poverty in the process of third world development it is listed as number one in the priority order of the MDGs.

When carefully studied and analyzed, there is enormous potential for the

application of the tourism industry into the campaigns and processes in achieving the MDGs. This was made clear at the review summit of the MDGs in 2005 at the UN. At that meeting, tourism was called upon to take its place in national development plans to help achieve the targets set (World Bank, 2002). In overall national economic development, tourism cannot be ignored as it already constitutes over 5% of GDP and over 10% of exports in about 41 of the 50 poorest countries according to the UNWTO. Tourism indeed plays a major part in the economy of poor countries. In 2001, international tourism receipts accruing to developing countries amounted to US\$142,306 million. Indeed, tourism is the principal export in a third of all developing countries and, amongst the 49 Least Developed Countries (LDCs), it is the primary source of foreign exchange earnings (Yunis, 2004).

In fact, the role of tourism in development in many countries has aroused considerably in the last three decades. Considering the fact that tourism is now playing an important role in a number of developing countries, international development agencies are getting more involved and increasing their commitments with aids and grants for tourism development purposes.

Consequently, the tourism industry makes important contributions to the economies of developing countries, particularly to foreign exchange earnings, employment, and overall GDP. Since tourism is seen as partly a panacea for poverty alleviation and eradication, the question is: how can tourism help the rural and the poor people? How can policies for tourism development benefit the poor? Given that tourism is already a fact of life for many of the world's poor, the challenge is to enhance the many positive impacts and reduce costs to the poor and their environment. This will help achieve the MDG 1 and set the stage for the realization of the other millennium goals.

Understanding the logical currency of this notion, this paper discusses and highlights the role of tourism in achieving the MDGs. To this end, examples of programmes and themes will be drawn from Africa and Asia where is the home to most of the world's poorest people. Although Africa was the only continent identified by name when the MDGs were created, discussions on the role of tourism in national economies and rural areas can be universally relevant. Critical analysis of the MDGs will be made to identify those goals that can fit into tourism in both planning and development framework. This is finally intended to generate academic discussion that will put tourism and the MDGs in context.

Tourism and Development

Tourism is one of the world's largest industries generating an estimated 11% of global GDP, employing over 200 million people and transporting nearly

700 million travelers per year - a figure that is expected to double by 2020. The question is how can we use this to the benefit of the third world economies? How can we manage and utilize its potential?

Although tourism is not new to development discourse (Jenkins, 1982; Hosni, 2000), revamped tourism or alternative tourism like ecotourism, cultural tourism or any niche tourism are gradually becoming the core of tourism development for many Third World nation's economic development strategies (Tosun, 2005). Where such tourism is incorporated into development policies, it is known to promote economic growth and generate employment (Inskeep, 1991), encourage community participation and help in biodiversity conservation (Kiss, 2004), enhance rural development, environmental restoration, coastal protection, cultural heritage preservation, etc. (Elliot and Mann, 2005). Given the importance and relevance of this trend, nearly every developing country is now promoting some brand of tourism, tied to its development (See Table 1).

Underlining the importance of tourism in development, the United Nations World Tourism Organization (UNWTO) and other international development agencies like World Bank, Regional Banks, IDB, UNEP etc. are identifying tourism related projects and funding them appropriately. For example, international lending and aid agencies are using tourism projects to promote sustainable rural development, increase local income generation, conserve biodiversity and improve indigenous knowledge, build infrastructure and institute capacity building (Elliot and Mann, 2005).

Discussions and Implications

The overall findings reveal that complexity is the most highly correlated struc-

Table 1: Notable choice of countries offering ecotourism products

<i>Africa</i>
Senegal
Namibia
Madagascar
Uganda
Zimbabwe
Kenya
South Africa, etc.
<i>Asia</i>
Vietnam
Cambodia
Bhutan
Malaysia
Thailand
China, etc.
<i>Latin America</i>
Costa Rica
Dominica
Bolivia
Belize
Ecuador
Brazil, etc.

tural dimension with novelty preference followed in order by formalization and centralization. However, with correlation coefficients in the range of 0.41 to 0.43, the strengths of all the associations are considered as at moderate level. Coming from the dissatisfaction with the trend of mass tourism and growing environmental concern, coupled with increasing third world debt in the 1970s, international lending institutes like UNEP, IDB, DAS, USAID re-kindled their commitments and took a stride and further identified tourism as a development tool and conservation strategy.

Regarding the perils of third world countries, in international development discussions, most of the agencies that show concern for development have all addressed poverty eradication as one of the most compelling challenges of the 21st century. This also means concern for income disparity, healthcare, etc. As discussions on the role of tourism in addressing poverty became prevalent in various international fora, its potential use became imminent. This recognition came to the fore when the UNWTO introduced the "Sustainable Tourism for the Elimination of Poverty" (STEP) framework which clearly links tourism development with poverty eradication making it a step towards achieving the MDG1. In this context, at the World Summit on Sustainable Development (WSSD) in Johannesburg, the UNWTO took a global lead in the field of poverty reduction through tourism, launching the concept of "sustainable tourism as an effective tool for eliminating poverty" (STEP). This initiative links the longstanding UNWTO pursuit of sustainable tourism with the United Nations leadership on poverty alleviation. Consequently, STEP may be seen as a response by the global tourism industry under the leadership of UNWTO to the United Nations goal to halve extreme poverty by 2015.

Significantly though, it was earlier at the 1999 meeting of the UN Commission on Sustainable Development that urged governments to: "maximize the potential of tourism for eradicating poverty by developing appropriate strategies in cooperation with all major groups, indigenous and local communities." Tourism indeed flourishes where there is an abundance of natural and cultural resources. In the real sense, resources (both natural and cultural) upon which tourism products appear and flourish belong to the poor. It is therefore clear, that if tourism development is planned and implemented properly, it could be used as an effective tool for poverty alleviation and eradication. Already, tourism is a fact of life for many of the World's poor.

Accepting the notion that tourism resource, both cultural and natural are mostly located where the poor are, it became imperative that tourism projects and investments should be in such a way that will benefit the local community. Projects can be created that will uplift the livelihood of the local community and generate additional income thus partially achieving MDG1. A reduc-

tion in world poverty is an internationally agreed priority and targets have been set to halve poverty by the year 2015. Achieving poverty reduction requires actions on a variety of complimentary fronts and scales and tourism, an industry that is multifaceted and comparatively labour intensive can make adequate contribution in achieving this goal.

While increase in income and economic well being can be directly attributable to tourism policies, the quality of life and the intangible environmental ambience highlighted by tourism can result in the overall community empowerment. This is because the product that tourism packages and sells ultimately relies on clean seas, pristine mountain slopes, unpolluted water, litter-free streets, well-preserved buildings and archaeological sites, and diverse cultural traditions all of which the community can have a controlling stake (Honey, 1999).

Depending on the location and focus of tourism industry, different segments and types of tourism can have substantially different impacts on the local community. Limited evidence suggests that domestic/regional tourism and independent travel can create proportionately more local economic opportunities (Wang and Wall, 2007) than international packaged tourism. Although most tourism ventures can be geared towards benefiting the local economy, recent trends and examples have singled out ecotourism, community-based tourism, etc as those that have the potential for maximizing benefits to the poor (Kiss, 2004). These collectively are what I term "new wave" tourism. Where new wave tourism is articulated and set for implementation, it has the capacity to do one or all of the following:

Proceeds from such tourism activities can be used to fund conservation, environmental protection, research and various forms of capacity building for which the local community can benefit.

New wave tourism has the capacity to provide direct financial benefits (sells) and empowerment for local people.

The local community when involved tends to benefit not only financially but in other tangible facets (like portable water, roads, health clinics, etc) as well as intangible aspects like preservation of culture, etc.

Analyzing the specific role of tourism in achieving the MDGs

Conceptually, the eight MDGs (see Box 1) can be divided into categories that can be supported by the tourism industry. While MDGs 1 and 7 can be directly supported by specific tourism policies, MDGs 2, 3, 4, 5 and 6 can be indirectly supported by tourism and MDG 8 can constitute a bridge that can bring about success in any framework of implementation. But as these goals, targets and indicators are many and can vary in priority from place to place,

an understanding of generic format by which tourism can be utilized is necessary.

Box 1 : The MDGs

- MDG 1 Eradicate poverty
- MDG 2 Achieve universal primary education
- MDG 3 Promote gender equality
- MDG 4 Reduce child mortality
- MDG 5 Improve maternal health
- MDG 6 Combat HIV/AIDS and other diseases
- MDG 7 Ensure environmental sustainability
- MDG 8 Develop global partnership for development

Many people attest to the need of the MDGs to poverty eradication and general development issues confronting the third world countries in Africa, Asia and South America. Although the framework for articulation and need for achieving the MDGs by 2015 has gained currency all over the world, it is significantly more important to Africa and Asian countries where about 70% of the population is rural and underdeveloped (World Bank, 2002). While progress is being recorded in some Asian countries (like China and Thailand), such progress in Africa is far from being satisfactory given that it was the only continent that was explicitly mentioned at the millennium declaration and subsequently where poverty is discussed. Comparatively, China has recorded successes in poverty alleviation that can be emulated. The percentage of people living on \$1/day fell from 53% in 1980 to 8% in 2002. As a result of this, an estimated 300 million people have been lifted out of poverty giving great impetus to the global effort in poverty reduction (Malik, 2005).

Although tourism as an industry cannot be said to be the major sector for this achievement, the contribution it has made are laudable. For instance, domestic tourism, domestic consumption and the like have been enhanced through rural tourism development which has become a new growth sector in China. This tourism theme together with agricultural tourism has the capacity to create over 350,000 new jobs every year, according to officials of the China National Tourism Administration.

The case of Africa is unique and deserves specific mention. While Africa has been disadvantaged by global trade, particularly in manufacturing, exports and imports and services, etc., tourism accounted for over 11% of total Africa exports by 2003 (Ashley and Mitchell 2005). With many governments realizing the positive nature of tourism to the economy, commitment to

tourism is increasing and tourism itself is growing. Tourism indeed is labour intensive as compared to other non-agricultural sectors that are likely to take a population out of poverty. In addition, tourism is generally an additional diversification for the poor and not a substitute for their core activities particularly in rural Africa (Ashley et al. 2000). Given that this is the case, successful tourism policies can therefore add value and improve the quality of life of the local poor community. The notion of quality of life will tend to amalgamate all the positive aspects that achieving the MDGs will portend.

When the advantages of tourism in relation to MDGs are considered, it is an industry that is multifaceted and capable of bringing together many stakeholders. For instance whether or not tourism is specifically designed to help the poor or not, a number of products could be sourced locally, making the local community part of the production and retail process (Wisansing, 2005). The range of such products can include: local textiles; hand-made crafts of paper, wood, clay, etc.; Others include food and agricultural products like fruits, vegetables, flowers, beverages, food additives, snack foods, sweet/deserts, cosmetics, etc. (Torres and Momsen, 2004). Indeed, local products can be both tangible and intangible leaving the tourists with positive experiences to linger when it is well done.

Wherever tourism flourishes and become successful, it can generate partnerships (MDG 8) in establishing positive development framework for a given destination. As a source of employment, entry into the industry can be at any level making it a sector with low barriers. In many sectors of tourism, it has a high female employment ratio (MDG 3) varying from 2% to over 80% in different countries. Worldwide, women make up to 46% of the tourism labour, a fact first alluded to by Grown and Sebstad in 1989, making it a sector that can strategically be used in the direct pursuit of MDG3.

Added to this, creating partnerships (MDG8) with different interests and the role of gender in most economies can indirectly impact on education (MDG 2), while success in policies aimed at women can have a positive effect on MDGs 4, 5 and 6. As most primary tourism attractions are generically referred to as natural, cultural, including built and modified environments, policies promoting tourism can balance economy with people, culture and environment. To do this effectively depends on government's commitment and leadership that is responsible to the development and quality of life of the local population.

Already in the tourism industry, there is a general interest in sustainable tourism, ecotourism, responsible tourism, and the like that are collectively referred to as alternative tourism and here suggesting to categorize further as

'new wave tourism'. Where such trends and development frameworks become exploratory attracting huge investments, it indeed creates a 'new wave' of tourism sector. Thus, this 'new wave' can be promoted with the understanding that tourism activities should not deplete the environmental and cultural base upon which it depends, a theme that resonates well with MDG 7. This theme is already attracting the interest of major international agencies like IUCN, WWF, etc. effectively implementing the target of MDG8.

Conclusion

This paper has shown that tourism has important potential to contribute to the economic growth and development of third world countries. If this assertion is to be agreed upon, then it also has the potential to contribute to the MDGs. For this to be the case there has to be more commitment by governments, proponents of tourism sector, major stakeholders, academics etc., to study and unravel the benefits that tourism can bring to the local community for application. Such concerted efforts are needed to create tourism data that will be used to identify, quantify and analyze costs and benefits of tourism ventures accruing to the local community.

Enhancing tourism's legitimacy in poverty reduction strategies is dependent on host countries policies and development agencies placing a greater emphasis on the monitoring and analysis of its true costs and benefits. The challenge is to enhance the many positive impacts it can have and reduce the costs it can place on the poor community.

In discussing poverty, sustainable development and attempting to meet the MDGs by the year 2015, each government can make the choice to encourage investment, facilitate innovation, create job opportunities, and guarantee respect for local environments, cultures and social well-being of its people. Tourism as a holistic and multifaceted industry can be used to facilitate these especially where knowledge of best practices and successes are shared and managed for the benefit of a destination. Where investment is encouraged and facilitated, the private sector can be deployed as a driver of sustainable development and as a contributor to quality of life of the people and cultures that it touches. These can be measured in quantifying the achievements of tourism in pursuit of the MDGs.

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About the Author :

Dr. Lawal Marafa is a professor at the Department of Geography and Resource Management, The Chinese University of Hong Kong. His research interests include Tourism and Environment, Tourism Policy and Education, Ecotourism, Leisure, Recreation Planning and Management, Natural Resource Management, and Sustainable Development related to the Millennium Development Goals of the UN.

