

Tourism brings economic benefit



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To what extent do you consider tourism to be a realistic solution to the social and economic challenges faced by less developed countries?

Introduction

Tourism brings economic benefit to the less developed countries, however, on the other hand, there are some negative impact to the less developed countries. In the followings, tourism will be the main subject to study about is it a realistic solution to help the less developed countries to develop.

The subject of Tourism

In historical terms, tourism activity is a related to new development and a business activity. Nowadays, tourism industry is developing more mature than before, not only in economic area, but also consider being responsible for the environment and societies. Gunn (1988) pointed out that tourism is not a closed system, he defined that tourism is a functioning tourism system that contains interrelated components. Demand and Supply are tourists and hosts. Demand includes the tourist market and incorporates people's interest in and ability to travel. Supply contains transportation, services and information promotion and attractions. As tourism is a large system over the world, being responsible is important to the tourism industry.

The Characteristics of less developed countries

Less Developed Countries(LDCs) can be seen as poor countries. World Bank and IMF

statistics indicate both the wide disparity in economic development between developed and less developed countries and the extent of their fiscal indebtedness.

LDCs always have the problem with growing population pressures and trade barriers, because of that, the economic growth of LDCs are elusive.

LDCs can defined their characteristic by their Economic Scale, it is rely on primary export crops and commodities, such as sugar, bananas, coffee, minerals. LDCs have relatively low GDPs, it also pronounced inequalities in wealth and income as well as social status and have differences across a wide range of social and economic indicators.

Less developed countries (LDCs) also have some Socio-historical Features. LDCs always have colonial or colonial-influenced background, such as borders may originate more for administrative convenience than cultural appropriateness, and the established of economic, historical, social and cultural linkages with major colonial or post-colonial power, including language. There are many different population groups, like settlers and indentured laborers, since different groups of people living together, conflicting in legal or traditions different to be avoided.

Geographically, these are the ACP countries in Africa, Asia Pacific and the Caribbean. By the World Bank figure, it classifies Papua New Guinea as a low income country according to its GNI. (Appendix 1)

Development

“ Development is ambiguous, as what constitutes development to one observer may be

interpreted as a negative connotation by another "(Peter U, 2005).

Development is broadly defined as an improvement of opportunity and quality of life.

Thus development is an incremental, long-term process, it is not immediate, and used in comprehensive sense with economic, socio-cultural and environmental processes and issues related to tourism in less developed countries (LDCs).

Nature of tourism development in LDCs

Bryden (1973: 91) has indentified that there are ' tourism-country' and ' non-tourism country' . Gross domestic receipts (GTR) is a portion of revenue from exports of goods. Volume means the tourism arrivals and tourism receipts. The tourism receipts come from high volume of low-spending tourists, like mass tourism and lower volume of high-spending tourists.

LDCs' tourism developments sometimes are extraneously triggered. For example, there is some demand from Germany outbound tourism, so the tour operations build up a new route to Togo. The nature of this development has consequences for the industry is in relation to the five factors - scale, type of tourists, facilities, organization and trigger market.

Revenue maximization is important in LDCs tourism development, to intended tourist population, the most crucial policy decision is by the government. By this reason, government will have the largest power to influences the type of tourist motivation, such as room capacity to accommodate the visitors, control of the industry and the impact on the host community.

Why LDCs need tourism development?

As Less Developed countries have poor economic structure, they need more incomes from overseas. However, there is some trade barriers within LDCs, because of that, the most efficient methods that can directly earn foreign exchange is tourism industry.

Tourism development can make possible economic income to the LDCs.

Through a good planning to develop the tourism industry, can brings much benefit to LDCs, for example, employment rate will increase by the tourism related industry, transportation, attractions, services . There can be some culture exchange between local people and tourists, the society will become more civilize. The infrastructure development should be match up with the tourism industry, by this reason, it can help improvement the life quality to the LDCs citizens.

How tourism development impact to LDCs?

There cannot be only an ideal development in LDCs, although there are some positive impacts, some negative impact will occur in quick succession.

The Multinational corporations (MNCs) always catch the best moment of the LDCs tourism developing process. As their Business Strategy is to make global profit maximization, they always like to invest to the tourism developing project and earn money from overseas. LDCs government is easier to negotiate for their development project because LDCs government wants to have higher contribution for the country. However, in a hurry to build up the tourism industry may have bad impact. Monopoly will be occur in LDCs.

For the tourism development, it may damage the local economy. Some of the tourism activities are seasonally, it is not reliable for the local people's income. However, some local people may depend on the tourism industry, if there are some problems to the tourism industry, it will highly affect their income. As LDCs do not have stable political environment, if coup happened, the tourists will choose another destination, it will highly affect to the tourism industry, the government cannot be dependency on one industry.

Dependency can course by tourist purchase. Since LDCs do not have much resource, tourism purchase may link to leakages. For example, even the destination does not have enough water resources, tourists who live in a hotel, do not have the quota of water usage. Waste of water resources may increase conflict of the host and tourist relationship.

Tourist and hosts relationship also damage by the tourists activities.