6 Tourism and poverty

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Introduction

It has long been believed in 'development' circles that tourism has the potential to reduce poverty. Indeed, from the time of domestic mass tourism in the mid-nineteenth century, it came to be felt that tourism would, almost inevitably, reduce poverty in those regions that were fortunate enough to attract visitors. The emergence of mass international tourism after the Second World War simply seemed to confirm that tourism's benefits to 'host' societies would be extended to the developing world. Such a laissez-faire approach, described by Hall (2008, p. 54) as boosterism, 'a simplistic attitude that tourism development is inherently good and of automatic benefit to the hosts', remains a position held by many of those who place themselves on what Jafari (1989, p. 22) has described as tourism's 'advocacy' platform.

As international tourism grew exponentially, other 'platforms' emerged, warning against unquestioned acceptance of international tourism and, in line with more critical approaches to the nature of 'development', pointed to all kinds of environmental, social and cultural 'problems' that, at least to some extent, might offset tourism's economic benefits. Nevertheless, despite such theoretical debates, often shifting focus to the nature of international capitalism, modernization, globalization and dependency, tourism's contribution to economic growth and, *ipso facto*, to development and poverty alleviation, in at least *some* of its variants, by and large seems to be accepted as a proper basis for development policies in both developing and developed society destinations. Put differently, tourism is generally felt to contribute to development by promoting economic growth and thus, at least potentially, to contribute to the alleviation of poverty.

As indicated elsewhere (Willis 2005, pp. 93–115), the links between economic growth and poverty alleviation (and, more widely, 'development') have figured in numerous theoretical and policy frameworks, including 'bottom-up', 'basic needs' and 'participatory' approaches emanating from a wide range of development institutions, including the United Nations (and its promotion of the Millennium Development Goals) and international non-government organizations. Indeed, a recent authoritative restatement of human development approaches, while reiterating the importance of economic growth, also highlights the vital role played by social institutions and organizations in advancing human development (Stewart et al. 2018).

Such approaches have been applied directly to tourism's role in development and poverty alleviation (Harrison 2008, pp. 1–5), ranging from de Kadt's (1979) early but still relevant query as to how far tourism is 'a passport to development' to the emergence in the late 1990s of what, for a while, seemed a separate pro-poor tourism (PPT) 'school' (Harrison 2008) and the Sustainable Tourism – End Poverty (ST-EP) initiative of the United Nations World Tourism Organization, launched in 2002 at the World Summit on Sustainable Development in Johannesburg.

Defining poverty

The association of poverty reduction, development and tourism is, however, beguilingly simplistic. In practice, even defining poverty is problematic. Perhaps the most basic approach is to try to produce an objective minimum level of income, either as an exact figure or as some kind of average income, below which basic needs cannot be met. This can then be applied across or within countries. In 2015, for instance, the World Bank proposed a global, extreme poverty line of US $1.90 per day, with correspondingly higher daily poverty lines for lower-middle-income countries (US $3.20), upper-middle-income countries (US $5.50 per day) and high-income countries (US $21.70 per day) (Weller 2017). Many individual countries also produce their own poverty lines, which are then used to assess local or national levels of poverty and the progress made in reducing it.

Poverty lines can be useful but they are limited. As Gordon (2006, p. 45) notes, they tend to be arbitrary and are crude measures of inequality. Differences in the life experience, for instance, of someone on a poverty line and another who is 10 cents above the line are likely to be minor, and yet one is defined as 'poor' and the other – like an individual earning several times the basic amount – as 'non-poor'. Furthermore, because they vary according to levels of national development, and because prices of goods vary from one country to another, they are not usually comparable, and subjectivity is involved in identifying 'basic needs': what is deemed 'basic' in one country might not be considered so in another.

An alternative approach is to focus on how people themselves define 'poverty'. However, individual perceptions vary widely. In a survey of 55 households conducted by Harrison in 2004, in the village of Don Det Tok, Laos, for example, no less than 17 different definitions of poverty were provided, and while the lack of rice and inability to be self-sufficient were the most mentioned, other criteria included old age, financial uncertainty, illness, a lack of labour, having only a small boat, an unpredictable income, an inability to meet social obligations and being alone. Compared to the official poverty measure, which assessed 20 per cent of the villagers as poor (as based on their annual income), 60 per cent of respondents defined themselves as living in poverty (Harrison & Schipani 2007, pp. 217–18). Similarly, unpublished research in Ban Pha Thao, another village in Laos, revealed that villagers strongly disputed official poverty statistics which indicated only eight households were poor. Rather, they argued, most households were self-sufficient in rice (a common measure of self-sufficiency), only because children had to be taken out of school to assist with the harvest, a requirement they felt was indicative of another feature of poverty.

Laotian villagers are not alone in focusing on the multi-dimensionality of poverty. Similarly, but in quite a different context, while introducing *Poverty and Social Exclusion in Britain*, Gordon (2006, p. 31) notes the relative nature of the United Nations definitions of absolute and overall poverty, where the former is 'severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information' and the latter is 'lack of income and productive resources to ensure sustainable livelihoods; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increased morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments and social discrimination and exclusion'. He continues: 'These are clearly *relative* definitions of poverty in that they all refer to poverty not as some 'absolute basket of goods' but in terms of the minimum acceptable standard of living applicable to a certain member state and within a person's own society' (Gordon 2006, p. 31).

Indeed,

> in scientific terms, a person or household in Britain is 'poor' when they have both a low income *and* a low standard of living. They are 'not poor' if they have a low income and a reasonable standard of living or if they have a low standard of living but a high income. Both low income and low standard of living can only be accurately measured relative to the norms of the person's or household's society. (Gordon 2006, p. 39)

At the same time, Gordon himself has proposed seven criteria against which basic need satisfaction can be measured and where absolute poverty can be considered present when two or more criteria are not met, namely:

(1) severe food deprivation, as measured in body mass index
(2) severe water deprivation
(3) severe deprivation of sanitation facilities
(4) severe health deprivation
(5) severe shelter deprivation
(6) severe education deprivation
(7) severe information deprivation, with no access to newspapers and other information sources. (Gordon 2005)

Again, the criteria are useful but, as with the United Nations Development Programme's Human Development indices, we have moved from a single income criterion to a multi-dimensional definition of deprivation, which inevitably incorporates millions more people than those on low income alone. Put differently, the emphasis has shifted from poverty as defined by low income to poverty as a multi-faceted phenomenon.

The multi-dimensional criterion of poverty can also be seen from Sen's work and his capabilities approach (Sen 1999). Capabilities refer to an individual's ability to function, to have the freedom to make choices, to have agency and seize opportunities (Croes 2012). Well-being and, by extension, poverty are determined, for example, by such extrinsic factors as quality of education, life expectancy, income levels, employment and discrimination, and by such intrinsic factors as memory, ethics, common sense and reason.

In sum, poverty has been defined in absolute terms, where individuals or households are considered 'poor' if they fall below a certain income threshold, and in relative terms, where a household or whole population is considered 'poor' if household income falls below the mean or median income of a specific percentage of the population or the distribution of income of the population (Bourguignon 2006).

Generally speaking, scholars have increasingly used multi-dimensional criteria for case studies and micro-level studies, while the criterion of single income is the norm for macro-level studies. As with any indicator, there are advantages and disadvantages, but scholars have tended to use the poverty indicator that is most appropriate or convenient.

Macro-economic perspectives

The contribution of the tourism sector(s) to gross domestic product (GDP) is a common but blunt measure to assess tourism's impact on poverty. The World Travel and Tourism Council (WTTC) (2017) reports that in 2016, travel and tourism generated US$7.6 trillion and 292 million jobs, the equivalent to 10.2 per cent of global GDP and approximately one in ten jobs worldwide, and that travel and tourism comprised 6.6 per cent of total global exports. How much of that contributes to alleviating poverty, though, is a matter for debate and academic research, much of which remains to be done. At the most basic level, of the top 25 countries most dependent on tourism, as measured in its contribution to GDP, none is classified by the UNDP as of low development (Harrison 2008, p. 862). Furthermore, among the 30 countries most dependent on tourism as a percentage of GDP, there is a predominance of islands, and in many small island states tourism has become the backbone of the economy, often when there is little other economic activity (Pratt 2015). In the Caribbean, for example, as Croes notes (2006), tourism is the single largest earner of foreign exchange in 16 of the 30 countries in the region, but research is urgently needed as to how far income from tourism 'trickles down' the social scale.

Clearly, tourism can be a pathway to prosperity for a host region or country (Mihalič 2002; Mitchell & Ashley 2010). It is an important source of foreign earnings, generating employment opportunities, fostering new investment and infrastructure projects and providing an important source of government revenue through taxes and visa fees. However, for any contribution of tourism to poverty alleviation to occur, what tourists spend must remain in the host destination. The mere fact they visit and spend in the destination does not necessarily mean their expenditure will reach the poor or low-income families. Rather, the 'tourist dollar' may leak from the economy, or trickle down only to non-poor members of society. More technically, tourism's contribution to the host economy depends on the size of different multipliers, which reveal the amplifying effect of the initial injection of new demand as tourists' expenditure circulates throughout the host economy. In turn, as Pratt (2011) notes, the size of the multiplier depends on the prevailing leakages in the economy and the linkages of the tourism-oriented sectors with other sectors in the economy. By way of example, Pratt (2015) estimates the economic contribution of tourism to the economies of seven small island developing states (SIDS). He finds that, on average, for every tourist dollar spent in these island states, only US$0.69 stays in the local economy and that tourism income multipliers range from US$0.44 for American Samoa to US$0.91 for Fiji.

Recent attempts to measure the relationship between tourism and poverty are based on various methodologies and use a range of methods (Mitchell & Ashley 2010). Jiang et al. (2011), for example, examine the correlations between tourism intensity and several proxy measures for poverty, namely the Human Development Index, Under Five Mortality rates, and GDP per capita for SIDS. Their conclusion, that those SIDS in Africa, the Caribbean and the Asia-Pacific region with high tourism intensities have higher GDP per capita, higher Human Development Indices and lower Under Five Mortality rates, is useful, but this demonstrates correlation rather than causality.

Other scholars have tended to use two methods to empirically investigate the relationship between tourism and poverty. One is impact analysis, often using computable general equilibrium models which are constructed of the economy being analysed. Simulated increases in tourism are then introduced, to observe their impact on different household income levels.

One of the earlier such macro-economic studies to examine how tourism affects poverty was by Blake et al. (2008). The distributional effects of a simulated 10 per cent increase in tourism expenditures in Brazil show that tourism benefits the lower-income households of Brazil and has the potential to reduce income inequality. However, the main beneficiaries are the low- (but not the lowest) income households. There may be structural reasons for this situation. The lowest-income households, which are characterized by relatively low educational achievement and few employment opportunities, for example, might not directly interact with tourists. Similarly, in Thailand, Wattanakuljarus and Coxhead (2008) find that increased international tourism demand raises aggregate household income but also widens income distribution. They show that while tourism growth benefits all household income groups, the high-income and non-agricultural households gain most. In part, this is because inbound tourism expenditures draw resources away from the tradable sectors, notably the agricultural sector, toward domestic-oriented production. The increase in demand for tourism means that tourism businesses need more labour and capital to satisfy that demand. Depending on the availability of these resources, tourism businesses may offer higher wages to attract labour from other sectors. A growth of tourism also increases the demand for local currency, as tourists exchange their foreign currency for local currency, thus putting upward pressure on the exchange rate, and any appreciation of the exchange rate results in a decrease in competitiveness of other export sectors.

Similar findings have been reported from Indonesia (Mahadevan et al. 2017), Belize (Banerjee et al., in press), Thailand (King & Dinkoksung 2014) and Kenya (Njoya & Seetaram 2018). Mahadevan et al. (2017) find that while increased tourism leads to a reduction in poverty, it also increases income inequality in both urban and rural regions in Indonesia: the greater the reduction in poverty, the more income inequality increased. Similarly, Banerjee et al. (in press) simulate, together and separately, an increase in international tourism demand and an increase in government investment in tourism-related infrastructure. Noting that tourism and tourism investment have positive impacts on the national and local economies of Belize, they suggest that the distribution of benefits depends on socio-economic and institutional factors. More specifically, increased income inequality follows the skill requirements needed to fill employment positions created as a result of the investment. Such findings are replicated in the village of Ban Pa-Ao, Thailand, where tourism prompted the emergence of numerous local entrepreneurs who were able to double the income they obtained from agriculture. However, 'these rewards are highly concentrated. Only a small number of households participate in each activity' (King & Dinkoksung 2014, p. 696). By contrast, at a macro level, Njoya and Seetaram (2018) note that in Kenya, increased demand by international tourists for local currency puts pressure on the exchange rate, which appreciates and consequently makes imports less expensive, thus leading to a worsening of the balance of payments. Hence it is the agricultural sector, and by association the rural regions, which tend to suffer. This provides an uncomfortable trade-off for tourism policymakers; tourism development comes at a cost, and decisions must be made whether to promote more tourism and grow the overall economy or attempt to improve and narrow income distribution.

The second method of investigating the relationship of tourism with poverty derives from econometrics and several recent studies, some of which are reviewed below, have used this approach to test the relationship and causality between tourism and poverty. Using a data set from 1991 to 2012 of 49 developing countries, Alam and Paramati (2016) find that tourism actually increases income inequality. With the Gini coefficient as a measure of income inequality, they suggest that the predominantly oligopolistic nature of many tourism service suppliers (especially hotels and transportation) means that service provision in developing countries is dominated by several large suppliers, often a few transnational corporations. As a consequence, the benefits of tourism accrue to owners, investors and senior management of these large companies. By contrast, few benefits go to frontline staff whose earnings may be on or near the minimum wage. Furthermore, small to medium-sized local tourism service providers cannot compete with these large transnational enterprises, resulting in increased income inequality. Bartik (1991) too considers tourism may increase income inequality, as increased demand arising from tourism leads to inflation, including in property values.

The level of causality between national income (usually measured by GDP) and tourism has been the subject of much research (Bilen et al. 2017). Researchers often seek to test the Tourism-Led Growth Hypothesis (TLGH), which states that an expansion in international tourism paves the way for economic growth because international tourism increases foreign exchange earnings that contribute to capital goods, which can further stimulate economic growth and employment (Brida et al. 2016). Alternatively, economic growth can stimulate tourism income, the so-called Growth-Led Tourism Hypothesis. This can occur where a growing economy can create tourism-related business opportunities, or where economies of scale, due to economic growth, decreases costs for the tourism sector, thus making it more competitive (Bilen et al. 2017). The above-mentioned hypotheses are usually tested using Granger's approach to causality (Granger 1969), which assesses the significance of the lagged values of the independent variable (tourism in the case of the TLGH) on an autoregressive model of a dependent variable (income/GDP in the case of the TLGH). If the lagged tourism variables are significant, tourism is said to 'Granger cause' economic growth.

Using Nicaragua as a case study, Croes and Vanegas (2008) sought to show the links between tourism development, economic growth and poverty reduction. They find that tourism 'Granger causes' economic expansion and poverty reduction, and suggest there is a bidirectional causal relationship between economic expansion and poverty reduction. Later, extending the TLGH by using poverty headcount instead of income, Croes (2014) finds that tourism can help alleviate poverty, provided there is a high incidence of extreme poverty, a lower level of economic development and tourism is at a developing stage. Consequently, Croes finds tourism is better at alleviating poverty in Nicaragua because tourism receipts are more important to the poor, and tourism creates jobs in the informal sector and provides vending opportunities for poor households (Croes 2014). By contrast, in Costa Rica there were fewer opportunities as it already had a higher level of economic development than Nicaragua. Croes surmises that tourism growth in Costa Rica generates fewer jobs overall, and that most of what it does create goes to the better educated and foreign workers, rather than the poor.

In short, there is evidence that international tourism brings overall benefits, though the extent to which it contributes to economic growth, poverty reduction and long-term development varies according to economic, environmental, socio-cultural and institutional factors and the linkages between them (Banerjee et al., in press).

It seems clear, too, that international tourism *also* contributes to social inequality. If this is indeed the case, it is reasonable to ask whether or not increased inequality inevitably accompanies poverty alleviation (another appropriate matter for research) and how much the association *matters*. The latter question, perhaps, is more an ethical than a social scientific issue; put simplistically, if a family has been recently relieved from hunger, it is surely legitimate to ask whether or not it matters if, at the same time, their neighbours have gained an extra slice of cake.

Processes of poverty alleviation through tourism

Conventionally, economists describe tourism's economic impacts on destination economies as occurring through the operation of the market. Visitors arrive at a destination and their expenditure on a range of goods and services – stereotypically accommodation, travel and attractions – injects income into the destination which, through the operation of the income multiplier, percolates through the local economy and creates further income for residents. However, there are also leakages, as goods and services required by tourists are imported from outside the local or regional economy, payment for which is thus removed from the destination economy and helps, in turn, to bolster the income of people resident elsewhere.

While the economic mechanisms through which tourism creates income and, at least, potentially alleviates poverty are straightforward, they operate through quite different circumstances and through the agency of a wide variety of social institutions and organizations. In this chapter, we suggest five different scenarios, often involving different types of tourism, and all require further research on tourism's role in poverty alleviation.

Coincidental poverty alleviation

The most common (and most researched) way of considering tourism's role in poverty alleviation is perhaps to see it as a by-product of the normal operation of all those industries that together comprise the travel and tourism sector. According to the WTTC, in 2017 travel and tourism contributed an estimated 11.4 per cent of global GDP and 11.1 per cent of total global employment (WTTC 2017, p. 1). Simply by carrying out their everyday business activities in providing accommodation and all the products and services required by tourists, countless tourism organizations, operating primarily for profit, create income and employment and, thus, alleviate poverty in destination areas. Arguably, tourism entrepreneurs are primarily in business to make a profit. They are not philanthropists although, like other business people, they frequently maintain that in carrying out their business they are also providing a public service in creating employment and income. Indeed, it can be argued that such activities can be hugely beneficial even if promoted by employers with less than strict adherence to good working conditions and minimum wage rates.

Supplementary poverty alleviation

Another form of poverty alleviation from tourism occurs when secondary tourism enterprises, especially those operated by community and/or civil society organizations, take advantage of their association with private-sector tourism enterprises and develop ancillary products and services. Examples from Fiji (experienced by both authors of this chapter) are, for example, activities and services arranged for hotel guests or cruise ship passengers, including village visits and cultural shows, shell markets, treks and taxi tours and the hire of kayak and water skis. Individuals and organizations offering such additions to the tourism 'product', often grouped together as forms of community-based tourism, may include small-scale tour operators and entrepreneurs, as well as individual families and clan groups, and women's and youth groups, often operating with little or no experience of capitalist enterprise.

Policy-focused poverty alleviation

This category refers primarily to tourism enterprises especially developed or targeted to enhance the income of the poor. They include approaches formulated by governments and international organizations, including international aid agencies and international non-government organizations, sometimes in conjunction with local non-government organizations and the private sector, and are most likely to be small-scale, community-based operations that depend on continuous funding from external agencies. Overall, this approach is characteristic of what has been described as pro-poor tourism (PPT) (Harrison 2008) although it is recognized, even by PPT's proponents, that such targeted interventions are unlikely to benefit the poorest in the community who lack skills and cultural and social capital and are, thus, unable to take up the opportunities provided by the PPT initiatives (Ashley 2006, p 10; Department for International Development 1999, p. 1). Similarly, community-based tourism projects, which are not necessarily identical to PPT projects, are known to have generated few incentives for conservation and have contributed but little to poverty reduction (Harrison 2008, p. 863). By contrast, it needs to be recognized that all kinds of tourism, including mass tourism, function to alleviate poverty and are thus, at least potentially, 'pro-poor'.

Corporate social responsibility/strategic alleviation

Corporate social responsibility (CSR) is both a movement and a business approach. As a movement, it serves to encourage companies to behave more ethically and to consider the impact of their business on society; as a business approach, it aims to contribute to sustainable development by delivering economic, social and environmental benefits for all stakeholders (Financial Times Lexicon, n.d.).

The involvement of business in wider community issues, apparently going beyond simply economic matters, is not new. As indicated elsewhere, nineteenth-century initiatives, ranging from Robert Owen's experiments in New Lanark, contributing to the cooperative movement and, later, the humanistic development of chocolate manufacture at Bournville, near Birmingham, UK, by the Cadbury family, were all predecessors of what is now known as CSR (Harrison 2004, pp. 1–2). More recently, from the 1990s, stakeholder approaches have increasingly concentrated on the need to satisfy wider interest groups than immediate shareholders and, in the USA, such companies as IBM and the Body Shop led the way in developing and publicizing ethical trading practices (Harrison 2004, p. 2). As Harrison notes, the US-based network Business for Social Responsibility was started in 1992 and, in the UK, at the end of the 1990s, the Ethical Trading Initiative, an association of companies, trade unions and non-government organizations (including the Fair Trade Federation), was formed 'to identify and promote good practice in the implementation of codes of labour practice'. Also, in the UK in 1996, the Institute for Social and Ethical Accountability emerged to strengthen 'the social responsibility and the ethical behaviour of the business community and non-profit organisations' (Harrison 2004, p. 2).

Within the tourism sector, there is increasing recognition of the role both large and small companies can play in alleviating social problems in the wider community, though the topic remains relatively little researched. Nevertheless, CSR is considered by the WTTC to be vital to tourism's future, as it should 'help ensure thriving, attractive and welcoming destination communities that will draw visitors, the basis for long term growth and profitability' (WTTC 2002, p. 5) and, in the same publication, such luminaries as Abercrombie and Kent, Accor, Avis, British Airways and Tui are cited as role models for good and sustainable business practice, contributing variously to numerous social projects to assist local communities, protecting the physical environment, countering global warming and supporting projects to expand health treatment, better hygiene, the availability of potable water and affordable housing in poorer communities (WTTC 2002, pp. 7–17). Others who refer more specifically to the active and potential contributions of smaller tourism enterprises in developing sustainable tourism and poverty alleviation include Mitchell and Ashley (2010, pp. 58–60), who discuss philanthropic flows of income to communities arising from tourism as an example of one pathway to prosperity, Cleverdon and Kalisch (2000, pp. 183–4), who discuss the potential of the fair trade movement in tourism to alleviate poverty, Kalisch (2002), who focuses on the role of tour operators, Scheyvens and Russell (2010), Scheyvens and Hughes (2014, 2015 and 2016) and Hughes and Scheyvens (2018), who emphasize CSR and tourism in the Pacific, as do Harrison and Prasad (2013) and Harrison (1999 and 2004), who examine the CSR policies of a specific Pacific island resort in Fiji. By contrast, Henderson has discussed the reaction of hotel companies in Phuket, Thailand, after the 2004 Indian Ocean tsunami (2007).

CSR is not unproblematic. At a general level, the *business case* for it is not universally accepted (Prahald & Porter 2003; Hardyment 2015) and, in an extensive review of the literature on CSR in tourism, Coles, Fenclova and Dinan (2013) note that such research is derivative from (and perhaps less advanced than) mainstream studies of CSR in other business and industry sectors. In both, there are problems in actually defining CSR, which is too commonly seen as a homogeneous activity, whereas in fact it covers a wide range of business activities. Furthermore, it is often difficult to ascertain whether or not claimed CSR policies are being implemented, how such activities can be measured and, given the different approaches to CSR in tourism, how to compare their implementation across companies. And while Mitchell and Ashley (2010, pp. 58–60) take a very positive view of philanthropic transfers from tourism businesses to local communities, others point to the promotion and publicity of CSR by tourism companies as examples of cosmetic and inconsequential ‘greenwashing’, often intended to divert attention (and government legislation) from the damaging social and environmental effects of their operations (Mowforth & Munt 2009, pp. 198–9). At an even more basic level, doubt has been cast on the idea – crucial in promoting CSR – that there is a good business case for it (Hardyment 2015; Prahald & Porter 2003).

While some such criticisms are justified, case studies have shown that CSR, even carried out for solely business reasons, can bring benefit to communities in destination areas (Harrison 2004). However, whether practised by large corporations or small and medium-sized tourism enterprises, most such activities are carried out on an *ad hoc* basis, with little consistency over time or across the tourism sector, and are on a small scale. Opportunities undoubtedly exist for a more consistent approach (Hughes & Scheyvens 2018) but, so far, despite the importance of tourism in the global economy, the *overall* contribution of CSR by tourism enterprises to poverty alleviation and, more widely, sustainable tourism development is relatively insignificant (and relatively unresearched).

Culturally situated alleviation

Within this category, which overlaps in some respects with that of supplementary alleviation (where smaller enterprises ‘piggy back’ on the supply of tourists from larger hotels and tour operators) and policy-focused alleviation (including PPT initiatives), we include enterprises which may be defined as quasi-capitalistic. Such tourism enterprises, which are not fully incorporated into a capitalistic tourism economy, are operated by individual or collective owners to make money, for example, by offering hospitality at or running tour operations to ‘traditional’ villages and other ‘cultural’ as well as ‘natural’ attractions. However, the primary purpose of obtaining funds is not to maintain or develop the business. Rather, such funds are used to meet daily and/or traditional financial obligations, for example, payment of school fees, or for such life-cycle events as weddings and funerals. When compared to conventional and more commercial tourism, these enterprises, often run by indigenous communities, are very much in the minority, and failure to reinvest often means they survive only a few years. In fact, their sustainability may depend on several factors, including the absolute number of residents involved, the level of consensus within the community, the extent communities can control the exploitation of their natural resources and the degree of support they receive from outside agencies, including non-government organizations and the private sector (Hinch & Butler 1996, p. 17; Harrison & Price 1996, pp. 5–14). Nevertheless, as already indicated, this range of small-scale, community-owned and (often) indigenously owned initiatives can alleviate poverty, evidence of which can be found in a wide range of case studies from the South Pacific (Harrison & Price, 1996; Movono et al. 2015, pp. 101–17; Gibson 2015), Africa (Manyara & Jones 2007; Snyman 2012; Tucker & Boonabaana 2012) and elsewhere (Harrison & Price 1996; Suntikul et al. 2009; Wang et al. 2010).

Conclusion and directions of future research

In this chapter, we have argued that tourism can indeed improve the lives of residents of destination areas. However, much research remains to be done on how far this happens in practice, the social institutions and organizations involved, and on social, economic and other barriers to tourism as a successful tool for development. Macro-economic data, for example, are frequently inadequate. There is much talk about multipliers and leakages, but all too often the data are insufficient to arrive at sensible conclusions. And when macro-economic data *are* adequate, it is still difficult to gauge the socio-economic impact of tourism at national, regional and community levels. The strong evidence that non-poor residents may benefit at least as much, if not more, as the poor from increased tourism raises important ethical issues. Sometimes, at least, equality may have to be sacrificed for growth, and democratically orientated researchers may easily err in assuming an inbuilt tendency towards equality even (or especially) at village level.

Secondly, while tourism has a positive role in poverty alleviation, there is little comparative research (and equally little agreement) on what *types* of tourism are most effective. As argued elsewhere (Harrison 2008, pp. 863–4), PPT tends to have been most closely associated with small-scale community-based tourism, while the role of mass tourism has been largely ignored. In practice, though, the very positive correlation of high GDPs in SIDS with a reliance on mass tourism suggests, at the very least, that mass tourism's role in poverty alleviation is worthy of investigation. So far, though, the necessary research has not been carried out. We simply do not know which type of tourism is most successful at alleviating poverty, when and in what conditions.

Thirdly, comparative research is urgently required on the role in tourism alleviation of such key stakeholders as tourists, government and transnational tourism enterprises in both developed and developing societies. Some research has been carried out on how far tourists themselves are willing to pay *extra* for worthy conservation or welfare causes but good intentions are rarely translated into acceptance of higher prices (Antouskova 2015; Kazeminia 2016; Pulido-Fernandez & Lopez-Sanchez 2016), and what tourists say they will do and what they actually do can be quite different (see also Chapter 8). At a more formal, institutional level, important roles can be played by pressure groups, such as hotel associations or trade unions, which may help or hinder governments in taxing tourism enterprises and redistributing income to the poorest members of society, either directly or indirectly, by providing better roads, schools, electricity and potable and accessible water. The latter projects are examples of poverty alleviation. So, too, are some of the activities of transnational tourism enterprises, which not only provide employment (often at rates higher than those paid by local companies), but also (as indicated above) engage in a wide range of *ad hoc* activities that come under the vague heading of CSR.

Like 'development' generally, international tourism does not occur in a vacuum. Tourists come and go, and as they travel they spend. Who benefits from this expenditure, though, depends on the type of tourism involved, the prevailing economic, political and social structure at the destination and the overall ability and commitment of governments to extend tourism's benefits as widely as possible. In this chapter, it has been argued that tourism undoubtedly has the potential to alleviate poverty and bring about 'development'. How far it has successfully done so, and when, where and how, is an appropriate matter for research.

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