CHAPTER V

ECONOMIC IMPACTS OF TOURISM - PART II

"If you want to see how selfish people are, and how skindeep fashionable politeness is, take a voyage."

G.B. Shaw.
The tourism industry has been operating and spreading at the national and international levels for many years but comprehensive research stressing both economic costs and benefits of tourism has not yet been undertaken. The past studies have elaborated the benefits derived from tourism while ignoring the elements in the phenomenon which may counteract the development processes in the developing countries. In other words, the aspect of the economic benefits of tourism, more than any other aspect, has received a great deal of attention both nationally and internationally.

The arguments for developing the tourism industry and its potentials are oversold on many occasions resulting in tourism picture being "too brightly and extremely unrealistically painted." The absence of an established definition of the purpose of tourism and very often, from the lack of objectivity in research, that is purely promotional have their share in building up such a situation. In general, the development of the tourism as an industry is not, on the whole, an ideal or perfect economic investment opportunity for developing countries. Tourism, like other economic activities and trades, has both positive and negative

1. K.Krapf. Tourism as a factor in Economic development, Role and Importance of International Tourism, United Nations Conference on International Travel and Tourism, item 10 (a) of the provisional agendas, UNESCO Conf. 47/15, 12th July 1963.
The decision of developing countries to invest their scarce resources in the development of tourism is frequently taken with no consideration of what the same resources could have provided, for the country, had they been invested in another industry. In other words, countries have to investigate the relative economic advantages of investing in tourism, when it means sacrificing the development of other industries like that of agriculture, textile, handicrafts etc. This kind of comparison is commonly known as the "opportunity cost" of any investment.

Besides opportunity costs, the negative externalities have to be enumerated and evaluated. All pecuniary and psychic costs, imposed on other consumers and producers in the economy by the establishment and expansion of tourism, fall into this category of negative externalities.

1) Foreign exchange leakage

Tourism was built up, as an attractive alternative in the Third World, for earning foreign exchange to meet
its balance payment situation and for a speedy development of the economy.\textsuperscript{2} It was promoted as a non-traditional invisible export possibility which possessed the ability to generate quick foreign exchange, on the one hand, and reducing the dependence on commodity exports on the other. However, what was frequently neglected cost, was the amount of foreign exchange which had to be spent (leakages) to keep the wheels of tourism running. The import of various tourism material supply equipment needed in the construction and organisation of hotels and restaurants, additional transportation equipment, food, beverage, maintenance of tourism office abroad etc. all these factors, many a time, reduce the net foreign exchange earnings and may lead to a balance sheet with deficit tourism.

Economists have coined a new phrase, "\textit{Conversion Factor}," to cover all these factors. the relationship between the total earnings from tourism export, to the total expenditure on importing tourism inputs. Thus the industry is profitable, from the foreign exchange earning point of view, only when the import content of the tourism market basket is low.\textsuperscript{3}

\textsuperscript{2} Rajan Alexander: 'Tourism: Isn't it time to deshroud the myths?' A paper submitted at a workshop about the future of tourism in India at Bangalore, 1986.

The ratio of the import varies depending on the level of economic development of the host countries, the nature of their tourism market and the demand of their tourism product. The volume of import is larger for poorer countries especially for those whose market is oriented towards western tourist demand.

**Recurrent or Current Leakages:**

In addition to the above, there are other leakages, i.e. the interest rate paid on foreign capital borrowed for the purpose of investment in tourism, the profits repatriated by foreign investors and/or salaries paid to and withdrawn by foreign tourists (skilled and unskilled employees in any branch activities of the tourism industry) and the cost of running oversea centres and marketing expenses.4

**Non-recurrent or capital leakages:**

This includes foreign exchange content in infrastructure developments such as airports, metallic roads, water supply, communication systems, hotels aero planes etc. The first category of leakages is relatively easy to assess as there is direct outflow. The assessment of the second category is extremely difficult because of the indirect nature of

such expenditure.

Some of the countries with a negative balance on account of tourism include Malaysia, Indonesia and Brazil.

The foreign exchange leakage can be due to the releases made under the schemes of foreign travel and neighbouring travel, expenditure against the import of capital goods and equipments, including hotel machinery and transport vehicles and for promotional expenditure of tourism abroad.

As per the balance of payment statistics of the Reserve Bank of India, the estimate of foreign exchange expenditure is as follows:

**Table 5.1**

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure (Rs. crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>90-30</td>
</tr>
<tr>
<td>1981-82</td>
<td>144.10</td>
</tr>
<tr>
<td>1982-83</td>
<td>184-50</td>
</tr>
<tr>
<td>1983-84</td>
<td>241-50</td>
</tr>
<tr>
<td>1984-85</td>
<td>409-30</td>
</tr>
<tr>
<td>1985-86</td>
<td>411-60</td>
</tr>
<tr>
<td>1986-87</td>
<td>N.A.</td>
</tr>
</tbody>
</table>

N.A.: Not available

Source: Economic Survey 1986-87
The expenditure in capital goods constitutes the major component of foreign exchange outflow on account of tourism. According to the Indian Institute of Foreign Trade, about Rs. 14.2 crores and Rs. 13.3 crores were spent during 1981-82 and 1982-83 respectively for the import of capital goods for hotel projects above.

The expenditure on maintenance of tourism facilities, import of consumer goods and promotion of tourism abroad constitute the cost of earning foreign exchange through tourism. The table 5.2 depicts the details of such expenditure.

Table 5.2
ESTIMATES OF NET FOREIGN EXCHANGE EARNINGS IN RESPECT OF HOTELS AND RESTAURANTS APPROVED BY THE DEPARTMENT OF TOURISM IN INDIA

<table>
<thead>
<tr>
<th>Items</th>
<th>Value Rs. in lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1981-82</td>
</tr>
<tr>
<td>1. Remittance by Indian Hotels under Foreign collaboration</td>
<td>61.43</td>
</tr>
<tr>
<td>2. Import of Provisions and Liquor under Incentive quota for Hotels</td>
<td>3.68</td>
</tr>
<tr>
<td>3. Import of provisions and Liquor by Restaurants &amp; small hotels</td>
<td>5.99</td>
</tr>
<tr>
<td>4. Total Revenue expenditure in foreign exchange (1+2+3)</td>
<td>71.10</td>
</tr>
<tr>
<td>5. Foreign Exchange Earnings</td>
<td>13,831.07</td>
</tr>
<tr>
<td>6. Percentage of total Foreign Exchange Expenditure in relation to total Foreign exchange earning</td>
<td>0.51</td>
</tr>
</tbody>
</table>

* Estimated for the period from 1st April 1983 to 31st December 1983.

Source: Govt. of India, Ministry of Tourism, New Delhi, 1988.
<table>
<thead>
<tr>
<th>Items</th>
<th>1981-82</th>
<th>1982-83</th>
<th>1983-84</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel</td>
<td>43.12</td>
<td>46.30</td>
<td>60.83</td>
</tr>
<tr>
<td>Participation in International Con­ferenc</td>
<td>13.59</td>
<td>3.89</td>
<td>3.92</td>
</tr>
<tr>
<td>Advertisement &amp; Registrations</td>
<td>-</td>
<td>8.66</td>
<td>9.35</td>
</tr>
<tr>
<td>Total Foreign Exchange Earning (1+2+3)</td>
<td>56.71</td>
<td>58.75</td>
<td>74.10</td>
</tr>
<tr>
<td>Foreign Exchange Earning</td>
<td>3,466.22</td>
<td>5,108.54</td>
<td>5,024.80</td>
</tr>
<tr>
<td>Percentage of total Foreign Exchange Expenditure to foreign Exchange earning</td>
<td>1.64</td>
<td>1.15</td>
<td>1.47</td>
</tr>
</tbody>
</table>

The promotional expenditure incurred by the Government and Air India in Foreign Exchange during the last few years are as follows:

**Table 5.4**

PROMOTIONAL EXPENDITURE OF GOVERNMENT OF INDIA AND AIR INDIA

<table>
<thead>
<tr>
<th>Year</th>
<th>Total expenditure (Rs. lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>--</td>
</tr>
<tr>
<td>1981-82</td>
<td>183.93</td>
</tr>
<tr>
<td>1982-83</td>
<td>187.85</td>
</tr>
<tr>
<td>1983-84</td>
<td>211.56</td>
</tr>
<tr>
<td>1984-85</td>
<td>241.12</td>
</tr>
<tr>
<td>1985-86</td>
<td>458.51</td>
</tr>
<tr>
<td>1986-87</td>
<td>809.44</td>
</tr>
<tr>
<td>1987-88 (A)</td>
<td>1,100.73</td>
</tr>
</tbody>
</table>

A = Anticipated.

In addition to the above, the foreign exchange expenditure on maintenance of Aircraft by Indian Airlines and Vayudoot and other Transport Systems by the respective agencies are also to be taken into account. The maintenance cost of Indian Airlines during 1983-84 was ₹6,749 lakhs of this about 15.26 per cent is rightly attributable to foreign tourists taking domestic flights amounting to ₹1,030 lakhs.

The total expenditure on account of the maintenance of tourism facilities is roughly estimated at ₹2,300 lakhs during 1983-84, which constitutes about 1.75 per cent of the total foreign exchange earnings of that year. Thus the foreign exchange outflow is less than 2 per cent of the total foreign exchange earning from tourism.

ii) Productivity Index:

Climate Seasonality: Tourism flow largely depends on the climatic conditions of the destination-area, marking what is known as "tourist-season" and "off-season." Thus the production and operation of the whole industry or some of its sectors, has to be reduced during the off-season periods. Tourism, being an industry with heavy capital investment, cannot fully utilise the available resources during the off season and thereby create an economic loss to the investors in particular and to the economy in general due to its low productivity.
Tourism by its very nature is subjected to considerable seasonality. While seasonal fluctuations in demand can sometimes be reduced, they cannot be fully eliminated. Thus, when tourism is the primary industry in an area, the off-season periods inevitably result in serious unemployment or under employment problems. Besides this, the products of the tourism industry or services which are "perishable" cannot be saved for future sale or consumption. When tourism facilities are not in full operation, not only are the products of the industry wasted but also the activities of many industries which supply the various needs of the tourism industry have to be reduced accordingly.

Another very important reason relates to the sources of demand for tourism. The demand for tourism largely depends on the income and tastes of the tourists both of which are beyond the control of the hosts' region. If the American economy is going through a slump, demand for travel to a foreign destination by Americans will fall off. In the same way, if the tastes of the people in tourist generating areas change and they decide to travel to a new destination, tourism in the old area will decline causing economic and social problems. Tourists are very sensitive to prices in various tourism markets. Thus, the impact
of economic fluctuations, the devaluation of currency and the restriction of tourism-importing countries on the amount of money to be taken out by their nationals, will be felt in the tourism exporting countries. Thus the tourist industry can be regarded as being, to some extent, volatile in the sense that short term changes in economic conditions can have a disproportionate effect on holiday patterns.  

Tourism is also susceptible to spread of disease, rumour (AIDS) and internal (natural/manmade) turmoil.

The tourism industry can be a target in the political arena of the developing countries, where political games or changes are everyday happenings. A group of anti-Government revolutionaries can weaken, paralyse or overthrow the Government of a touristic developing country by murdering at random some tourists. In a short time, the news will be broadcast all over the world. Tourist may stop coming, economy can be paralysed and the foundation of the Government can be shaken.

The political relations between nations and another factor which influences international tourism movements and this could endanger the operation of tourism market. The developing countries may experience a sudden boom in their

tourism demand which may be due, for example, to friendly treaties made with other countries. However, the investments are productive as long as tourists come and their coming from the newly friendly countries continues as long as the relations are stable. With respect to the present world situation, international relations cannot be predicted, and tourism investments, thus have to operate in the face of an unstable market demand in the world.

iii) Tourism Demonstration Effect and Reduction in Savings

When the inhabitants of the developing countries come into contact with superior goods and or more extravagant spending patterns, they are subject to what economists call the "demonstration effect." This affects the observers to emulate and feel a certain tension and restlessness stimulating their propensity to consume.  

The money has been spent here instead of saving on new and fashionable products (New wants) which are usually priced high. Contacts with International Tourists, who are usually from advanced countries and provided with superior goods for consumption, is the reason for this demonstration effect.

Therefore "the demonstration effect leads directly to increased consumption, or attempts at increasing consumption, rather than investment and makes an increase in saving peculiarly difficult as and when incomes and investments increase."8

The demonstration effect is highly communicable, infectious or contagious disease easily spread among the developing countries by the foreign tourists, thereby building a craze for the domestic consumption of superior and foreign goods; a luxurious waste incompatible with economic development. To supply these products, the limited source of capital will have to be misused in order to meet or please "the dissatisfaction and impatience which the demonstration effect tends to produce." In other words, the domestic profit seeking investors would spot the market and supply the demanded superior imported goods. This is not different from the "conspicuous Consumption" concept i.e. the phenomenon of consumers buying goods to show their position or status rather than for their usefulness.

The demonstration effect manifests itself in creating or stimulating interest in individuals to visit advanced countries. (another cause for leakage from national economies)

8. Ibid., p. 267.
9. Ibid., p. 266.
These individuals (marginal men) after their return would like to lead westernized way of life consciously or unconsciously creating temptation or dissatisfaction in others. Finally these individuals in love with foreign mode of living man start criticizing their own society and its backwardness giving raise to various social tensions and problems.

Therefore it seems apparent that tourism among other things is an agent which prematurely increases the expectation and consumption of superior and foreign goods in the host developing countries. The savings of the country which could have been used in basic economic activities needed for economic development would be reduced and "leaked out of the economy." Without national savings, even an inflow of resources from outside "cannot lead to any net increase in the investment and the economic development will be postponed."¹⁰

Taking into account the total costs to developing countries engaged in international tourism, in terms of direct expenditure on import of tourism supplies, goods, services and the expenditure of their nationals at the expensive foreign destinations, and costs involved because of the tourism demonstration effect, developing countries have been experiencing an overall net loss from tourism. In such a static context, this suggests a net gain only for the developed countries from tourism.

¹⁰. Ibid., p. 271.
Another aspect of international tourism is that tourists of the developed nations sow seed, (promotion and marketing) creating demand for their product (demonstrative effect) in developing countries. As the economy of developing countries grows, enhanced by tourism export earnings, aids and other external technical and non-technical aids, they will become better customers for the products from the developed countries. Performing this role, the tourism expenditure of the rich nations does not comprise a cost but a pre-paid promotional investment that would expand the scope of their international market and demand for the products of their countries.

iv) Inflationary Pressure:

Tourists inject money (earned elsewhere) into the country of their destination. While this increases the income of the region, it also causes inflationary pressures, examples are Hawaii and Spain. Typical tourists have a higher expenditure capability than the residents do, either because tourists have higher incomes or because they have saved for the trip and are inclined to 'spend' while on vacation. Hence they are able to bid up the prices of such commodities as food, transportation, arts and crafts. This causes inflationary pressures and is detrimental to the economic welfare of the residents of the host community. Tourists usually tend to pay gladly for many overvalued
goods and services whose prices are nevertheless lower than the prices they would have paid had they bought them in their own countries. The tourists, being aware of this fact would rather make their goods and services available to those who can best afford to pay the exorbitant prices and thereby reducing the supply of goods and services to the nationals. Besides the tourism demonstration effect contributes further to this inflationary effect and stabilizes the new prices.

Another cost to be named is the expenditure on repair and maintenance of the infrastructure. In addition to the original investment required to expand the existing infrastructure, a considerable cost would result if expenditure on repair and maintenance of the social overhead facilities, including spending on restoration of the background tourism elements, (tourism attractions), as induced by deprecative behaviour of tourist is neglected or underestimated.

v. Tourism pollution on tourism attractions:

The deteriorating effect of tourism (broadly referred as tourism pollution) on the tourism attractions has to be included as another indirect cost. Damages caused on tourism

attractions are neither easy to prevent nor inexpensive. The developing countries are usually in the habit of not seeing these "little" and "unimportant" things and of letting the deterioration carried on to a considerable extent, thus magnifying the indirect cost of the tourism industry. Moreover, this deterioration-impact and pollution-density can increase to such an extent that it would destroy the very essence of what Man was seeking for in his quest for recreative leisure and attractions. 12

Land prices have been known to escalate rapidly in tourist destination-areas. Often, the prices that foreigners are willing to pay for "vacation homes" in the area effectively decreases the demand for "first homes" by the residents. With such an increase of land prices, it can be expected that local residents (with their lower incomes) are effectively "chased out" from the housing market in the tourism developing section of the country.

vi. Investment priorities:

Governments of developing countries take an over all optimistic view of tourism. They undertake aggressive investment programmes to develop tourism, assigning it

top priority in their development plans. In extreme
cases, such an approach can lead to the neglect of more
fundamental investment needs of the country. For example,
funds can be channeled into tourism development at the
cost of education, health and other social services.

The education, health and other aspects of social
well-being of the population should be of primary concern
to a developing country. Not only is undue glamorization
of tourism unwise as it usurps this position, but such a
strategy would only speed up the process of dependence on
tourism which is undesirable. Moreover, investment in
tourism at the cost of health and education programmes
slows down the rate at which the local population is
assimilated into the modern market economy of the country.
Under certain circumstances it may actually retard the
development instead of enhancing it.

Tourism is non-productive. It ties up scarce capital,
wastefully uses land and other resources in luxury tourist
industries and resorts for the enjoyment of rich locals and
foreigners, when the first priority should have been the
construction of schools, hospitals and low cost housing
for the poor.13

Tourism is counter-productive and keeps the productive industries from growing as it entices scarce capital and manpower resources away from other activities like agriculture and industry.

New tourism attractions, facilities and services, place stress on the existing infrastructure such as water supply, waste disposal, electrical power and fuel systems, are serving the development of tourism. As these (are generally ignored) by the developers, the community is saddled with extra burden. Expanded police, fire protection and medical service (especially in high risk sports and visitor activities) are often needed.

Tourism expansion of certain types, such as vacation homes, demand greater acquisition of land, competing with existing land uses and other economic developments. Industry and Agriculture may complain tourism-land-use as pre-empting prime industrial sites but yet making relatively less impact.

vii. Income Multiplier Effect and Tourism:

Another strong compelling argument in favour of tourism is that of its high multiplier effect on local incomes due to tourism's potential of involving several rounds of spending that permeates into the economy at various levels and sectors. But it has been subject to
much criticism in its usage in developing countries. It is generally conceded that in developed countries, the multiplier effect in operation is more favourable and even due to the existence of disposable surpluses in the economy. In contrast, developing countries, facing massive resource constraints and a higher import content in their economies, may find it resulting in a highly skewed growth that demands the transfer of resources from the needier sections of the economy. 14

Tourism infrastructure developments afford the First World a big opening for their investments and expansion of markets. Further, this will increase the demand for hotel furnishings, construction materials as well as food and beverages. Increased travel will also provide a boost to the First World Transportation Industry as it will create additional demand for aircrafts, ships and land transport. All these developmental activities will have to be financed by First world controlled International Financial Bodies increasing the foreign debt of the Third World.

Another criticism levelled against tourism is, in the promotion of tourism that the Government has waived

tax and import restrictions and relaxing environmental safeguards.

**Social Costs:**

Growth of tourism also has its economic and social costs. Tourism promotion can bring disastrous results, if not planned properly and are not consistent with the environmental, ecological and social norms of the recipient society. Some of such costs are explained below:-

1) **Employment and Migration:** The most obvious social impacts are also economic ones. These relate to creation of new jobs and influx of new income to the area. New opportunities for employment are not only visible to residents; they also attract new migrants to the area which lead to a higher floating population. The faster a community is required to assimilate new residents, the greater the stress on the present structure of the community. Another aspect to consider is the fact that in countries that primarily rely on a single industry, such as agriculture, introduction of tourism has often led to a decrease in the agricultural base of the country. Agriculture is an extremely low productivity industry in developing countries. The promise of much higher wages in the tourism industry draws people away from farming. Agricultural output declines as a result. Just when the demand for food is increasing due to the
influx of tourists, the inflationary pressure on food prices is further aggravated and can lead to considerable social upheaval. Such experiences can lead to protests and even direct attacks on tourists as the resident population expresses its dissatisfaction over rising prices.

Many of the jobs created by tourism do not require high level skills, but as the travel industry matures in an area the number of skilled and professional jobs will generally increase. However, the needed managerial and technical skills are not often found in developing areas, and even if they are available, they are not (as preference is given to the (their own) people. So the better-paid and higher-status jobs are filled by outsiders. Tourism planning must include measures to educate and train local residents for these positions; otherwise frustration and resentment will mount which may serve as a deterrent to the success of tourism.

ii) Consumption behaviour:

Tourist expenditures have both positive and negative effect on the community. Additional revenues generated by visitors raise the general level of income in an area. This usually results in a change or series of changes in the quality of life for residents (demonstration effect). Nevertheless this may have an adverse impact on community stability.
Exposure to higher standards of living introduced by visitor consumption pattern may cause those who come into contact with it to become dissatisfied with their traditional life styles seeking to emulate the life style of outsiders. Residents of rural communities quickly observe that their own locally produced consumer goods are often inferior to imported goods. This becomes evident when resident begins to save less and borrow more in order to support altered consumption habits.

Tourist destination development from a sociological perspective follows five basic phases.

(a) Discovery Stage  
(b) Developmental stage  
(c) Conflict stage  
(d) Confrontation stage  
(e) Destruction stage

Discovery stage is noted for its low volume of visitors and hence residents are not exposed to any of the effects of development. They welcome tourism enthusiastically at development stage basically because of its visible contribution to the local economy. Benefits are perceived in terms of improved infrastructure and higher income levels generated directly by tourism or its related jobs. However development also attracts crime (thefts or muggings) as visitors
become visible prey for perpetrators and juvenile mischief makers. Overcharge for purchases, gambling, prostitution and organised crime often follow.

Local resentment appears first in the conflict stage reflected in hostile attitudes towards visitors. This hostility usually stems from the resultant competition over the resources - water, energy, land usage, recreational facilities, beach front area etc. For example, recreational facilities need more land as in the case of golf courses, recreational parks, coastal beaches, marinas etc. This can be perceived positively when acknowledged as a means for preserving open space and reducing overall densities. However problems arise when residents are excluded from such facilities or when a resort developed primarily for visitors hinders the traditional leisure activities of residents.

Problems are further accentuated in the confrontation stage resulting in organised opposition to new developments, land use rights and fights over the use of scarce resources. The destination stage usually witnesses strong actions such as sabotage, rampant crime, lack of safety and outflow of capital.

The cultural and social impact on a host-country of
Environmental, social, and cultural impacts

- 'mass' tourism
- individual 'explorers'

Tourist – host interrelationships

- social change
- moral behaviour
- prostitution
- crime and gambling

Social impacts

- language
- health
- religion

Cultural impacts

- cultural communication
- physical products
- non-material custom

Figure 5.1 Social and cultural impacts of tourism
The cultural and social impact on a host-country of a large number of people, sharing different value systems and away from the constraints of their own environment is a subject being given increasing attention to by social scientists and by the planners responsible for tourism development in Third World countries. Any influx of tourists however small will make some impact on a region; but the extent of the impact is dependent not just upon numbers but on the kind of tourists which a region attracts. The explorer or tourist whose main interest is to meet and to understand people from different cultures and backgrounds, will fully accept and acclimatise himself to the foreign culture. Such traveller will try to travel independently and be as little visible as possible. However, as increasingly remote regions of the world are 'packaged' for wealthy tourists and as ever-larger numbers of tourists travel further afield to find relaxation or adventure, these tourists bring their own value systems with them either expecting or demanding the lifestyle and facilities they are accustomed to in their own countries.

The flow of comparatively wealthy tourists to a region has the effect of attracting petty criminals as is evident by an increase in thefts or smuggling. Tourists become easy victims of overcharges; who gambling is the cornerstone of tourism growth, prostitution and original crimes to follow (massage parlours).
The chance for mushrooming of prostitution is present, disparity where there is a great disparity in prosperity between broad strata of the population of the receiving country and the foreign visitors. By way of the so-called demonstration effect the obvious differences in prosperity provoke the desire to share in the affluence. If, in the short run, sufficient legal possibilities of this are absent, part of the population will resort to sex as an economic activity in order to gain an access to the desired prosperity, increasing economic development which creates wider possibilities for individual attainment of prosperity may reduce the problem, though one may presume that tourism will keep favouring prostitution. Different cultures exert different pulls of their own, particularly in the youth of a country. The countries of South and West Asia, for instance, and strongly influenced by conservative religious tradition and are opposed to sexual permissiveness in any form whatsoever. The influx of large number of tourists from the West is bound to influence the youth of these countries to the lure of the West, resulting in confusion in their minds, leading to turmoil and conflict with the more traditional segment of the population. Similarly there is also the possibility of development among local population, a fancy to gambling specially when the Government is for casinos.
There are also a number of less direct and perhaps less visible effects on the tourist localities. Displays of alien affluence in the midst of local poverty can be disruptive. The direct confrontation of a poor population with the prosperous foreign visitors, not only reinforces the demonstration effect present but fires the desire to acquire this prosperity by anymeans as well. It leads to experiences of increasing dissatisfaction with their own standard of living or way of life; driving them to seek or to emulate the envied tourists. In some cases, the effect will be marginal such as adoption of the tourist dress or fashion way of life, social behaviour including interest in drinks and drugs, narcotic trade, currency law violation, smuggling etc. but in others the desire to adopt the value scheme of visitors (in extreme cases), as to threaten the time tested tradition of the community. Cultural collusion i.e., native replacing their picturesque costumes with cheap imitation of the metropolitan tourist dress (T-Shirt, Jeans) while the tourists attempt to adorn themselves with expensive imitation of native costume.

In this connection Dr. Karan Singh (former) ex-minister of tourism has rightly said, "Tourism can lead to vulgari-

sation, it can lead to exploitation of all sorts, it can lead to cultural degradation." (despoliation of Ladakh16) Dr. Khoshoo, Secretary Department of Environment has commented, "Tourism has resulted in dislocation of local people and damaged their economic interest caused inflation, changed the life style, challenged their cultural even their other belief."17

Social psychology shows us that frustration in many cases discharge themselves in aggression. The increased job opportunities and higher salaries attract workers from agriculture, fishing industries, from rural communities who freed from their home environment may abandon their traditional values. With the result, the break-down of marriages and divorce are on the increase.

The consequences above stated might lead to any host

The problem of interaction between hosts and tourists is that any relationship which develops is essentially


17. Dr. Khushoo, Ibid., p. 25.

transitory. A tourist visiting a new country for the first time, not spending more than a week or two in that country, has to necessarily condense his experiences making them brief and superficial. Added to this, his initial fear (Xenophobia) of contact with locals and his comparative isolation from them - hotels are often dispersed well away from centre of local activity - opportunities for meaningful relation are limited. Nor arc the such relationships spontaneous; contact is likely to be made largely with locals who work within the tourist industry or else it is mediated by couriers. Language may form an impregnable barrier to genuine local contact and this limitation may lead to mutual misunderstanding. The relationship is further unbalanced by the inequality of tourists and hosts being on equal footing, the tourist being on holiday, while most locals who come in contact with him, which will often involve the host being paid 'he being at work' to serve the needs of the tourist.

With the constraint of time and place, the tourist demands instant culture. The result is what Dean Mac Cannel has termed 'staged authenticity' in which the search by tourists for authentic experiences of another culture leads to that country either providing those experiences or staging them to make them appear as real as possible. Culture thus becomes commercialised and trivialised as when "authentic"
folk dances are staged for packaged tourists, as a form
of cabaret in hotels, or tribal dances arranged specifi-
cally for groups of tourists on excursion. The selling
or performing for pay on regular basis of what was done
ceremonially or traditionally, breaks down the cultural
value and respect of local residents for their own art-
forms, religions and traditions. These cultural displays
which once were ends in themselves now become just a means
of achieving a different end, i.e., earn cash income.

Tourists seek local artefacts as souveniers or
investments. In cases where genuine works are purchased
this can lead to the loss of cultural treasures from a
country. However the tourist is often satisfied with
purchasing what he believes to be an authentic example of
typical local art and this has led to the mass production
of poorly crafted works (Sometimes referred to as airport
art).

Tourists will seek out local restaurants not fre-
quented by other tourists in order to enjoy the authentic
environment of the locals; but by the very act of their
discovering such restaurants which turn become tourist
attraction, and ultimately "tourist traps" which cater
for an increasing number of tourists, which leads to
congestion and competition, while the locals move to find somewhere to eat. At a later stage this situation can even lead to racial discrimination. Hotels and restaurants exclude local visitors or charge higher prices than the already existing high prices.

iii) **Detrimental influence of international tourism upon the national identity:**

The concept of identity contains the idea of continuity and of being equal to oneself in time, a connection with a characteristic position in the international community and mutual acknowledgement of each others' continuity within this larger community.

Safeguarding the identity consequently does not imply that social change will be absent, but only the absence of such a change that would affect the constant in the filling of national roles and would result in discontinuity. Absence of any change of course would imply rigidity and would, in an evolving international community, tend to reduce the filling of national role for the greater part to a fiction.19

It is impossible to ignore the political implications as a result of the view that tourism is a form of neo-

colonialism. A large number of studies have summed up the changed thinking on tourism as "euphoria to Xenophobia" suggestion that it is a new form of colonialism and imperialism. It is rather one extreme perception of tourist development and its effects.

Environment:

The scenic attraction of the holiday destination stands at the central focus of tourist needs and are in fact the most important tourist motivation. The structure, beauty and mood of the landscape, its whole "experience value" are absolutely crucial. As far as the tourist is concerned, they are merely the means to an end. He makes use of the services they offer so that he is better able to "consume" the landscape and countryside.

Werner Kaempfen once pointed out, Capital can be lost and multiplied again." But once the basic raw material of tourism, the land itself, is lost, it can never be reclaimed. Tourist industry does not and will not recognize what is infact, the most important of its tasks, namely preservation of the environment.20

The mass phenomena of modern tourism has initiated

the paradoxical process "Tourism destroys tourism." The landscape loses its tourist value through its use, rather over-use by the tourists. Tourism has certainly contributed to mass awareness of the importance and difficulties of nature conservation. If there was no tourism, more cultural and natural scenery could be preserved. But on the other hand, more areas would become spoiled and un-productive, or rural exodus quite apart from the increasing depopulation or rural exodus of such areas. The landscape is the real raw material of tourism. It is the reason for the existence of tourism as well as its economic driving force.

Environmental pollution is always a serious problem when the tourism growth is confined to a small region with inadequate basic amenities. This was recognised by the OECD in its report on the impact of tourism on the environment:

"A high quality environment is essential for tourism. On the other hand, the quality of environment is threatened by tourist development itself, which is promoted because of its economic importance."\textsuperscript{21}

\textsuperscript{21} J. Christopher Holloway, \textit{Op. cit.}
The technological complexity of 20th century has led to various forms of pollution which are both initiated and compounded by tourism development in general and by travel in particular. All three forms of travel leading to large scale tourist movement lead to air and water pollution, air pollution from jet aircraft, noise pollution due to automobiles exhaust fumes from boats etc. Overuse of motor boats in water recreation can damage the environment both by polluting water-(spilling oil and gasoline and emitting exicants)- and by the effects of constant "wash" eroding the river banks.

The scenic countryside retreats, before the growth of hotels, restaurants and other amenities catering for tourist needs, while being individual tourist attractions, such as stately homes can, without careful control, suffer consequences of not providing or ill-providing for tourist needs in terms of catering and toilet facilities and parking for coaches and private cars. A proliferation of directional signs or promotional material can reduce the visual appeal of a resort.

Lack of foresight in planning leads to loss of harmony and scale in the construction of new buildings for tourists. The sky-scraper hotel syndrome is ubiquitous
from Hawai to Benidorm and has led to a conformity of architectural style owing nothing to the culture of tradition of the concerned country.

Insecticides, herbicides and fertilizer additions used around resort and vacation home complexes sometimes create pollutants in run off and percolation waters. It has been found that the practice of salting highways for prevention of ice can produce nearby ground water contamination.

Thoughtless tourists contribute to visual pollution by littering in areas such as picnic sites and by desecrating monument with graffiti. Thus, Stonehenge a worthy monument, is now no longer directly accessible to the public, because of vandalism to the stones by scratching and the use of aerosol spray paints.

Mass tourism has created the problem of congestion. This can be considered in the following three ways.

1) The physical capacity of an attraction to absorb tourists; car park, beaches, Ski slopes, cathedrals and similar features all have a finite limit to the number of tourists that can be accommodated at any given time.

2) The psychological capacity of a site—the degree of congestion which tourist will tolerate before the site begins
to lose its appeal. Quantifying this is no easy matter since perception of capacity will differ not just according to the nature of the site itself but according to the market when it attracts.

II) A third capacity is ecological in nature.

The ability of a region to absorb tourists, without destroying the balance of nature is limited. Open sites suffer from the wear and tear of countless feet particularly in fragile ecosystems such as sand dunes.

Foot trampling in picnic and camping areas can erode natural ground cover, exposing the surface to erosion from rains. Use of dunebuggies and excessive foot traffic can open up severe wind erosion, "blow outs," in beach dune areas. Compaction of soil can kill trees and plants.

Cohen emphasises that environmental threats from tourism development are the greatest in undeveloped countries, where fewer human and economic resources are available to cope with these threats.

Other impacts which act as a threat are removal of plants, coral, animals, artifacts, Precious stones and other curiosos which produce severe wear and tear on many rare environments.

The ecological balance of a region can also be affected by "Souvenir-collecting" by visitors. Increasing
demand for wild-life souvenirs, furs, skins, ivory, horns, tails, result in the increase in the curio trade and animals are slaughtered for that purpose. Wild life has been affected by hunting, by invading their natural habitats. Due to indiscriminate tourism, ferocious animals have lost their ferocity and it has also affected feeding and breeding habits of animals.

In an underdeveloped area, especially in some of the developing countries, tourism development can be an answer to some of the prevalent life-threatening environmental problems, such as poor water supplies, inadequate sanitation and sewage facilities, deficient nutrition, bad housing conditions, sickness and disease and vulnerability to natural disasters.

Too many good beaches become inaccessible and the residents have to content themselves with considerably inferior or overcrowded beaches. In this connection, it has been rightly observed, "Over-population breeds aggression." The overcrowding may endanger the scenic beauty and lead to the destruction of one of the pillars which support tourism in the country in question.

With considerable prescience, Herman Kahn, after identifying tourism's major dilemma, has predicted that,
next to nuclear power," tourism has the most devastating impact on the environment."\textsuperscript{22}

What is applicable to other centres of tourism equally applies to Goa. The Government should pay particular attention to avoid such destructive factors that hinder the balanced development of tourist centres, like Goa, taking into consideration the positive and negative aspects of mass tourism.