CHAPTER TEN

POTENTIAL OF ENTREPRENEURIAL TOURISM TO REDUCE STRUCTURAL VIOLENCE:
A CASE STUDY IN KOGGALA, GALLE DISTRICT, SRI LANKA

Shammika D.L.A.H

Abstract

Tourism has become an important sector in the Sri Lankan economy. In order to find out the potential of entrepreneurial tourism to reduce structural violence this study employed the grounded theory for its methodology. Based on the information gathered in Koggala and a few other islands in Koggala Lake in Galle District, several core categories have emerged in this study. Mass tourism practices, community based activities and tourism related enterprises were the main focuses of the research during the field work. Amongst the main findings of the study was the inability for local villages in the area to access markets and provide sightseeing services to tourists, with the lack of transport facilities making this more difficult. In addition, due to the lack of economic prospects in the area and given the existence of structural violence, villagers have often left their homes in search of jobs in the Free Trade Zone or other areas. According to the core categories; structural violence in mass tourism, tourism as a peace promoter, alternative development strategies for tourism and related SME development, suggestions are provided for the development of entrepreneurial tourism with a focus on reducing structural violence.

Key words: community tourism, entrepreneurial tourism, grounded theory, structural violence, structural peace
Although Lundberg, Stavenga and Krishnamoorthy (1995) state that tourism’s impact on the economic development of a country is a long-standing topic of inquiry among social analysts, there is little doubt that tourism contributes positively to various segments of an economy. The following authors confirm this position. Roe, Ashley, and Meyer (2004) explain that since tourism requires public infrastructure and utilities, it can stimulate local governments to make infrastructure improvements, leading to positive benefits for local populations. Woods, Perry and Steagall (1991) and Vaugeois, (2000) argue that tourism not only represents the main source of foreign exchange earnings for many developing countries, but also helps to diversify the economy, since it represents an alternative to more traditional sectors such as agriculture and manufacturing.

### 10.2 Literature review

Small business enterprises play an important role in the world’s economies in terms of employment and also providing avenues for expansion and growth. The past decade has seen most governments the world over adopting a range of incentives in order to encourage small business retention and expansion (Britton, 1982). However, due to the lack of fields in which to operate, there have been extremely slow rates of growth arising from this sector; this is especially applicable for entrepreneurs hoping to establish themselves in as yet underutilised areas (Ashley & Roe, 2002). In view of this setback which is a common concern, in the whole of the Asian sub-continent, many solutions have been brought forward. Among these, travel and tourism, has over the years proven to be the most easily adoptable
solution within the Asian context. The rationale of concluding, that, opportunities within the tourism sector are the most suitable solutions available to small businesses within Asian and African contexts stem from a variety of reasons (Kirsten & Rogerson, 2002). Lower levels of capital input required for the setting up of smaller enterprises make it an attractive form of business within the Asian continent as a majority of people belong to low income brackets.

Though this is the case, often local governments as well as financial institutions are not geared to provide assistance of this nature to small time investors. This can occur due to many reasons. Capital investment, a concern of businesses in general, is noted as a major problem by smaller firms as well. Within the Sri Lankan environment, small businesses seeking financing face difficulties due to high interest rates or stringent bank requirements (Oppermann & Chon, 1997). This restricts access to employable capital and thus hampers the desire and ability for entrepreneurial acts of establishment as well as expansion. Given that capital accessibility is a major problem faced by small businesses at start-up and expansion, a fair proposition for improving capital availability for such firms would be to facilitate a level of state intervention on behalf of entrepreneurs at the grassroot level, although it may be an equally plausible argument to lower interest rates nationwide or to alter local requirements for financing small enterprises through state legislation and monitoring.

The ability of small industries to create linkages within local economies is another valuable feature often not found in larger scale businesses (Andriotis, 2002). This is especially true of
smaller enterprises operating within the tourism sector. A good example would be the coastal town of Ambalangoda in Sri Lanka, where the traditional crafts of mask making, lace embroidery and coir fashioning are closely tied in with the recreational and tourist kiosks operated by small entrepreneurs who target tourists visiting the adjacent coastal stretch. Linkages are created where localised tour operators, hotel owners steer tourists towards these micro manufacturers rather than large companies carrying out mass production. Though many studies have been carried out on small businesses operating within Third World economies, most of these still face numerous hardships due to the failure of most governments to perceive the needs of small enterprises and their reaction to incentives (Andriotis, 2002). For example, small businesses in a metropolitan setting require better public services-especially crime protection, sanitation, transportation, and lower energy costs etc. The requirements are generally not addressed by economic development programmes which fail to comprehend that incentives need to be targeted more directly at the expressed and observed needs of small businesses in order to provide a more optimal cost-benefit relationship between incentives and growth. The examination of small business needs and attitudes reveals that basic public services and infrastructure support are of greater significance than is generally presumed by existing policies (Balaguer & Jorda, 2002). This finding has implications for designing efficient and effective economic development strategies for the benefit of small businesses. A majority of issues faced by governments in dealing with small businesses have to do with attitudes and perceptions; for example the easier and more visible option is to concentrate efforts on retaining a few large corporations than to
deal with many small firms (Ashley & Roe, 2002). The old notion that priming big business helps everyone, because the benefits will ‘trickle down’ through the pyramid, is not proving true. The reason is that most countries have, in fact, evolved two economies. The small business economy and the large business economy interact and intersect in innumerable ways (Kirsten & Rogerson, 2002). But the small business economy is different in both practice and culture. As long as policies toward small business development simply mimic those aimed at influencing both large scale industrial and commercial establishments efforts at helping small businesses, including solutions such as mini-industrial parks, may be doomed to fail.

10.3 Methodology

The qualitative nature of this study presented many potential frameworks for investigating information. The research question to seek ‘reducing structural violence through entrepreneurial tourism’ warranted a methodology which could be used in the field to help find an answer. As the theme, reduction in structural violence through tourism, lacks a cohesive theory, the researcher needed to choose an inductive methodology which constructs a theory from data. This led to the grounded theory being selected as the most suitable methodology for this research. Grounded theory is an interpretive, qualitative research method originally conceived by Glaser and Strauss (1967), who first introduced it in their research on social dynamics and medical sociology. Grounded theory freed qualitative methodology from its status as a lesser kind of research; a somewhat subjective, intuitive, exploratory form of
study that would at best provide hypotheses to be later tested and verified by ‘real’ quantitative research.

Grounded theory is a systematic and simultaneous generation of theory from data, an inductive methodology and a process that is systematically managed (Glaser & Strauss, 1967). Shank (2002) observes that grounded theory provides a useful framework to move from the known to the unknown. It proposes a means to build theory by starting from the known and moving to the unknown by “letting the data themselves guide the growth and development of theory.” Glaser and Strauss (1967, p.45) describe the theoretical sampling for grounded theory as “the process of data collection for generating theory whereby the analyst jointly collects, codes and analyses his data and decides what data to collect next and where to find them, in order to develop his theory as it emerges”. This overcomes the constraints in conventional sampling which usually precede analysis and prevents any adjustment of the data collection process to take account of new ideas emerging from the research.

Wagenaar (2003) explains that grounded theory provides “systematic inductive guidelines for collecting and analyzing data to build middle-ground theoretical frameworks that explain the collected data.” Day (1999) observes that in grounded theory; having identified a problem or topic in very general terms and having selected a site where that problem could be studied, the researcher is then to allow the evidence accumulated to dictate the emerging theoretical agenda. As Glaser (1998) terms it, the distinction between ‘emergence’ and ‘forcing’ is fundamental to understanding the methodology. So, the basic feature of grounded theory methodology is to allow free discovery of
theory and, by all means, to limit any pre-conceptions. There are different ways of conducting research using the grounded theory method. Each researcher can take grounded theory in his/her own direction and make it their own. Some have taken it in a simple and direct way while others have turned towards a complex use. Engaging in grounded theory study requires the researcher to address a set of common characteristics such as, theoretical sensitivity, theoretical sampling, treatment of the literature, constant comparison methods, coding, verification, identifying the core category, memoing and diagramming, and the measure of rigor (McCann & Clark, 2003).

**Generation of Theory**

As has been emphasized, with constant comparison method if the data is collected by theoretical sampling and if at the same time they are analysed (as is suggested should be done), then integration of the theory is more likely to emerge by itself. By joint collection and analysis, the sociologist is tapping to the fullest extent the in-vivo patterns of integration in the data itself; while questions guide the collection of data to fill in gaps and to extend theory. Glaser and Strauss, (1967) say in the beginning, one’s hypothesis may seem unrelated but as categories and properties emerge, develop in abstraction, and become related, their accumulating inter-relations form an integrated central theoretical framework - *the core of the emerging theory*. They further elaborate that while generation of theory is the aim, however one is constantly alert to emergent perspectives that will change and help develop the theory. These perspectives can easily occur even on the final day of study or when the manuscript is reviewed in page proof: so the published word is
not the final one, but only a pause in the never-ending process of generating theory. It is emphasised that integration of the theory is best when it emerges like the concepts. The theory should never just be put together, nor should a formal theory model be applied to it until one is sure it will fix, and will not force, the data (Glaser and Strauss, 1967).

10.4 Discussion

The research locality selected for this study topic was Koggala and few other islands in Koggalalake in the Habaraduwa DS. Koggala is a coastal town 135 km away from south of Colombo and 16 km away from south of Galle. Madolduwa, Kathduwa, Ganduwa, Kuruluduwa, Kos duwa, Kaakduwa, Thambigeduwa, Sathapaheduwa, Hawadiduwa, We duwa, Thaladuwa, Matti gal duwa, Mainoduwa, Maligaduwa, Thoppigalduwa, Medinduwa, Yakadagalduwa, Boraluduwa, Batuwanthudawa and Maththegodaduwa are the main islands that were visited during the research. The total land area of these islands and the lake is 727 hectares.

When the researcher initially visited the research field and conducted interviews and collected the relevant information in order to seek the avenues in entrepreneurial tourism to reduce structural violence, the researcher had no preconceived ideas about the possibilities. The constant comparison and analysis of the data gathered was useful in deciding in which direction the research should continue. Grounded theory, which informs this research, correctly guided the research from the known to the unknown, exploring the variety of entrepreneurial tourism potentials and novel concepts. The liberty lent by grounded
theory was fascinating in a sense that the research progressed smoothly letting the data itself guide the growth and development of the theory.

In an attempt to seek ‘possibilities in tourism to attain structural peace’, more emphasis is given for development that is oriented towards attaining basic human needs for all, in equitable, peaceful, participatory societies. Structural violence in the form of poverty, discrimination, exclusion and environmental degradation are studied with a view to understanding the approaches needed to reduce structural violence through tourism. According to Galtung (1969), the term structural violence refers to any constraint on human potential due to economic and political structures. Unequal access to resources, as well as to political power, education, health care and legal standing, are all forms of structural violence. Structural violence was the hidden part of iceberg that was revealed through this study's interviews with villagers, officials, and also through documents and observation.

In Koggala and the other islands there were villages with all the hallmarks of an unequal relationship between the centre and the periphery. The study area is administrated through the Habaraduwa DS. The poverty head count ratio in Habaraduwa is estimated as 28%. Compared to the unemployment ratio of 6.7% in Galle District, Habaraduwa shows a high unemployment ratio of 61%. In Koggala and in the Islands the conditions of unemployment are the same. As was observed during the research, more than 50% of the people, of both female and male
populations in their productive life years, were unemployed (Resource Profile, 2015)

Some have sought employment in the Middle East at the cost of their family life and the wellbeing of their children. In one family the mother of three children was working in Middle East as a house maid while her children were being looked after by her unemployed husband. In addition, the employment that most people were engaged in did not generate high income. Only about 5% of the people had government jobs (Ibid). The highest position of government job emplotments which the researcher came across was one clerical officer in DS. According to the respondents of this the formal employment opportunities they got were mainly in the Free Trade Zone in Koggala. Most of the people obtained their income from the informal sector, mainly in the tourism industry. Tour guiding, providing boat rides, fishing, running small boutiques, cinnamon cultivation and peeling, were some of the employment opportunities they got from the tourism sector. These businesses were run on a small scale and can be categorised as Small and Medium Entrepreneurships (SME). Most of these SMEs were family businesses.

The best example of this is cinnamon cultivation and cinnamon products. The making of cinnamon powder starts with cleaning the cinnamon sticks. Thereafter the sticks are rolled and dried up on the roof. Ultimately the dry cinnamon is put into the grinding stone and grinded. The final step is to pack the cinnamon. These packets of cinnamon are then either carried to the Habaraduwa Town or sold to tourist directly. In addition to selling these raw products they sell cinnamon tea made fresh for the tourists.
Cinnamon tea is known to be rich in medicinal value. Some of its good effects are as follows; cinnamon gum is found to kill bacteria in the mouth, cinnamon is shown to help control blood sugar and cholesterol levels, cinnamon oil kills mosquitoes better than DEET, cinnamon is also an antiseptic that helps to kill bacteria causing tooth decay and gum disease. Due to these reasons cinnamon has gained a significant value as a tourist product in agro-tourism. Agro-tourism is” where there is a commercial enterprise on a working farm, ranch, or agricultural plant conducted for the enjoyment of visitors that generates supplemental income for the owner” (Mahaliyanaarchchi, 2014, p.2). An agro tourism enterprise might include outdoor recreation (fishing, hunting, wildlife study) educational experience (cannery tours, cooking classes and wine tasting), entertainment (harvesting festival, camping), hospitality services (farm stays, guided tours, catering) and on-farm direct sales (Y-pick operations or roadside stands). Cinnamon products have the potential to develop as a Micro Scale Entrepreneur in the agro-tourism sector.

Cinnamon powder is already produced in Koggala. Building cottages or cabanas in cinnamon cultivated lands is another option of tourism promotion within cinnamon agro-tourism. Entrepreneurs can operate as a business in their farm. Conducting processing demonstrations as a visitor attraction event was already taking place on a small scale in Koggala at the time of the study. The traditional ways of processing, using traditional methods and techniques that result in a flavour that is healthier and environmentally friendly can be incorporated into this process in order to make it more attractive. Despite the enormous potential of developing agro-tourism products the
cinnamon industry in Koggala is still at a primitive stage as a tourism attraction.

Photo 10.1: Cinnamonland “Ganduwa Island”      Photo 10.2: Proposed Cinnamon Cottage in Ganduwa Island”

Photo 10.3: Drying of Cinnamon

Photo 10.4: Cinnamon Products      Photo 10.5: Cinnamon as a spice

As observed by the researcher a major obstacle to the development of the cinnamon industry as a tourist attraction was the diversion of tourists from small business to private sector hotels, villas and cottages. Koggala Beach Hotel, The Fortress, South Beach Resort and South Star Hotel are situated within the Koggala Oya Lake. The Mallkabana Project by the Southern Group was being constructed at the Koggala Lake at the time of study.
Unawatuna and Dikwella, located away from Koggala. Villagers in Koggala and in the other islands stated that they have lost most of the job opportunities in these activities due to the dominating role of outsiders. In other words, they have lost their income avenues in their own village.

According to the study respondents the Koggala village has access to fewer transport facilities. The transport to the islands was mainly done by canoe service. Out of the 20 islands in Koggala lake, five islands had permanent residents living in them. There were about four to six families living on each Island. They made their income mainly from cinnamon production. Lack of infrastructure in these villages has affected their livelihood development making it difficult to transport their products out of their village and difficult to find niche market for their products. Due to these issues most of the villagers have migrated to other areas. If the transport facilities are not developed, this migration will continue to take place. The provision of proper transport facilities is beneficial both for the inhabitants and for tourism development. Tourism is thereby an avenue that leads to improvement in the quality of life of the people both by
providing income generating opportunities and infrastructure development. According to Kirsten and Rogerson (2002) opportunities within the tourism sector being the most suitable solutions available to small businesses within Asian and African contexts stem from a variety of reasons. The lower levels of capital input required for the setting up of smaller enterprises make it an attractive form of business in Asian countries as a majority of people belong to low income brackets. Although this is the case, often local governments as well as financial institutions are not geared to provide assistance of this nature to small time investors. Within the current Sri Lankan environment, small businesses seeking financing face trouble due to high interest rates or stringent bank requirements (Oppermann & Chon, 1997).

Tourism development in Koggala area has not used the proper channels to obtain the necessary industry items and markets. If established correctly, usually afamily businesse covers accommodation, food and beverages, transport and tour services, attractions, activities and entertainment. In addition, family businesses might be the only way to foster tourism and economic development, especially in rural and peripheral regions. In these circumstances the success of family businesses has to be, at least partially, evaluated in the context of how they collectively contribute towards creating tourist attractions, or aiding in its gradual growth and diversification. It is widely acknowledged that tourism initiatives can make a meaningful impact on the livelihoods of the poor, in particular, the subsistence-based rural poor in developing countries. Tourism reduces social inequalities by uplifting the living conditions of
marginalised persons such as women, unskilled and semi-skilled workers, and poor rural people, by providing livelihood opportunities when the existing labour market provides hardly any employment opportunities for them (Roe, Ashley, & Meyer, 2004).

Photo 1.12: Ganduwa Island   Photo 1.13: Cinnamon Processing
Photo 1.14: Cinnamon powder
Development of Phenomena

This research conducted in Koggala and other islands explored the current situation of this area in terms of infrastructure development, people’s living standards, tourism development avenues and opportunities etc. During the ground work the research was directed towards a particular line of information gathering according to the core categories revealed in the research process. As the research progressed and conceptual interconnections were being explored, it was found that poor infrastructure development had become a major obstacle to tourism development. As infrastructure development impacts both the lives of people in the area and tourism activities its provision will enhance both. However, the people become direct beneficiaries of tourism only when it is developed as community based activities. Mass tourism practices as evident in hotels, boutiques and villas in the private sector hardly bring benefits of tourism to people. As was observed by the researcher mass tourism hinders community participation. Rapid development of mass tourism in Sri Lanka has ignored the community and ignored social wellbeing.

10.5 Structural Violence in Mass Tourism

According to critics, the negative impacts of tourism gives little hope for its ability to promote peace. Rather, they claim that there is an abundance of structural violence in mass tourism. Hills and Lundgren (1977) focus on the small island economies in their highly critical study of the Caribbean, in the context of unequal economic and social impacts associated with tourism.
Of special importance is the observation that Third World economies, which use tourism as a way of earning foreign exchange, witness the leak of much of the income earned out of their national economies. This leakage is primarily the result of the developed countries’ ownership and control of the tourism industry in the developing world. Multi-national companies and global corporations control an enormous part of the benefits of tourism with their reserves of capital, expertise, technology, initiatives and a top-down, expert-led management style encompassing hotels, tour operators, airlines and transportation.

Most of the literature on tourism recognises the issues pertaining to tourism with reference to the underlying theoretical constructs of development. This research has been informed by the four main development paradigms: modernization, dependency, economic neo-liberalism and alternative development. Of these paradigms, the dependency theory highlights the economic exploitation and centre-periphery relationship in tourism, which is forcefully argued by Mathews (1978) as being equivalent to a new type of plantation economy, where the needs of the metropolitan centre are met by developing countries; and where the wealth generated is transferred from the ‘colony to the motherland’.

Writing on the political economics of tourism in the Third World, Britton (1982) pointed out that the large, multinational First World companies which control airlines, tour wholesaling and hotel chains have become the controlling and integrating forces in international tourism. These companies were able to create, coordinate and market the components of the industry to develop tourism products. In 1989, Britton revisited his
argument that the prevalence of foreign ownership in the tourism industry imposes structural dependency on the developing world to create an imbalanced centre-periphery relationship. Muller (1979) observes that multinational corporations have led to the underdevelopment of the Third World; while another aspect revealed by dependency theorists is how certain elites benefit from tourism in the context of the social, institutional and economic situation in their countries. According to Lea (1988) developing economies are exploited by the tourist industry as such economies are often linked to their colonial past.

The neo-liberal paradigm, with its emphasis on competitive exports and structural adjustment lending programmes, promotes tourism as a centre piece of the neo-liberal strategy of outward-oriented development in many countries. It typifies the mass tourism industry in which multinational companies based in the First World largely shape and direct the demand as to whether tourist destinations should be in the developed or in less developed areas or countries. Even though profit margins per tourist may be small, the total financial returns to these companies are generally huge. Other associated characteristics include the limited or negligible role of local lifestyles and of the majority of local people involved in low-income, low-status occupations. These realities of mass-tourism promoted by development strategies from modernisation, dependency to neo-liberalism explore structural violence in its practice. In the 1970s, development theory took a new turn into ‘alternative development’ which tried to minimise structural violence in its practice.
10.5.1 Tourism: a Structural Peace Promoter

The concepts and strategies of ‘alternative development’ based on people-centered development and guided by principles of sustainable development indicate tourism’s potential to promote peace. Sustainable development, with frequently associated demands for public participation and community-level planning, as advocated by Murphy (1985), can be viewed as an example of the alternative development paradigm for tourism. According to Archer (1996), a few of the tourism descriptors which have emerged in recent years include eco-tourism, nature tourism, appropriate tourism, ethical tourism and responsible tourism. Despite all these new trends the developing countries are yet to fully harness the potential of the tourism industry for sustainable development. The United Nations World Commission on Environment and Development (1987) defines sustainable development as, “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. While various disciplines take different approaches to sustainable development, tourism’s approach to attain sustainability has been directed along different disciplines. Mowforth and Munt (2003) suggest a list of criteria of sustainability to examine and assess tourism activities. According to these criteria, tourism activities should be sustainable environmentally, socially, culturally and economically, while providing educational and locally participatory values with an aid to conservation.

As in other industries, the informal sector in developing countries is a vigorous and dynamic element in the tourism industry, particularly the micro, small and medium enterprise
(MSME) sector. According to the International Labour Organisations (as cited in Cukier, 2004, p.169), understanding the informal sector provides a key to solving the increasing problems of employment and inequality in developing countries. This demands a deeper understanding of its role vis-à-vis its potential to promote structural peace.

10.5.2 Tourism: an alternative development strategy

There are a number of convergent ideas within neo-populist development, with its focus on a ‘bottom-up’ approach involving local people from the beginning, and within post modernism. Some of these can be traced to sustainable forms of development related to tourism. Enabling environment approaches that stem from grassroots development, including certain type of eco-tourism and community based tourism exhibit more sustainable characteristic than mass package tourism. Sustainable development, with frequent associated demands for public participation and community level planning as advocated by Murphy for tourism, can be viewed as an example of the alternative development paradigm (Murphy, 1985). Eco-tourism, nature tourism, appropriate tourism, ethical tourism and responsible tourism are but a few of the tourism descriptors which have emerged in recent years (Briguglio, 1996). The work of the Brundtland Commission for sustainable report and the UN conference on environment and development have served as catalysts for research along the lines of this approach. The Brundtland Report emphasised on sustainable development; which is meeting the needs of the present generation without compromising the ability of future
generation to meet their own needs (World Commission on Environment and Development, 1987, p.24).

By the early 1990s the term sustainable tourism was gaining currency among academics and practitioners to describe desired and (in theory) scientifically informed outcomes that, depending on circumstances, could potentially ranged from the most rudimentary forms of alternative tourism to the most intensive manifestation of urban and resort tourism. Sustainable tourism may be reordered most basically as the application of the sustainable development idea to the tourism sector – that is, “tourism leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems”. Essentially, sustainable tourism involves the minimisation of negative impacts and maximisation of positive impacts. How far this new trend is the product of internal changes within individual Third World countries as opposed to being the result of pressures from the donor community is still a matter of debate (Hyden, 1994, p.35). For a development strategy to become sustainable it should be efficient in enhancing socio-economic well-being as well as utilising natural resources in a sustainable manner. As the tourism industry has already been widely recognised as having a potential to uplift the economic well-being of host communities, increasing emphasis should be given to enhance its sustainability in its environmental and its socio-cultural impact.

In 1999 at the Commission on Sustainable Development (CSD) meeting in New York, tourism was discussed for the first time in the Rio process. There was considerable concern, and some
anger, expressed by developing countries' governments and by NGOs about the way in which environment factor had dominated initiatives in tourism since the 1992 United Nations Earth Summit in Rio de Janeiro. Developing country governments and NGOs alike were insistent that the balance needed to be significantly redressed and that there needed to be a triple bottom line approach to assessing sustainability, with considerably more attention being devoted to economic and social issues. Although the Earth Summit was intended to focus on environment and development issues, many of those present at the 1999 CSD meeting felt that development had largely been ignored. As a consequence the CSD urged governments to “maximise the potential for tourism to eradicate poverty by developing appropriate strategies in co-operation with all major groups, indigenous and local communities.” The increasing international recognition of tourism’s potential to alleviate poverty was highlighted by the official launching of the ‘Sustainable Tourism – Eliminating Poverty’ (ST-EP) initiative by the WTO and United Nations Conference on Trade and Development (UNCTAD) during the World Summit on Sustainable Development (WSSD) in Johannesburg. The concept of ‘pro-poor tourism’ emanated from that has highlighted a number of issues that need to be addressed by tourism in order to enhance its contribution to poverty reduction (Ashley & Roy 2002).
10.6 The economic rationale of promoting development of the small and medium scale business sectors

Small business enterprises play a pivotal role within the economies of the world by providing employment, the mode of subsistence, as well as functioning as a springboard on the path to expansion and growth into a larger company. In the 1970s most governments the world over adopting a range of incentives in order to encourage small business retention and expansion (Britton, 1982). However, growth has been slow due to lack of fields to operate in, especially in under-utilised areas (Ashley and Roe, 2002). While many solutions have been brought forward, travel and tourism, has proven be the most easily adoptable solution within the Asian context. Small and medium businesses, while being acknowledged as the backbone of economic development, also act as stepping stones for the entrance of large scale businesses in the long term. Shackely (1996), taking safari tourism in Rajasthan India as an example, provides useful insight into the economic rationale of promoting development of the small and medium scale business sectors using alternative tourism as a leading instrument. This theme is developed further by Kirsten and Rogerson (2002) who discuss the advantages of tourism based businesses in relation to business linkages. These authors stress that developing linkages between large established tourism enterprises and small local enterprises by means of outsourcing, subcontracting or other arrangements, is important as a means of upgrading local and regional tourism businesses, including informal enterprises. From another viewpoint, Ashley and Roe (2002) by reviewing six Southern
achieved economic growth by making it the centre for mountaineering and trekking in Asia and has forged excellent links with the global economy through small scale adventure tourism. Turnock (1999) also points out that alternative modes of tourism operation through small and medium scale entrepreneurs as opposed to large scale businesses enables communities to achieve economic growth and raise standards of living with healthy differentiations in wealth, inflation and labour migration which have been proven sustainable over the long term.

10.7 Conclusions and Recommendations

The mass tourism sector is a dominant factor in economic development in Sri Lanka. However, the benefits of tourism rarely reach the underprivileged and marginalised poor, which comprise the bulk of the people in tourism destinations. Mass tourism also tries to overwhelm the small scale tourist operations, which generates much needed local and foreign exchange into the rural economy. Owing to the various types of government stimuli, for example, tax holidays, and foreign direct investment, a considerable number of ‘luxury-type’ hotels are owned and operated by foreign investors. Nonetheless, there is a strong belief that the profits earned from mass tourism are leaked out of the economy. Further, contacts between mass tourists and the local communities are negligible, particularly with regard to goods and services, bed and breakfast, taxi services, and others. Although most mass tourists are interested in ‘sun and sand’ type of leisure and recreation, hotels and guest houses do cater to their cultural likes by organising traditional folk dancing, drumming, fire walking, etc., although the religious or devotional aspects of such events is ignored by the organisers.
According to this study's findings, there are a range of steps which could be taken by the Southern Tourist Bureau (STB) to reconcile mass tourism with community tourism.

1. obtain community participation to develop a sustainable tourism programme through awareness of the benefits to the community;
2. undertake a baseline survey to identify lesser known tourist activities;
3. develop plans for resource and site conservation and management as well as site attraction management;
4. co-ordinate the physical and human resources in the identified sites with the participation of host communities;
5. prepare a training plan for human resource development;
6. develop a comprehensive plan including infrastructure, transportation, impact on the environment, accommodation, visitor and information centres, security and emergency services;
7. develop and promote local tourist-related products and services;
8. develop a common organisation and management structure for each destination;
9. frame regulations that would prevent the destruction of heritage sites and/or artefacts found in them;
10. prepare a disaster-management plan to deal with unexpected natural disaster like floods, earthquakes and tsunamis.

These steps are especially important to enhance community participation for the optimum utilisation of human and physical resources and reduce unemployment and poverty in the Southern Province through entrepreneurship development. Co-marketing opportunities should be aggressively pursued for both the domestic and the foreign traveller. The STB should establish a web portal that will give prospective visitors access to the facilities in particular destinations. A marketing video should be made available for viewing by handling companies of major tour operators, or community tour operator organisations, to increase awareness among the tourists. Segmented adventure and sight-seeing tours to suit the clientele would be helpful in marketing the sites. The following are some suggested marketing strategies to the STB for marketing community oriented tourism.

- Introduction of discount family packages
- Organising media exposure through site visits
- Encouraging hotels in the Southern Province to produce videos of their facilities
- Consumer advertising in trade magazines
- Direct Mail
- Posters
- Photographs and slides
References


