Tourism Policy for Poverty Reduction

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[ABSTRACT]

This study examines national tourism policies and two provincial tourism strategies of Lao PDR implemented during 1998 to 2010 and tourism strategies for 2020. It argues that poverty reduction has to be started from the policy framework which intentionally facilitating the poor. The discourse reproduces four dimensions of benefit included in tourism policies that can be trickled down to the poor including employment, linkage opportunities, knowledge base, and cultural assets as innovation for destination competitiveness. It can be concluded that those spaces for the poor are formulated under the assumptions of ad hoc policy for the government as a plan for general social economic development rather than focusing on poverty reduction.

Key Words : Lao PDR, Employment, Linkage, Knowledge Base, Cultural Asset, Poverty Reduction.

Introduction

Tourism has not only been considered as a tool for development but for poverty reduction. This is particularly still applicable for less developed countries (Sharpley & Telfer, 2002, Scheyvens, 2007). This idea follows the ideology of modernization in the form of trickledown effect and employment opportunities. Moreover, the global growth of tourism during the 1990s comprised countries in Southeast Asia such as Thailand and Vietnam that have managed to multiply their tourist arrivals (Hall & Page, 2000, Gu, 2000). As a result,
those countries could have some satisfactory outcome in poverty reduction (ADB, 2010). The launching of the UN Millennium Goals has encouraged the contribution of tourism development not only by comprising the income of foreign currency, but also to eradicate poverty (Telfer & Sharpley, 2008).

This study argues that the enabling policy framework is a primary requirement for poverty reduction. In general, sound tourism planning is widely viewed as a way of maximizing the benefits of tourism to an area and mitigating problems that might occur as a result of tourism development (Timothy, 1999). Cooper (2005) acknowledges that “policies which engage human capital, innovation, and entrepreneurship in the growth process are likely to bear the most fruit over the long term” (OECD, 2001:8). Highlight that importance, new policy context for tourism has to take into account if it is to be “a professional and respected local stakeholders in economic life” (Hjalager, 2002:43, Copper, 2005: 50). For tourism benefit of the poor, the tourism policy is a supportive enabling framework for the implementation of the tourism policy for poverty reduction (UNESCAP, 2003, Scheyvens, 2007, SNV, 2008). For the benefit of the poor, the voice of the poor has to be included in tourism strategy as the first requirement to specify the benefit for poverty reduction in tourism agenda.

In Lao PDR, one of the least developed countries (LDCs), tourism is also employed as a tool for poverty reduction. Poverty is still prevailed in the country. After the socialism regime, during 1975–1985, the ‘open door policy’ is applied and the country opened its borders to international tourists in 1989 (Hall & Ringer, 2000; Harrison & Schipani, 2007). The number of international tourists has multiplied from 14,400 in 1990 to 737,208 people in 2000, and 1.7 million in 2008. The revenue from tourism was ranked as one of top three foreign exchange earners since 1999 (LNTA, 2008). The government gave tourism a high priority for its potential contribution to socio-economic development in the country and it was identified as a tool for poverty reduction in the National Tourism Strategy for Laos PDR 2005 to 2015 (Allcock, 2004) and the Lao PDR Tourism Strategies 2006–2020 (LNTA, 2008). However, there is still a question of which strategies for poverty reduction are formulated in the tourism policy or how the poor really benefit from tourism development.

The purpose of this article is thus to examine current national and provincial tourism policies of Lao PDR whether what is space for the poor identified in the agendas. This paper thus aims to confirm what is already claimed of using tourism as a tool for poverty reduction in order to answer a research question what strategies of poverty reduction are mirrored in tourism policy? The remainder starts with space of the poor in tourism development approaches before introducing methodology, context and policies, space of the poor in tourism policy, and conclusion.

**Spaces for the Poor in Tourism Development Approaches**

The space for the poor is the benefits accrue to the poor as a primary condition for poverty reduction. The argument of benefits for the poor has been long debated and contested over different theoretical perspectives. The poor is expected to benefit from numerous tourism development