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## Tourism development and its socio-economic impact on local communities

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### Abstract

Tourism development has emerged as a significant driver of socio-economic growth for local communities worldwide. This review article explores the multifaceted impacts of tourism development on local communities, encompassing economic benefits, employment opportunities, cultural preservation, and social dynamics. It also examines the potential negative effects, such as environmental degradation, cultural commodification, and social displacement. The review highlights the importance of sustainable tourism practices to balance the benefits and drawbacks, ensuring long-term positive outcomes for local communities.

**Keywords:** Tourism development, socio-economic impact, local communities, sustainable tourism, cultural preservation, employment

### Introduction

Tourism development has become a pivotal component of economic strategy for many countries, particularly in regions with significant natural, cultural, or historical attractions. By drawing visitors from around the globe, tourism can provide substantial economic benefits, create employment opportunities, and promote cultural exchange. However, the influx of tourists and the associated development can also pose challenges, including environmental degradation, cultural commodification, and social displacement. This review article aims to provide a comprehensive overview of the socio-economic impacts of tourism development on local communities, drawing on a wide range of previous studies and highlighting both positive and negative effects.

### Objective of study

The objective of this study is to review the socio-economic impacts of tourism development on local communities.

### Tourism development

Tourism development refers to the strategic planning and execution of initiatives aimed at attracting tourists to a particular location. This involves the creation and enhancement of infrastructure, services, and experiences that cater to visitors, as well as the promotion of destinations through marketing and branding efforts. Tourism development plays a pivotal role in the economic and social transformation of regions, particularly those with significant natural, cultural, or historical attractions. The context of tourism development has evolved significantly over the past few decades. Historically, tourism was a luxury accessible only to the affluent. However, with the advent of more affordable air travel, increased global connectivity, and rising disposable incomes, tourism has become a global phenomenon. The World Travel & Tourism Council (WTTC) reports that tourism accounted for 10.4% of global GDP in 2018, highlighting its economic significance. This growth has been driven by factors such as globalization, technological advancements, and changing consumer preferences towards experiential travel. Tourism development typically begins with the identification and evaluation of a region's potential attractions. These can range from natural landscapes, such as beaches, mountains, and wildlife reserves, to cultural and historical sites, including museums, monuments, and festivals. Once identified, the next step involves the development of infrastructure, such as hotels, restaurants, transportation networks, and recreational facilities. This infrastructure is essential to accommodate tourists and provide them with the amenities they expect. Marketing and promotion are critical components of

tourism development. Destinations invest in various marketing strategies to attract visitors, including advertising campaigns, social media promotion, participation in travel fairs, and partnerships with travel agencies. Effective branding can create a strong, positive image of the destination, making it more appealing to potential tourists. The background of tourism development is rooted in its multifaceted impacts on local economies and communities. Economically, tourism is a significant source of revenue and employment. It stimulates local businesses, from hotels and restaurants to tour operators and retail shops. For many developing countries, tourism is a crucial component of their economic development strategy. For instance, countries like Thailand, Kenya, and the Maldives rely heavily on tourism for their GDP. Socially, tourism development can lead to greater cultural exchange and understanding. Tourists often seek authentic experiences, leading to a renewed interest in and preservation of local traditions, crafts, and heritage. This can foster a sense of pride among local communities and contribute to the revitalization of cultural practices.

### **Socio-economic impact on local communities**

Tourism development has a profound socio-economic impact on local communities, influencing economic growth, employment opportunities, cultural preservation, and social dynamics. This section discusses these impacts in detail, comparing them with findings from previous studies to provide a comprehensive understanding.

Tourism is often lauded for its ability to stimulate economic growth. By attracting visitors, tourism generates revenue through accommodation, food services, transportation, entertainment, and retail. This influx of income can be particularly beneficial for communities with limited industrial or agricultural prospects. According to the World Travel & Tourism Council (WTTC, 2018) <sup>[11]</sup>, tourism contributed 10.4% of global GDP and supported 319 million jobs, demonstrating its substantial economic significance. Similarly, Andereck *et al.* (2005) <sup>[1]</sup> found that tourism development in rural Arizona significantly boosted local economies by increasing business opportunities and enhancing infrastructure.

Employment generation is another critical impact of tourism. The industry is labor-intensive, creating numerous jobs across various sectors, including hospitality, transportation, and cultural services. Baum and Hai (2019) <sup>[2]</sup> highlighted that tourism employs a significant number of women and young people, contributing to gender equality and youth empowerment. However, the quality of these jobs varies. Many positions are seasonal, part-time, or low-wage, which can lead to economic instability for workers. Mason (2003) <sup>[7]</sup> noted that while tourism provides essential employment opportunities, the precarious nature of these jobs can be a source of economic vulnerability for local communities.

Tourism also plays a vital role in cultural preservation and exchange. By valuing and showcasing cultural assets, tourism can attract visitors interested in experiencing unique traditions, arts, and history. This interest can provide the financial support needed to maintain and preserve cultural heritage. Richards (2018) <sup>[8]</sup> found that cultural tourism supports the preservation of intangible cultural heritage, such as traditional music, dance, and crafts, by providing economic incentives for their continuation. However, the

influx of tourists can also lead to the commodification of culture, where traditions are modified or staged for tourist consumption, potentially leading to a loss of authenticity. Cohen (1988) <sup>[4]</sup> argued that this commodification could diminish the intrinsic value of cultural heritage and alter the social fabric of local communities.

The environmental impacts of tourism are significant and multifaceted. Tourism development often leads to habitat destruction, increased pollution, and overuse of natural resources. Gössling (2002) <sup>[6]</sup> highlighted that the environmental footprint of tourism could be substantial, particularly in fragile ecosystems. Popular destinations frequently face challenges related to waste management, water scarcity, and loss of biodiversity. For example, a study by Buckley (2012) <sup>[3]</sup> on the Great Barrier Reef found that increased tourism activities led to significant environmental degradation, threatening the reef's biodiversity and health.

Socially, tourism can cause overcrowding, strain local infrastructure, and lead to social displacement. The influx of tourists can drive up the cost of living, making it difficult for local residents to afford housing and basic services. Smith and Robinson (2006) <sup>[9]</sup> noted that social tensions and conflicts often arise when the needs and expectations of tourists clash with those of local residents. Furthermore, the rapid development of tourism infrastructure can lead to the displacement of communities, disrupting traditional ways of life and causing social upheaval. Doxey (1975) <sup>[7]</sup> proposed the "Irritation Index," suggesting that as tourist numbers increase, the local population's tolerance decreases, leading to increased social friction. The socio-economic impacts of tourism development on local communities are complex and multifaceted. While tourism can provide significant economic benefits, employment opportunities, and cultural preservation, it can also lead to environmental degradation, cultural commodification, and social displacement. Sustainable tourism practices are essential to balance these positive and negative effects, ensuring that tourism contributes to the long-term well-being and development of local communities. The review of previous studies underscores the importance of integrating community engagement, environmental regulations, and cultural preservation initiatives into tourism planning to maximize benefits and minimize adverse impacts.

### **Conclusion**

Tourism development offers significant socio-economic benefits for local communities, including economic growth, employment opportunities, and cultural preservation. However, these benefits must be balanced against potential negative impacts, such as environmental degradation, cultural commodification, and social displacement. Sustainable tourism practices are essential to maximize the positive effects of tourism while minimizing its drawbacks. By promoting responsible tourism development, policymakers and stakeholders can ensure that tourism contributes to the sustainable development and well-being of local communities, preserving their natural and cultural heritage for future generations.

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