See the Third World while it lasts

The Social and Environmental Impact of Tourism with special reference to Malaysia

Evelyne Hong

CONSUMERS' ASSOCIATION OF PENANG
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PART I  WORLD TOURISM

CHAPTER 1  THE GLOBAL SITUATION

Introduction

International tourism is one of the fastest growing industries in the world. It has grown eight-fold in the past two decades and today it forms the largest single item in world trade. In 1973, 200 million international tourists spent some £10,000 million, equivalent to about 7% of the total value of world trade that year (New Internationalist, Feb. 1974:6). In 1982, total world receipts were estimated at US$106 billion (Business Times Oct. 20, 1982). The World Tourism Organization reported 280 million tourist arrivals all over the world of which 7% or 20 million went to the Asia Pacific region in 1982 (Business Times March 12, 1984). According to ESCAP's (the UN Economic and Social Commission for Asia and the Pacific) 1982 annual report, tourist arrivals in Asian developing countries by 1981 averaged 16.2 million annually. This accounted for 5.5% of the world total. Revenues from tourism amounted to US$7.4 billion which was 6.9% share of total world tourist expenditures (Business Times May 20, 1983). In 1983 alone, the Asean countries are expected to spend US$22 million on promoting tourism (Malay Mail Jan. 21, 1983).

International tourism is a phenomenon related to urbanized living and a technological age. Increased affluence, a longer period of formal education and advances in modern air travel have contributed to its development. Tourism is an expression of a lifestyle associated with the modern affluent way of life so that today travelling for pleasure is the most significant and fastest growing aspect of mass tourism.
International tourism is a phenomenon which must be seen within the context of the deteriorating environment and diminishing resources in the world today. Tourism is a pastime and a very expensive one. The concept of tourism is mainly based on the philosophy of consumption. Billions of dollars of energy in the form of jet-fuel and petrol are used up to transport tourists from place to place in jet-planes, air-conditioned buses and taxis, while the world is suffering from an acute 'energy crisis'. Tourists today enjoy the fastest air travel, the ultimate in luxury hotels, the best scenic spots and the most comfortable means of transport in the world. They are the most privileged group in the utilization of public amenities in almost every country.

This has been made possible because tourism is 'the only export industry where the customer turns up in person to consume' (*New Internationalist* February 7, 1974).

**Tourism in Developed Countries**

In many of the countries in Europe and North America, tourism is such a booming industry that it has over-exploited the natural environment to such an extent that the adverse effects have reached irremedial proportions. Despoilation of the coastlines, sea pollution, loss of traditional cultures at the expense of tourist development, displacement of viable communities and loss of fertile agricultural land for airports, highways and hotels have been the tragic result. According to a recent report by the Paris-based Organization for Economic Corporation and Development (OECD) the phenomenal growth in tourism throughout the world during the last three decades has taken a severe toll on the environment. 'Tourists and tourist facilities have gobbled up precious farmland, ruined beaches, scarred mountain-sides and polluted waterways, it said.' (*Business Times* June 24, 1980)

As a result of the over-development of the coast for tourist purposes, the Mediterranean Sea has deteriorated so much that by 1973 every one of the 6,000 registered beaches in Italy was dangerously polluted and some beaches had bacteria counts five times higher than the safety limit (*Young* 1973:156). In 1970 the French government warned of the disappearance of marine life from the inshore
Tourism

GROWTH OF INTERNATIONAL TRAVEL

30 million tourists visited Third World Countries in 1982

SHARE OF TOURISM IN 1982

Europe 70.3%
Americas 19.2%
Asia/Australia 6.3%
Africa 2.2%
Middle East 2%

30 millions tourists visited Third World Countries in 1982

COSTS AND BENEFITS OF TOURISM
Tourism can be attractive for developing countries. But there are social, economic and environmental disadvantages as well as advantages.

INCOME AND JOBS from tourist spending

COST of importing special amenities like vehicles

PRESERVATION of cultural and natural heritage for tourists

DESTRUCTION of environment by building hotels

INCREASED UNDERSTANDING by allowing people to meet

UNDERMINING social standards

BUILDING new facilities such as sewage works for whole communities

POLLUTING the natural environment

ASSESSING these and many other issues concerning the levels and nature of tourism is vital if in the future it is not to be a disruptive force
area of the Mediterranean as a result of this over-development. The same environmental deterioration can be seen in the Baltic Sea, the lakes in Switzerland, and the River Rhine, which has become a septic sewer stretching from the Alps to the North Sea. Hundreds of miles of coastline in Spain and Italy have been ruined by the uncontrolled building of tourist hotels, chalets, restaurants and bars. As George Young aptly points out in his book *Tourism — Blessing Or Blight*, ‘Beaches have been divided into unsightly allotments while noise from juke boxes, fumes from traffic and sheer human over-population pay witness to the chaos man has made of the organization of his leisure’ (Young 1973:157).

**Tourism in Third World Countries**

Having ruined their own environment, having either used up or destroyed all that is natural, people from the advanced consumer societies are compelled to look for natural wildlife, cleaner air, lush greenery and golden beaches elsewhere. In other words, they look for other environments to consume. Thus armed with their bags, tourists proceed to consume the environment in the countries of the Third World — that last ‘unspoilt’ corner of earth.

In many of the Third World countries today, the belief that tourism can bring in the much needed foreign exchange to boost their sagging economies has caught on with incredible speed and optimism. However, it is being realized that foreign exchange earnings from tourism are not as great as they seem to be, while the environmental and social side-effects are so adverse that Third World residents may wonder whether the tourist trade is worth it after all.

In Africa, the haven of rich safari tourists, ‘convoys of Safari cars circling the game-viewing drives have so affected the wildlife that it is no rare sight today to come across as many as 20 or 30 vehicles laagered (circled) around a pride of lions so inured to the human environment that they make no effort to move when people and cameras emerge somewhat noisily from a ring of cars’ (Young 1973: 157).

At the International Workshop on Tourism held in Manila in 1980, doubts about the economic benefits of tourism to the Third World
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hotel accommodation, breakfast, ground
transfers to and from the airport, plus
valuable shopping discounts.

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Colombo or four beach resort areas. Your
Travel Agent or local Air Lanka
office has all the details. Talk to
them soon.

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* twin sharing basis

An advertisement proclaiming a cheap holiday in an exotic Third World country.
Ultimately it is the Third World countries which have to pay a heavy price for
tourism.
countries were raised by various experts. In fact ‘whatever comes in as foreign exchange just as easily goes out in what is known as foreign exchange leakage’, the Workshop concluded (Business Times Oct. 22, 1980). Citing figures from the World Tourism Organization (WTO), the Workshop disclosed that countries which suffered a negative balance from tourism in 1973 included Algeria, Brazil, Indonesia, Jordan, Malaysia, Nigeria and Venezuela. According to Mr Torben Kitaj, editor of Kontakt, a Danish magazine published by the Association for International Cooperation and Development (AICD), more than 25% of all tourist hotels in most African and Asian countries are foreign-owned, and 85% of the foreign tourists are flown in and out by foreign carriers (Business Times Aug. 31, 1981).

Transnational Corporations’ Involvement In Tourism

Many of the transnational corporations’ (TNCs) hotel chains are linked to airlines, management advisory companies and tour operators or travel agents. For example Trans World Airlines (TWA) which owns Hilton International and Pan Am which owns Inter-Continental are specialist hoteliers which are the two leading hotel chains operating in the Third World (UNCTC 1982: Table 3). Japan Airlines (JAL) which owns or manages several hotels outside Japan also has marketing or reservation (referral) agreement with 48 others world wide (UNCTC 1982:11).

Hotel chains which are not directly associated with airlines are the second and major groups of TNCs involved in the hotel business. The largest hoteliers from this group are Holiday Inns (US), Club Mediterranee (France) and Trust Houses Forte (UK). These hotel chains also provide specialist hotel development and management services. However, the TNCs which specialize in managing hotels in Third World countries are Hotel Management International (UK), Hallways Hotels (UK), and Intel (US).

Sometimes hotel chains and management companies are part of a larger enterprise or group of enterprises. Sheraton Hotels which is part of the ITT conglomerate is the best known hotel chain and management company in this group. The other is the Tokyo Hotel Chain, which is a subsidiary of the Tokyo Corporation which owns
Table 1: Number of Hotels Abroad Associated with Leading Transnational Corporations, 1978

<table>
<thead>
<tr>
<th>Transnational corporation</th>
<th>Country of origin</th>
<th>In developed countries</th>
<th>In developing countries</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holiday Inns</td>
<td>United States</td>
<td>67</td>
<td>47</td>
<td>114</td>
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<tr>
<td>Inter-Continental</td>
<td>United States</td>
<td>28</td>
<td>46</td>
<td>74</td>
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<tr>
<td>Hilton International</td>
<td>United States</td>
<td>33</td>
<td>39</td>
<td>72</td>
</tr>
<tr>
<td>Sheraton Hotels</td>
<td>United States</td>
<td>34</td>
<td>30</td>
<td>64</td>
</tr>
<tr>
<td>Club Méditerranée</td>
<td>France</td>
<td>30</td>
<td>26</td>
<td>56</td>
</tr>
<tr>
<td>Trust Houses Forte</td>
<td>United Kingdom</td>
<td>37</td>
<td>16</td>
<td>53</td>
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<td>Novotel</td>
<td>France</td>
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<td>18</td>
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<td>United States</td>
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<td>Ramada Inns</td>
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<td>United States</td>
<td>13</td>
<td>13</td>
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<td>18</td>
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<td>UTH</td>
<td>France</td>
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<td>13</td>
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<td>Thomson Travel</td>
<td>United Kingdom</td>
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<td>Commonwealth Holiday Inn</td>
<td>Canada</td>
<td>7</td>
<td>4</td>
<td>11</td>
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<td>Méridien</td>
<td>France</td>
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<tr>
<td>Grand Metropolitan Hotels</td>
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<td>Penta Hotels</td>
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<td>Oberoi Hotels</td>
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<td><strong>Total</strong></td>
<td></td>
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<td>352</td>
<td>806</td>
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