

SOCIO-ECONOMIC AND CULTURAL IMPACTS OF TOURISM IN BANGLADESH

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Abstract

The current research article analyzed socio-economic and cultural impact of tourism in Bangladesh. It has discussed in-bound tourists; their purpose of visit; economic contribution; growth and contribution to employment. The study ended with a discussion on negative affects of tourism on society and culture in Bangladesh.

Keywords: Tourism, economic contribution, social and cultural effects

Introduction

Tourism can be a powerful force for economic and social good, creating employment and wealth and widening our understanding of other societies (Lincoln 2011). Tourism may be viewed as an economic activity and thus as an industry. Tourism has been identified as one of the fastest growing industries in the world (UNWTO, 2008). It has grown from the pursuits of a privileged few to a mass movement of people, with an urge to discover the unknown, to explore new and strange places, to seek changes in environment and to undergo new experiences.

There are many examples of the way in which tourism has benefited a particular place, buildings or cultural activity. In Bangladesh many great buildings of the past would have been lost had it not been possible to convert them into living museums for the tourists. However, Ahasan Monjil and Paharpur areas have been restored and developed to make them attractive as tourist cities (Lincoln, 2011). Even a city like Cox's Bazar of Bangladesh has the undivided largest sea beach in the world would be a poorer place without the tourist.

Along with the world's largest sea beach in Cox's Bazar, Bangladesh has distinct tourism products like Kuakata sea beach where one can enjoy the sun-rise and sun-set from the same place; UNESCO world heritage sites like Sundarban, the largest mangrove forest in the world; other UNESCO world heritage sites, e.g. the Buddhist Vihara at Paharpur and Mahasthangarh; the Historical Mosque City of Bagerhat, the Mainamati Ruins at Comilla. Moreover, Bangladesh has the coral island at Saint Martin, Hill tracts at Chittagong and hundreds and thousands of rivers and its tributaries. By developing proper tourist facilities, Bangladesh can earn huge amount of foreign currency, generate employment, reduces poverty and the improvement of the quality of life for its people. It is potential to make a contribution to economic and social development, especially of the developing countries, and its emergence as a vital force for the promotion of international understanding, peace and prosperity (UN, 2008). According to the World Tourism Organization, tourism is the world's largest export industry which generated about US \$1.3trln during 2010 by sum of 940 million tourists worldwide and making the tourism as one of the largest industries in the world.

Objectives of the study

The specific objectives of the study are:

- i) To analyze the economic contributions of tourism in Bangladesh
- ii) To analyze the social and cultural effects of tourism in Bangladesh.

Research methodology

The study is qualitative in nature but descriptive in style. As such it is an exploratory research. Both primary and secondary data have been used. Two separate semi-structured questionnaires have been used one for tourists, one for stakeholders and in-depth personal interviewing technique has been used for tourism experts. The study is located in those areas where tourists frequently visit selected from the popular destinations in Bangladesh. Non-probability, mainly the area sampling technique has been used. Appropriate proportional sample from each of the three broad sample categories has been selected for the purpose of data collection. All relevant non-parametric tests have been conducted to arrive any meaningful conclusion of the study.

Tourism scenario and its impacts

The number of international tourist arrivals in Bangladesh rose from 113242 in 1991 to 468959 in 2008; an average growth rate is 9 percent. Since 1973, the effect of fuel price increases has merely moderated the rate of expansion. The number of international tourist arrival was 343590, 397410 and 468951 in the years 2006, 2007 and 2008, respectively. Most visitors were from India, New Zealand, Australia, Germany, the United Kingdom, and the United States. In addition to being a source of income and employment, tourism is frequently a source of amenities for the resident population of Bangladesh. Because of visitor traffic, residents may enjoy a higher standard of public transport, shopping and entertainment facilities than they would be able to support otherwise. The provision of incomes, jobs and amenities for the resident population therefore is regarded as the three beneficial effects of tourism to tourist destination in Bangladesh.

Table 1: Foreign Visitors Arrival by Months 2000-2009

Month	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
January	23,160	25,548	23,711	22,193	23,670	20,213	16,382	16,733	39,345	28,632
February	18,730	20,724	16,152	19,041	25,012	15,848	13,473	17,308	30,788	26,286
March	15,982	20,062	17,898	16,506	24,262	19,853	13,659	17,579	30,079	25,114
April	14,976	19,216	15,372	15,299	23,173	16,234	12,261	23,956	25,128	24,786
May	15,647	15,926	15,771	17,996	14,959	18,535	20,971	20,853	36,929	23,704
June	14,212	16,606	15,754	21,867	23,020	17,496	17,002	24,483	39,158	22,244
July	14,809	15,517	14,345	22,957	26,991	19,773	25,604	32,223	42,457	21,780
August	13,399	16,739	14,315	19,041	21,938	15,292	14,244	20,614	36,017	18,239
September	12,874	11,015	13,022	17,968	19,860	13,166	16,823	18,509	26,723	14,749
October	15,855	13,053	18,601	23,498	21,785	15,568	17,237	27,073	43,213	19,963
November	19,489	15,265	17,136	21,028	27,208	18,399	14,734	30,308	39,996	19,336
December	20,078	17,528	25,169	27,115	19,392	17,285	17,921	39,471	77,499	22,274
Total	199,211	207,199	207,246	244,509	271,270	207,662	200,311	289,110	467,332	267,107
% Change	15.30	4.01	0.02	17.98	10.94	-23.45	-3.54	44.33	61.65	-42.84

Source: Special Branch of Bangladesh Police

Tourism has particular significance to developing Bangladesh to underdeveloped regions. An improvement in living standards has generated through tourist traffic. No sophisticated technology is required to establish the basic facilities. As the tourism industry is labor-intensive, tourism can absorb unemployed labor resources which are particularly valuable in areas with surplus unskilled labor in Bangladesh.

In some beat ions tourism has provided an infrastructure which in turn forms the base and the stimulus for the diversification of the economy and for the development of other industries in Bangladesh. Thus tourism expenditure may be said to stimulate an economy beyond the sector concerned with tourism.

Bangladesh government authorities have identified tourism as a means of generating employment and foreign currency. The economic significance of tourism varies from country

to country. Tourism receipts as a percentage of total export earnings range from 1.1 per cent for Japan to 22 per cent for Spain. In Bangladesh, the economic significance of tourism may be measured in terms of its ability to generate an inflow of foreign exchange. On the other hand, in a developed country, its significance may be measured in terms of its ability to assist diversification and combat regional unbalances.

Table 2: The Economic Contribution of Travel and Tourism

Particulars	2005	2006	2007	2008	2009	2010	2011E	2021F
(BDTbn, nominal prices)								
1. Visitor exports	5.0	5.5	5.3	5.1	5.3	5.7	6.6	21.8
2. Domestic expenditure	137.0	158.8	182.9	207.0	227.6	257.3	293.9	863.3
3. Internal tourism consumption (=1+2+government individual spending)	142.6	164.9	188.8	212.9	233.7	264.1	301.6	888.6
4. Purchases by tourism providers, including imported good (supply chain)	-52.3	-61.3	-71.6	-82.4	-91.0	-103.0	-117.2	-340.8
5. Direct contribution of Travel & Tourism to GDP (=3+4)	90.3	103.6	117.3	130.5	142.7	161.0	184.4	547.8
Other final impacts (indirect & induced)								
6. Domestic supply chain	46.7	53.6	60.7	67.5	73.8	83.3	95.4	283.4
7. Capital investment	10.4	12.1	13.5	22.6	24.9	28.8	33.5	98.6
8. Government collective spending	3.7	4.2	4.8	5.3	6.0	6.9	7.9	24.3
9. Imported goods from indirect spending	-3.1	-5.4	-5.5	-8.0	-9.0	-10.4	-11.5	-30.4
10. Induced	38.9	43.4	49.0	54.7	2.5	70.7	81.8	248.0
11.Total Contribution of Travel & Tourism to GDP (=5+6+7+8+9+10)	187.0	211.6	239.7	272.6	300.9	340.3	391.7	1,171.8
Employment impacts ('000)								
12. Direct contribution of Travel & Tourism to employment	1,404.7	1,471.2	1,500.2	1,479.5	1,462.5	1,470.4	1,509.1	1,950.7
13. Total Contribution of Travel & Tourism to employment	3,022.2	3,119.9	3,183.2	3,204.0	3,201.5	3,225.1	3,326.1	4,322.1
Other indicators								
14. Expenditure on outbound travel	24.2	30.6	36.5	50.4	44.9	46.5	44.2	124.4
15. International tourist (overnight visitor) arrivals ('000)	208	200	289	467	417	429	443	630

Bangladesh tourism industry with its enormous potentials is striving to reach at a satisfactory level in order to play the expected role in the economy of the country. A major sector of the services economy, tourism is increasingly recognized as contributing to social and economic development as well as a beneficial activity for host countries and local communities to combat unemployment by creating direct and indirect jobs and contributing significantly to rural development, especially in depressed rural areas threatened by the decline of traditional agricultural activities and it is precisely in rural areas of developing countries where most poor people live. Also that the world tourism is booming and almost imperceptibly it has become one of the fastest growing biggest industries in the world.

Tourism's appeal to developing countries is based, in large part, on its provision of foreign currency earnings and corresponding alleviation of the balance of payments

constraint. As Bangladesh is facing the constraints in foreign currency as well as the adverse position in the balance of payment account, the proper policy and strategy for the development of tourism industry can contribute positively to overcome the situation.

The economic impact of tourism has a disproportionate effect on the host community because of the multiplier effect which spreads the benefits far beyond the resort. The economic impact can be divided into three stages. First, there is a direct expenditure by tourists on goods and services provided by hotels and restaurants. Second is, the indirect expenditure due to the resultant business transactions arising from the first stage. Finally, there is the induced expenditure due to the responding of income by local nationals employed in or benefiting from the tourism expenditure in their regions.

The above discussion can be summed up in the following way:

$$I + X + G + C = S + M + T + C$$

Where, I = Investment

X = Exports

G = Government spending

C = Consumer spending

S = Saving

M = Imports

T = Taxation

When both sides of the equation are equal the national income is said to be in equilibrium.

Economic growth occurs when,

$$I + X + G + C > S + M + T + C$$

Tourism has economic effects by

1. Creating employment and income
2. Contributing to the balance of payments

The term tourist multiplier refers to the ratio of two changes-the change in one of the key economic variables such as output (income, employment of government revenue) to the change in tourist expenditure.

The basic formulation of Tourism Multiplier is thus,

$$\text{Tourist Multiplier} = A \left(\frac{1}{1 - BC} \right)$$

Where A = proportion of tourist expenditure remaining in the area after first round leakages,

B = proportion of income that local people spend on local goods and services-propensity to spend locally,

C = proportion of expenditure of local people which reuses as local income.

Tourism multipliers measure the present economic performance of the tourism industry and the short-run economic effects of a change in the level or pattern of tourism expenditure. They are particularly suitable for studying the impact of tourist expenditure on business turnover, incomes, employment, government revenue and the balance of payments.

Negative affects of tourism in society and culture

Tourism damages not only the landscape but also the indigenous way of life, culture and sets of values of Bangladesh.

In Bangladesh, premature exposure to western ideas and technologies has created a variety of social problems. It inevitably altered people's daily lives and rapid tourism development contributed to high crime rates and introduced gambling, drinking and prostitution, materialism and greed. Unpleasant experiences with nude travelers have brought about open resentment towards tourists.

Bangladesh has paid for a high price for its tourism industry in the form of congestion, pollution and a high cost of living. As the tourist infrastructure expanded, land became more and more scarce, causing real estate price to soar.

The problem is much wider than that. Tourist traffic in tunic and where it concentrates in particular locations in Bangladesh affects the rural environment, cars and buses create congestion on the roads as well as noise and other forms of pollution. Aircraft noise disturbs the residents and causes damage to wild life. Tourist damage crops and flora and leave litter behind. Without tourism the rural environment would have a better change of being preserved.

It is alleged that tourism generates crime in Bangladesh. Many researchers have perceived a positive correlation between tourism and crime. In an attempt to attract tourists, crimes have developed. Through the generation of friction between the host population and tourists many criminal activities have generated. Tourism creates situations where gains from crime may be high and the likelihood of detection small.

Tourist region of Bangladesh must process natural advantages and as a rule, it has a lower standard of living than the region from which it draws its tourists. In such a situation the observation of a better life style may induce resident population to greater work efforts, a higher saving rate in rise above the present station of life.' Unfortunately often the resident may find no opportunity before them to changes their miserable living conditions. As a result, a disturbing sense of frustration creeps in. In areas like Cox's Bazar, Kuakata, Sent-martin, Rangamati and Sunderban the fact that high birth rate of illegitimate children was attributed to the carnival atmosphere generated by international tourism. Tourism inflicts the behavior of a wasteful society in the midst of a society in the midst of a society of wants.

Other evil effects of tourism should not be lost sight of. For example, tourism in Cox's Bazar has seriously affected the agriculturists, it has affected the rights if fisherman and in Kuakata it has replaced traditional occupations. In most modern tourist projects there has always been a conflict of land use and environmental damage through hotel construction and waste disposal. In certain cases the curio trade has encouraged the vandalism of our architectural heritage and art objects. There is also the practice of illegal trade in hard currency. Such activities turn a section of the local population into pimps touts and black marketers. Sometimes tourists may provide the market for such activities.

There is a positive correlation between tourism and prostitution. Amongst the attractions of Bangladesh cities such as Cox's Bazar and Kuakata are the brothels. Their streets are often through by curious tourists who wish to see the girls. Sex-tourism has developed in these two cities.

Tourism associated with prostitution or what is called sex-tourism has assumed alarming in Bangladesh. Sex tourism, drug peddling and bride buying have become interlinked particularly in our country with some tourism and tourists.

The technological complexity of twentieth century living has led to forms of pollution which are both initiated and compounded by tourism development. Large scale tourist movement requires the use of mass transportation and the fuel burn from aircraft adds to air pollution; civilian aircraft account for the emission of 3 per cent of all carbon dioxide created by man and a similar amount of nitrous oxide. The introduction of quieter, more fuel-efficient and cleaner jet engines unfortunate has the side-effect of increasing the emission of nitrous oxide. Emissions from the exhausts of cars and boats used in tourism compound the problem.

All three forms of travel can also contribute unacceptable levels of noise, which must be considered a form of pollution. Waterborne vessels, by dumping fuel or waste overboard also contribute unacceptable levels of noise, which must be considered a form of pollution. Waterborne vessels, by dumping fuel or waste overboard also contribute to water pollution which, in turn, affects the wildlife on the rivers. Beaches give particular cause for concern in that polluted waters can lead to serious illness among bathers.

Environmental pollution is as physical. An area of scenic beauty attracts greater number of tourist, so more and more of the natural landscape is lost to tourist development. The countryside retreats before the growth of hotels and other amenities which sprang up to cater for the tourist's needs, with the result that the site is no longer seen as scenic and the tourists move on to find somewhere more tranquil as well as beautiful.

Conclusion

The importance of tourism can be considered as a major source of revenue and can play an important role in the economic development of Bangladesh. Tourism is widely seen as an important potential contributor to economic and social development in Third World countries. Tourism is also relevant to strategies for sustainable development and environmental rehabilitation in areas with great landscape and cultural values. Tourism business is essential to economies because of the direct effect on employment, the balance of payment and society in terms of educational and cultural benefits. The problems of declining terms of trade for agricultural products and high levels of protection against manufactures, many developing countries have turned to tourism as a possible alternative source of growth and devoted resources for the development of this sector and thus, the sector has become a major economic activity with in developing countries often contributing more foreign currency than traditional primary commodity exports.

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