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How to Throw a Bird?
Towards a Framework for Pro-Poor Tourism Development
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How to Throw a Bird? – Towards a Framework for Pro-Poor Tourism Development

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Abstract

There is great potential in developing local communities in Sub-Saharan Africa through pro-poor tourism for business and communities alike. Yet, unforeseen challenges have – in many cases- turned these good intentions into worse off situations. Although many locations with tourism potential has been left behind in global economic development, it is important to recognise that interventions, such as within tourism, cannot start on a tabula rasa. Hence, in this paper we argue that geographical locations are living systems where different stakeholders, formal and informal institutions, environment with its wildlife, etc., all interact and influence interventions and outcomes. In metaphorical terms developing locations through tourism is like attempting to make a bird fly in a desired direction: One can never predict completely the direction in which it will fly. On the contrary throwing a rock, where ballistics can easily be calculated, is more predictable. Recognising this, we take our starting point in complexity theory and the role played by institutions.

Key Words Complexity, Bottom up development, Institutions, Pro-poor Tourism, Trust & Power.

Track Four – bottom-up development.

Focus of Paper Theoretical/Academic

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Introduction

There appears to be wide agreement that an opportunity for pro-poor growth exists in developing tourism in Sub-Saharan Africa. However, the potential seems in many instances to have been underutilized in developing countries such as the Ghana, and successful examples are in general lacking (Scheyvens, 2011). For this reason, it makes sense to investigate what obstacles, expectations and views that influence opportunities within tourism, and also seek to explore issues leading to overcoming these obstacles. In fact, there is a need of a way to model the possible consequences of developing pro-poor tourism.

Both businesses and development organizations have relied on a Newtonian reductionist world view, when it comes to planning. This approach was taken to its extreme under The Washington Consensus, where it was held that all that was needed for Sub-Saharan Africa to take off on a high growth path was the implementation of sound institutions (Stiglitz, 2016). It was argued that once such institutions where in place, i.e. once private ownership was secured and the role of government minimized, free markets would integrate the African labour force into the global economy. However, this did not happen. We argue that “Washington” believed they were throwing rocks, when what they were really doing, was throwing a weak bird as if it was a rock. If we change our world view from Newtonian reductionism to a complexity perspective, we immediately recognise that we are trying to manipulate birds into flying in a predetermined direction, and we need to discuss how that is best accomplished, if possible at all.

* 2017 has been nominated International Year of Sustainable Tourism by The World Tourism Organization (UNWTO).
Furthermore, World Economic Forum (2015) reports that the travel and tourism sector accounted for 9.5% of global GDP in 2014.
Development through pro-poor tourism: A preunderstanding of institutions, power and trust

In general, governments’ influence on the sector of persuading non-commercial benefits, such as advancing the poor, is weak within the tourism industry. The private sector drives much of this industry development - often with large international companies in the driving seat (Ashley et al, 2000). Although tourism has many opportunities, care needs to be taken, not to turn “good intentions” or “good business opportunities” into exploitation of weaker marginalized areas and people.

With its low dependence on capital and highly educated human skills, tourism is an important opportunity to expand local economies. But it requires awareness, and willingness to view pro-poor tourism as a sustainable and beneficial business model incorporating triple bottom-line and shared value approaches by powerful actors both in the local environment (by the poor themselves), and by the tourism industry (see Porter et al, 2011; Visser, 2005; Ravn, 2010; Zakaria, 2016). In this sense, pro-poor tourism must take its point of departure in bottom-up development, and include livelihood strategies in which both micro and macro issues are considered in flux, to guide a sustainable direction for the bird in metaphorical terms.

In support of this argument, Waibel (2012) suggests that bottom-up development should include the people – not merely as producers and consumers in global value-chains or as cheap labour, but that it must include the poor as creators of development. Such an argument suggests that any society has a continuous stream of entrepreneurial activity to draw from (Baumol, 1990). However, if the poor is to unlock entrepreneurial potential to go beyond merely partaking in tourism industries as cheap labour, Waibel argues that there is a need to consider the role of institutions. Moreover, there is also a need to investigate who “the poor” are, how poverty is defined, and how it correlates with the poor’s own construction.

Development through pro-poor tourism depends on how well the institutional setting manages in transforming entrepreneurial talent into actual wealth or quality of living. Thus, in promoting development and inclusive growth, there is a need to develop native capabilities, including trust and institutions, as well as considering the role of power holders – both the visible and more invisible relations of power (Bourdieu, 1989).

This begs the question of who benefits from tourism. what institutions are at play?, and what is the role of trust and loyalty in enhancing sustainable and pro-poor tourism? In the following, we address these issues further.

Formal and Informal Institutions, Power, and Trust

Institutions in relation to development play an important role, but one should be very specific when using the term. Institutions are not universal per se, but are context dependent. When looking at development from a macro perspective or a top-down approach, much literature as well as practitioners tend to identify institutions equalling the “Global Standard Institutions” (GSI’s) (Chang, 2011). These institutions developed in the western world together with free markets, but are today believed to be independent of time and space. They are assumed to work the same anywhere and hence are understood to be transferable from one economy to another in a “one-size-fits-all” approach. This was also evident in the formal institutions of the Washington Consensus (Stiglitz, 2016; Easterly, 2008). Building on the idea from neoclassical theory, that once the right institutions are in place (using top-down power), free markets will integrate poor labour in the global economy bottom-up.

Contrary to the understandings represented via the GSI’s, Waibel views institutions as arrangements that support the functioning of markets, but are dependent on time, space and context. In addition, she argues that contracts may be social rather than legal. Her point is that development will not succeed if it relies only on importing a set of GSI’s, but that development should consider institutions already in place, and embrace bottom-up perspectives.

The insight that institutions are path dependent calls for a different approach to the whole idea of development, since institutions must be perceived as being socially embedded. In such a view, we have to deal with a much broader definition of institutions as both formal and informal, to which equal attention must be paid when dealing with pro-poor tourism and sustainable development in general.

In some developing contexts, entrepreneurship is formed by the formal and informal institutions that support market exchanges (Amoako et al, 2013; Zakaria, 2016; Smallbone et al, 2006). Formal institutions, represented by courts or government supported activities, are not always working effectively in enforcing, for instance,
contract agreements, and are often weak in a developing context (Fafchamps, 1996, 2004). Hence there is a need to examine other types of institutions often referred to as informal institutions that shape the “rules of the game” (Bourdieu, 1989) or the “humanly devised constraints that shape human interaction” (North, 1990). These informal institutions range from social conventions, norms and codes of ethics, all of which generally evolve from the society’s (sub)cultures, to explicit rules and regulations, such as constitutional, legal and property rights (North, 2005).

Vis-à-vis the focus on informal institutions, trust may be viewed as an informal institution (Zucker, 1986) that has an impact on pro-poor tourism development in various ways. This needs to be acknowledged in empirical studies of pro-poor tourism development, as well as in theoretical frameworks. Just as institutions are formed by agents over time, issues related to power, and who holds power to decide, to change and to direct development, may give important insights in terms of designing a pro-poor framework that can be empirically doable and flexible enough for various settings and contexts.

**Complexity – A preunderstanding of development processes**

Realizing that informal institutions, trust and power relations are all important in relation to development in general is an important insight, but it does not necessarily provide us with any tools when it comes to planning and implementing pro-poor tourism projects. It gives us a pre-understanding of the societies in which we purpose to interfere, and an idea that we need to include bottom-up processes, but it gives us no pre-understanding of development processes. Much literature within bottom-up development is more concerned with the intention of starting a process from the bottom (the poor) up (development), than providing an actual description of that process. We need a development theory that allows tourism development to grow from the bottom up, while taking into consideration our pre-understanding of informal institutions, trust and power.

Such a preunderstanding of development processes may be found within complexity science. Complexity science aims to understand endogenous development processes as opposed to development processes caused by exogenous factors. Here development processes are perceived as results of the self-organising capacities of systems through interaction of different types of elements in the system, rather than linear cause and effect relations. Economies and other social systems are complex adaptive systems where agents adapt to the behaviour of other agents, as well as changes in other elements of the system, such as the physical environment. In such systems, informal institutions as well as trust and power relations may emerge as results of interaction. Just as disease may spread within geographical areas, so may codes of behaviour – and just as disease has macro consequences (e.g. on population size), so do codes of behaviour.

Adapting a complexity perspective has consequences for the way we look at development (Ramalingam et al., 2008; Hughes et al., 2013), but until recently, applications of complexity science within social sciences, concentrated on understanding systems rather than manipulating systems. This is hardly surprising, given the impossibility of predicting exact development paths of complex adaptive systems. Complex adaptive systems are living systems, and within social sciences they are living systems inhabited by agents that form opinions and are aware of changes in the system. When you throw a rock, you may calculate its ballistic path using Newtonian mechanics. When you throw a bird, it is much harder to anticipate what will happen.

**Complexity management – an oxymoron?**

Complex systems grow in an unplanned manner – but what if growth fails? What if a community is locked in a situation of dismantling rather than development? It is one thing to understand complex systems – a different matter to understand how to manipulate or guide them. Colander and Kupers (2014) suggest that we may nudge complex systems into ”good” basins of attraction. This would imply that, replacing top-down measures of development policy with nudges acting on the local level, behaviour of the system could be improved.

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A discussion of economic development under complexity as opposed to neoclassical theory may be found in Bruun (2006). See Bookstaber (2017) for a general discussion of the complexity vision in economics.
Although having a positive mindset towards the complexity vision, Kirman (2016) is highly critical of the policy prescriptions of Colander and Kupers. He argues that it is impossible to predict what will happen when you interfere with a complex system and argues that Colander and Kupers have not quite left the idea of equilibrium paths – that they have not fully appreciated that they are dealing with birds rather than rocks.

Room (2011) is more optimistic when it comes to policy interventions in complex systems. Having a background in social policy rather than economics, he takes a much more “hands on” approach to policy making in complex systems, and develops his own toolbox for policy makers. Similar approaches may be found in Hughes et al (2013), Mitleton-Kelly (2003) and Ramalingam et al (2008). That we see so many contributions combining the complexity vision with development policy, gives us renewed hope.

Complexity management is not an oxymoron, but managing complex systems requires much more insight in the system, and a constant watch for undesirable side-effects of managerial action. When you come across a passive bird, you do not throw it like a rock\(^c\). You make sure that all prerequisites for flying are in place, and you watch it carefully.

A Tentative Toolbox for Pro-Poor Tourism Development

Pro-poor tourism development is not an easy matter – just as it is not an easy matter to throw a bird in such a way, that it flies in a pre-defined direction. We will never get to the point where we have so much knowledge of the environment and of interactions that development projects can be designed and carried out “from Washington offices”. We need specific information of the area we purpose to develop, and the people living in it, who are arguably shaped and being shaped by their environment. Projects can never be fully specified in advance – they need constant surveillance, and plans may need to be changed. This is the main message of Room (2011), who presents a toolbox for agile policy making. This toolbox is generic and may be adapted for pro-poor tourism development, and in implementing inclusive business models in general.

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We shall not go into details with every single step in Room’s toolbox, but merely suggest what kind of considerations may be relevant in pro-poor project planning. The first point to consider is the landscape, or the battle field. Why are we even considering pro-poor tourism? The fact is that tourism is taking up an increasing part of world GDP. At the same time, high income groups around the world do not show an interest in purchasing goods produced in Sub-Saharan Africa. Considering the human, physical and financial capital of Sub-Saharan countries, it is not likely that this situation will change. On the other hand, the countries in question have natural and cultural capital that may interest high income groups in the form of tourist services. By having tourists purchasing services from population groups that would otherwise be excluded from the global economy, the increased polarization in world incomes we have witnessed during five decades, may be brought to a halt.

This is the landscape and the purpose of pro-poor tourism. Bringing the vision to reality requires further steps. First the protagonists must be identified, from the local communities, and local government to tourists and businesses. Since pro-poor tourism is not chosen by private sector protagonists without any steering, there must

\(^c\) In our bird metaphor it is important to note, that it is not the poor that are “sick” – it is the system of which they are a part.
be some struggle preventing the apparent solution, not only to relieving the situation of the poor, but also to using all available resources to the benefit of mankind – including local communities in the tourism industry. The problem is that tourists do not necessarily comply with the pro-poor purpose as the main priority. They may have a long list of priorities when choosing destinations. Tourism is a competitive business, in which other countries have spent decades trying to adapt their services to the priorities of guests. Entering the tourism business is not an easy way out.

Room suggests that we should try to identify tipping points – what are the crucial factors determining whether a new tourist destination is a success or a failure? It is important to recognize that the attractiveness of a tourist destination does not merely depend on the attractiveness of what resort owners may control, but depends on its surroundings as well. In pro-poor tourism, you want to avoid situations where businesses do not seek to include the local community (e.g. when choosing suppliers and workers) on one hand, and where the individuals of the local community does not engage in a behaviour that conflicts with the interest of business, on the other hand.

In promoting pro-poor tourism one needs to tune the landscape and energize protagonists in such a way that tourism thrives between global tourism and local communities. This may involve some degree of “planned economy” in the sense that businesses coming from the outside and local entrepreneurs and communities need to work together to promote their common interest. In developing tourist destinations, it is necessary to have a segment of tourist in mind, and build up the destination with this segment in mind – and not support just any profitable business idea that comes up. This is also a method for civilizing the struggle and gradually removing restrictions on free entrepreneurial activity. This will minimize the risk of predators in the form of international businesses or local entrepreneurs who aim to take home a short run profit without considering the long run attractiveness of the destination.

Conclusion

How to throw a bird is in itself a provocative question, and in a sense used in this paper to stir a disruption in the readers’ minds. Arguably, birds are not supposed to be thrown as they are living beings. Stones may be thrown, but social systems are not stones – they are living systems like birds. If birds do not fly to the best habitat by their own free will, we should ask ourselves, why not?

It could be argued that the opposite of throwing stones is to release birds. Our preliminary study of the landscape suggests that this metaphor would be too naïve. The “struggle” or the polarization, creating a rich class for whom living standards are constantly increasing, and a poor class that is constantly falling further behind world average living standards, suggests that a simple releasing, for example by changing initial conditions by feeding the bird, will not suffice. The bird must be constantly managed and supervised, to secure that it will not fall back into its old cage. From a complexity perspective, it is important to help it fly to a better place, rather than carrying it.

With travel and tourism taking up one tenth of world GDP, pro-poor tourism holds great potential. But the small class of people who are demanders of this one tenth of GDP is a picky herd. On the other hand, the individual community member has so much to gain and so little to lose, in providing individual tourists what they may demand, and this need not promote pro-poor tourism. Due to conflict of interest between the individual and the community (whether local or global), tourism may end up taking advantage of the poor. The balance between what tourists want, and what locals are willing to offer, is an essential “tipping point” to watch. Tourist segmentation may be an important tool to avoid exploitation.

From a global economic-political perspective it should be obvious that, what we observe today is far from a Pareto optimal situation. World happiness would increase, if rich people could be persuaded to buy from the poor, as poetically argued by Mandeville in his famous “Fable of the Bees” dating back to 1705. We suggest that we take a small step towards increasing world happiness, by choosing the right toolbox, in promoting and working with pro-poor tourism.

Citations and References

\[d\] At least if we discuss Pareto optimality as intended by Pareto.


