International Journal of Economics and Business Administration

Vol. 2, No. 5, 2016, pp. 59-67

http://www.aiscience.org/journal/ijeba

ISSN: 2381-7356 (Print); ISSN: 2381-7364 (Online)



Socio-economic Impacts of Tourism Development and Their Implications on Local Communities

W. K. Athula Gnanapala, J. A. R. C. Sandaruwani*

Dept. of Tourism Management, Faculty of Management Studies, Sabaragamuwa University of Sri Lanka, Belihuloya, Sri Lanka

Abstract

Tourism has significant potentials for generating positive social, cultural and economic benefits depending on how tourism activities are managed and developed. However, tourism also has the potential to generate more negative outcomes. Therefore, the objectives of this study are first; to examine the impacts of tourism development on local communities, second; to recognize the attitudes and perception of local communities towards tourism development in their neighbourhoods. The study is based on the data gathered from 108 families in three villages to analysis the attitudes and perceptions of local communities towards tourism development. Additionally, six unstructured interviews were conducted with government officers of these villages to get the precise understanding of the tourism development in local communities and its impacts. The study reveals inadequate government planning, policies and regulations, insufficient knowledge and skills of tour operators, and the broader social issues of poverty and its concomitant implications have become the impediments. Despite numerous economic advantages for the government, private businesses and other external organizations, the local villagers do not sufficiently benefit financially from tourism development. The study area is located in the heart of the cultural triangle; villagers and tourists in this region generally demonstrate high levels of sensitivity to indigenous cultures, thus minimizing the negative socio-cultural impacts.

Keywords

Community Participation, Socio-economic Impacts, Sustainability, Tourism Development

Received: June 16, 2016 / Accepted: June 30, 2016 / Published online: November 2, 2016

@ 2016 The Authors. Published by American Institute of Science. This Open Access article is under the CC BY license. http://creativecommons.org/licenses/by/4.0/

1. Introduction

Tourism is considered as one of the fastest growing industries in global level (WTO, 2014). It has an ability to generate both negative and positive impacts on the destination regions. Tourism development brings foreign currency inflows, infrastructure development, employment generation, regional development, income distribution through economic multiplier and it brings more negative environmental and socio-cultural consequences too (Geethika & Gnanapala, 2015).

When we look at the global context, the tourist arrival is exceeded 1,135 million, who crossed international borders,

during the year 2014, consolidating the growth after the global economic crisis and despite of many challenges. Also, the tourism has generated US\$ 1,245 billion in 2014 (WTO 2014). The World Travel & Tourism Council (2013) highlighted that 4.7 million new jobs were created as a result of tourism activity altogether the industry contributed for nearly 266 million jobs, accordingly 1 in 11 of all jobs in the world. Similarly, the tourism industry in Sri Lanka is growing very rapidly after ending the thirty years old terrorism problem in 2009. The tourist arrival has increased very rapidly from 447,890 tourists from 2009 to 1,527,153

^{*} Corresponding author

tourists in 2014. According to Buultjens et al. (2015) the tourism industry makes a significant contribution to Sri Lanka's economy and expected the industry contributes 3.0% directly and 7.9% in total to the national Gross Domestic Product in 2011. In addition, tourism contributed 3.5% directly to the total employment in 2014 and forecast to support 804,000 jobs (9.5% of total employment) by 2024 (World Travel and Tourism Council, 2014). Therefore, the tourism is considered as one of the biggest and fastest growing sectors of the world and positively affect the social and economic development of the country through foreign currency inflows, development of infrastructure facilities, employment generation, regional development and bring new management and educational experiences (Mirbabayev & Sagazatova, 2005; Geethika & Gnanapala, Sandaruwani & Gnanapala, 2016). As highlighted by Buhalis (1992) tourism has identified as one of the most effective means of job creation and drive economic development in local communities, further, tourism not only contributes to wealth creation but also increases the access to essential services such as water, sanitation, telecommunications and transport.

Due to the high potential benefits of the industry, Sri Lankan also takes many efforts to widen its tourism industry through various development initiatives. However, the tourism also has an ability to generate more evils to the destination through decreasing the socio-cultural and natural environmental values. The poverty is a major issue in developing countries, therefore, as a developing country; Sri Lanka tries to develop tourism in rural areas through empowerment of the local communities to involve in tourism activities. As highlighted by Jamieson, Goodwin & Edmunds (2004), poverty alleviation and tourism industry are interrelated in the third world and developing countries. The developing countries have introduced many tourism development projects to improve the economic standard of those communities. Nevertheless, those tourism development programs can generate significant negative social, cultural and environment impacts too. Also, highlighted by UNCSD (1999), there is a possibility to have conflicts in relation to the sustainable economic and tourism development in the destination regions. Therefore, the question mark is; whether the tourism development in rural destinations is really generating the intended benefits to the local community? Based on this background the main argument of this: does tourism really brings economic benefits to the local community? In order to find out the answers to the above question, it has proposed the following objectives, first, to examine the impacts of tourism development on local communities, second, to recognize the attitudes and perception of local communities towards tourism development in their neighborhoods.

2. Literature Review

Sri Lanka is known as a tourist destination which offers not just 3S (Sun, Sea, Sand) but also Pristine, Thrills, Heritage, Bliss, Scenic, Wild, Essence and Festive; emerged as 'Wonder of Asia' as articulated by the Government Development Policy Framework (Tourism Development Strategy, 2011).

According to the Tourism Development Strategy (2011), it is important to preserve the environment and wildlife and promote clean cities and townships. It must also be ensured that the maximum benefit of tourism is passed to the community and economic growth is supported through domestic value creation. Therefore, the Sri Lankan tourism industry has to think beyond traditional norms and be actually involved in product development to make the visits exciting for the tourists. Since one of the key objectives of tourism is economic development at the mass level, the Sri Lanka Tourism Development Authority (SLTDA) has been encouraging the industrialists to focus on getting the community involved in the value chain and new value creation. One of the good examples is the 'homestay' program that is gaining momentum. Similar initiatives like visits to community-based activities such as farming, fishing, handicrafts, festivals, religious and cultural programs, sports, bird watching, wildlife etc. are being promoted. Therefore, the study identifies the socio-economic impacts of tourism development on the local community in Sigiriya Rock Fortress.

2.1. Sigiriya

Sigiriya, designated as a World Heritage Site by UNESCO in 1982, is a popular tourist destination located in the middle of the cultural triangle by connecting the world heritage sites of Anuradhapura, Kandy and Polonnaruwa in Sri Lanka. Sigiriya is known as the Asia's best-preserved city of the first millennium, showing complex urban planning around the base of the rock, combined with sophisticated engineering and irrigation skills in the palace perched on the summit. And that is also considered as one of the oldest tourist sites in Sri Lanka, being visited by travellers for past 1000 years. The ancient rock fortress and palace of Sigiriya, currently standing in ruin, still has magnificent opulence that is surrounded by beautiful gardens, reservoirs and other structures and attracts the large influx of tourists visiting Sri Lanka.

Table 1. Foreign visitors & Revenue at Cultural Triangle - 2014.

Location	Foreign Visitors	Revenue (in Rs.)
Anuradhapura	79,685	251,708,838
Polonnaruwa	181,344	571,971,966
Sigiriya	354,997	1,348,197,649
Kataragama	105	68,250
Galle	10,560	6,406,280
Dambulla	440	114,110
Total	627,136	1,727,079,216.13

Source: (SLTDA, 2014)

According to the survey report of departing foreign tourists from Sri Lanka (2013), 40% of the tourists are visited Sigiriya; placing the fourth most popular place of attraction in Sri Lanka. Therefore, Sigiriya as a leading product representing Sri Lankan culture & heritage has been successful in bringing 354,997 foreign visitors with Rs.1,348,197,649 foreign income which is the largest foreign exchange earning with compared to the other cultural and heritage sites in Sri Lanka (SLTDA, 2014). The table 1 presents the tourism income earned from world heritage sites in of Sri Lanka.

2.2. Tourism Impacts

The sustainable tourism development in a destination is built on three pillars such as the promotion and enhancement of the natural and cultural environment; the effective planning and sustainable management of the environment and the participation of the local community (Myburgh & Saayman, 2002). The impacts follow-on tourism developments have been deliberated vastly in various contemporary studies. Generally, these impacts are typically identified as either positive or negative, in one of three particular groups i.e. economic, environmental and socio-cultural impacts.

Both the economic and environmental impacts caused by tourism development can be measured using a range of relatively standard criteria; measuring the economic impacts through the financial flows that either enter or leave a national, regional or local tourism economy; through tax revenues, or via the number of direct and indirect forms of employment tourism may initiate and environmental impacts through wildlife species decline, erosion rates, or by physical changes to protected areas (Buultjens, 2005). But, the social impacts remain as a more contested issue as a result of many intangible costs and benefits that the tourism development may induce.

2.2.1. Socio-cultural Impacts of Tourism

According to many scholars, socio-cultural impacts focuses on the community, and therefore the changes in societal, collective and individual value systems, behavior, social relationships and lifestyles, modes of expressions and community structure (Page, Brunt, Busby & Connell, 2002;

Douglas, Douglas & Derrett, 2001; Fredline et al., 2003; Sims & D'Mello, 2005).

(i). Optimistic Impact of Tourism on Community Social liFe

As highlighted by Ogorelc (2009), the socio-cultural impacts of tourism are forming because of the direct contact between the host (local residents) and the guest (visitors). Furthermore, De Kadt (1979) suggests that there are three different types of contact between local residents and visitors. The first occurred when tourists bought goods and services from the residents. The second took place when tourists and residents shared a facility, and the third kind of contact came into play when tourist and residents meet for the cultural exchange.

Tourism contributes to a mutual understanding and respect between peoples and societies. Archer, Cooper and Ruhanen (2005) drew attention to the fact that differences in nationalities and cultural behavior among visitors and hosts were able to stimulate a great mutual understanding. Tourism motivates local people to preserve their culture and heritage, and promotes social stability through the realization of positive outcomes for the local economy. They further highlighted that tourism can encourage the preservation of ancient cultures and ways of life. Social benefits include the maintenance of traditional cultures, increased intercultural communication and understanding, improved social welfare, quality of life, improved shopping and increased recreational opportunity.

Murray (2009), has brought together a range of common positive tourism impacts relating to the social well-being of the community as the stimulation of infrastructure development (roads, communications, healthcare, education, public transport, access to drinking water), increasing local or regional safety and security, the facilitation of workforce development (e.g. rights and conditions), the promotion of civic pride (in community, culture, heritage, natural resources and infrastructure), increasing awareness that it may be mutually beneficial to all stakeholders in the community, the potential creation of new opportunities and the broadening of idea horizons, the promotion of cultural understanding, the preservation of cultural and social heritage and local languages or dialects, the support and preservation of local and unique crafts and skills, the creation of a sense of wellthe promotion of greater cross-institutional understanding, the further appreciation of cross-stakeholder goals and agendas, the building of skills and influence, the stronger enforcement of government policy (national, regional and local), further skills enhancement (training; such as administrative, service industry, maintenance, guiding, etc.), the building of capacity both collectively and

individually, the development of empowerment (gender and community; social, financial, etc.)

(ii). Pessimistic Impact of Tourism on Community Social Life

Tourism is considered as a lucrative market for any destination, therefore they make much effort to attract and satisfy the tourists as a collaborative effort of government and the private sector in order to get economic advantages. However, most of them are not care so much of local socioculture impact in the destination site. The visitors want to enjoy and entertain at the destinations since the majority come for pleasure purposes. At the same time the tourists come from other societies with different values and lifestyles, and seek pleasure and enjoyment, they may spend large amounts of money and behave in ways that even they would not accept at home (Rogerson, 2000). Tourists may also fail to respect local customs and moral values of the host due to the ignorance or carelessness (Stohr, 1990; Zaaijer and Sara, 1993; Demaziere and Wilson, 1996; Karunathilka & Gnanapala, 2016).

According to Tsundoda and Mendilinger (2009), tourism is a 'total social event' which may be conducive to structural changes in communities. The social benefits include the maintenance of traditional culture, increased intercultural communication and understanding, improved social welfare, quality of life and cross-culture occurred. In contrast with the above positive arguments, tourism can also be a destructive vehicle which damages local socio-culture such as drug abuses, increased crime rates, prostitution, friction between tourists and residents change traditional cultures and host's way of life (Tsundoda & Mendilinger, 2009).

2.2.2. Economic Impact of Tourism

(i). Optimistic impact of Tourism on Local Economy

The economic impact entails the effect that the production, distribution and consumption of wealth in the human society have on one another (Moffatt, 2008). Usually, the host community is quite happy to see the influx of tourists into their living areas where many recreational activities were organized and settled up in a quality way to welcome the tourists who would spend their money out; generating new revenues for the community (Tisdell, 2001). So, tourism is a concept of economic activity with great impacts on society as it is an instrument for the community development.

Tourism not only increases foreign exchange income; that contributes to improve the nation's balance of payments (Gee et al., 1997; Liu and Var, 1986; Dogan, 1989), but also creates new employment opportunities, stimulates the growth of the tourism industry and through that it helps to enhance

the economic growth and poverty reduction (Vilayphone, 2009).

Furthermore, Murray (2009) has pile up a range of common positive economic impacts relating to the local economy as, direct employment opportunities (including, administration, guiding, tours and transport, construction, hospitality, management, accommodation shopping, food and beverage outlets), indirect employment opportunities (including, environmental management, entrepreneurs, and other supportive industries), the support of the development of multi-sector or mono-sector non-profit community based enterprises, the provision of alternatives to changing or fading traditional industries, increasing of land values, and thus rates payable to council for community services.

Apart from that, tourism encourages new infrastructure investment (Inskeep, 1991), and communication and transportation possibilities (Milman and Pizam, 1988) as well. The amount of taxes collected by the government will also increase with the higher level of economic activity. Residents of a local community might have a better standard of living and higher income by tourism activities and economic empowerment; bringing lasting economic gains to the local community (Binns and Nel, 1999; Nel, 1999; Rogerson, 1999b; Nel and Binns, 2001).

The above arguments demonstrate how tourism generates positive benefits for a country's host communities. Conversely, however, tourism may also cause negative economic costs to the host communities.

(ii). Pessimistic Impact of Tourism on Local Economy

Though, tourism is obviously economical in a wide range, it's just like a double edge sword. Several host communities had negative attitudes towards tourism due to the economic costs of tourism. One of such economic costs is high consumer prices.

The booming tourism industry places a great pressure on the limited resources such as food, land, transport, electricity and water supply, etc. in the host economy and the increasing demand on these limited resources and facilities may lead to the inflation; causing negative effects on host community (Kreag, 2001). As tourism depends very much on external demand factors, it creates over-dependence on tourism; ignoring the traditional ways of income earning (Haralambopoulos and Pizam, 1996; Liu and Var, 1986).

Tourism creates jobs which are not sustainable, do not require professional skills and do not provide a sufficient salary to afford family expenses (Tomoko and Samuel, 2009). In Sri Lanka, the employment generation due to the tourism industry has increased significantly by 65.9 per cent

compared to the persons employed directly in the tourism sector as at the end of 2013 amounted to 112,550; but the majority of the total direct employments were Technical, Clerical and Supervisory grade (SLTDA, 2013).

2.2.3. Impact of Tourism on Small and Medium Scale Enterprises

Tourism plays an important role in encouraging the establishment of new small and medium scale enterprises and develops the existing businesses in order to welcome the tourists and the tourism development. The tourism enterprises can be categorized into four main suppliers i.e. accommodation, food and beverage services, transportation and excursions services and crafts and shopping items. The local residents and entrepreneurs have experiences to develop their small businesses to sell fruits, meals, cafe, sweets, handicraft, wood carving, pottery, accommodation etc. Some with high financial resources combined tourism knowledge started with hotel services, travel agency, elephant riding, nature tracking, souvenir and handicraft shops etc. Some are invested in foreign partnerships that had more experience and network in overseas connection. Further, the tourism entrepreneurs make their town more developed (Phoummasak, Kongmanila & Changchun, 2014).

3. Methodology

The study has conducted using a combination of both quantitative and qualitative methodologies. Mainly, a questionnaire survey was conducted to collect data in order to examine the impact of tourism on the local community and their attitudes and perceptions towards tourism development in their neighborhoods. The study selected three villages situated in Sigiriya area as the study sites; i.e. Sigiriya (25 families), Kaiyanwala (182 families) and Kalapuraya (225 families) and altogether 432 families are living in this study area. For the study, 108 families were selected using the convenience sampling technique; representing 25 percent from each village. Apart from that, 06 unstructured interviews were conducted with government officers. The interviews are widely used data collection method that allows researchers to focus on meaning rather than facts (Qu and Dumay, 2011). Interview participants were selected via a non-random and convenience sampling method because it was relatively easy to decide appropriate respondents.

The secondary data collected via reviewing the peerreviewed journal articles, and documents relating to the Sri Lanka tourism industry (SLTDA Annual Report - 2014, Airport Survey Report of the departing tourist - 2013). The descriptive statistics and the content analysis were mainly utilized to analyze the data. The data collection process was conducted from January to April 2015.

4. Data Analysis & Discussion

The researchers were able to collect 108 completed questionnaires from families representing 67% male and 33% female respondents. Out of them, 90% are the permanent residents who live those villages since their birth. The majority of the respondents (31.5%) were in the age group of 31-40; following 28% in the age group of 51-60. When analyzing the educational background of the local community, the majority of the respondents (83.3%) were reached only up to the primary education. When analyzing the family size of the respondents, 51% of those families were having minimum four members and out of them, 75% of families are having at least two dependents.

When analyzing the employment background of the local residents, 66% of the locals were occupied in tourism related business/self-employment activities (direct or indirect); providing through food and beverages (28%),accommodation (27%), transportation facilities (19%), guiding and tracking (13%), and also selling the cultural goods, fancy items, handy crafts, paintings and sculpts. Some of the villagers are having more than one income sources. There were 52 percent of the locals who occupied in the tourism-related jobs and earn more than Rs. 20,000.00 per month.

When analyzing the perception and attitudes of the locals regarding the tourism development and its implications for the community, the majority of the respondents were agreed that the tourism industry provides them more positive impacts rather than the negative ones representing the mean value as 4.44. Furthermore, they agreed that the tourism industry provides them more job opportunities and assist regional developments representing the mean values 4.10 and 3.43 respectively. But the respondents disagreed with that the tourism industry assists in conservation and protection of their natural environment as it represents the mean value of 2.50. And also they disagree with the statement, that tourism development has not brought any negative social and cultural consequences to the local community, exhibiting the mean value 2.50. Furthermore, the respondents would like to see more developments in tourism in their neighborhoods (mean value 3.94) as they gain more financial benefits than its associated social and environmental consequences presently. Table 2 presents the community perception regarding the tourism developments in their neighborhoods.

When emphasizing on the small and medium scale tourism related businesses in the study area, the majority of the businesses are functioning as food and beverage outlets, transport providers, accommodation suppliers, souvenir shops providing crafts and hand-made items, paintings and sculpts, batik clothing, traditional masks and wood stuff etc. It's vital to emphasize that 55% of those small and medium scale enterprises have been started their operations within last five years after ending the thirty years long terrorism problem and creating a peaceful environment. Moreover, these business operators have confirmed that they are getting enough income throughout the year serving for both foreign and local tourists.

When analyzing the locals' attitudes and perceptions on tourism development projects in their neighborhoods, the community perceived that the development projects are essential for regional development. Various tourism development projects, undertaken by the government and other particular local authorities, are aiming at delivering more benefits to the community for the enhancement of their living conditions.

Table 3 summarizes the community perception regarding the tourism development projects which are available in Sigiriya area. Accordingly, the tourism development initiatives of the government have brought numerous benefits to the study area especially the enhancement of the regional infrastructure facilities and the employment opportunities. However, according to the respondents' point of view, the development projects haven't properly planned to ensure the economic benefits for the local community. Furthermore, the community has realized that due to the poor planning of the government, it has not considered the possible negative social and cultural consequences of tourism development. In further analyzing, it is identified that the project planners have not got the active participation of the locals in planning and decision-making process, nevertheless, the researchers and other intellectuals have proved the important of the community involvement to ensure the sustainability of the destination.

Table 2. Community perception regarding the tourism in their neighborhood.

	N	Minimum	Maximum	Mean	Std. Deviation
Tourism brings financial benefits to the local community.	108	4	5	4.44	.499
Tourism brings employment opportunities for locals	108	3	5	4.10	.492
Tourism creates regional developments in neighbourhood.	108	2	5	3.43	.599
Tourism helps in conservation and protection of the natural environment	108	2	4	2.50	.538
There are no any social and cultural negative impacts raised as a result of tourism operations.	108	1	5	2.50	.791
Locals' perception regarding the further tourism developments in their neighbourhoods.	108	2	5	3.94	.714
Valid N (list wise)	108				

Source: Survey Data, 2015

Table 3. Community perception regarding tourism development projects.

	N	Minimum	Maximum	Mean	Std. Deviation
Properly planned development projects are essential to boost regional tourism		3	5	4.06	.645
Government has already started few projects to develop regional tourism.	108	3	5	4.35	.631
Tourism development projects are focused to deliver more benefits to the community.		1	5	3.17	.912
Local community actively participate for those tourism development projects.	108	1	4	2.85	.766
The authorities are getting the community's involvement for those tourism development projects		2	4	2.96	.772
Project planners are getting the community's ideas before starting those projects	108	1	5	2.88	1.166
Community is getting more advantages than the disadvantages through the dev. projects		1	5	3.94	.674
Community was able to strengthen their living condition through the dev. projects.	108	2	5	3.65	.740
The development projects were able to reach their expected goals & objectives	108	3	4	3.69	.467
Development projects are clear target to deliver the economic benefits to the community.		1	4	2.89	.676
The projects have clear objectives to enhance the regional infrastructure facilities.	108	3	5	4.56	.714
The tourism development projects have proper machanism to control the negative economic, social and cultural impacts.		1	4	2.73	.678
Valid N (list wise)	108				

Source: Survey Data, 2015

Officers Opinions

Tourism industry consists of many different stakeholders, in addition to the tourists and the local community; therefore it is vital to consider their attitudes, experiences and

expectations about the tourism development and its impacts to have a well-planned sustainable tourism industry. Therefore, the study has also focused the attitudes and opinions of the responsible government officers who involve in improving the socio-economic conditions of the local

community of the study area through capacity buildings and empowering. According to their opinions the community and the area has received so many advantages through tourism development. "The villagers of the area mainly depend on agriculture, however it is very difficult to get a good harvest due to the bad weather conditions (drought), therefore, tourism development is a great chance for the villagers to earn extra income" (Officer 4, personal communication).

The Sigiriya is located in the dry zone; consequently, the villagers have faced difficulties to continue their farming activities due to the shortage of water. "The infrastructure of the area is improved along with tourism development mainly based on Sigiriya fortress and surrounding attractions. Otherwise the infrastructure facilities like roads, electricity, telephone, banking faculties etc. will not be developed fast and adequately" (Officer 1, personal communication). "The agriculture is frequently affected by the bad weather conditions and wild animals. Further, the farmers do not have any mechanism to market their products and also having post harvesting issues. The villagers in this area are engaged in paddy and Chena cultivations, however they cannot get a sufficient income and it also fluctuates from season to season. The agriculture is seasonal and other parts of the year the farmers do not have anything to do. Hence, the tourism has brought opportunities for the community to engage in tourism related activities and to get satisfactory income" (Officer 3, personal communication). Tourism has developed interest among the village children to have a better education and the parents are also motivated to give a better education for their children. "The villagers want to give better education for their children, the parents have identified their weaknesses and realized that if they could speak English and other foreign languages they would have an opportunity to engage in tourism related activities to get adequate income and other benefits" (Officer 6, personal communication).

The tourism has brought more advantages to the area; however, the villagers are not in a position to get adequate benefits due to their low capacity and other constraints. "Even though the tourism has generated so many business opportunities the majority of the villagers are unable to capitalize them due to poor education, financial constraints and lack of entrepreneurial skills. Therefore, the villagers can do only very small scale businesses and self-employments. The large and medium scale businesses in the area are handled by outsiders and the large scale organizations. The villagers can find employment opportunities in those places and it is a solution for the prevailing youth unemployment in the area, however they can find lower level jobs only" (Officer 2, personal communication).

The officers are highlighted that the land tenure has become an issue for the area since the demand for the land is rising rapidly. "Due to increasing demand and the tourism development the new business opportunities are emerging. Therefore, the outside businessmen buy land in this area at cheap rates for commercial purposes. The villagers are unaware of the present and future value of those lands and their main motives is to get some income to solve their day to day financial issues" (Officer 1, personal communication).

All the villagers in this area do not engage in tourism related businesses activities. The tourism development has brought some negative social consequences too. "There are few cases that the tourism development has negatively affected for the peaceful life of the local villagers. Some youths are addicted to smoking and alcohols; further the lifestyle and other behavior patterns have changed negatively. As a result, it is necessary to have appropriate planning with proper policies to ensure the sustainable tourism development in the area. Tourism education and awareness are also much more important to deliver the benefits for locals" (Officer 5, personal communication). The tourists motives are diverse the majority come to Sri Lanka for pleasure purposes. Therefore, they like to maintain their usual lifestyles and the behavior patterns even after arriving at the destination region. However, the study area is located in a culturally highly sensitive area within a rural community, it is crucial to plan the tourism development activities in a proper way to mitigate possible negative consequences on society and culture. Consequently, the community awareness and education should be vital components in each and every tourism development projects.

5. Conclusion

The paper is mainly concentrated to examine the impacts of tourism development on local communities and to recognize the attitudes and perception of local communities towards tourism development in their neighborhoods. The study revealed that the tourism is widely accepted by the majority of the local community in the study area and actively involving in tourism related operational activities.

The study was conducted in a less developed area in the dry zone and the area is also severely affected by the adverse climatic changes and the human-elephant conflict. The community mainly depends on agriculture and do not get a fixed income and it is fluctuating. As a result of that, the community is motivated to be with the tourism industry either starting their self or small scale businesses or supply labour for the tourism establishments. There are many tourism developments projects are going on the surrounding areas and also the infrastructure facilities of the area are improving along with those developments.

The study reveals that inadequate government planning,

policies and regulations of the tourism industry with insufficient knowledge and skills of the tour operators are the major barriers in delivering the expected benefits to the local community. The poverty has become a major impediment to get the advantages of the tourism development in the rural areas; the community does not have sufficient knowledge, skills and capacity to involve in tourism development activities. Therefore, the local villagers do not sufficiently benefit financially from tourism development, despite numerous advantages are available in the area through the initiatives of central, provincial and local governments, private business and other NGOs. The study area is located in the heart of the cultural triangle; villagers and tourists in this region generally demonstrate high levels of sensitivity to indigenous cultures, thus minimizing negative socio-cultural impacts. It is suggested that the government should adopt proper policies and planning, promote community awareness and education, support community empowerment and build the capacities of locals to get the available benefits and advantages of tourism development.

The government authorities need to have a proper dialog with the local community to get their active participation for tourism development activities also need to empower the community through capacity development in order to extract the benefits of tourism development being the developers and controllers of the tourism industry in the area. Further, it has become an essential requirement to provide financial supports and incentive to encourage the community to move forward with tourism. The active involvement of local community will ensure to have economically, socio-culturally and environmentally sustainable tourism industry in the area.

It is proposed to implement the small scale tourism project through community participation along with the government monitoring. However, it is necessary to develop a proper mechanism to get the community participation; an ideal one is to form community-based organizations (CBOs). The government and other responsible organizations should involve in empowering the community to form CBOs. The medium and large scale development projects are needed to implement as public and private partnerships (PPP projects), then the government will be able to manage the wishes of the business sector and the interests of the local community of the destination.

References

- [1] Archer, B., Cooper, C., & Ruhanen, L. (2005). *The Positive and Negative Impacts of Tourism*. In: Theobald, W. F. (Ed) Global Tourism. 3rd ed. Burlington: Elsevier Limited, 79-102.
- [2] Binns, T., & Nel, E. (1999). Beyond the Development Impasse: The Role of Local Economic Development and Community Self-Reliance in Rural South Africa. J. Modern

- Afr. Stud., 37(3), 389-408.
- [3] Buultjens, J., Brereton, D., Memmott, P., Reser, J., Thomson, L., & O'rourke, T. (2010). *The mining sector and indigenous tourism development in Weipa, Queensland*. Tourism management, 31(5), 597-606.
- [4] Buultjens, J., Ratnayake, I., Gnanapala, A., and Aslam, M. (2005). Tourism and its Implications for Management in Ruhuna National Park (Yala), Sri Lanka. Tourism Management, 26 (5), 733-742.
- [5] Cohen, E. (1979). *Rethinking the sociology of tourism*. Annals of Tourism Research, 6(1), 18-35.
- [6] De Kadt, E. (Ed.). (1979). Tourism: passport to development? New York: Oxford University Press.
- [7] Demaziere, C. and Wilson, P. A. (1996). *Local Economic Development in Europe and the America*. London: Mansell.
- [8] Dogan, H. S. (1989). Socio-cultural impacts of tourism. Annals of Tourism Research, 16, 216-236.
- [9] Douglas, N., Douglas, N., & Derrett, R. (2001). Special Interest Tourism. Australia: John Wiley & Sons.
- [10] Fredline, L., Jago, L. & Deery, M. (2003). *The Development of a Generic Scale to Measure the Social Impact of Events*. Event Management, 8, 23-37.
- [11] Gee, C. Y., Makens, J. C., & Choy, D. J. L. (1997). The Travel Industry. 3rd ed. New York: Van Nostrand Reinhold.
- [12] Geethika, N., &Gnanapala, A. (2015). Socio-Economic Impacts on Local Community through Tourism Development with Special Reference to Heritance Kandalama. Tourism, Leisure and Global Change, 2, 57-73.
- [13] Haralambopoulos, N. and Pizam A. (1996). Perceived impacts of tourism: the case of Samos. Annals of Tourism Research, 23, 503–526.
- [14] Karunathilaka, T. P. & Gnanapala, W. K. A. C. (2016). Community Perception on Tourism Development and its Impacts: A Study on Passikudha, Sri Lanka. Tourism, Leisure and Global Change, 3, 64-78.
- [15] Kreag, G. (2001). The Impacts of Tourism. Available athttp://www.seagrant.umn.edu/tourism/pdfs/Impactstourism. pdf.Retrieved on 22 January 2014.
- [16] Liu, J., & Var, T. (1986). Resident attitudes toward tourism impacts in Hawaii. Annals of Tourism Research, 13(2), 193-214.
- [17] Milman, A., & Pizam, A. (1988). Social impacts of tourism on Central Florida, Annals of Tourism Research. 15(2), 191-204.
- [18] Moffatt, M. (2008). What is economics? [WEB: http://economics.about.eom/cs/studentresources/f/what is economics.htm. Retrieved on 22 January 2015.
- [19] Myburgh, E., & Saayman, M. (2002). Ecotourism in action: guidelines and principals. 2nd ed. Institute for Tourism and Leisure Studies, South Africa: Potchefstroom.
- [20] Ogorelc, A. (2009). Residents' perceptions of tourism impacts and sustainable tourism development. International Journal of Sustainable Economy, 1, 373–387. http://dx.doi.org/ 10.1504/IJSE.2009.024763.

- [21] Page, S. J., Brunt, P., Busby, G., & Connell, J. (2002). Tourism: A Modern Synthesis., London: Thomson Publication.
- [22] Phoummasak, K., Kongmanila, X., & Changchun, Z. (2014). The Social-Economic Impact of Tourism and Entrepreneurs in Luang Prabang Province, Lao PDR. International Journal of Business and Management, 9(12).
- [23] Republic of South Africa. (1998). The White Paper on Local Government. Pretoria: Department of Constitutional Development.
- [24] Rogerson, C. M. (1999). Local economic development and urban poverty alleviation: the experience of post-apartheid South Africa. Habitat Int., 23, 511-34.
- [25] Rogerson, C. M. (2000). Local Economic Development in an Era of Globalisation: The case of South African cities. TijdschriftvoorEconomische Social Geogr. 91(4). 397-411.
- [26] Sandaruwani, J. A. R. C. & Gnanapala, W. K. A. C. (2016). The Role of Tourist Guides and their Impacts on Sustainable Tourism Development: A Critique on Sri Lanka. Tourism, Leisure and Global Change, 3, 62-73.
- [27] Sims, W. J., & D'Mello, L. (2005). Event Denizens and the Sports Tourist: Pre-event perceptions of the social impacts of a major event. (In Allen, J. Ed. The Impacts of Events: Proceedings of international event research conference. Sydney, Australia.

- [28] Stohr, W. B. (1990). Global Challenge and Local Response. United Nations Library, London.
- [29] Tomoko, T., & Samuel, M. (2009). Economic and Social Impact of Tourism on a Small Town: Peterborough New Hampshire. Journal of Scientific Research and Management, 2, 61–70.
- [30] UNWTO. (2014). Annual Report of World Tourism Organization. Retrieved on March 30, 2014 from http://dtxtq4w60xqpw.cloudfront.net/sites/all/files/pdf/unwto_annual_report_2014.pdf.
- [31] Vilayphone, S. (2009). Current State and Development of Tourism in LuangPrabang. Scientific Journal of National University of Laos, 4, 167–180.
- [32] World Travel & Tourism Council. (2014). *Travel & Tourism:* Economic Impact 2014. http://www.wttc.org/media/files/reports/economic%20impact%20research/regiona 1% 20reports/world2014.pdf.
- [33] Zaaijer, M., & Sara, L. M. (1993). Local Economic Development as an Instrument For Urban Poverty Alleviation: A Case From Lima, Peru. Third World Plan.15, 127-142.