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# Tourism as a tool for economic development in poor countries

#### Abstract

Most scientific literature have begun to argue that while tourism growth can influence the economic and sociocultural development of society, the impacts of tourism do not always lead to increased economic development, especially in less developed countries. However, in spite of these limitations, some international organizations defend that tourism has become an economic activity that many poor countries are considering or implementing as part of their efforts to alleviate poverty. In this context, the aim of this research has been to determine whether the economic growth experienced in the poor countries over the last decade influences an increase in their level of economic development. The results prove that, in poor countries, tourism growth does not influence the level of economic development, which supports the claims of some of the most recent scientific literature, and contradicts the position of many international organizations that make an indiscriminate use of tourism as a tool to enhance economic development in the poorest countries.

Key words: tourism growth; economic development; poor countries; multivariate analysis; discriminant analysis

#### Introduction

Tourism is an economic activity with potential to stimulate global economic growth, due to its complementarity with other economic activities, its contribution to GDP, job creation and foreign exchange generation, etc. (Aramberri, 2009; Castro, Molina & Pablo, 2013; Durbarry, 2002; Schubert, Brida & Risso, 2011; Sinclair, 1998; Tribe, 2005; West, 1993; among others). However, the most important issue for a country is whether this economic growth is able to set in motion a more general process, the economic development of the population. In this sense, many institutions have highlighted the importance of tourism as a driver of social transformation and economic development (OECD, 2010; UNWTO, 2011; WTTC, 2010). This has been the dominant doctrinal position, as evidenced by many contributions that recognize the potential of tourism as an instrument of economic development (to refer to a few; Ashley, Brine, Lehr & Wilde, 2007; Balaguer & Cantavella-Jorda, 2002; Cooper, Fletcher, Fyall, Gilbert & Wanhill, 2008; Cortés & Artis, 2005; Lickorish & Jenkins, 1997; Sharpley & Telfer, 2002).

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But, on the other hand, a critical line of research has begun to develop that questions the role of tourism as a tool for economic development (Diagne, 2004; Forsyth, 1995; Kingsbury, 2005; Kusluvan & Karamustafa, 2001; Pérez, 2001; Sahli & Nowak, 2007; UNDP, 2011), since tourism has proved for some countries or regions to cause the loss of control over local resources, a limited pulling capacity in relation to other economic sectors, which, in turn, results in a significant leakage of the potential profits, vulnerability of tourism revenues, etc.

Indeed, it is considered that tourism faces major limitations to become an instrument for improving the socioeconomic conditions of the population in those countries with lower levels of prior economic development, due, among other issues, to the existence of extreme poverty, coupled with the weakness of their economic, institutional and human resources, which is often complicated by geographical and environmental constraints (Cárdenas-García, 2012; Cortés & Artis, 2005; Lanza & Pigliaru, 1994; Lanza & Pigliaru, 2000).

Therefore, the aim of this paper is to analyze, through an empirical study at country level, using a sample including the 46 poorest countries –those with a medium or low Human Development Index–, whether the growth of tourism activity that has occurred in these countries during the last decade (2003-2012) has enabled the improvement of their level of economic development. Once this question has been answered, it has also studied whether the level of development of this group of countries is above or below what would be expected given their degree of tourism growth in that same period. In doing so, our study has been based on the common assumption that tourism is a tool that contributes to economic development in the poorest countries, by strengthening their productive structure and improving the quality of life of their population.

#### Tourism growth vs. economic development

As recalled by Pulido-Fernández (2012), there is a widespread recognition of the economic relevance of tourism (economic revitalization through multipliers, improvement of the balance of payments, employment generation, poverty reduction, etc.), which has led on many occasions to exaggerate its role as an instrument of economic development. Most studies to date have focused their interest on demonstrating that there is a direct relationship between tourism growth and economic growth. The problem is that, on the basis on this evidence, the idea that tourism is a driving force for economic development are not identical concepts. In fact, these two concepts are diametrically opposed, although still closely related. While tourism growth implies an expansion of this activity, economic development means an improvement of the living conditions of a society which meets the needs and demands of the population: education, health or life expectancy.

Research studies on the connection between tourism and economic growth were initiated by Ghali (1976), although it is from the papers published by Lanza and Pigliaru (2000) and Balaguer and Cantavella-Jordá (2002) that there is a growing body of literature on this topic. Recent studies include Arslanturk, Balcilar and Ozdemir (2011), Ekanayake and Long (2012), Kreishan (2010), Lionetti and González (2012) or Schubert, Brida and Risso (2011).

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In accordance the theories of economic development based on the concept of economic growth, "the cornerstone of the explanation of development lies in the forces which, in interacting, generate multiplier effects on investment; i.e., in those mechanisms, hidden in the 'black box' of development, which transform the impulses of investment into sustained income and employment growth" (Vázquez-Barquero, 2005, p. 23). Part of this hidden mechanism may come from tourism as a component of a given country's economic activity. In general, it is assumed that tourism generates a range of benefits that contribute to economic growth as long as it is planned and managed so as to minimize social and environmental impacts (Sharpley & Telfer, 2002).

Ekanayake and Long (2012) conclude that tourism is a driver of growth in developing countries and, consequently, governments in these countries should focus their economic policies on fostering the implementation of tourism activity within their territories. And this is precisely what, not only these countries, but also almost all development cooperation agencies, NGOs, etc. do, seeing tourism as one – and often the only one – opportunity for improving the living conditions of disadvantaged areas. However, it is not that clear that a direct relationship exists between tourism growth and economic development. In other words, despite being a tool for economic growth, tourism may not contribute to the economic development of the territories in which it is implemented.

Therefore, the real importance of tourism lies not only in the fact that it contributes to the growth of the economy in general, but also in the fact that this tourism growth can, given the right circumstances in its structural foundations, influence the economic and cultural progress of society, improving the welfare of the resident population (Ashley *et al.*, 2007; Dwyer, Forsyth & Spur, 2004; García, 2005; Hernández & González, 2014; Rosentraub & Joo, 2009).

However, even though the expansion of tourism is able to contribute to the economic prosperity of a country, the economic, social and environmental benefits that it generates are not spontaneous. Different stakeholders involved in tourism need to manage it properly by the implementation of policies and actions that allow the channeling of tourism growth into the improvement of the socioeconomic conditions of the population (Sánchez-Rivero, Pulido-Fernández, & Cárdenas-García, 2013). In this context, different empirical studies have shown that tourism is a tool that enables the improvement of the socioeconomic conditions of the population, although this finding is present only in certain countries (Rosentraub & Joo, 2009).

Thereby, Lee and Chang (2008, p. 191), following the analysis of a significant number of countries, conclude that "*unidirectional causality relationships exist from tourism growth to economic development in OECD countries, but bidirectional causality relationships are found between the two variables in non OECD countries*". On the other hand, Sánchez-Rivero *et al.* (2013), after analyzing 117 countries, have recently concluded that the tourism growth of a country does not automatically result in economic development, unless conditions are favorable for encouraging this process. Another example is the work carried out by Cárdenas-García, Sánchez-Rivero and Pulido-Fernández (2014), in which, after analyzing 144 countries separately –72 most developed countries and 72 less developed countries, it is shown that tourism has become a tool for the improvement of the socioeconomic conditions of the population only in the most developed countries.

It can be observed, therefore, that the impacts of tourism on development vary from one country to another, which means that this economic activity do not always lead to increased economic development,



especially in less developed countries, as a result of the different types of impact (Mowforth & Munt, 2009; Shaw & Williams, 1994; Williams, 2009).

Indeed, authors such as Brohman (1996), Diagne (2004), Forsyth (1995), Kingsbury (2005) and Sahli and Nowak (2007) have questioned the role of tourism as a motive force in less developed countries. Among others, they use arguments such as: a loss of control over local resources, the limited coordination with other economic sectors of the interior, the fluctuations in tourism revenues due to the vulnerability of some countries to global recessions, abrupt climate variations, loss of non-renewable resources, environmental damage and the increasing detriment to the local population due to such problems as increased crime, overcrowding, infrastructure overload, and the residents' perceived loss of cultural identity.

Despite taking these limitations into account, in recent years, tourism has become an economic activity that many developing countries are considering or implementing as part of their efforts to alleviate poverty (UNECA, 2010). Therefore, we must be critical of the widespread use of tourism as a potential tool for development and poverty reduction in any country, at any time and under any circumstances. International organizations and governments of all countries, encouraged by categorical statements, insufficiently supported by evidence, about the important contribution of tourism to economic development, are committed to this economic activity. It is presented as "manna from heaven" which seems endless in countries where the appropriate conditions for tourism growth to improve the quality of life of the population are not met. There is a tremendous opportunity cost, as resources, which are always scarce, are fully devoted to the promotion of tourism, which often does not end up being as successful as expected.

## Methodology

This research aims to find out whether a relationship exists between the tourism growth occurred in the least developed countries and the increase in their level of economic development. It tries to determine whether tourism is, in fact, a strategic instrument that functions as an economic development tool in the poor countries.

HDI Medium				HDI Low	
• Bolivia	• India	Philippines	Bangladesh	<ul> <li>Madagascar</li> </ul>	
Botswana	<ul> <li>Indonesia</li> </ul>	<ul> <li>South Africa</li> </ul>	• Benin	• Mali	
<ul> <li>Cambodia</li> </ul>	<ul> <li>Kyrgyz Republic</li> </ul>	• Sri Lanka	• Burkina Faso	Mozambique	
• China	<ul> <li>Moldova</li> </ul>	Suriname	• Burundi	<ul> <li>Nepal</li> </ul>	
• Dominican Repub.	• Mongolia	<ul> <li>Syrian Arab</li> </ul>	Cameroon	<ul> <li>Nigeria</li> </ul>	
• Egypt	Morocco	<ul> <li>Thailand</li> </ul>	• Chad	<ul> <li>Senegal</li> </ul>	
<ul> <li>The Salvador</li> </ul>	• Namibia	<ul> <li>Vietnam</li> </ul>	• Ethiopia	• Tanzania	
• Guatemala	<ul> <li>Nicaragua</li> </ul>		• Gambia	• Uganda	
• Guyana	<ul> <li>Pakistan</li> </ul>		• Kenya	• Zambia	
Honduras	<ul> <li>Paraguay</li> </ul>		Lesotho		

#### Table 1 Countries analyzed

Source: Authors' own elaboration based on United Nations Development Program (2013).



Thus, a sample as large as possible was selected, formed by 46 countries which are all countries with a Human Development Index (HDI) medium or low for which there is existing data for the time horizon analyzed (2003-2012) and with regard to the selected variables (Table 1).

On the other hand, an analysis of this type requires from the outset that both economic development and tourism growth should be measured not by a single variable alone, but by the use of multiple variables given the multidimensional nature of the two concepts. Thus, for their measurement, the use of multiple variables is required as the expansion of tourism activity contributes to economic growth through a broad set of factors and, in turn, these economic impacts affect various aspects within economic development.

#### Data collection

Although there are major difficulties in quantifying the economic impacts of tourism, The United Nations World Tourism Organization (UNWTO) has made significant efforts to improve its quantitative information, which has resulted in the Tourism Satellite Account (TSA), considered, nowadays, to be the most appropriate tool for the analysis of the economic impacts of this activity. Our approach to the measurement of tourism growth has been to use the data on "Tourism Impact Data & Forecast" database, prepared in accordance with the methodology of the TSA by the World Travel & Tourism Council (WTTC). This database is used to measure the economic growth derived from tourism, quantifying the main contributions of tourism to economic growth.

	·····	
Source	Variable	Description
World Travel & Tourism Council (WTTC)	TTGDP - Travel & Tourism Economy GDP	This records the activity of traditional Travel & Tourism providers (e.g. lodging, transportation, etc.), plus tourism-related investment, public spending, and export of goods. It includes both the direct effects and the indirect effects via the supply chain of Travel & Tourism spending.
	TTEMP - Travel & Tourism Economy Employment	This covers the jobs generated by Travel & Tourism Economy GDP. It is the broadest measure of Travel & Tourism's employment impact.
	TTDEM - Travel & Tourism Demand	The aggregate of all Travel & Tourism spending within the economy (i.e., the sum of personal, business, government, investment, visitor export, and other export Travel & Tourism spending). Travel & Tourism Demand less the value of imported Travel & Tourism goods and services (essentially residents' and firms' spending on travel abroad and passenger transport provided by foreign firms) equals Travel & Tourism Economy GDP.
	CAPINV - Capital Investment	This includes fixed investment expenditure by Travel & Tourism service providers and government agencies to provide facilities, capital equipment, and infrastructure for visitors.
	INTVIS - International Visitor Arrivals	Includes all non-resident visitors – overnight, same-day, and cruise passengers staying overnight on ships in ports.
	OVERVIS - Overnight Visitor Arrivals	Only includes those international visitors who stay at least one night (i.e., same-day and cruise passengers are excluded).

#### Table 2 Variables of tourism growth

Source: Authors' own elaboration based on World Travel & Tourism Council (2013).



Even though these data are not entirely complete since, in some cases instead of providing actual figures the information presented is obtained through econometric estimates (WTTC, 2013), this database is still more consistent and reliable, as well as less limited, than that which could be obtained from other sources. In fact, as already shown in other scientific studies which have used this database, it is preferable to work with data based on estimates that make it possible to advance knowledge of the worldwide impact of tourism, than not work at all due to the lack of real data from some countries (Pulido-Fernández *et al.*, 2014). Therefore, the data provided by the WTTC allow consistent comparison of almost all countries; which is a basic condition for the analysis of different countries, as done in this study. In particular, we considered a total of 6 variables of the tourism economy (Table 2).

As a measure of economic development, the data used in the present study were obtained from two different sources due to the complementarity of their information systems. Six variables were taken from the "Human Development Report", elaborated by the United Nations Development Program with the aim of placing the population in the center of the development process in terms of economic debates (UNDP, 2013); and two variables were taken from the "World Development Indicators" elaborated by of the World Bank with the aim of to identify the specific factors of economic development through the countries and international organizations that are members of this organization (World Bank, 2013). In particular, the economic development variables used in the present work are as follows (Table 3).

Table 3			
Variables	of economic	developme	nt

Source	Variable	Description	
United Nations Development Program (UNDP)	HDI - Human development index	A composite index measuring average achievement in three basic dimension of human development – a long and healthy life, access to knowledge, and a decent standard of living (value between 0 and 1).	
	LEB - Life expectancy at birth	The number of years a new-born infant could expect to live if prevailing patterns of age specific mortality rates at the time of birth were to stay the same throughout the child's life (years).	
	LRA - Literacy rate, adult	The proportion of the adult population aged 15 years and older which is literate, expressed as a percentage of the corresponding population in a given country, territory, or geographic area, at a specific point in time, usually mid-year. For statistical purposes, a person is literate who can, with understanding, both read and write a short simple statement on their everyday life (% population over 15 years).	
	ERGC - Enrolment ratio, gross com- bined, for primary, secondary, and tertiary education	The number of students enrolled in primary, secondary, and tertiary levels of education, regardless of age, expressed as a percentage of the population of theoretical school age for the three levels (%).	
	GDP - Per capita GDP	Gross domestic product, in purchasing power parity terms in US dollars, divided by mid-year population (PPP US\$). PPP – purchasing power parity – is a rate of exchange that accounts for price differences across countries, allowing interna- tional comparisons of real output and incomes.	
	PAB - Probability at birth of not surviving to a specified age	Calculated as 100 minus the probability (expressed as a percentage) of surviving to a specified age for a given cohort (%).	
orld Bank (WB)	MCS - Mobile cellular subscriptions	Mobile cellular telephone subscriptions are subscriptions to a public mobile telephone service using cellular technology which provide access to the public switched telephone network. Post-paid and prepaid subscriptions are included (per 100 people).	
Š	IU - Internet users	Internet users are people with access to the worldwide network (per 100 people).	

Source: Authors' own elaboration based on UNDP (2013) and WB (2013).



#### Period analyzed

An empirical work aimed at determining whether tourism growth influences the improvement of the socioeconomic conditions in which people live in a given country should be done within a time horizon long enough to measure whether the policies adopted by the various administrations and organizations, thanks to the existence of high rates of tourism growth for a certain period of time, have significantly influenced its economic development.

Thus, it does not seem reasonable to perform a short-term analysis of the relationship between these two dimensions; instead, it is considered much more logical to cover a broader time period. Thus, since the last available data are for 2012, the time horizon analyzed in this research covers the last 10 years from 2003 to 2013.

#### Methodology applied

The empirical research carried out consisted of the following stages:

First, given the multivariate nature of tourism growth, the six variables of tourism development (Table 2) has been replaced by a single new variable which contains most of the information provided by them. To do this, we used the technique of principal component analysis (Härdle & Simar, 2007; Ho, 2006; Izenman, 2008).

The next step was to determine whether tourism growth in these countries affected their economic development. To this end, we used a multivariate analysis of variance (Stevens, 2002; Ho, 2006) in which the factor is the degree of tourism growth and the dependent variables form the vector y.

If such a relationship between tourism growth and economic development was detected, the following step would be to identify which specific variables of the vector y are significantly influenced by tourism growth. To this end, we would descend from the multivariate dimension to a univariate dimension, applying a one-way analysis of variance (Härdle & Simar, 2007).

Finally, considering only those economic variables which actually depend on the country's tourism growth, we would determine which countries are developing above what would be expected given their degree of tourism growth, and which are developing below that expectation. For this last study, we would use the technique of discriminant analysis (Ho, 2006; Izenman, 2008).

## Results and discussion

#### Does tourism growth influence economic development?

The relationship between the variables of tourism growth (represented in a vector x) and the variables of economic development (represented in a vector y), could have been studied by a multivariate regression analysis, with the endogenous variable being each of the economic development variables presented above, and the exogenous variables the 6 components of the vector x. Technically however, this model would present serious problems of multicollinearity due to the strong statistical correlation between all the tourism growth variables considered (the lowest Pearson correlation coefficient was between the variables TTEMP and INTVIS, 0.643, and the highest was between TTGDP and TTDEM, 0.998).



It seemed more reasonable, therefore, to construct a principal component that explains as much of the variance of the vector x as possible, and which therefore can be used as a measure of the degree of economic growth of the countries studied.

In any case, before applying this statistical technique, its appropriateness to the available data has been analyzed, by calculating the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity. Thus, the value of the KMO measure is 0.789, while the approximate chi-square value of the Barlett's test of sphericity is 887.365 (15 degrees of freedom) and a significance level of 0.000. The results, therefore, allow us to reject the hypothesis of independence between the variables of tourism growth and, consequently, the multivariate technique of principal component analysis is considered to be appropriate in this case.

We therefore used the technique of principal component analysis to generate a new variable,  $Z_1$ , which quantifies in a single measure the level of tourism growth that the countries studied underwent in the last decade. This variable explained 91.1% of the variance of the vector **x**. Its expression is:

 $Z_1 = 0.986 \ \mathrm{TTGDP} + 0.813 \ \mathrm{TTEMP} + 0.989 \ \mathrm{TTDEM} + 0.982 \ \mathrm{CAPINV} + 0.953 \ \mathrm{INTVIS} + 0.839 \ \mathrm{OVERVIS}$ 

The communalities (proportion of variance explained by the principal component) of the variables of the vector x are listed in Table 4. One observes that the variable  $Z_1$  explains two-thirds of the variance of TTEMP, 90% of the variance of OVERVIS, and over 90% of the variance of the remaining four variables.

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Variable	Communality		
TTGDP	0.993		
TTEMP	0.669		
TTDEM	0.996		
CAPINV	0.979		
INTVIS	0.929		
OVERVIS	0.900		

# Table 4Communalities of the variables of tourism growth

Source: The authors, based on calculations performed with SPSS 19.

We used the values of the new variable  $Z_1$ , to sort the 46 countries analyzed into three equally sized groups according to their degree of tourism growth between 2003 and 2012. Specifically, the 15 countries with the greatest tourism growth comprised the "strong tourism growth" group of countries, the 16 with intermediate values of the variable  $Z_1$  comprised "medium tourism growth" group of countries, and the 15 countries with the lowest values of the variable  $Z_1$  comprised the "weak tourism growth" growth" group of countries.

As one observes in Table 5, both the Pillai trace and Wilks's lambda statistic led to rejection (at the 5% significance level) of the hypothesis of no factor effects on the vector **y**. The results thus confirm that countries' different rates of progress in economic development depend on their level of tourism growth. It seems clear, therefore, that tourism is contributing to the economic development of poorer countries.



Variable	Statistic	Value	Significance
Vectory	Pillai's trace	0.792	0.001
vectory	Wilks' lambda	0.348	0.000

Table 5 Multivariate analysis of variance of the economic development vector

Source: The authors, based on calculations performed with SPSS 19.

The above statistical analysis does not necessarily imply that all the economic variables included in the vector y are influenced by tourism growth. Therefore, the following step will be to identify which specific variables of the vector y (economic development) are significantly influenced by tourism growth.

#### Economic development variables influenced by tourism growth

As noted above, this question was studied by means of a one-way analysis of variance. The resulting F-statistics listed in Table 6 show that the effect of tourism growth was only statistically significant at the 5% level for the Human Development Index (HDI), school enrolment (ERGC) and the number of Internet users (IU). However, the other five variables were not directly influenced by the degree of tourism growth in these poor countries.

Variable	Statistic	Value	Significance
HDI	F	3.315	0.046
LEB	F	2.810	0.071
LRA	F	1.627	0.208
ERGC	F	4.200	0.022
GDP	F	1.551	0.224
PAB	F	0.523	0.596
MCS	F	1.951	0.155
IU	F	10.975	0.000

Table 6 One-way analysis of variance of the economic development vector

Source: The authors, based on calculations performed with SPSS 19.

A comparison of the mean values of the variables HDI, ERGC and IU in the three groups of countries allows one to evaluate the differences between these groups of countries. These mean values are presented in Table 7.

#### Table 7

Mean values of the economic development variables HDI, ERGC and IU in the three groups of countries identified according to their level of tourism growth

Variable	Weak tourism growth	Medium tourism growth	Strong tourism growth
HDI	0.04	0.07	0.05
ERGC	11.47	13.36	3.76
IU	6.16	4.26	13.19

Source: The authors, based on calculations performed with SPSS 19.

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First, it is observed that tourism growth has little influence on the Human Development Index in the three groups of countries –an improvement of only 0.04, 0.07 and 0.05 percentage points in their HDI, respectively, was observed during the decade analyzed–. Thus, tourism cannot be considered as a tool able to significantly improve the living conditions of the population in the least developed countries. However, it affects some specific variables that are linked to development process; in this sense, the expansion of tourism activity has led to an increase in school enrolment rates –mainly in those countries with weak and medium tourism growth–, and in the number of internet users –more noticeable in countries with strong tourism growth–.

Consequently, the results show that the growth of tourism in poor countries does not affect their economic development, since it only affects one of the cornerstones of the Human Development Index –access to education–, while it does not have any influence on the other two pillars that make up that index: decent standard of living and long and healthy life. Thus, the impact of tourism on the economic development of poor countries shown over the past decade has been almost inexistent.

# Have all poor countries the same relationship between tourism growth and economic development?

To determine to what extent the studies poor countries show the same pattern of economic development response to tourism growth, as indicated above, we have applied a discriminant analysis. In particular, we tested whether the quantitative change in the economic development variables HDI, ERGC and IU (the only ones which depended significantly on the rate of tourism growth) are the same for all countries, or whether on the contrary some countries experience greater or smaller advances in their economic development indicators than would correspond to their rate of tourism growth (tourism efficient or tourism inefficient countries, respectively).

To this end, we constructed two discriminant functions from the above three economic development variables. The first of these functions explained 82.9% of the variance of these economic development variables, while the second explained the remaining 17.1%. In addition, both functions were statistically significant, with Wilks's lambda statistics of 0.474 (p=0.000) and 0.857 (p=0.039), respectively. These discriminant functions were then used to predict to which group (weak, medium, or strong tourism growth) each of the 46 countries studied belonged (Table 8).

a) Number of countries		Forecast group				
		Strong growth	Medium growth	Weak growth	Total	
	Strong growth	13	2	0	15	
Original group	Medium growth	2	10	4	16	
	Weak growth	2	7	6	15	
b) Percentages of the total		Forecast group			Tatal	
		Strong growth	Medium growth	Weak growth	Total	
Original group	Strong growth	86.7	13.3	0.0	100.0	
	Medium growth	12.5	62.5	25.0	100.0	
	Weak growth	13.3	46.7	40.0	100.0	

Table 8Discriminant analysis classification of the economically poor countries

Source: The authors, based on calculations performed with SPSS 19.



With the three economic variables included in the discriminant functions, the discriminant analysis located 29 of the 46 countries studied in the same group to which they had been assigned based on the value of the principal component  $Z_1$ . The economic development of these 29 countries has shown, in average terms, the improvement that was to be expected according to their tourism growth rate over the last decade. The remaining 17 countries, however, were wrongly classified, which means they would correspond either to tourism efficient or to tourism inefficient countries.

Thus, the 11 countries below the diagonal in Table 8 would be described as tourism efficient countries, since they had low or medium levels of tourism growth and yet their economic development figures were similar to those observed for the medium or strong tourism growth countries, respectively. These 11 countries were: Salvador, Namibia, Guyana, Moldova, Bolivia, Mongolia, Nepal, Benin, Burkina Faso, Burundi and Gambia.

In contrast, the 6 countries above the diagonal are countries that would be described as tourism inefficient, since they had medium or high levels of tourism growth and yet their economic development figures were similar to those observed for the weak or medium tourism growth, respectively. These 7 countries were: Cambodia, India, Philippines, Kenya, Senegal and Zambia.

### Conclusions

Tourism, like any economic activity that is able to influence the global economic growth of the economy, should allow that real economic development processes are achieved. Nevertheless, it has been ascertained that the literature recognizes that the impacts of tourism on development vary from one country to another, which means that this economic activity does not always lead to increased economic development, especially in less developed countries.

In this line, and on the basis of the data used and the methodology applied, this research determines that tourism growth in the poor countries does not significantly influence the level of economic development, although the correlation is not perfect so that there are different degrees of development for any given level of tourism growth. Therefore, the hypothesis set out in the introduction should be rejected. The growth of tourism in a country does not lead, in general, to economic development, although this relationship did not hold with the same intensity in all the countries studied, so that there seem to be some conditions that favor or hinder the process. In general, it may be said, in the line with most of the literature, that tourism has important limitations as a tool for the improvement of the socioeconomic conditions of the population in poor countries.

This is a reflection of why there is tremendous interest in ascertaining which are the factors that transform a country's greater growth in tourism (and therefore economic growth generated by tourism) into economic development. For the group of poor countries studied here, the results show that the growth of tourism does not affect their economic development; it does only in respect to its technological factors (access to Internet) and improved level of education of the population (access to education), but nothing in respect to improvements of health and quality of life (which are the other two basic dimensions of the Human Development Index).



Finally, it has also been shown that some countries are better able than others to take the advantage of their tourism growth in generating economic development. Thus, in the last part of this study is shown how there are countries that are underachieving in terms of levels of economic development, below what would have been expected according to their level of tourism growth (which we termed tourism inefficient countries), and countries that are achieving levels of economic development above what would have been expected according to their level of tourism growth (which we termed tourism efficient countries).

In the context of international economic policy, with tourism moving ever greater volumes of economic resources towards developing countries, these findings are of great interest since they serve to show that not all types of intervention in the pursuit of tourism growth are equally effective for a country's economic development. Or, to put it another way, some variables involved in tourism growth are particularly closely related to economic development, and consequently actions should be directed primarily towards fostering and empowering these variables rather than others.

Therefore, the results obtained in this research work, in line with much of the existing scientific literature, show the main problem faced by most poor countries: these countries have committed to the development of the tourism activity in their territory with the aim of turning it into the cornerstone of their economic system, based on the false assumption that it will automatically improve their socioeconomic conditions. However, while income generation is an essential factor in improving the living conditions of the population, the concept of economic development is broader, and closely related to other factors –safety, education, health, etc.– that are often ignored by the those in charge of public policy. This is a key aspect, for example, in implementing development cooperation projects based on the promotion of tourism, since one may be investing a significant amount of resources in aspects that improve the country's ability to expand in terms of tourism, while taking no action on those other aspects –infrastructures, capital flight, training, etc.– that enable that tourism growth eventually turns economic development.

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