Small Entrepreneurs and Shifting Identities: The Case of Tourism in Puerto Plata (Northern Dominican Republic)

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This article focuses on the way small entrepreneurs in the tourism industry of the Puerto Plata region try to cope with contextual changes caused by the development of (mass) tourism. These entrepreneurs struggle with all sorts of problems, mainly resulting from the dominance of the large, multinational, all-inclusive resorts in the tourism industry. With the introduction of these large resorts in the early 1980s, the local entrepreneurs were hoping to obtain a substantial part of the income-growth derived from this new industry. As a result many locals shifted from their previous jobs to professions in the tourism industry. Nearly 30 years later, most of them are disappointed with the results, but because of the region's dependence on tourism they feel they have no way out. The Puerto Plata case is used to further explore the impact of tourism on the culture and identity of the small entrepreneurs.

Keywords: cultural change, shifting identities, small entrepreneurs, tourism industry

Introduction

The Dominican Republic is currently the largest tourism destination in the Caribbean (with 2,677,082 arrivals between January and October 2003) before Cancún (Mexico), Cuba, Bahamas, Jamaica and Puerto Rico. For the Dominican Republic this has meant an increase of 19% compared with 2002 (CTO, 2004). The two main tourist destinations in the Dominican Republic are Punta Cana (on the east coast) and Puerto Plata (on the north coast). Both destinations mainly offer luxurious all-inclusive accommodation for a relatively low price. Both regions are almost entirely focused on the tourism industry. The difference between the two destinations is that Punta Cana was an unpopulated area where private investors decided to develop a resort area in the late 1980s and early 1990s, while Puerto Plata has a history that goes back to the colonisation of the island. Puerto Plata's combination of history and newly developed resort areas means that the impacts of the tourism industry in this region have been and still are considerable. For this reason the latter was chosen as the area of focus for this study.

Beside the large multinational resorts that are dominating the tourism sector in the Dominican Republic, there are many local tourism entrepreneurs who started working in the industry expecting to gain a steady income from the rise of this new economic activity. The Dominican Republic is a third-world country, whose main industry has long been the cultivation of sugarcane, tobacco

plantations, coffee beans and fruits. The country's economy depended on the export of its agricultural products. The introduction of an industry such as tourism created new possibilities for growth and development. Yet at the same time concessions had to be made. The Dominican government had to make far-reaching decisions to use land and financial means to develop this new industry at the expense of other sectors in the economy (Freitag, 1994). Both the Dominican government and the entrepreneurs saw the tourism industry as an opportunity to expand their underdeveloped economy. Thus, the government actively stimulated the expansion of the sector by providing all kinds of economic and tax benefits to attract (private) investments (Freitag, 1994). Many local entrepreneurs, in turn, shifted from their previous economic activities to the tourism industry, also because the alternatives were scarce. However, their expectations have been shown to be too optimistic. The Dominican tourism industry, although generating revenues for the government, has been 'unable to decrease economic leakage, minimize environmental destruction, or find long-term solutions to the plight of the Dominican poor' (Freitag, 1996: 225).

In the literature on tourism impacts, a lot of attention is given to the economical and cultural impacts tourism can have on a community, (ethnic) identity, and government policies and planning. Most of these studies focus on the impact tourism has on the residents of tourist destinations. A wide range of impacts is considered; Kusluvan and Karamustafa (2001), for example, discuss the benefits and costs of multinational hotel development in developing countries. Other scholars focus more on the social and cultural impacts of tourism instead of impacts on the industry and market (e.g. De Kadt, 1979; Harrison, 1995; Nash, 1996). However, this type of 'impact studies' tends to depict tourism as 'a force of social change coming to destroy territorial and local identities' (Lanfant, 1995: 5). Lanfant argues for a more active instead of a passive approach, considering tourism as a driving force for cultural change, and focusing on the dynamics between the local community, the tourism industry and visitors, and describing to the local community its 'rightful status as actor' (Lanfant, 1995: 6–7).

In this article the authors intend to provide an insight into the immense effect the tourism industry has had, and still has, on the Puerto Plata region in general, and on its small entrepreneurs in particular. The specific focus of the article is two-fold. On the one hand it aims to describe the situation these small entrepreneurs find themselves in, and their position within the overall system of tourism. It concentrates on the interaction (or lack thereof) between different actors in the sector. On the other hand, the article focuses on the ways in which this particular group of small entrepreneurs are trying, on a daily basis, to cope with the socio-economic consequences of the structure of the tourism industry.

It is generally accepted that an entrepreneur is someone 'who builds and manages an enterprise for the pursuit of profit in the course of which she/he innovates and takes risks, as the outcome of an innovation is usually not certain' (Dahles, 1999: 3). However, what defines a 'small' entrepreneur is less clear. Obviously it has to do with the scale of operation, but there is no universally accepted norm as to what is 'small'. Each country or region has a different economic structure and market; therefore the definition of the concept

'small entrepreneur' varies between countries and regions (Dahles, 1999). An in-depth discussion of the different definitions of (small) entrepreneurs is beyond the scope of this study. For the purpose of this article, the authors will describe small entrepreneurs as follows: all persons who are either the owner of a small-scale business or self-employed in the tourism industry, and are not officially linked with any large (multinational) enterprise, are considered small entrepreneurs and included in this study.

Small entrepreneurs have to develop strategies to be able to coexist with the large, dominant enterprises. As will become clear later on in this article, small entrepreneurs usually cannot count on much support from governments or networks of multinational enterprises, and they have difficulty reaching their source of income, the tourist (Dahles, 1999). Strategies developed by these small entrepreneurs include risk reduction through imitation (Dahles, 1999) and the playing of roles. With regard to the latter it can be noted that several scholars have applied Goffman's (1959) theory of frontstage and backstage to show that actors in tourist destinations use ethnic acts to attract tourists. These performances (on the *frontstage*) are somewhat different from the so-called 'authentic' (*backstage*) manifestations of culture (e.g. Kroshus Medina, 2003; MacCannell, 1999; Roessingh & Bras, 2003). In the present article the authors state that this concept of frontstage and backstage performances can also be applied to explain the behaviour of small entrepreneurs when they are coping with the changes and difficulties brought about by the development of the tourism industry. Furthermore, this theory is used to explore the way in which the identity of these entrepreneurs manifests itself in their daily lives.

The central question in this study is how the small tourism entrepreneurs of Puerto Plata are coping with the changes they encounter in the tourism industry due to the dominance of the all-inclusive resorts, and how this affects their identity.

Research Methodology

The data presented in this article are the result of an ethnographic research conducted in the Puerto Plata region from August 2003 until February 2004. Because the research aims to provide an insight into the reality of a certain group of people (the entrepreneurs) within their everyday settings, several qualitative research methods were used to obtain information about the tourism industry in the region and the changes the entrepreneurs have gone through because of the development of the (all-inclusive) resort-structure in the tourism industry. The research subject was approached as a case study with an intrinsic as well as an instrumental focus (Stake, 2003). This means that the case is used to provide an insight into this particular subject (the Puerto Plata situation), as well as to facilitate the understanding of a more general issue (the tourism industry as a whole). The purpose of the study is to gain an understanding of the situation within its context, rather than generalisation beyond (Stake, 2003). For this reason the choice was made to conduct qualitative ethnographic field research, during a period of six months. The best way to gain an insight in the daily practice of the entrepreneurs is through participant observation, thus by living among them and participating in the

tourism industry. By using a conversational method, general information was obtained and informants were selected for further questioning. The general information, combined with a document and literature study provided the researcher with a topic list for the open-ended, in-depth interviews. These interviews were conducted with several types of informants. The largest group of informants contained the entrepreneurs, as these are the subject of the research. These interviews had an informal character and usually took place in the natural environment of the entrepreneur. Beside this group of informants, some explorative interviews were conducted with a variety of officials from the tourism sector (government officials, members of different associations and officials from large (multinational) hotel-chains or tour operators). These interviews were more structured and formal.

The informants from the first group were selected in a rather random way, through initial 'street-contact'. After the first contact was made, the informants would be approached eight times in order to gain an integral insight into their lives, and to return to issues that had come up during previous conversations. The informants of the second group were selected and approached according to their function within the tourism industry.

This article starts by giving an overview of the Dominican Republic with regard to the development of its tourism industry. Special attention will be given to the Puerto Plata region, as this is the field of study. This description will lead on to the case of the local and foreign small entrepreneurs in the Puerto Plata region. The cultural changes and the small entrepreneurs' reactions to those changes are discussed next, followed by the paragraph on the shifting identities of small entrepreneurs in the tourism industry. The article ends with a short conclusion of the findings.

The Dominican Republic and Tourism: An Overview

The Dominican Republic shares with Haiti the island of Hispaniola, the second largest island in the Caribbean (after Cuba). The island was named Hispaniola or *La Española* by Christopher Columbus (Sagás & Inoa, 2003). Haiti forms the western part of the island (one-third of the land) and the eastern two-thirds of the island is occupied by the Dominican Republic. The Dominican Republic currently has a population of 8,833,634 inhabitants (estimated July 2004: CIA World Factbook, 2004), the majority of whom are poor and 19.9% even live below the poverty line (Punta Cana Info, 2004).

The Dominican Republic started relatively late with the development of its tourism industry compared with other countries in the Caribbean region. It was only in 1967 that the Dominican government started to take an interest in the tourism industry as a means of development for the country. They created a Ministry of Tourism and there was strong support for both public and private investments in the tourism industry. This support led to the introduction of a special law in 1971, the' 'Tourist Incentive Law', that offered tax breaks and other benefits for private investors (Freitag, 1994). The goal of the development of this new industry was to improve the economic situation in the country and to raise the living standard of its poor population.

Together with the Central Bank, the government created an organisation called INFRATUR (*El Desarrollo de la Infraestructura Turística*) to support and finance the development of the necessary infrastructure in the country's designated tourist zones (Wiarda & Kryzanek, 1992). The first region to receive wide attention from the government through this organisation was the Puerto Plata zone (the 60 km stretch of northern coastal land from Maimón to Cabarete). Going back in the history of this region, the first tourist activities took place as early as the 1940s. Many Cuban and Spanish cruise ships would make a stopover in the port of Puerto Plata. It was not until the 1970s, however, that the stops of the first transatlantic cruise ship, the *Boheme*, every Monday, turned Puerto Plata into a real tourist destination (Camarena, 2003). The *Boheme* would arrive early in the morning to refuel and would stay in the port all day. The passengers would disembark and walk around in the port area of the city. This created a lively business for souvenir salesmen, restaurants and other small tourism businesses, although the industry still retained a very small portion of the region's economy (Dwyer & Forsyth, 1998). By the 1980s there were six transatlantic cruise lines that used the Puerto Plata port as a regular stopover.

In order to attract foreign investors for the northern coastal tourist zone (the Puerto Plata zone), the Dominican government invested over $76 million between 1974 and 1982, most of this money borrowed from international credit agencies (Freitag, 1994). The construction of the international airport, Gregorio Luperón, in 1979/1980 was one of the most important actions the government took to develop the Puerto Plata region because this made the transport of tourists in and out of the area much easier (Castaños Morales, 2002). Other important tourist zones in the country (see Figure 1) are the Boca Chica zone (on the south coast, near the country's capital Santo Domingo), La Romana (in the southeast), which was the location of the first (foreign financed) enclave resort in the mid-1970s, the Samaná zone (the peninsula in the northeast), the Jarabacoa zone (central highlands) and the Barahona zone (southwest) (Doggett & Connolly, 2002). In the 1970s and early 1980s, the government focused on these zones with their development plans for the tourism industry.

Initially local investors dominated the tourism industry and it was not until the 1980s that foreign investors started to show a wider interest in the Dominican tourism industry. Even as late as 1987, it was estimated that only 21% of the hotel rooms in the Dominican Republic were foreign owned (Freitag, 1994).

The tourism development in the Dominican Republic has always been primarily based on the enclave resort development model, which means that special resort areas were created with all the necessary ingredients to attract tourists. One of the main characteristics is the inclusiveness of those resorts. Because most developing countries, like the Dominican Republic, lack the necessary infrastructure to be able to attract large numbers of tourists, the choice of this enclave resort-developing model is understandable. The costs of developing the infrastructure and services in a few enclosed areas are much lower than developing the entire country in a random way (Freitag, 1994).

Figure 1 Map of the Domination Republic and the Caribbean
Source: Columbus World Travel Guide 2004

During the 1980s and early 1990s, the tourism industry bloomed in the Puerto Plata region. The number of international arrivals grew steadily each year; the area was full of small businesses like restaurants and shops, and the infrastructure improved significantly. By this time, the vast majority of local residents were working in the tourism industry, either directly or indirectly. It seemed as if the development of this new industry was a great success. However, by the late 1990s the situation was quite different. The port of Puerto Plata had deteriorated considerably and it could no longer harbour large cruise ships. This contrasted with other cruise ship destinations where this type of tourism was increasing at a rapid rate (Wood, 2000). Plans to renovate the port are being developed but it seems that, due to bureaucratic and financial difficulties, these plans will not be carried out any time soon. The disappearance of the cruise ship industry meant a major loss of clientele for the small businesses in Puerto Plata.

By the late 1980s, the tourism industry had become an important source of income for the Dominican Republic and it was at that time that a private investor decided to develop the unpopulated area on the east coast into a luxury

resort area. In the next decade this area (the Punta Cana/Bávaro zone) rapidly became the number one tourism destination of the Dominican Republic with its luxury hotels and white sandy beaches. What was different about this area was the concept of the 'all-inclusive' holidays, a market trend in tourism that became popular in the Caribbean in the 1990s. These all-inclusive resorts offer luxury vacations whereby the tourist pays the total price upfront, and everything is paid for during the stay in the resort. Because of the competitive prices in the Punta Cana/Bávaro zone and other Caribbean destinations, due to this 'all-inclusive' structure, the remaining destinations in the Dominican Republic were forced to follow this new trend in tourism. This development meant another setback for the local businesses in the Puerto Plata region, as this all-inclusive system resulted in a further loss of business for the small shops, restaurants and hotels.

Nevertheless, the introduction of the 'all-inclusive' system in the Puerto Plata region could not help prevent the decline in tourist arrivals starting from the year 2000. By 2002, the region was back at the level of international visitors of the early 1990s (Banco Central de la República Dominican, 2003). It appeared that Puerto Plata, with its relatively old hotels, could not compete with the much more modern resorts in Punta Cana, the country's number one destination since the mid-1990s.

These setbacks in the tourism industry in the Puerto Plata area showed the weak economic position of the region. Already during the Trujillo dictatorship (1930–1961), many big companies were moved to Santo Domingo and with the development of the tourism industry most of the remaining businesses had to move as well to make way for this new and promising industry. Almost all residents of the region are employed in the tourism industry in one way or another and the economic decline made it clear that the whole economy depends on this industry. The region is going through a difficult period, even though the resorts are still fully occupied during the high seasons. The 'all-inclusive' enclave resorts tend to lead to local dependency rather than the development that was expected (Freitag, 1994). The infrastructure and city are deteriorating while the only benefit the region seems to have of its number one industry is the employment in the resorts.

Nowadays most of the tourist destinations in the Dominican Republic are dominated by this 'all-inclusive' structure, even though increasing evidence contradicts the beneficial character of this structure and shows that negative effects on the destinations have occurred. These negative effects of 'all-inclusive' resort tourism will be discussed further below. Recent debates about the problems brought on by mass tourism have resulted in growing attention on alternative types of tourism. Among these are ecotourism, community-based tourism, ethical tourism and sustainable tourism (Smith & Duffy, 2003). This trend also has consequences for destinations that are almost entirely focussed on mass tourism, like the Dominican Republic. It is to be expected that destinations have to adapt to these new demands in order to continue to compete in the international tourist market. Although the Dominican government is directing some attention to alternative forms of tourism in their 10-year plan (Secretaría de Estado de Turismo, 2003), there are no signs yet that this will improve the opportunities for small entrepreneurs.

The revenues for the local community remain low, even though statistical data show an incredible growth in the industry over the past few decades. While in 1970 there were only 67,000 tourists in the Dominican Republic, by 1989 this number had increased to over a million visitors (Wiarda & Kryzanek, 1992) and in 2000 the Dominican Republic welcomed 2,972,600 tourists (the highest number so far; CTO, 2003).

The Case of Local and Foreign Entrepreneurs in Puerto Plata

As described above, the tourism industry in the Puerto Plata region started in a rather unstructured way. Because of the arrival of many cruise ships each week, bringing tourists into the local community, the entrepreneurs reacted by entering the industry in a variety of ways. Restaurant, bars and shops were opened, street vendors and individual tour guides became a regular sight in the port area, and the (motor) taxi business grew significantly. Many of these entrepreneurs were forced to start working in the tourism industry simply because there was no alternative. As a local owner of a *colmado* (small bar/restaurant), who had to change his business due to changes in the economy, stated:

> The whole region depends on tourism, we had no choice, all the other industries were taken away from Puerto Plata during the [Trujillo] dictatorship and later because of tourism. The only option for us to earn some kind of living was in tourism. I used to be in the import business, I imported all kinds of goods from Europe, like butter, cheese and salami, there was a lot of trade in this region, but later all this business moved away and I had to do something else.

For a while, small-scale tourism businesses, appeared to be successful and the region was prospering thanks to this new industry. This apparent success is seen in many developing countries where the initial development of tourism takes place before this industry becomes a point of interest to the government, thus leaving the development up to the initiatives of the private sector (Dahles, 1999). When at the end of the 1960s the government started to direct attention to the development of the tourism industry in the region, the involvement of the local workforce in the tourism industry increased even more. However, at the same time the first problems became visible.

In many developing countries the governments have started to promote the development of the tourism industry to earn foreign exchange, to attract investments, to increase income and employment levels, and to achieve general progress. Nevertheless, there are strong doubts among scholars about the effectiveness of the tourism industry as a strategy for development. What has to be remembered, however, is that when it comes to the economies of developing countries, these societies often do not have many alternative industries at hand and therefore they are dependent on the tourism industry. Tourism is often the last resort in the search for progress and development (Lea, 1988). As a result, the governments in developing countries are forced to base their decisions on the wishes of the dominant actors in the industry; therefore they generally tend to favour the large-scale development of (multinational)

tourism enterprises. Furthermore, these enterprises usually bring along large investments, knowledge and technology, and therefore contribute more to the economical growth of the country (Kamsma & Bras, 1999).

With the interference of the Dominican government and international investors, the tourism industry moved from the informal to the more formal economical sphere, even though the two spheres continue to exist side by side. The informal sector contains the small-scale, mostly self-built and unorganised, entrepreneurs. The formal sphere, on the other hand, contains the large, capital-intensive, well-structured, mostly multinational enterprises (Kermath & Thomas, 1992). Although the newly developed (international) hotels offered employment to a large group of local residents, they affected the local entrepreneurs in a negative way. These large hotels were owned by multinational chains that had connections in the important tourist markets, knowledge of the demands and standards of Western tourists and money to invest, all assets that the local entrepreneurs did not have. In cooperation with the Western tour operators, these multinational companies were able to rapidly obtain a monopoly position and the local hotel owners and tour operators were left with nothing. A foreign small entrepreneur, who sold his possessions in Europe and bought a small apartment building in the Puerto Plata region, said the following on this monopoly position:

> Initially I got some guests from a Dutch tour operator because the demand was so high due to a very rainy summer in Europe and they would otherwise have to cancel guests. I thought this would be the same every high season and was very excited about the future; I even made plans to buy a second building. The next year, however, things were very different. I had mysteriously disappeared from the tour operators' list. They told me that that was because my building was too far from the resort where all the other accommodations are located, while it's only 15 minutes away. Later I found that it was because all the other hotels belong to international chains and they profit from selling only those accommodations. The only tourists that come here now are satisfied guests who return or tell about my place to friends and relatives.

The level of exclusion of small entrepreneurs in the tourism industry became even higher when, in the early 1990s, the multinational resorts introduced the all-inclusive structure. Tourists can now book relatively cheap holidays through a network of international tour operators and hotel chains, making the market even more inaccessible for small entrepreneurs. By this time the number of hotel rooms in the Dominican Republic had grown to some 56,378 (Banco Central de la República Dominicana, 2004), the vast majority of which belong to large hotel chains, indicating the immense market share this type of tourism holds within the sector. These hotels work together with international tour operators and local independent hotels have a hard time reaching the tourist because they cannot compete with the prices offered by the strong network of resort hotels and international tour operators. Furthermore, tourists are 'kept' inside the resorts because everything is paid for as long as they stay on the premises. More adventurous tourists are discouraged from going out of

the resort on their own, supposedly because it would be dangerous. A local beach vendor who used to work in a big resort told us:

> I have seen how the representatives of the large tour operators tell the tourists that it is better to stay in the resorts. They tell them that it is dangerous to go outside because the locals will swindle or even rob them. The food and water is unhealthy and the restaurants unhygienic. This is of course not true, but the large foreign enterprises are manipulating the tourist to stay inside the resort, buy all the souvenirs there, and only participate in the excursions they organise. It's all for their own profit.

The former fragments are just a few examples of the frustration that exists among the entrepreneurs. These fragments reflect the difficult position small entrepreneurs (both local and foreign) hold in the tourism industry in the Puerto Plata region. These entrepreneurs are dependent on the industry, yet cannot compete with the strong network of multinational enterprises. How do the entrepreneurs cope with this difficult situation and what is the impact on their culture and identity?

Entrepreneurs and the Cultural Changes

In literature on tourism, much has been written on changes in the domestic culture caused by the encounters between locals and outsiders (Besculides *et al.*, 2002; De Kadt, 1979; Smith, 1977; Van den Berghe, 1994). It has to be kept in mind that most of these studies focus on the social and cultural impacts of tourism on the (ethnic) identity of the hosts. As mentioned earlier some scholars like Lanfant (1995), who consider tourism to be part of a wider system of cultural interaction, reject the rather one-sided perspective of these studies. It is not possible to extract the role of tourism as a catalyst for cultural change, because of the interdisciplinary nature of the field. Social change is a complex concept and cannot be reduced to separate, independent causes and effects. Therefore, it cannot be said that tourism has changed the culture and identity of the host community independently. Changes due to other processes (e.g. immigration, access to global media, etc.) have played an equally important and intertwined role. In this article this dynamic approach towards tourism and cultural change will be applied to further explore the interactions between tourism and the culture and identity of small entrepreneurs. Robinson (1999) states that tourism functions in many ways as a lever for intercultural conflict, but he reminds us that it is important to note that tourism is not the only mechanism for cultural conflict, as intercultural interaction has become a globally recognised phenomenon. Translating this to the case of the Puerto Plata region, it can be noted that, prior to the introduction of the tourism industry, the region was not an isolated community without any form of outside contact. Ever since the arrival of Columbus in the 15th century there have been interactions with 'foreign' cultures, inducing ongoing processes of cultural change. However, with the rapid development of tourism the level of these interactions increased considerably and therefore it may seem as if this was a starting point for cultural change.

What remains clear is that tourism leads to intercultural interactions and as such it is likely that intercultural conflicts occur. Especially in destinations where enclave tourism is dominant, the gap between lifestyles between hosts and tourists tends to be larger, and thus is the ground for conflict (De Kadt, 1979). In any situation where tourists enter the local community conflicts are likely to arise. For example:

> A Dominican woman in a *gua-gua* (local bus) was grumbling and complaining about all those tourists invading their lives and taking their places in the bus, making everything more expensive. She was going on and on about the tourists and how they are ruining the life of the normal people. She said that the tourists shouldn't be taking the local busses. They should take a taxi for they have enough money for it. While she was saying all this she was looking angrily at the small group of tourists entering the bus and also pointing at them. She was speaking out loud and obviously didn't know that some of them could understand every word she was saying.

The woman in the example obviously felt threatened by the tourists; they had invaded a place that was supposed to be for locals only, according to her. They had trespassed into the backstage area where she thought she was safe from tourists and where she should be able to express her true feelings. She did not think any of the tourists that were present could understand what she was saying. The aforementioned situation is an example of what Goffman (1959) described in his theory on social behaviour. He distinguishes between what he calls the frontstage and the backstage, as two different settings for everyday life social behaviour. On the frontstage the performers (in this case the locals) act in a way they want the audience (the tourists) to think is their 'normal behaviour', while on the backstage they can express their 'true feelings' because the audience is supposed to be absent (Goffman, 1959). Whenever these front- and backstage areas coincide conflicts will arise.

Cultural conflicts can occur at different moments and places, but also at different levels (Robinson, 1999). The most obvious level is that of cultural conflicts between tourists and hosts. Different values, behaviour patterns, language and so on, are all possible causes for conflicts between the visiting and visited as was shown in the example above. Furthermore, there are the possible conflicts between the tourists and the tourism industry. These conflicts are most likely to occur due to different expectations about the product. The next level of cultural conflict is one of great importance, namely that of conflicts between the host community and the tourism industry. Tourists are usually seen as the factor that influences the host community the most, but in reality they enter the host community only for a short time. The tourism enterprises and institutions are of a more definite kind and therefore have a larger influence on the community structure. The last level of conflict is not directly linked to tourism but tourism can be the cause for conflict between members of the host community. All the aforementioned levels are part of the complex system of cultural (ex)change. Again it has to be noted that tourism is but one of the mechanisms active in this system, but it is one of the most direct mechanisms.

The local entrepreneurs hold a central position in the system of cultural (ex)change, as they play a role in all of the above-mentioned levels of conflict. They are part of the tourism industry as well as the local community, and as such they interact more than any other group with 'outsiders'. However, this also means that they are more likely to encounter confusing situations regarding their role or identity. Local entrepreneurs will generally try to keep their 'local' emotions away from the tourist. Just like they will disguise their 'work attitude towards tourists as the friendly entrepreneur' for their family and friends. Nevertheless, the separation of these frontstage and backstage areas is not as strict as they would want them to be. Therefore a constant shifting between identities is necessary.

Shifting Identities and Strategies in a Changing Local Tourist Market

Studying the shifting identities of small entrepreneurs can lead to difficult situations for the researcher. Small entrepreneurs can most easily be observed and interviewed within their work environment, when they are on the frontstage, and it tends to be more difficult to observe them in the backstage area, as they cannot be recognised as 'entrepreneurs' in informal situations. Therefore it requires time and patience to build up a situation of mutual trust between researcher and entrepreneur before the researcher can begin to understand the difference between the entrepreneur's 'performance' on the frontstage, and his/her 'real behaviour'. Furthermore, the boundaries between the staged behaviour and the normal behaviour are not always clearly distinguishable. Actors want to make different impressions on different groups of people and therefore perform many different roles. The more complex the situation, the less clear the boundaries are (Goffman, 1959). Such situations can have serious implications for the identities of all the actors involved.

The changing identities of residents of tourist destinations is a popular subject among social scientists. Numerous authors have written about the redefinition of a community's (ethnic) identity as a result of the attention tourists give to their 'ethnic culture'; long-lost traditions are being revived and even new 'staged traditions' are being invented in order to comply with the tourists' growing demand for 'authentic cultures'. In other words, a commoditisation of culture is taking place (Cohen, 1988; MacCannell, 1999; MacDonald, 1997; Van den Berghe, 1994). The increasing number of tourists that locals are constantly confronted with provokes a stronger feeling of 'Dominican identity' among the residents, they idealise the past and blame the 'intruders' for changes. The tourists are no longer seen as individuals from different countries, but as one group of 'outsiders'. It becomes a matter of 'us' against 'them' (Nogués Pedregal, 1996). In other words, social groups emerge with the development of the tourist industry. The most obvious division is that of locals vs tourists. Yet within these groups there are other groups: mass tourists vs independent tourists, locals who work in tourism vs those who do not, those who work in a resort vs those who have their own business, Dominican locals vs foreign locals, etc. People tend to be part of more than one social group and will adapt their behaviour accordingly (Tjafel, 1978). The small entrepreneurs

play a special role in this situation. As has been indicated before, the small entrepreneurs are members of many (tourism-related) social groups and therefore constantly have to switch between different sets of behaviour. Furthermore, these entrepreneurs depend economically on the willingness of tourists to come in and spend money in their enterprise and for this reason the entrepreneurs will tend to keep up a good relationship with the tourists, even though they might not feel like it. They have to apply different strategies to cope with the difficult task of attracting tourists and with the conflicting emotions that are linked with their confusing position within the different social groups.

For example, the small entrepreneurs are trying to create the impression that business is going very well, to show that they offer a good product that is worth consuming. To do so they might pretend to be very busy. When asked, most entrepreneurs would say that business was going great or picking up again. After some time and several conversations when it became clear that the interviewer was no ordinary client but someone they could trust and express their frustrations to, they would give a more differentiated answer. Most entrepreneurs would blame the government for their lack of opportunities within the tourism industry. One moment they would display their frustrations with the structure of the industry. The next moment, however, they would return to their role as successful entrepreneur trying to convince tourists to spend some money. It is to be suspected that these entrepreneurs save yet another part of their true feelings for the backstage. It is clear that such situations lead to inner conflicts for the entrepreneurs. On the one hand they have to do what is good for their business and cannot afford to show any negative emotions, but at the same time it is seems that the entrepreneurs foster strong feelings of frustration, unhappiness and alienation towards the tourists and the tourism industry.

Yet another problem is the increasing competitiveness among small entrepreneurs. In their case study on competing entrepreneurs in Belize, Volker and Sorée (2002) describe how local tour guides are fighting over tourists. The same strategy can be witnessed among small entrepreneurs in the Puerto Plata region. Entrepreneurs use the negative image that many tourists have of the pushy, swindling vendors, guides, taxi drivers, etc. in order to sell their products. Approaching the tourists they will say things like: 'I know there are a lot of bad Dominicans, but I am not like that, I will give you a good price and good quality', or 'Don't go there, he will charge way too much. I know where you can get a better deal'. By trying to inspire the tourist's confidence they hope to sell their product (which is exactly the same as the one their competitors sell). Such strong competition among small entrepreneurs in developing countries often has the opposite effect, creating irritation among the tourists and leaving all entrepreneurs with less business (Dahles, 1999). The small entrepreneurs apply a variety of different acts when approaching possible clients. The experienced entrepreneur is able to guess what a tourist is looking for and changes his/her story in order to please this demand. Using different acts the entrepreneurs have to keep the different audiences strictly separated in order not to cause conflicting situations (Goffman, 1959). An example of such a conflicting situation is the Dominican man who hangs out

with female tourists for food, drinks, clothes, sex and/or money. He will make it look as if the tourist in question is his only 'special friend', while in reality he has several girlfriends at the same time, and in his 'real' life he is married and has a family. Unexpected confrontations with more than one of his 'victims' can create delicate situations.

Looking at the examples above, one wonders why the local entrepreneurs do not work together and form a network of cooperation. By combining their forces they can have more power in competing with the multinational enterprises and regain some control over the situation (Dahles, 1999). Although there are some examples of entrepreneurial organisation in the Puerto Plata region (Asociación de Hoteles de Puerto Plata, Asociación de Gift Shops, Asociación de Guías), the effectiveness of these organisations is at least questionable. Most of these organisations are linked to the government and the goals and objectives are designed to meet with government policies. As was explained before, the government is dependent on the investments and other benefits the large tourism entrerprises bring along, and thus they will tend to favour these businesses over the small entrepreneurs. Thus the actual participation of local entrepreneurs is limited. In addition, they tend to have a negative attitude towards the government, and therefore it cannot be expected that local entrepreneurs feel a strong identification with these kinds of organisations.

Conclusion

We began this article by wondering how the small tourism entrepreneurs of Puerto Plata are coping with the changes they encounter in the tourism industry due to the dominance of the all-inclusive resorts, and how this affects their identity. On the one hand we have noted that tourism is often approached as a means for progress for developing countries. On the other hand the effectiveness of this industry to provide a steady income for local entrepreneurs and residents is shown to be limited. Therefore these entrepreneurs and residents are increasingly unsatisfied about their (lack of) possibilities to participate in the 'processes of modernisation', brought about by the tourism industry. Furthermore, examples of the attitudes of informants towards tourism indicate that nostalgia has become a symbol for local entrepreneurs to prove that the changes in society provoked by tourism have had a negative effect on their lives.

Local entrepreneurs use different strategies on separate levels to cope with cultural changes. The different levels of coping strategies reveal themselves in shifting identities. The entrepreneurs, more than others, have to switch between behavioural patterns or identities to maintain their position within different social groups. One of these identities is represented by the idealisation of the 'good old times' when everything was better. This kind of idealisation could be described as an 'old timer attitude' (Ybema, 1996). The next level of coping strategies can be described as the negative attitude towards tourists. Even though it is important to bear in mind that tourism is only part of the wider system of intercultural exchange and conflict, local entrepreneurs and residents are blaming the government and tourism industry for their

dependent position and their feelings of alienation. This creates a strong identity of 'us' vs. 'them'. In the case of the small entrepreneurs we see that the use of different identities manifests itself in three ways. First, they are dependent on the tourists for their income so they perform a positive act to attract the customers. However, some attitudes revealed during conversations indicate that in reality they think in a more negative way about their situation. Thirdly, they use a set of different roles to compete with other entrepreneurs.

The levels of strategies the entrepreneurs use lead to yet another, bigger problem. Because the individual entrepreneur is constantly shifting between identities, competing with other entrepreneurs and the large multinational enterprises, and even idealising the past, it seems hard for them to work together, let alone develop collective organisational structures to deal with the economic harshness of the tourism industry. Part of this problem is caused by the government's tourism policy. They have been focussing on attracting foreign investments and thus leaving the small entrepreneurs in the tourism industry without access to the necessary resources for development. By favouring the development of large resorts, financed by private investors, the government was able to attract large numbers of tourists and become an important tourist destination, but by ignoring the small entrepreneurs they have created a situation of economic dependency, frustration and confusion among local entrepreneurs. Furthermore the focus on one type of tourism, 'sun, sea, sand tourism', creates the risk that, in the fast changing tourism industry, where alternative types of tourism are in growing demand, the Dominican Republic might lose its attraction. On the other hand there is a chance that precisely this change in the tourism industry enables the small tourism entrepreneurs to react to these alternative demands by using their skill to adapt their business according to the different types of tourists.

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