

# THE TOURISM INDUSTRY OF ETHICS AND TOURISM

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## *Abstract:*

*The tourism industry is one of the largest industries in the world, and despite recent events that have made its operating environment more complex, the industry continues to grow [Theobald, 2005, Global Tourism, 3rd<sup>edn</sup>., Butterworth-Heinemann/Elsevier]. Commensurate to the size of the industry is a growth in the number of students pursuing degree courses in tourism around the world. Despite an increasingly sophisticated literature, the relative recency of the industry and its study has meant little attention has been paid in the ethics literature to the dilemmas facing tourism managers and its students. Based on interviews with senior members of the tourism industry six scenarios are developed with pertinence to the challenges faced by industry practitioners today.*

*Keywords: ethics in tourism, ethical decision-making*

## **Ethics and tourism**

The substantial growth of tourism activity clearly marks tourism as one of the most remarkable economic and social phenomena of the past century. The number of international arrivals shows an evolution from a mere 25 million international arrivals in 1950 to over 700 million in 2002, corresponding to an average annual growth rate of 6.6% [World Tourism Organization, 2005]. In addition to the numerical growth of tourism, there has been an increasing geographic spread of tourism to encompass almost all the reaches of the globe.

Simultaneously, there has been a diversification of the tourism product from the traditional sun, sea and sand offering to a product that can be potentially more intrusive, or more beneficial for those living in the tourism destination. Tourism's expansion has meant the industry now represents the leading source of foreign exchange in at least 38% of countries, and ranks in the top five industries for exports in 83% of countries [WTO, 2005].

However, in addition to the oft-cited economic indicators displaying the dominance of the tourism industry, there

has been a commensurate and almost equally well-publicised rise and recognition of the potentially negative impacts of the burgeoning tourism industry [Archer et al., 2005]. Researchers have been critical of the pernicious social and environmental impacts the industry can have from reinforcing western domination over developing countries through the 'host/guest' relationship [Smith and Brent, 2001] to the visual scars on the landscape caused by ski resorts or golf courses [Hudson, 2000]. This has led to calls for the industry to exercise greater responsibility and "professionalism" [Sheldon, 1989] in order to protect the "golden goose" [Manning and Dougherty, 1995] and mirrors the arguments for greater corporate and social responsibility in other industries [Huberman- Arnold and Arnold, 2001; Miller, 2001; Rondinelli and Berry, 2000; Webley, 1999].

Corporate Social Responsibility [CSR] is a specific application of the notion of environmental and social auditing to business practice. The technique is strongly promoted by Fair Trade in Tourism [2002] which suggests that the technique of CSR emerged in

the late 1990s out of NGO efforts to create a more equitable international trade system. According to Mowforth and Munt [2003] the tourism industry is well behind other industries in terms of CSR, and the absence of ethical leadership in the tourism industry has been 'astounding' [p. 168].

However, in the last few decades, responsible tourism has emerged as a significant trend in the western world, as wider consumer market trends towards lifestyle marketing and ethical consumption have spread to tourism [Goodwin and Francis, 2003].

Tourism organizations are beginning to realise that promoting their ethical stance can be good business as it potentially enhances a company's profits, management effectiveness, public image and employee relations [Fleckenstein and Huebsch, 1999; Hudson and Miller, 2005]. Yet, although more attention is now being paid to ethics in tourism [Holden, 2003; Kalisch, 2002] there is a very weak foundation of research into tourism ethics studies to date [Fennell, 1999].

The consequence is that the arguments presented for and against CSR in tourism are often simplistic and largely without any practical evidence.

### **Ethical decision-making**

The two approaches to ethical decision-making which have received most attention in the literature are those reliant on the theories of deontology and teleology [McDonald and Beck-Dudley, 1994]. A deontological approach enjoys a rich historical legacy, dating back to philosophers such as Socrates, 384 Simon Hudson and Graham Miller and more recently to the work of Kant. Deontology is concerned with the idea of universal truths and principles, which should be adhered to regardless of the circumstances. Kant's categorical imperative states that a person faced with a problem should be able to respond consistently and in conformity with their moral principles and also feel

comfortable with the decision being made in full view of others. A teleological view can be understood as "consequentialism" [Kaynama et al., 1996] following from the philosophical work of Jeremy Bentham and John Stuart Mill on utilitarianism.

Thus, ethical decisions are made in view of expected outcomes, which eliminate the universality of decisions and subordinates principles to context. A common expression for the two approaches would be that deontology places the means as more important than the end, while for teleology it is the end that justifies the means. Understanding these theories helps to successfully employ the various "tools" that exist to control the tourism industry, ranging from market-based instruments such as taxes through to more command and control instruments such as legislation.

For a deontologist, breaking the law would contravene their view of ethics and so the legislation would be abided by almost regardless of the value of the legislation. Yet, a teleologist would consider the consequences of not abiding by the law and would weigh this against the benefits of breaking the law. If tourism students seem to adopt a teleological approach to ethical dilemmas, then legislation

can only expect to be effective if accompanied by stringent penalties that make the outlawed behaviour not worthwhile, and hence the need to understand how decisions are made. Malloy and Fennell [1998], Cleek and Leonard [1998] and Stevens [2001] all point to the increasing prevalence of codes of ethics employed by the tourism industry as a tool to provide guidance to employees when making decisions. An important contribution in this area has been made by the World Tourism Organization, who in 1999 approved the Global Code of Ethics for Tourism that consolidated and reinforced previous recommendations and declarations on sustainable tourism.

The Code aims to preserve the world's natural resources and cultural heritage from disruptive tourist activities and to ensure a fair and equitable sharing of benefits that arise out of tourism with the residents of tourism destinations. Yet the code is not supported by an understanding of how industry practitioners make their decisions. Indeed, the lack of awareness within the industry of the code would indicate the code is not a particularly effective tool.

### **Influences on ethical decision making**

Previous theory suggests that there are a number of influences on ethical decision making of students, including nationality, the type of ethical dilemma, prior ethical education, and gender. Prior research in cross-cultural or cross-national ethical values of students has been quite contradictory. For example, Lysonski and Gaidis [1991] found that business students' ethical orientations were similar in the USA, Denmark and New Zealand. However, Okleshen and Hoyt [1996] found that US students were less tolerant than New Zealand students of situations involving the ethical constructs of fraud, coercion and self-interest. Whipple and Swords [1992] suggest that the field of business ethics has not attracted the degree of academic interest in the UK as it has in the US, and that more business ethics courses are needed in Britain to counter the difference in ethical judgements found.

Ethical decision making is also likely to be influenced by the type of ethical dilemma faced. Jones [1991] showed ethical issues can be classified according to their intensity, with respondents more likely to respond according to ethical principles if the issue is deemed as important. Applied ethics has evolved for functions and aspects such as business ethics, marketing ethics, and accounting ethics,

but discussion of sustainable tourism ethics and the moral appropriateness of sustainable tourism in various contexts is somewhat muted by comparison [Fennell, 1999]. In western societies over the last few decades, an increased recognition that the world's resources are limited, has led to the strengthening of an environmental ethic, whereby the natural environment is recognised to have an intrinsic value which outweighs its value as a leisure asset [Holden, 2003]. Yet, despite understanding the concept of the "triple bottom line", attention to the negative economic and socio-cultural impacts of tourism is less evident [Jamal, 2004]. Indeed, a recent review of tourism journals shows a heavy bias in favour of Ethical Orientation and Awareness of Tourism Students 385 papers that focus on the environmental issues arising from the industry [Hughes, 2005], reflecting the acknowledged predisposition NGOs have previously held towards the environment [Scheyvens, 2002].

Through exposure to these debates students are potentially more likely to be sensitive to environmental issues. The level of ethical education is likely to have an influence on ethical decision making [Whitney, 1989]. The last decade has seen an increase in the demands for ethical training amongst tourism students [Jamal, 2004; Tribe, 2002]. However, there is little evidence that tourism students are receiving ethical education [Cohen et al. 2001; Whitney, 1989], and no research has looked at the relationship between this training and ethical decision making. Singh's [1989] survey of Canadian management schools shows that nearly half of all those Universities surveyed did not offer a formal course in business ethics to their students. Enghagen [1990] found a higher proportion of courses were offered in the US for hospitality education, although the majority of ethics courses offered were electives. Studies which have attempted to measure the impact of teaching

ethics to students have shown improved, but shortlived improvements in the ethical values and reasoning skills of students [Fulmer and Cargile, 1987; Weber, 1990]. Harris [1991] found that business majors profess a teleological [Egoist and Utilitarian] approach, whereas non-business majors prefer a deontological [Golden Rule and Kant's Imperative] approach. Okleshen and Hoyt [1996] concluded from their study that educational experience in an ethics course produces homogeneity and is beneficial towards obtaining cross cultural understanding and congruence in ethical values.

Finally, studies of ethics and gender have found females to be less tolerant than males of situations involving ethical dilemmas [Beltrami et al., 1984; Cohen et al., 2001; Ferrell and Skinner, 1988; Peterson et al., 1991; Ruegger and King, 1992]. For example, Whipple and Wolf [1991] found that female students are more critical than their male classmates of questionable business practices. Others [Freedman and Bartholomew, 1990; Gilligan, 1982] have found student females to have higher moral values than males. Galbraith and Stephenson [1993] demonstrated that female business students prefer a utilitarian decision rule while male business students prefer an Egoist approach to evaluating ethical dilemmas.

As one of the world's truly global industries, working with a diversity of cultures, moral and ethical values, future business practitioners face the challenge of global ethics [Okleshen

and Hoyt, 1996]. In order to contribute to the development of understanding of global ethics, this study is responding to calls for the need to document existing ethical perspectives of individuals from around the world and to identify the determinants of ethical orientations [Kirande et al., 2002].

### **Conclusion**

The tourism literature makes a continual call for more decisions to be made that acknowledge the full impacts of the industry and yet little research has been conducted that attempts to establish the ethical framework the managers of the future will employ to approach these decisions. This research has drawn on the work of other subject disciplines and applied an established research methodology to tourism students in three different countries. Such research has enabled more informed discussions about what is required from ethical instruction in the future. It should be noted that the intention of this research was not to determine what is ethical or unethical. Rather, it was to assess how the characteristics of issues influence ethical beliefs, how individuals think and devise what is ethical and unethical and how different variables influence ethical perceptions [Trevino, 1986]. Once greater knowledge exists about how students and businesses are making decisions, then discussions of which tools are appropriate to enable or constrain those decisions become more apposite.

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