POVERTY ALLEVIATION THROUGH COMMUNITY BASED-TOURISM IN BATTICALOA DISTRICT, SRI LANKA

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ABSTRACT

Tourism has the greatest pro-poor impact on rural communities because the customer comes to the facility or product which is creating room for direct sell fostering the creation of the economic effect on the host community. Accordingly, community-based tourism emerged as a possible solution to the mass tourism in developing countries which thus became a strategy for a community organization to alleviate the poverty level. The study aimed the objectives of identifying the potentials for poverty alleviation through CBT and identifying the most influencing challenges when developing CBT. The research has utilized the quantitative approach. The primary data was gathered by using questionnaires. The sample consisted of 60 responders who have been engaging with CBT and 60 responders who have not been engaging with CBT so far. The analytical technique of the study was multiple regression. The sample has been allocated based on the quota sampling and sampling process has been done by snowball sampling. The results indicating that, there is a high potential for poverty alleviation mainly through agro-tourism based activities, since majority of the people are engaging with agricultural activities as their main livelihood. The second objective aimed to identify most influencing challenges for CBT. The study found that CBT challenges as mainly lack of training, lack of e-commerce, lack of skillful employees as major challenges. The results would help in tourism related policy making to alleviate the poverty by providing opportunities for economic activities for the host community.

Keywords: *Challenges, Community Based Tourism, Poverty Alleviation,*

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1 INTRODUCTION

1.1 Background of the Study

Many definitionshavefor the community based tourism concept. Community based tourism is one of the modern opportunities for income generation from natural resources without destroying the environment, reducing leakages of the benefits out of the local economy, creates local employment, multiplier effect and fosters sustainable development in rural areas (Kuuder, 2012).

In Sri Lanka, Community Based Tourism concept is a rather new concept in tourism. However, The Sri Lankan Government has identified CBT as a viable option for an increase in the income of the poor people. Few research has been done on the community based tourism. But CBT is not much popular in Sri Lanka. However, there are many community based tourism activities currently practicing in Sri Lanka without defining them as CBTs, such as ownership of hotels and travel agencies by community people, employment opportunities for the surrounding communities and other business opportunities for the local communities.

Poverty alleviation refers to the intervention processes or approaches that have the potential to reduce the prevalence and magnitude of poverty. It is realized that one intervention alone cannot eliminate poverty, but it can contribute by reducing the pain that comes from perpetual powerlessness and extreme low levels of subsistence (Kashaga, 2007).

There is high a potential in promoting CBT in Batticaloa district due to the availability of natural, cultural, religious resources, easy to access many attraction places. Further, income level of the people in Batticaloa is very low when compared to other regions of the country. As tourism sector in Sri Lanka is booming there is a high potentiality of implementing CBT in Batticaloa district. This research aims at analyzing the potential of CBT in Batticaloa district in alleviating poverty.

1.2 Research Problem

According to the HIES 2016 final report, Batticaloa district has the third highest poverty head count index (11.3 %) in Sri Lanka. According to the Spatial Distribution of Poverty in Sri Lanka 2012/2013, four divisional secretaries of Batticaloa district have been included in the most poorest ten divosonal secretaries in Sri Lanka. The three largest categories of employment in Batticaloa are agriculture (largely paddy farming), labour and market gardening. Taken as a whole, 58% of workers are employed in the agriculture and fisheries sector. The majority of these workers are poor due to low

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incomes from employment (Jayaweera, 2011 - blog of the Institute of Policy Studies of Sri Lanka).

However, Batticaloa district is rich with many natural, cultural and historical attarctions such as Baticcaloa Coastal road from batticaloa city to panama, Passikkudah beach, Palameenmadu Natural reserve, Batticaloa lagoon Bar mouth, Mantheevu, Kudumbi gala, Paduvankarai, Pottuvil Lagoon (Pathmananda,2018). Therefore, Batticaloa district has high potential to attract more tourists. Hence, it is important to know the potential of CBT in alleviating poverty in Batticaloa district in developing the tourism development plans for the area. However, there is no literature related to the community based tourism and poverty alleviation in Sri Lanka, especially with respect to Batticaloa district. Therefore, this research aims at identifying the potential of CBT in alleviating poverty in Batticaloa district.

1.3 Research Questions

- What are the potentials for poverty alleviation through community based tourism in Batticaloa district?
- What are the most influencing challenges when developing the community based tourism?

1.4 Research Objectives

- Identifying the potentials for poverty alleviation through community based tourism in the Batticaloa district
- Identifying the most influencing challenges when developing the community based tourism

1.5 Significance of the Study

The research results would help to government and non-government organizations which are engaged in tourism planning to identify the potential of community based tourism to alleviate the poverty of the poor by providing opportunities for economic activities, which will thereby enhance the livelihood of the host community. This research contributes to the scholars since more studies can be employed on this topic by identifying the gaps of the research. This will gain more economical benefits for the Batticaloa district community. In addition, this research will be important for the maximum utilization of the available resources in the Batticaloa District.

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2 LITERATURE REVIEW

2.1 Poverty

The Asian Development Bank (ADB) refers to poverty as "A deprivation of essential assets and opportunities to which every human is entitled." It further describes concepts related to poverty in order to create a better understanding of the nature of poverty.

According to the World Bank, "Poverty profile describes the pattern of poverty. But not principally concerned with explaining its causes. Yet a satisfactory explanation of why some people are poor is essential if we are to be able to tackle the roots of poverty. Among the key causes, or at least correlates, of poverty are:

- Regional-level characteristics: these include vulnerability to flooding or typhoons; remoteness; quality of governance; property rights and their enforcement.

- Community level characteristics: these include the availability of infrastructure (roads, water, electricity) and services (health, education), proximity to markets, and social relationships.

- Household and individual characteristics: Among the most important are:

    - Demographic: household side, age structure, dependency ratio, gender of head.

    - Economic: employment status, hours worked, property owned.

    - Social: health and nutritional status, education, shelter.

2.2 Poverty Alleviation

Poverty alleviation aims to improve the quality of life for those people currently living in poverty. Another term that is often used is poverty reduction. CBT has the potential to have both forward and backward linkages to become a pro-poor growth sector in the country. However, tourism competes with the other sectors when using the limited resources available. According to Overseas Development Institute (ODI), poverty in a region can be reduced by helping poor farmers to sell their products directly to the hotel, helping poor households to access tourism employment, promoting innovative businesses of poor people among the hotels, diversifying the products and developing pro-poor business tourism.

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2.3 Community based Tourism

Community based Tourism is new levels of relationships between the host country and the visitor. Visitors are appealing by founding among the varied natural attractions, local resources and talents and indigenous attributes of a community or area. Through visitor and community interaction, respective cultures are explored, ideas and information are exchanged and new friendships made. (Premaratne, n.d.). CBT is defined as tourism owned and/or managed by communities and intended to deliver wider community benefits (Goodwin and Santilli 2009)

Hausler and Strasdas, (2003) categorize community based tourism as eco-tourism, agro tourism, rural tourism, village based tourism, ethnic or indigenous tourism and cultural tourism in their manual. Therefore, any type of tourism can link with CBT. But Lalayan argues that community based tourism is not a segment diversified global tourism market (Lalayan, 2014). Community based tourism is a growing sector, globally and currently, accounts for 5% of the global tourism market. This is due to the increasing number of tourists who want to interact with the local communities and to stay in places that positively impact on both the environment and the local population (Viljoen and Tlabela, 2007)

As the rural economy is strongly influenced by agricultural activities and products, the advantages of the remote location with the scenic values and natural landscapes could attract people from urban areas. In community based tourism, the hosts play a central role in determining the form and process of tourism development (Timothy, 2002). Batticaloa district majority of the employee are dealing with agricultural sector.

2.4 Poverty Alleviation through Community based Tourism

There is a relationship between CBT and poverty alleviation. "CBT model could operate as a financial revenue generation tool reporting a gross revenue increase in 92% of the cases during the last three years". (Maria, 2010).

Community based tourism encompasses the desire to encourage empowerment, gender equality, capacity building, education and strengthening of cultural identity and tradition (Moscardo, 2008). It is one of the modern opportunities for income generation from natural resources without destroying the environment, while providing better linkages, reduces leakages of benefits out of a country, creates local employments, creates the multiplier effect and fosters sustainable development (Khan, 1997).

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2.5 Conceptual Framework and Hypothesis

Table 05: Results of fixed effects, random effects and FGLS regression techniques

	Life Insurance Density (Model - I)					
	Fixed-effects		Random-effects		FGLS	
	Eq – 1	Eq – 2	Eq – 1	Eq – 2	Eq – 1	Eq – 2
Income	.1402745 (.477159)	-	.6352408*** (.1352475)	-	.6352408*** (.1297569)	-
Urbanization	-.0336343 (.0288721)	-.0765124** (.0316909)	-.0607185*** (.0100845)	-.0731699*** (.0147215)	-.0607185*** (.0096751)	-.0731699*** (.0142107)
Financial Development	.0135361 (.0288721)	.0287351*** (.0316909)	.048989*** (.0055307)	.0576804*** (.006406)	.048989*** (.0053062)	.0576804*** (.0061837)
Life Expectancy	13.19763** (1.081691)	-	-5.780906***	-	-5.780906*** (1.037778)	-
Education	.0350615 (.0288721)	.0573605*** (.0118103)	.0907332*** (.0055307)	.0896513*** (.0155714)	.0907332*** (.0113781)	.0896513*** (.0150312)
Health Expenditure	.0106637 (.0288721)	.005055 (.0087843)	-.0184861*** (.0055307)	-.0408227*** (.0155714)	-.0184861** (.008329)	-.0408227*** (.008544)
Young Dependency	-	-.0574692*** (.0141057)	-	.0086784 (.0097524)	-	.0086784 (.0094141)
Constant	-55.93408*** (14.52785)	4.35643** (1.647622)	21.45763*** (4.369943)	2.998358*** (.7624736)	21.45763*** (4.192537)	2.998358*** (.7360213)
R^2 within	0.8715	0.8716	0.7288	0.8007		
Between	0.1400	0.5348	0.7543	0.9699		
Overall	0.3535	0.6272	0.7529	0.8873		
F-test chi2 (P-value)	F(6,78) = 88.21 (0.000) F(3, 78) = 12.26 (0.000)	F(5,79) = 107.28 (0.000) F(3, 79) = 28.94 (0.000)				
Hausman test (P-value)			10.98 (0.2028)	10.14 (0.0713)		
Wald test (P-value)	17.41 (0.0016)	3.56 (0.4693)	943.79 (0.000)	645.69 (0.000)	1025.35 (0.000)	692.94 (0.000)
Breusch–Pagan test (P-value)						0.00 (1.000)
Breusch-Pagan LM (P-value)	28.914, (0.1020)	22.157 (0.0011)				
Pasaran CD test (p-value)	1.160 (0.2462)	0.906 (0.3649)				
Wooldridge test (P-value)	58.417 (0.000)					
Observations	88	88	88	88	88	88

Figure 1: Conceptual Framework

Source: Samarasekara (2017)

H_1- There is a relationship between Community based tourism and poverty alleviation in Batticaloa district.

H_0- There is no relationship between community based tourism and poverty alleviation in Batticaloa district.

There is an impact of tourism in the local community. It will be ownership, management, and control. Local communities engaged ownership, management and control the tourism products and projects. That is community based tourism. Community based tourism impact on the poverty. The Researcher has to incorporate with other variables that affect the poverty alleviation such as demographic characteristics, geographic characteristics, economic characteristics.

3 METHODOLOGY

3.1 Research Approach and Design

This research will be conducted by a quantitative method where the objectives are achieved through quantitative analysis. The purpose of the study is to identify potentials and challenges for the poverty alleviation through community based tourism in Batticaloa district. Therefore the researcher collected data from people who are engaging with community based tourism activities and people who are not engaging in community based activities. The data of the study will be collected through a survey type research

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3.2 Population and Sample

Based on the research objective, the target population of the study is all population in the Batticaloa district. In order to fulfill that major objective the research has been selected 120 people as the sample in Batticaloa district. The research has been selected two hotels to. Reason for selecting these two hotels in Batticaloa district, these hotels have given priority to develop an economy level of the local community.

A sample of the study can be divided into two parts as

- 60 CBT activities participants in Batticaloa district
- 60 CBT activities non-participants in Batticaloa district

3.4 Sampling Technique

Further Due to the limited time and resources the sample will be allocated based on the quota sampling and sampling process will be done by snowball sampling.

3.5 Data Collection Methods

Primary data were collected through the survey from respondents by using semi-structured questionnaires. Separate two questionnaires were given two identified samples. For the effective communication, people who not engage in CBT and people who are engage in CBT were given Sinhala medium and Tamil medium questionnaires. The challenges for the CBT were measured on the five point Likert scale as depicted in following ordinal scale.

3.6 Methods of Analysis

The study will be used descriptive statics, multiple linear regression analysis and factor analysis to analyze the data. In descriptive statistics, such as mean, median, and model will use to recognize the most important factors of this research. For interpreting the data using the bar chart, pie chart, plotter like the interpret tool. Multiple regression analysis will be used to compare factor in the poverty between CBT engage and CBT not engage. Factor analysis was used for identifying the most influencing challenges for CBT in Batticaloa district.

The Economic model is,

Income = f (CBT, Demographic factors, Geographic factors, Economic factors)

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4 DATA ANALYSIS & RESULTS

According to the descriptive statistic results average family income of people who have being engage in CBT activities was Rs. 56283.33. Average family income of people who have not being engaged in CBT was Rs 36613.33. Moreover, almost agreed challenges by respondents were lack of training, lack of the knowledge about the concept, lack of e-commerce awareness, lack of educational knowledge, lack of money to invest, lack of skillful employees, lack of infrastructure facilities , lack of financial support. Moderately agreed challenges were lack of experience, lack of family members' support, lack foreign language capability which showed neutral challenges for CBT development.

Based on the regression analysis information the regression equation can be articulated as follows:

Individual Income= -43929.97+ 10123.04 CBT+ -8165.791 Gender+ 1979.141 Age+-19.35639Age^2 +1934.379 Education d1+10118.78 Education d2+ 18096.87 Education d3+15770.65 Education d4+ 36670.37 Education d5+ 1767.185 Number of family members+ -33.66081 Time reach to DS office+ -979.9263 Distance to medical institute+ 4867.249 Secondary employment+ 4026.588 Number of bed rooms+ 6147.544 Traveling cost+ 11680.05 Principle of cooking material + €

According to the findings CBT engage or not, age, education level, number of family members have a positive influence on individual income. The status of the significance level of CBT engagement, gender and age were 0.0013, 0.0033 and 0.042 (p>0.005) and status of number of family members were 0.231 which is statically insignificant.

Furthermore, result of factor analysis shows 4.509 Eigenvalue and it discussed the 40.994% of level of awareness, experience about the community based tourism. 1.412 of Eigenvalue and 53.835% variation discussed the internal challenges affecting to the community based tourism development. Results 1.116 of eigenvalue and 63.979% for the External challenges affecting to the community based tourism development. Therefore level of awareness and experience about the community based tourism become mostly influence factor among them. It is 4.509 Eigen value and 40.994% of variation. Lowest Eigenvalue represent by the External challenges affecting to the community based tourism development. It is 1.116 Eigen value.

5 DISCUSSION OF THE FINDINGS

An objective of the research identified the potentials poverty alleviation through CBT especially through agricultural activities. This objective realized by regression analysis. Before enter to the econometric model, the researcher

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found that CBT engage people earn more income than CBT not engage people. There is a gap between the income earned by the CBT engage people and CBT not engage people.

According to the econometric model CBT engage people earn more income than CBT not engage people. Female participation in the workforce is very low in Batticaloa district. But female earning was higher than male person as the education level of the female was higher than the male. The income level has been increased in relation to the age. But it is stopped at particular age level. According to the Hausler and strasdas, categorized CBT as eco-tourism, agro tourism, rural tourism, village based tourism like many categories. The researcher has identified many CBT activities that can be implemented in the Batticaloa district.

Based on the factor analysis, there are three most variable factors in the sample namely level of awareness about community based tourism, internal challenges affecting to the community based tourism development and external challenges affecting to the community based development. According to the results of this research it has been conveyed that the people are poor in skills. The reason was that people lack in the language and communication skills. The reason is based on the Department of Census and Statistics, still the literacy rate of the Batticaloa district is very low when compared to other districts.

6 CONCLUSION AND CONTRIBUTIONS

6.1 Conclusion

This researcher first objective was identified potential for poverty alleviation through community based tourism. For identifying the poverty alleviation through CBT the researcher used econometric model. This econometric model includes CBT engage or not and use other control variables. Reason to use control variable, there are many other variables influence the poverty.

The researcher compare the income level of the CBT engage people and CBT not engage people by the econometric model. According to the econometric model the CBT engage people earn more income when compared to the CBT not engage people. Hence, there is a high potential to poverty alleviation through CBT. The first objective of the research was proved by the regression result.

Moreover, the researcher has identified three main through factor analysis as level of awareness and experience about the CBT, internal challenges affecting to CBT development and external challenge affecting to CBT development.

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6.2 Recommendation

Majority of the people in Batticaloa district are engaging with agricultural activities as their main livelihood. But the income received through the agricultural activities is very less. Agro tourism is one of the main tourism segments that can be successfully operated with the participation of the local community as the Batticaloa is rich with many traditional agricultural activities. Hence, there is a potential to develop agro tourism in Batticaloa as a CBT activity. Harvesting festivals, camping sites in agricultural fields, home gardening, Chena cultivation experiences can be promoted for the tourists. Further, the selling of fresh and processed fruits, vegetables and dairy products will be a good financial support for them. This can be contributed to attract more tourists to Batticaloa district which can be economically contributed the people ultimately influence on the sustainable development of the community. Furthermore, it is recommended to conduct communication programs to the people with the participation of government and other stakeholders. In conclusion, there is high potential to alleviate poverty through CBT in Batticaloa district

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