SOCIOECONOMIC IMPACTS OF LONGHOUSE TOURISM ON LOCAL COMMUNITIES: A CASE STUDY OF SELECTED LONGHOUSE COMMUNITIES IN THE AI, ENKGARI AND SKRANG RIVER SYSTEMS, SRI AMAN DIVISION, SARAWAK.

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A thesis submitted in full fulfillment of the requirements for the degree of Master of Social Science

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Table of Contents

Title Page i
Acknowledgements ii
Table of Contents iii
List of Tables vi
List of Figures viii
Abstract in English ix
Abstract in Bahasa Malaysia x

Chapter 1 Introduction 1
1.1 Introduction 1
1.2 Overview of tourism 1
1.3 Statement of the problem 4
1.4 Study justification 5
1.5 Purpose of the study 6
1.6 Objective of the study 7
1.7 Study Hypotheses 7
1.8 Scope and limitation 8

Chapter 2 Literature Review 9
2.1 Introduction 9
2.2 Tourism and development 9
2.3 Tourism and sustainable development 9
2.4 Tourism in Malaysia 11
2.5 Tourism in Sarawak 12
2.6 Cultural tourism 14
2.7 Cultural tourism in Sarawak 15
2.8 Longhouse tourism 16
2.9 Tourism impact 17
2.9.1 Economic impacts 18
2.9.2 Environmental impacts 24
2.9.3 Social impacts 28
2.10 Economic impact assessment 32
2.11 Measuring Tourism Economic Benefits and Costs 33
2.12 Benefit-Cost Analysis 34
2.13 Contingent valuation 35
2.14 Triangulation 36

Chapter 3 Study Sites 37
3.1 Introduction 37
3.2 Physical and human geography of Ai, Engkari and Skrang areas 37
3.3 Tourism experience in the longhouse 42
3.4 Tourism activities in the longhouse 47
3.5 Sale of handicrafts 50
3.6 Miscellaneous incomes from tourism 53

Chapter 4 Methodology 54
4.1 Introduction 54
4.2 Conceptual framework 54
4.3 Tourism activity evaluation 55
4.4 Analytical approach 58
Appendix F: Net Social Benefit Estimation based on different values given by different groups of respondents

Appendix G: Net Social Benefit Generated by the Longhouse, Using Contingent Values From the Different Groups of Respondents

Appendix H: Sample Household Survey Questionnaire

Appendix I: Sample Contingent Valuation Questionnaire

Appendix J: Community Group Interview List

Glossary
List of Tables

Table 1.1 Development allocation for tourism during the Fifth and Sixth Malaysia Plans period (1986 – 1995), by program  
Page 3

Table 2.1 Tourism arrivals to Malaysia during the period of 1995 2000, by region  
12

Table 2.2 Tourism receipts in Malaysia for the period from 1995 to 2000  
12

Table 2.3 Malaysia foreign earning in 1997, by sector of economy  
12

Table 2.4 Foreign visitor arrival into Sarawak for the period from 1995 to 1998, by regions and countries  
13

Table 2.5 Categories and features of cultural tourism attraction in Sarawak  
15

Table 2.6 Economic benefits of travel and tourism  
19

Table 3.1 Longhouses in Upper Ai River, indicating number of households, population and duration of longboat ride to reach them  
40

Table 3.2 Longhouses on the Engkari River, indicating number of households, population and duration of longboat ride to reach them  
41

Table 3.3 Longhouse on the Upper Skrang River, indicating number of households, population and duration of longboat ride to reach them  
41

Table 5.1 Distribution of respondents by demographic characteristics (n =239)  
67

Table 5.2 Distribution of households by number of members (size)  
69

Table 5.3 Distribution of the male members of the population by age groups and their presence or otherwise  
70

Table 5.4 Distribution of the female members of the population by age groups and presence or otherwise  
70

Table 5.5 Distribution of members of the population by their socioeconomic status  
71

Table 5.6 Distribution of respondents’ children (male and female) by their place of employment  
71

Table 5.7 Distribution of respondents’ children by their occupation types (employment sectors)  
72

Table 5.8 Distribution of respondents by household monthly income (n = 239)  
72

Table 5.9 Distribution of household monthly income by sources (n = 239)  
73

Table 5.10 Contribution of tourism income to the average total household income by region  
74
Table 5.11 Distribution of household monthly income at a longhouse receiving larger volume of tourist visits (Nanga Sumpa, on the Ai River) and a longhouse receiving fewer tourist visits (Nanga Bunu on the Skrang River).

Table 5.12 Distribution of the overall average households’ levels of participation in and level of preference for tourism related activities (n = 239).

Table 5.13 The result of correlation analysis (Pearson’s) between the level of participation in tourism activities and selected demographic variables.

Table 5.14 Result of t-test to identify the difference in level of participation in tourism activities by gender.

Table 5.15 One-way ANOVA results to identify the difference in level of participation in tourism activities by the different occupational groups.

Table 5.16 The result of correlation analysis (Pearson’s) between the level of preference of tourism activities and the selected demographic variables.

Table 5.17 t-test results to identify the difference in the level of preference in tourism activities by gender.

Table 5.18 Results of One-way ANOVA to identify the difference in the level of preference of tourism group of occupational groups.

Table 5.19 Distribution of household net private income from longhouse tourism activities (n = 239).

Table 5.20 Distribution of household monthly net income from sale of handicraft by type of handicraft (n = 239).

Table 5.21 Sources of other household net monthly tourism related income.

Table 5.22 Number of tourists and tourism generated net income (household total) by region and longhouse studied.

Table 5.23 Comparison of the net social benefit calculated using contingent valuation values from different evaluators groups by longhouse by region.
<table>
<thead>
<tr>
<th>Figure 3.1</th>
<th>Relative locations of the Ai River, Engkari River and Skrang River systems</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 3.2</td>
<td>Locations of the longhouses studied in the Ai River and Engkari River systems</td>
<td>39</td>
</tr>
<tr>
<td>Figure 3.3</td>
<td>Locations of longhouses studied in the Skrang River system</td>
<td>39</td>
</tr>
<tr>
<td>Figure 4.1</td>
<td>Classification of benefits and costs</td>
<td>55</td>
</tr>
<tr>
<td>Figure 4.2</td>
<td>Selection of optimal project scale</td>
<td>56</td>
</tr>
</tbody>
</table>
Sarawak is popular for its ethnic and cultural diversity, especially among the Dayaks. One of the prominent features of the Dayak culture is community living in longhouses. Among the major ethnic groups of the Dayaks is the Iban who commonly live in longhouses on riverbanks, practicing shifting rice cultivation, and are still following customary beliefs and practices. These features and their well-known hospitality have been special attractions for tourists. Longhouse tourism is promoted as a means to develop rural areas in Sarawak. Critics, however, argue that such a development may yield more social costs than benefits. A study to evaluate the economic impacts of longhouse tourism on local (participating) communities is carried out in the Sri Aman Division of Sarawak. Ten communities in three river systems (Ai River, Skrang River and the Engkari River) are included in the study. Local participation in and preference for the type of tourism activities are determined. Private benefits and costs, as well as public benefits and costs are estimated for each tourism activities in order to arrive at the total net social benefits. A combination of both qualitative and quantitative methods is used to gather relevant data. These methods include key-informant interviews, group or community interviews, participant observation and questionnaire survey. Contingent valuation is used to estimate the benefits and cost associated with intangible items or non-market goods and services. The study reveals that the levels of participation in and preference for tourism activities are more influenced by tourism income than the other socioeconomic variables. The study also found out that the net social benefits generated are positive for all study regions (river systems). The net social benefit for the Ai River system is estimated to be RM 133,738.00 annually, RM 63,794.00 for the Engkari River system and RM 69,265.00 for the Skrang River system. Out of ten longhouses studied only one experienced negative net social benefits. This result shows that longhouse tourism is in fact a positive contributor to the rural development effort in these areas. This contradicts critics who proclaim that longhouse tourism is exploitative and is a social burden to the local host communities.
CHAPTER 1
INTRODUCTION

1.1 Introduction
This chapter presents the general overview of tourism, statement of the problem, the purpose, objectives, hypothesis and also the scopes and limitations of the study. The general overview section discusses the importance of tourism globally, at regional level, national level and finally, at the state level. Factors that encourage tourism activities are also summarized. Statement of the problem outlines issues of interest to the study. Finally, the scope and limitations related to the study are also presented.

1.2 General overview of tourism
Tourism has grown significantly since the creation of the commercial airline industry and the advent of the jet airplanes in the 1950s. Higher disposable incomes, smaller family size, changing demographic, lower transportation costs, improved public health standards, and hospitable environments for tourists in many destinations have made tourism an activity within the reach and desires of many members of many nations. Furthermore, the developments in marketing, management, vertical and horizontal integration, pricing, and tour packaging of tourist products as well as capital investments in physical facilities and public infrastructure such as transportation and communication systems have provided tourism with the necessary frameworks for a dramatic expansion. The expansion has reached even the most isolated parts of the world such as the Arctic (Smith, 1989; Grekin and Milne, 1996) and the Pacific Islands (Hall and Page, 1995).

The global significance of tourism is without doubt. Travel and tourism are encompassing various industries that include transportation, accommodation, catering, recreation and services for travelers. It creates a lot of job opportunities. In 1992 tourism had emerged as the largest industry and largest employer in the world (Theobald, 1994; Yamashita et al., 1997). The World Travel and Tourism Council (WTTC) estimated that the travel and tourism industry generated 231 million jobs (direct and indirect) in 1998, or about one in nine workers worldwide. This translates into US$3.6 trillion of economic activity. WTTC also projected that travel and tourism will grow to US$8.0 trillion in terms of economic activity and will generate 328 million jobs by the year 2010 (Goeldner et al, 1999). World Tourism Organization (WTO) anticipates that there is little or no slowing down in the rate of expansion of international travels. In their Tourism 2020 Vision, WTO forecasts that international arrivals will reach 1 billion by 2010 and 1.6 billion by 2020 (WTO, 1999).

Many developing countries have considered tourism as a panacea for their economic malaise. Often regarded as the ‘white’ industry, it is thought to be a vital development agent and an ideal economic alternative to the traditional primary and secondary sectors. It is seen as a generator for crucially needed foreign exchange earnings and urgently needed capital for the economy of developing countries (Lea, 1988). Many developing countries have turned to tourism development as a means of attracting the necessary foreign exchange for inducing economic growth, generating employment, and ultimately increasing the local population’s
living standard. Policymakers in these countries often perceive the revenues from tourism as vital for improving local airports, roads, sewerage and other infrastructure (Urbanowicz, 1989; Ioannides, 1995).

For the Southeast Asian countries, tourism also has become one of the leading industries that generate foreign exchange earnings. The members of the Association of Southeast Asian Nation (ASEAN) are experiencing a boom in both foreign and domestic tourism. Hitchcock et al. (1993) reported that the number of foreign visitors has doubled, receipts from tourism also increases, making tourism one of the leading source of foreign exchange in 1990 in Thailand, second largest in the Philippines. In Singapore it is the third largest earner of foreign currencies. In Indonesia tourism has moved into the fourth place, outstripping rubber and coffee as an earner of foreign exchange in 1990. As in other sub-regions in Asia, Southeast Asian nations will continue to have positive growth rate of international arrivals. WTO forecasts an average growth of 6.3 percent for international tourist arrivals in ASEAN from the year 1995 to 2020 (WTO, 1999).

The phenomenal growth of tourism in Southeast Asia, as elsewhere in the developing world, has been associated with a number of factors and processes. Hitchcock et al. (1993) stated that there are three major factors that contribute to this growth. These factors are:

i. the increases in people’s ability to afford to travel to the region. This may be attributed to two parallel factors: first, rising levels of affluence in the main source areas, and secondly, the steadily falling cost in real terms, of travel to the region,

ii. the ‘gradual shift in the ‘center of gravity’ of mass tourism away from the longer-established destinations (in Europe, the Costa del Sol, the Algarve, the Cote d’Azur and the Aegean Island) towards the Far East and elsewhere is partly a reaction to the over-development of these major tourism centers, and;

iii. the changing consumer preferences: the search for something different, with the new natural and cultural environments placed high on tourists’ lists of priorities. Active promotion campaigns by the various member states of ASEAN (e.g. Visit ASEAN Year, 1992) and some of the former socialist states in the region also contributes to this growth.

Malaysia is a relatively newcomer to the promotion of tourism. Although the Tourist Development Corporation (TDC) was established in 1972, it played a more passive role. However, the downturn in the world economy in the mid 1980s seriously affected foreign exchange earnings from the traditional exports such as natural rubber, tin, petroleum, timber, palm oil and manufactured goods, TDC has started to play a more active role. The establishment of the Ministry of Culture and Tourism and its elevation to cabinet status in 1987 marked the beginning of an aggressive campaign to promote Malaysian tourism at the international level. The campaign, culminates in the highly successful Visit Malaysia Year in 1990, where 6 millions tourists visited Malaysia (Walton, 1992).

In the Sixth Malaysia Plan, Malaysia continues to show its future commitment to develop tourist industry when it allocated RM534 million compare with RM132 million expenditures during the Fifth Malaysia Plan (Table 1.1).
Table 1.1 Development allocation for tourism during the Fifth and Sixth Malaysian Plans period (1986 – 1995), by program.

<table>
<thead>
<tr>
<th>Program</th>
<th>5MP Expenditure (RM million)</th>
<th>6MP Allocation (RM million)</th>
</tr>
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<tbody>
<tr>
<td>Preservation of Natural and Historical Heritage</td>
<td>0.7</td>
<td>41.1</td>
</tr>
<tr>
<td>Tourist Accommodation</td>
<td>0.0</td>
<td>171.7</td>
</tr>
<tr>
<td>Beautification (Cleanliness Program and Environmental Protection)</td>
<td>2.5</td>
<td>43.6</td>
</tr>
<tr>
<td>Cultural Product Development</td>
<td>2.5</td>
<td>112.9</td>
</tr>
<tr>
<td>Facilities and Infrastructure</td>
<td>76.7</td>
<td>157.4</td>
</tr>
<tr>
<td>Others</td>
<td>49.7</td>
<td>7.2</td>
</tr>
<tr>
<td>Total</td>
<td>132.1</td>
<td>533.9</td>
</tr>
</tbody>
</table>


Today, tourism industry in Malaysia has become the third largest industry after manufacturing and palm oil industries. The vigorous marketing efforts undertaken to promote the country as a tourist haven, development of new and improved tourism products, increase in accessibility to tourist destinations, and the rapid growth of the East Asian economies have contributed to the expansion in tourist arrivals. The result from these efforts was a significant increase in foreign exchange earnings, which contributes to the improvement in the service account of the balance of payment. Gross receipts from tourism grew by 24.5 per cent per annum during the Fifth Malaysia Plan (1986 – 1990), increasing from RM 1.5 billion in 1985 to an estimated RM 4.5 billion in 1990 (Government of Malaysia, 1991). In 1995, Malaysia recorded 7.5 million tourist arrivals, which contributed about RM 9.2 billion to tourism receipts. Tourist arrivals into Malaysia continue to grow at the rate of 9.6 per cent annually to reach 12.5 million by the end of the year 2000. Receipts from tourism is likewise expected to rise to RM15.7 billion by the year 2000 (Government of Malaysia, 1996).

The economic importance of tourism in Sarawak especially in relation to the government plans has increased dramatically. The First (1981) and Second (1993) Tourism Master Plans have been devoted to the issues of tourism planning and development. This shows the seriousness of the state government in promoting the state as one of tourist primary destination. Sarawak is now recording a steady increase in number of tourists from year to year. This increase is attributed to the aggressive promotions, active marketing and development of new tourist products done by the Ministry of Tourism, Sarawak Tourism Board (STB), Ministry of Social Development, and by the various tour agencies in the state. Oversea tour agencies also help to sell Sarawak in their respective countries. The formation of the Brunei-Indonesia-Malaysia-Philippines-East ASEAN Growth Area (BIMP-EAGA, or EAGA) is also expected to promote more travel within this growth area either for business or pleasure, leading to further development of tourism in this region (Kurus, 1995).

In 1996, Sarawak has recorded a total of 713,086 tourist arrivals, including from other Malaysia states in the Peninsular and Sabah (Sarawak Immigration Department, 1996). The statistics shows a significant growth of visitor arrivals compare to 1988 and 1989, which
recorded 203,513 and 238,723 arrivals respectively (Jitab and Ritchie, 1991). Although this figure does not indicate the actual period of tourists stay in the state, it is obvious that some a substantial amount of tourist money is retained.

1.3 Statement of the Problem

Tourism development has experienced a tremendous expansion over the past three decades. It now touches most parts of the world, and continues to penetrate into the social, economic, and the environment fabric of the host regions. As a powerful agent of change its strength is expressed in a wide variety of impacts ranging from those that are economic and/or socio-cultural in character to those that are environmental in nature (William, 1994).

Malaysia’s Second Outline Perspective Plan 1991 - 2000 states that the prime strategy for the tourism sector is to create a distinct and unique image of the country’s natural heritage and cultural resources (Government of Malaysia, 1991). This strategy is to develop more new tourism products in their original and traditional settings, be it in town or rural areas, rather than to recreate the original products in an artificial and unnatural environment. Some of these products may be difficult to access. For example, tourism products like old lifestyles or natural beauty are located in the rural areas, or rather in the interior as the case of longhouse tourism in Sarawak. Therefore, the development of tourism products has given rise to the building of the various tourism-related infrastructures. Concurrently it helps improving the standard of living of the local population through access to better roads, efficient means of transportation and provision of related facilities especially in rural areas.

In Sarawak the government’s support for development has resulted in more facilities being built. Airports and landing strips are also built or improved. The development of these facilities provides access to even the most remote areas in the interior. These lead to the opening up of more longhouses or areas with natural beauty such as Mulu National Park, Bareo, Kapit and many other interior destinations for tourist visits.

In Lubok Antu, the development of Batang Ai Hydroelectric Dam has brought along the development of facilities such as roads, electricity and treated water supply to the local longhouse communities below the dam. For the communities located further up-river from the dam, the Batang Ai Lake itself provides waterway that facilitates their movements. The travel distance to the nearest town is shortened from a few days to between a half to two hours boat rides. The completion of a tar-sealed road that links Batang Ai Hydroelectric Dam to Kuching - Sri Aman road has made more longhouses in the Batang Ai area accessible, and thus able to draw tourists to visit them. Furthermore, the completion and operation of Hilton Batang Ai Longhouse Resort has also acted as a catalyst for further tourism development in this area. A few longhouses which are frequently visited by tourists are Nanga Ukom (Rh. Jarau), Nanga Spaya (Rh. Ugat) and Nanga Stamang (Rh. Sunok) on the Engkari River, Nanga Sumpa (Rh. Ngumbang) on the Delok River, Menyang Sedi on the Menyang River, and Nanga Beretik (Rh. Radin) and Wong Tibu (Rh. Endan) on the Upper Ai River are also frequented.

In the Skrang River basin, many longhouses are destinations for tourists since the 1960s due to their close proximity to the main road connecting Sri Aman and Sibu. These longhouses are among the first that received tourists. These longhouses include Bunu, Mujan, Murat,
Mejong, Tebat, Belaie, Sg. Pinang, Tabau and Panchor (Kedit and Sabang, 1992). However, since the opening of longhouse destinations in Lemanak and Batang Ai areas, the number of tourists visiting longhouses in the Skrang River has declined. A few of these longhouses have stopped receiving tourist visits. Mujan and Tebat are two examples.

Longhouses have been special features for tourism in Sarawak. These longhouses and their inhabitants are popular for their cultural attractions. Kedit (1990) reports that one of the earliest tourist destinations in Sarawak is an Iban community situated along the Skrang River, whose members were still living in the traditional lifestyle in longhouses, and observed aged-old beliefs and rituals. Nowadays, Iban longhouses still remain as one of the main tourist attractions in Sarawak. In 1991, there were 16,456 tourists who went on package tours staying overnight at Iban longhouses (Zepple, 1993). These adventure tours are marketed as the "River Safari", and mainly focus on visits to Iban longhouses in the Sri Aman Division.

Tourism developments have brought changes to the local people and their environment. Many job opportunities were created. These job opportunities have attracted many local people. Tourism not only creates direct employment in the industries related directly to tourism such as hotels and shops, but also in other industries such as agriculture and handicraft. In the longhouses, local people are either employed as host families, entertainers, boat drivers, helpers, porters, or as local guides. However, some of the employments are seasonal and often requiring low level of skill. It may also be part time rather than full time employment (Prentice, 1993).

There are some issues that need to be addressed carefully in tourism development. Some of these issues are particularly related to the social and economic well being of the longhouse communities. Local benefits of longhouse tourism should be examined in the context of its potential costs. The allocation of resources used for tourism activities should be quantified to determine the net social benefits that accrue to the host community. Tourism does bring benefits to the local, but the question is: To what extent, and at what cost?

There are many factors that need to be taken into account to come up with the estimate of net social benefit or cost to the longhouse community. Type and level of participation determines the amount of time that local people spend on tourism and on other activities. Time for farming, collecting jungle products, fishing or migration works may be spent on tourism activities instead. The quality of life of the host community affected by tourism development also needs to be taken into account. This is important because tourism can bring both positive and negative impacts to the host’s quality of life. To confidently say that tourism development benefit a host community, the net social benefit should outweigh the net social cost. The lack of studies in these areas, however, has left many of these issues unresolved. This study is an attempt to answer or highlight some of these important issues. It is a matter of concern not only for the local people but also for policy makers that the tourism activities in these longhouses truly benefit the longhouse communities.

1.4 Study Justification

Economic impact studies in tourism are usually undertaken to determine its effects on the income, wealth, and employment of the residents of a given geographic area. The results indicate the contribution or cost of tourism activities to the economic well being of residents.
of an area, which is usually in monetary terms. This study also provides the estimates of tourists' expenditures received by the longhouse and the impacts of tourism activities on employment, personal income, business receipts and profits.

On the cost side, the study includes estimating the costs, which are sometimes non-monetary to the communities of the study areas. Very often tourism development projects focus their attention too much on the benefit of tourism activities, and neglecting their costs that the host community has to pay. Tourism development projects should equally pay attention to all cost involved and not merely highlighting the expected profits or benefits, income and job creation.

In the case of longhouse tourism in Sarawak, there is no sufficiently detailed analysis that has been done on the impacts of tourism in terms of benefit and cost to the longhouse communities although tourism activities have been in existence for quite a long time. So far, there is no empirical evidence to suggest whether those tourism activities really benefit the local people or otherwise. By measuring the economic impacts in terms of benefits and costs, this study can provide a much more meaningful insight into this matter.

The results of the study give a better picture of tourism activities in these areas. Since the approach used in the study is more from the standpoint of the local resident's on various aspects of tourism activities, it will also help to identify the key planning issues and priorities. The results of the analysis on economic impacts will help the local communities themselves, businesses, and relevant government agencies to make efficient and effective tourism marketing and development decisions for the local tourism related activities.

The findings of the study will also be very useful to the related government agencies in their effort to further improve the planning and development of tourism activities to enhance its benefits to both tourists and the host communities. This economic impact study also will aid public officials in developing laws and policies that best promote the economic, social and cultural health of citizens and avoiding those that will threaten this health. The finding will be useful to tour agencies to evaluate the effectiveness of their marketing effort, to develop attractive tour packages that suit both tourists and the host communities or to find better ways to incorporate the longhouse or local communities in tourism activities.

For the longhouse communities, this study can show how the costs and benefits are distributed among the residents, help local people to understand their role in longhouse tourism and how they contribute to its development in their respective longhouses. It also will allow these communities to rationally choose whether to encourage or reject additional tourism marketing or development efforts.

Finally for the researchers, the findings can be used as a base for further tourism researches in Sarawak as it provides some insights on the existing state of local eco-cultural tourism.

1.5 Purpose of the study

The general purpose of the study is to assess the impact of tourism activities on the economy of selected local longhouse communities in Ai River, Engkari River and Skrang River areas in Sarawak.
1.6 Objectives of the study

Specifically, the objectives of the study are:

1. to determine the level of participation and preference for tourism related activities at the longhouse

2. to estimate the annual private net benefits or proceeds from the related tourism activities, and;

3. to estimate the annual net social benefits derived from tourism activities.

1.7 Study Hypotheses

Several hypotheses are posited based on the above objectives. These hypotheses are formulated based on existing areas of concerns with regards to longhouse tourism, as an alternative to many other forms of rural or community development. It has been pointed out and commonly believed that age, educational level, household income and gender are key socio-demographic variables in a community that have some bearing on the implementation success of any longhouse tourism project. On the other hand, the attributes of a longhouse tourism project believed to be important are: local participation, preferences for tourism activities, and the overall resultant benefits. These attributes are also key elements in development agendas in any development program dealing with rural communities.

1.7.1 Participation in tourism activities

Participation of local people in the longhouse tourism activities has been generally seen as minimal. While the focus of this study is not on the comparison of participation level between local actors and the outside actors (tour operators), it puts special attention on the time spent on tourism relative to other economic activities. The measure of “level” of participation for an activity is also taken “relative” to another tourism activities. In this study, it is hypothesized that participation level does vary according to household head’s age, level of education, family size, household income, tourism income, gender types and occupational groups.

1.7.2 Preference for tourism activities

Age, level of education, gender types, household size, monthly household income and tourism income are expected to determine the level of preference for the types of tourism activities preferred among the local residents. It is hypothesized that there is significant correlation between the level of preference according to these variables.

1.7.3 Private benefit

Private benefits and private costs are cash revenues and expenses that the individual household experiences when taking part in tourism activities. Net private benefit is the clean monetary benefits received after deducting all associated monetary costs. It is hypothesized
that the net private benefit of tourism is negative which means private cost is higher that private benefit.

1.7.4 Social benefit

While financial benefits derived from participation in longhouse do accrue to the communities, it has always been suggested that total economic benefits (or social benefits) are being offset by the total social costs. In this study, it is thus hypothesized that the net social benefit of tourism is negative, that is, social cost is higher than social benefit.

1.8 Scope and Limitations

The is study based on data collected from Ai River, Engkari River and Skrang River communities in Sarawak. These areas are chosen because they are more accessible and frequently visited by tourists. There are also other longhouses that are visited by tourist in Sibu, Kapit and Baram regions but these are far from tourist generating areas or tourists entering points into the state, and thus have less number of tourists.

The data collected include both intangible and quantifiable benefits and costs. The estimation of benefits and costs are done mostly by 're-call' basis. Benefits and costs incurred in each tourism activities vary between individuals and places. Also during the interviews, some of the respondents may have concealed the information needed, especially those related to their income and other benefits. The other difficulty was with "I don't care" and "I don't know" attitude of a few respondents, especially when asked of their perceptions on various aspects of tourism. Therefore, a slight loss in accuracy in data collected is difficult to avoid.

Economic benefits, especially incomes are generated from various tourism activities and user-fees for longhouse facilities. These incomes include wages, rents, head tax and also sales of handicrafts, vegetables and rice wine. Costs are determined by calculating expenses borne by the individuals for providing tourism goods or services for the tourists where tourism activity takes place.

Values of intangible social benefits and costs are estimated using contingent valuation techniques. This method however, posed limitations of its own since the value of a subject varies, and depends on one's understanding of its importance and psychological attachment to it. A wide range of values for each subject is recorded. These mean values are then used to estimate the benefits and costs.

Finally, all benefits and costs for every tourism activities are estimated from the point where the longhouse people start and end their participation. For all study areas, local participation starts at the pick-up jetties (boat ramp) and ends back at the same pick-up jetties again. Other activities or payments that do not involve the longhouse people are excluded from these estimations (e.g. transportation of tourists from Kuching to the jetty).
CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This section reviews tourism in the perspective of rural communities and its relevance in the context of sustainable development. The impacts of tourism activities are reviewed according to their categories, mainly economic, environmental, and socio-economic impacts. This is done not because these impact categories can be distinguished clearly from each other, but rather to help us examine each aspect of the impact more clearly and precisely. A couple of economic impact models used to measure economic impact of tourism are included. Also reviewed are Contingent Valuation Method (a method of pricing non-marketable goods) and Triangulation Methods as used in leisure studies and related researches. These methods form the basis of valuation for certain aspects of tourism impacts on the local communities.

2.2 Tourism and Development

Tourism is a popular economic development strategy. Its development is generally considered by leaders of communities as options in attempting to impact their economic base (Schneider, 1993; Fennell, 1999). Tourism is increasingly regarded as a ‘fast track’ to economic growth, employment and foreign exchange earning. Tourism development is said to occur when tourism produces a significant contribution to a state’s economy without any major, obvious and highly publicized socio-cultural ill-effects. According to Harrison (1994), once international tourism contributes five per cent of export or two per cent of gross domestic product (GDP) of a country it might be regarded as an important factor in economic growth. Hence, it is increasingly becoming a popular remedy to economic, rural and urban underdevelopment.

The current tourism prominence in local economic development strategies can be traced to several features of the industry. Tourism jobs are mostly low-skill jobs, which fit well with the job skills of many rural residents. Tourism also has a potential for creating an export base that builds on favorable local advantages such as pleasant climate or sites of historic or natural interest. More importantly, tourism strategies blend well with the current political philosophy and budget realities of minimizing government involvement and investment (Frederick, 1993).

2.3 Tourism and Sustainable Development

Tourism development can be a part of sustainable development strategies in the less developed areas. The form of tourism that has the characteristics of sustainable development is called nature-based travel or better known as ecotourism (Place, 1998). Increasing affluence of the urban population, both in the developed and developing countries creates a growing demand for natural areas for recreation and travel. While in the periphery, stagnant or declining commodity prices and growing cash needs force the government to seek economic alternative. This is where ecotourism can really fits in. Ecotourism is one of the
few industries where physical isolation of a destination may actually work to its economic advantage. Isolation creates an important taste of the 'unknown' and the 'untouched,' which are the main pulling factors for tourist visits (Grekin and Milne, 1996). Also, many regional and local development agencies view ecotourism as one way to help to diversify the economy (Hull, 1998). As the interest in nature-based tourism has always been alluring to tourists, ecotourism is expected grow steadily or even faster than the other form of tourism throughout the world.

There are many definitions used for ecotourism. Ecotourism can be defined as nature-oriented, alternative tourism that emphasizes ecological and social responsibility (Cater, 1994). Fennell (1999) give a more comprehensive definition of ecotourism. He defines ecotourism as a sustainable form of natural resource-based tourism that focuses primarily on experiencing and learning about nature, and which is ethically managed to be low impact, non-consumptive, and locally oriented (control, benefits, and scale). It typically occurs in natural areas, and should contribute to the conservation or preservation of such areas. The Ecotourism Society has generalized all those definitions, and defines ecotourism as "a responsible travel to natural areas which conserves the environment and improves the welfare of local people" (Western, 1993).

These definitions propose a new direction both for tourism demand (i.e. what experience tourists are looking for) and for tourism supply, thus preventing negative impacts from tourism activities. Thus, this alternative form of tourism is closely related to the sustainable development thought.

Ecotourism is currently the most desirable product for package tours that has the cornerstones of tradition, culture and environment (Douglas and Douglas, 1996). It is a rapidly expanding segment of tourism industry (Luzar et al., 1998; Meric and Hunt, 1998). Promoted as a win-win development strategy for underdeveloped rural areas, its goals are to conserve the environment. It also benefits local people through employment in ecotourism enterprises (Boo, 1990).

Environment and ecotourism is seen from both within and outside tourism circles as interdependent. Ecotourism benefits local people by generating income through provision of employment, providing them the ability to buy some of their basic needs. As more of their time may be occupied by tourism activities, their environment destructive activities such forest clearing for big scale agriculture are reduced. This promotes environmental preservation in the natural setting. Grekin and Milne (1996) suggest that ecotourism in a community offers the potential to maximize linkage with certain local industries characterized by high levels of labor intensity and significant inputs of local suppliers. One of the most important of such industry is arts and crafts production.

Ecotourism also inspires the locals to preserve or even revive traditional arts and customs (Swain, 1989). Revenues from tourism can be good incentives for the protection of landscapes and species (Swain, 1989; Butler et al., 1994). Tour operators, on the other hand, may also have vested interest in environmental conservation due to their large capital investment in ecotourism (Grekin and Milne, 1996). Some researchers, however, questioned whether the tourist traffic which ecotourism brings to the fragile wilderness areas damages the environment more than it helps conserve it (McLaren, 1998). Others criticize the ideology of ecotourism. An example is the exploitation by outsiders of the community (Cohen, 1996;}
McLaren, 1998). Zepple (1998), however, argues that the answer to such concerns is local control. This can be done by scaling down production processes and by giving the local control over tourism activities, ecotourism can be a sustainable development option for the local people. Regulating tourism activities can thus help avoid economic leakage, minimize negative impacts and concentrate the benefits locally.

Attaining local control, however, is a task, which is difficult to achieve. A case study in Costa Rica indicates that the locals living adjacent to a popular national park were unable to maintain control over tourism in their village. Rapid investment by outside developers denied the local people the necessary time to accumulate enough capital and knowledge to start tourist-oriented businesses (Place, 1998). For this reason, it is often argued that governments unwittingly hinder local tourism development projects if regulations and procedures are based on national rather than local or indigenous culture (Sofield, 1996). Too often, local people have neither the political power nor the business connections to compete at an international level with metropolitan tour agencies. As Din (1997) says, the ignorance of the local people is the greatest barrier to their effective participation.

It is commonly recognized that too rapid and opportunistic a development of tourism runs the risk of destroying its intrinsic assets. Harrison (1994) and also Place (1998) suggest that to develop sustainable tourism, there must be clear consideration and formulation of policy through national plan plus an efficient and successful implementation of that policy. This is to ensure that the resources are protected, that the scale of development is consistent with the resource base, and with due attention paid to the distribution of benefits. Generally, to be sustainable, all forms of tourism and not just ecotourism, must take account of three interconnecting issues (Chalker, 1994):

i. it must not damage the environment, i.e. it must be ecologically sound;

ii. it must respect social and cultural traditions in the host community or country, and

iii. it must be non-exploitative of local people and ensure, as far as possible, that benefit flow to local residents.

Tourism industry as a whole must take sustainable path. It must take an environmentally responsible view of its role in the world. This is extremely important to avoid the damaging impacts of tourism activities on the natural and human resources of the developing countries. Tourism must be seen as part of the whole process of moving toward a more sustainable development (Chalker, 1994).

2.4 Tourism in Malaysia

Tourism is a fast growing and important industry in Malaysia. The number of tourist arrivals to Malaysia has been rising over the years, although there was few years of declining year (Table 2.1). The number of tourist arrivals were declined from 7,468,749 (1995) to 5,550,749 (1998). However, tourist arrivals have increased again to 7,931,149 (1999) to 10,221,582 (2000).

Tourism receipts are following an almost similar trend with the number of tourist arrivals (Table 2.2). Tourism receipts declined from RM11,251.4 million in 1996 to RM8,600.0
Literature Review

million in 1998, increased to **RM12,300.0** in 1999. Average tourist receipts during this **five** years period between 1995 to 1999 is **RM10,517.8**.

Table 2.1 Tourist arrivals to Malaysia **during** the period of 1995 - 2000, by region

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>P. Malaysia</td>
<td>7,121,922</td>
<td>6,775,640</td>
<td>5,859,334</td>
<td>5,203,355</td>
<td>7,483,823</td>
<td>NA</td>
</tr>
<tr>
<td>Sabah</td>
<td>101,749</td>
<td>109,156</td>
<td>108,539</td>
<td>195,051</td>
<td>264,285</td>
<td>NA</td>
</tr>
<tr>
<td>Sarawak</td>
<td>205,782</td>
<td>210,430</td>
<td>196,223</td>
<td>106,494</td>
<td>142,987</td>
<td>NA</td>
</tr>
<tr>
<td>Labuan</td>
<td>39,296</td>
<td>43,226</td>
<td>46,825</td>
<td>45,848</td>
<td>40,054</td>
<td>NA</td>
</tr>
<tr>
<td>Total</td>
<td>7,468,749</td>
<td>7,138,452</td>
<td>6,210,921</td>
<td>5,550,748</td>
<td>7,931,149</td>
<td>10,221,582</td>
</tr>
</tbody>
</table>

**Note:** NA = data not available

Source: Tourism Malaysia (2001)

Table 2.2 Tourism Receipts in Malaysia for the period from 1995 to 2000

<table>
<thead>
<tr>
<th>Year</th>
<th>Tourism receipts (RM Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>9,927.8</td>
</tr>
<tr>
<td>1996</td>
<td>11,251.4</td>
</tr>
<tr>
<td>1997</td>
<td>10,509.8</td>
</tr>
<tr>
<td>1998</td>
<td>8,600.0</td>
</tr>
<tr>
<td>1999</td>
<td>12,300.0</td>
</tr>
<tr>
<td>Average</td>
<td>10,517.8</td>
</tr>
</tbody>
</table>


As an industry, tourism ranks as the third major foreign exchange contributors to the country after manufacturing and palm oil industries (Table 2.3).

Table 2.3 Malaysian Foreign Earnings in 1997, by Sector of Economy.

<table>
<thead>
<tr>
<th>Sectors of the economy</th>
<th>Contribution (RM Billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufactures</td>
<td>169.0</td>
</tr>
<tr>
<td>Palm oil</td>
<td>10.7</td>
</tr>
<tr>
<td>Tourism</td>
<td>10.5</td>
</tr>
<tr>
<td>Petroleum</td>
<td>7.1</td>
</tr>
<tr>
<td>LNG</td>
<td>6.5</td>
</tr>
<tr>
<td>Sawn Logs &amp; Timbers</td>
<td>5.0</td>
</tr>
</tbody>
</table>

Source: MTPB (1998)

2.5 **Tourism in Sarawak**

Since long time ago, Borneo has become synonymous with **Sarawak**. In the last century, Borneo to the Westerners was as exotic as the Dark Continent and the wilds of the Amazon. Borneo allure has excite a lot of people residing in the west due to the writings of people who
were either officers serving the Brooke government or visiting writers or naturalist (Jitab and Ritchie, 1991). This exotic image of Borneo has become one of the major attractions to international tourists who are combing the world in search of the exotic and the ‘different.’

Longhouse, exotic Dayak culture, a wild tropical landscape and the allure of a relatively unknown destination are the key features, used to entice tourists to Sarawak.

Table 2.4 Foreign visitor arrival into Sarawak for the period from 1995 to 1998, by regions and countries.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Kingdom/Ireland</td>
<td>33,088</td>
<td>29,346</td>
<td>32,581</td>
<td>34,483</td>
<td>32,374</td>
</tr>
<tr>
<td>Netherlands</td>
<td>10,495</td>
<td>10,395</td>
<td>13,905</td>
<td>9,510</td>
<td>11,076</td>
</tr>
<tr>
<td>Germany/Austria/Switzerland</td>
<td>9,364</td>
<td>9,947</td>
<td>8,274</td>
<td>8,558</td>
<td>9,035</td>
</tr>
<tr>
<td>France</td>
<td>3,298</td>
<td>2,537</td>
<td>2,931</td>
<td>3,862</td>
<td>3,157</td>
</tr>
<tr>
<td>Belgium</td>
<td>1,679</td>
<td>1,286</td>
<td>943</td>
<td>868</td>
<td>1,194</td>
</tr>
<tr>
<td>Italy</td>
<td>2,404</td>
<td>1,753</td>
<td>1,393</td>
<td>1,850</td>
<td>1,782</td>
</tr>
<tr>
<td>Spain/Portugal</td>
<td>641</td>
<td>874</td>
<td>706</td>
<td>588</td>
<td>702</td>
</tr>
<tr>
<td>Scandinavia</td>
<td>4,501</td>
<td>5,252</td>
<td>4,101</td>
<td>3,161</td>
<td>4,254</td>
</tr>
<tr>
<td>Sub-total</td>
<td>65,470</td>
<td>61,390</td>
<td>64,834</td>
<td>33,677</td>
<td>63,574</td>
</tr>
<tr>
<td>ASIA PACIFIC 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia/New Zealand</td>
<td>14,817</td>
<td>14,487</td>
<td>17,574</td>
<td>18,864</td>
<td>16,435</td>
</tr>
<tr>
<td>Canada</td>
<td>5,266</td>
<td>5,563</td>
<td>5,854</td>
<td>6,357</td>
<td>5,760</td>
</tr>
<tr>
<td>United States of America</td>
<td>9,002</td>
<td>8,008</td>
<td>7,803</td>
<td>8,456</td>
<td>8,317</td>
</tr>
<tr>
<td>Sub-total</td>
<td>29,085</td>
<td>28,058</td>
<td>31,231</td>
<td>33,677</td>
<td>30,512</td>
</tr>
<tr>
<td>ASIA PACIFIC 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Singapore</td>
<td>37,253</td>
<td>35,596</td>
<td>31,195</td>
<td>29,271</td>
<td>33,329</td>
</tr>
<tr>
<td>Taiwan</td>
<td>15,103</td>
<td>11,532</td>
<td>12,334</td>
<td>10,122</td>
<td>12,273</td>
</tr>
<tr>
<td>Japan</td>
<td>12,281</td>
<td>14,397</td>
<td>12,982</td>
<td>9,956</td>
<td>12,404</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>2,141</td>
<td>4,059</td>
<td>2,789</td>
<td>2,374</td>
<td>2,841</td>
</tr>
<tr>
<td>Korea</td>
<td>7,027</td>
<td>6,502</td>
<td>5,529</td>
<td>3,465</td>
<td>5,631</td>
</tr>
<tr>
<td>Sub-total</td>
<td>73,805</td>
<td>72,086</td>
<td>64,829</td>
<td>55,188</td>
<td>66,478</td>
</tr>
<tr>
<td>REST OF THE WORLD</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S. America/Africa/M.East/S.Asia/E.Europe,etc.</td>
<td>39,317</td>
<td>37,724</td>
<td>43,976</td>
<td>66,212</td>
<td>46,807</td>
</tr>
<tr>
<td>Total Overseas Arrivals</td>
<td>207,677</td>
<td>199,258</td>
<td>204,870</td>
<td>217,687</td>
<td>207,371</td>
</tr>
<tr>
<td>CROSS BORDER TRAFFIC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brunei</td>
<td>450,160</td>
<td>450,644</td>
<td>593,063</td>
<td>782,046</td>
<td>568,979</td>
</tr>
<tr>
<td>Indonesia</td>
<td>156,283</td>
<td>168,688</td>
<td>215,314</td>
<td>318,973</td>
<td>214,814</td>
</tr>
<tr>
<td>Sub-total</td>
<td>606,443</td>
<td>619,332</td>
<td>808,379</td>
<td>1,101,019</td>
<td>783,793</td>
</tr>
<tr>
<td>Total Foreign Arrivals</td>
<td>814,120</td>
<td>818,590</td>
<td>1,013,249</td>
<td>1,318,706</td>
<td>991,164</td>
</tr>
</tbody>
</table>

Source: Sarawak Tourism Board, 1999
In the mid-1980s, Sarawak State government has given high priority to tourism development, as it is perceived as a growth industry with the potential to earn foreign exchange for the state. Cultural tourism, adventure tourism and nature tourism are the main forms of tourism found in Sarawak. Sarawak was then promoted as a culturally exotic and adventurous destination. Promotion slogans and tourist brochures clearly show these trends. The slogans used to promote Sarawak include: ‘Land of the Hornbill’, ‘Land of Headhunters’, ‘Land of Many Rivers’ and ‘Land of the White Rajah’. All these slogans are indicative of culture, wildlife, and natural beauty found in Sarawak and also the history of Sarawak (Hon, 1990). Tourist brochures on the other hand, mainly depict the Iban longhouses, Dayak people wearing traditional costume, Borneo wildlife and spectacular scenery like Mulu caves or Niah caves, and tropical rainforest. Others features include the British colonial buildings, Chinese temples, handicrafts, river scenery and also Sarawak Cultural Village (Zeppel, 1994).

Sarawak has recorded an increasing number of foreign visitor arrivals from 814,120 in 1995 to 1,318,760 in 1998 (Table 2.4). On annual average, Brunei contributed 568,979 visitor arrivals into Sarawak and becomes the largest contributor for foreign visitor arrivals. For that period, Indonesia was the second largest contributor of foreign visitors with 214,8 14 arrivals. Other major contributors were Singapore (33,329), followed by the United Kingdom and Ireland (32,374), Australia and New Zealand (16,435). For domestic visitor arrivals in 1997 a total of 253,097 Peninsular Malaysia and 156,394 from Sabah were recorded.

The Sarawak Economic Development Corporation (SEDC), a semi government organization, is the main player in the larger tourism development projects in Sarawak. SEDC enterprises include the Sarawak Cultural Village, Damai Travel and Tours, the main tourist hotels and some small resorts in Kuching. Sarakraf is a contemporary handicraft enterprise which provides local products to be sold to tourists is also own by the SEDC (Zeppel, 1994).

2.6 Cultural Tourism

One of the most important motivations for interest in the culture of other people is our natural curiosity about our world and its people. Here lies the concept of cultural tourism. Cultural tourism can be defined as all aspects of travel whereby people learn about each other’s ways of life and thought. A channel through which a country presents itself to tourist can be considered its cultural factors. These are the entertainment, food, drink, hospitality, architecture, manufactured and handcrafted products of a country, and all other characteristics of a nation (McIntosh et al., 1995). Thus, tourism is an important means of promoting cultural relation and international co-operation. Conversely, development of cultural factors within a nation is a means of enhancing resources to attract visitors.

Smith (1989) however, defines cultural tourism as “travel to experience and, in some case, participate in a vanishing lifestyle that lies within human memories.” Cultural tourism attracts the individuals whose primary interest lies with the history and folklore of the destination. Major types of cultural attractions are based on man’s activities. These include archeological, historical and cultural sites, distinctive cultural patterns, arts and handicrafts, interesting economic activities, interesting urban areas, museums and other cultural facilities, cultural festivals, and although not quantifiable, the friendliness of the residents (Innskeep, 1991).