Demystifying Poverty in Tourism: Looking into Pro-Poor Tourism in India

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EXECUTIVE SUMMARY

Poverty and tourism have a unique relationship; poverty can serve as a form of tourism or poverty can create barriers that hinder the development of the tourism sector. There is no better example of the complicated interplay between poverty and tourism than India. This paper is inspired by a slum tour I took in Dharavi, Mumbai, India in April 2018. Examining the way that poverty in the slum became commodified for western tourists, I wondered if there was a way for poor populations to directly benefit from exploitive tourism practices. Looking more into slum tourism, Pro-Poor Tourism seemed to be the answer to bridging the gap between tourism and the poor.

Pro-Poor Tourism (PPT) is not a kind of tourism, but rather a method that can be applied to any form of tourism which helps the poor benefit from the sector. Mass tourism occurs within a highly unequal capitalist system in which profit and competition are the central attributes, therefore not everyone will benefit equally. With a more global focus on eradicating poverty following the United Nations Millennium Development Goals (MDGs), different sectors of the economy began to analyze the power systems and structures in order to understand where the poor can benefit. Tourism is no different, as a continually growing sector tourism is now being looked to as a developmental tool for countries. Pro-Poor Tourism is the intentional practice by companies, NGOs, governments, and local communities to include the poor in tourism and ensure that this population is benefiting.

This Global Development Thesis is broken into three parts: a context section, a case study, and a policy proposal. The first part will focus on Pro-Poor Tourism in an academic context; through unpacking the viability of PPT and understanding the different viewpoints on PPT this section looks at including urban poor populations into the PPT conversation. Part two focuses on India as a case study. India is a highly mystified country with poverty severing as the foundation of this romanticized view. Part two analyzes slum tourism and the ways that tourists engage in this form of tourism by unpacking stereotypes surrounding Indian tourism. India as an economy has been growing exponentially over the past decade and tourism is no outlier. The growth of the tourism sector combined with romanticized imagery of India presents a case study that shows how governments and companies engage in poverty and tourism. Looking at how India tackles poverty and tourism is key for understanding how other low and middle income countries can implement PPT. The final section looks at Corporate Social Responsibility (CSR) practices in India, and puts forth a policy suggestion for the Oberoi Hotel Group for more pro-poor CSR projects. This paper shows how small changes in the way that consumers interact with the tourism sector can have a big impact on the perceptions and outcomes of local communities. By integrating the poor more into the corporate and privatized side of tourism through CSR, not only is poverty being alleviated by tourism, but negative perceptions of poverty will also be combated.
PART I: CONTEXT

Pro-Poor Tourism: Can it Reduce Poverty for the Urban-Poor?

Pro-poor tourism (PPT) is not a recent phenomenon; it has been talked extensively in the academic arena for its developmental potential. Tourism is undoubtedly a growing sector and one that has consistently brought revenue to 11 of the 12 countries that contain 80% of the world’s poorest populations (Chok et al. 2007, 38). In the 1980s PPT was touted as development’s new focus, with a multitude of possibilities for poor populations to get involved with the sector: direct/formal interactions, the informal sector, agriculture, small and micro enterprises, and an outlet for women to contribute. On paper, pro-poor tourism seems like such an easy fix; through policies and linkages the poor can get the net benefits of tourism and overall poverty can be reduced. However, the implementation of PPT has proven difficult with several different schools of thought as well as unstandardized definitions and results. This paper will outline the different angles of PPT, who is affected by PPT, and the impact of PPT. There will be a focus on urban poor communities who are mostly left out of PPT literature, and an analysis the ways that PPT does and does not work within a neoliberal framework.

The shift to pro-poor tourism began with the United Nations and the Millennium Development Goals (MDGs). As eradicating poverty became the number one goal of the MDGs, tourism was looked to as a tool to address poverty as it is a growing sector globally. However, conventional mass tourism was found to not be a great developmental tool due to the highly competitive and profit driven nature of mass tourism. Pro-poor tourism was looked too as a solution because it is not a type of tourism, but rather a set of practices that can be added to mass tourism to make the sector more equitable. PPT aims to redistribute benefits whether it is by direct inclusion of poor populations through employment opportunities or by setting up community funds. The tourism sector has responded positively to PPT, there have been several niche tourism types that have formed with poor people in mind such as Community Based Tourism (CBT). Mass tourism, however, has been slow to respond to PPT and this paper explores the action steps necessary for the tourism sector to further implement pro-poor tourism practices. From this, this paper aims to show why it is necessary to shift the way that power is distributed in the tourism sector and how PPT can transform the sector into one that is equitable and can be used as a developmental tool.

What is Pro-Poor Tourism?

Tourism is a growing sector internationally, nationally, and locally. Currently, tourism accounts for 9.9% of global employment—this roughly translates to 1 in 10 jobs are within the tourism sector (World Travel & Tourism Council 2018b, i). For women, tourism offers opportunities that are both small-scale and entrepreneurial, outside of the agricultural sector (Chok et al. 2007; Torres et al. 2004). Several factors have led to the consideration of tourism as a strategy to reduce poverty (Chok et. al. 2007, 34): the rapid increase of tourism growth in low-income countries as well as the nature of tourism, low barriers to entry, and integration of several
different sectors (Gibson 2009, 529). While it is easy to see on paper that tourism has grown and the poor can participate, it begs the question: what exactly is pro-poor tourism?

At its core, pro-poor tourism directs the net benefits of tourism to the poor (Chok et al. 2007; Gascon 2015). Economic growth is considered pro-poor when the poor are actively involved and benefit from economic activity (Chok et al. 2007, 37). Pro-poor tourism is not trying to expand the tourism sector but rather it is focused on using tourism as a means to provide poor people with opportunities through economic benefits, non-economic impacts and reformed policy (Chok et al. 2007, 37). An important aspect of PPT is that it exists within the existing neo-liberal framework in which tourism as a sector operates, and practitioners of PPT do not claim to try to change the way that tourism is operating (Harrison 2008, 855). Pro-poor tourism is not a theory and it is not a niche type of tourism--such as eco-tourism--PPT is just an approach that ends with the poor gaining the net benefits and can be applied to any type of tourism (Harrison 2008, 856). Pro-poor tourism is bound by a neo-liberal framework, but there are some aspects of PPT that are not present in other types of tourism. PPT allows for people that are part of the ‘second economy’ (informal sector/small-micro enterprises) to interact with the ‘first economy’ (hotels and tourism companies). The interaction between the first and second economy would not be present if not for backwards linkages, a concept covered later in this paper (Ashley et al. 2006, 267). Therefore, tourism is not supported by a single industry. Everyone can find a place in the system, from unskilled laborers, sex workers, and small and micro-enterprises can be absorbed into this increasingly centralized and corporate institution (Gibson 2009).

There are common goals that pro-poor tourism tries to address that go beyond just net-benefits: gender equality, reduction of corruption, environmental sustainability, access to new markets, etc. (Hall & Brown 2006, 108). This is to be achieved by increased access to six different kinds of capital through “participatory poverty reduction”: social, financial, institutional, human, liquid, and natural capital are all given to the poor (Hall & Brown 2006, 107-108). There are three different actors that operate in PPT: the local elites, “North” investors (western capital), and local communities. By creating policies and sectoral linkages these actors are able to interact and carry out PPT. There are three levels that PPT can be pursued: the local level (the destination), on a national level (government policies and intervention), and on the international level (Hall & Brown 2006, 124). A new focus on sustainability is being integrated in PPT practices, and this is achieved through active community participation (Chok et al 2007, 45).

Tourism as a sector began to grow in the 1950s-1970s and this growth was thought to be a key to poverty reduction (Harrison 2008, 851). In 1975 the World Tourism Organization (WTO-OMT) was created to address the international exchange of culture and trade that occurs through tourism, as well as examining the resulting economic development (Hall & Brown 2006, 108). At the 1996 Earth Council, Agenda 21 was created where tourism was considered for poverty reduction through developmental projects at the local or community level (Harrison 2008, 852). During the 1990s the Overseas Development Institute (ODI) and the International Institute for Environment and Development (IIED) began to implement PPT practices and measure its

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1 Pro-poor tourism can be described as both the process as well as the result of having net benefits received by the poor. PPT is assumed to work within a capitalist system, but is not trying to change said system. PPT differs from sustainable tourism and community-based tourism for this reason, but these types of tourism are pro-poor in nature but not in practice. For a full list of tourism types, see Appendix A.
success. The goal of these organizations was to find real solutions to the negative impacts of tourism, such as inequality and the exclusion of the poor (Meyer 2009, 197). In 1999 the UN declared that tourism can be used as a method of sustainable development (Hall & Brown 2006). In the first UN Millennium Development Goal of 2000, tourism was noted as a strategy to help eradicate poverty (Harrison 2008, 852). In 2002, the UN through WTO-OMT launched the Sustainable Tourism-Eliminating Poverty (ST-EP) program to formally use tourism as a poverty reduction strategy (Chok et al. 2007, 35). While tourism as a sector has been growing for some time, it was not until the 1990s that tourism was taken seriously as a poverty reduction strategy (Gibson 2009, 527).

Measuring the effects of PPT has proven to be quite difficult. Most authors and international organizations use the UN poverty line measures, and thus, tourism is considered to be pro-poor when the overall number of people below the poverty line goes down (Frenzel 2015, 120). The inconsistent definition of poverty has an effect on how authors portray PPT’s benefits. Harrison argues that PPT theorists define poverty so that it includes the impact of tourism on non-economic (livelihood changes, access to resources) benefits (Harrison 2008, 856). PPT also looks at the development of infrastructure and human capital changes in its assessment of benefits (Harrison 2008, 858). There is no one way to measure PPT: tourist expenditure, livelihood, examining linkages and leakages, value chains, and poverty reduction are all different approaches. Many authors argue that all these factors need to be taken into account in order to fully understand the impacts of pro-poor tourism (Harrison 2008; Mitchell & Ashley 2010). One very important consideration is that PPT is not going to directly affect the poorest 20% of a population, and that PPT is not necessarily trying to (Harrison 2008; Frenzel 2015; Ashley et. al. 2006; Gascon 2009). The poorest 20% of the population do not have access to the tourism market, whether it be physically or have insurmountable social barriers that leave this segment of the population out of the sector. If there is no active inclusion of this population, benefits will not reach them due to physical, social, and economic barriers that exist for population (Gascon 2009, 502). PPT currently operates in a neo-liberal framework\(^2\) meaning that tourism needs to be a profitable and competitive business, and due to this there will always be winners and losers (Chok et al. 2007, 49).

The Different Theoretical Approaches of Pro-Poor Tourism

The lack of standardization in definitions of pro-poor tourism, the methods to assess PPT, and the overall benefits and costs to the system lead to a contested analysis of PPT. There are two different perspectives surrounding PPT: the theorist and the practitioners—and within these schools there are four different frameworks that can be applied to the assessments: liberal, critical, alternative, and post-structuralism.

There are four different theoretical approaches that authors can take when assessing pro-poor tourism. The liberal approach is the original view on tourism and poverty and still remains a

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\(^2\) This neoliberal framework is characterized by capitalism. The tourism sector that this paper refers to is the mass tourism market, where tourism is highly commercialized, privatized, and operates within the free market. The neoliberal framework also denotes competitive markets that focus on low prices and profit maximization. Due to this, the benefits of tourism are not even distributed because the free market mechanism in play have very little social and economic equality measures.
dominant approach in PPT assessment today. Liberals and neoliberals view tourism as a transaction; tourist destinations have resources that tourists want and eventually, due to market forces, those destinations will develop (Frenzel 2015, 119). Authors who take the critical perspective—the second theoretical approach—view tourism as a form of neo-colonialism through the appropriation of culture, natural resources, and the commodification and romanticization of poverty (Frenzel 2015; Cole 2008). The third approach, alternative tourism, rose to prominence in the 1980s and aims to directly decrease poverty through community-based tourism (Frenzel 2015, 119). Many authors view alternative tourism as just a rebranding of the neoliberal ideology that focuses on tourism for poverty reduction (Scheyvens 2009; Frenzel 2015). The fourth and final approach to PPT is the post-structuralist approach that sees poverty as multidimensional and will differ greatly from country to country. Due to this, poverty reduction and tourism cannot be measured quantitatively. Researchers do not look at just economic impacts and influences under this approach, but rather take into account political and social factors as well. Using a post-structuralist approach, case studies look at qualitative factors such as community engagement, investor interests, empowerment, opportunities, and security that come out of tourism (Frenzel 2015, 121-122).

The first major group that assess pro-poor tourism are the scholars who focus on the theoretical aspects of PPT. These scholars analyze how PPT can be used to alter social, political, and economic systems (Meyer 2009, 197). Academics do not see tourism as an effective means for development: the presence of a global capitalist system, as well as low levels of political intervention overshadows the realism of how tourism can actually affect poverty reduction (Meyer 2009, 198). However, some academics view alternative tourism as a means to radically alter the neo-liberal framework that will result in both equality and poverty reduction for communities (Giampiccoli et al. 2016, 2). Due to limited evidence of community-based tourism working on a large scale (Meyer 2009, 198), this paper will focus on the disagreements among authors on the effects of the neo-liberal system on PPT since tourism almost solely exists within a capitalist system.

There is a division among the academics that view tourism via the neoliberal framework. Some authors such as Gascon (2015), Harrison (2008), and Scheyvens (2009; 2011b) view PPT as a lost cause since PPT works within the neoliberal framework; since PPT does not focus on structural changes and redistribution, no real change will occur to poverty and inequality. Thus, policies that are bound by neoliberalism result in resources and benefits to be allocated to only a select group of the population instead of the poor as a whole (Harrison 2008, 858). The neoliberal framework does not necessarily push for government intervention. The nature of capitalism means that PPT does not distribute benefits evenly and, “By supporting capitalism, pro-poor tourism initiatives ‘undercut “sustainable livelihoods” and exacerbate rather than alleviate poverty’” (Harrison 2008; 861). Due to PPT working within the neoliberal framework, governments of low income countries are looking for investments in tourism from Transnational Corporations (TNCs) in the hope that benefits will trickle-down instead of applying direct subsidies and funds from the public sector to smaller communities (Gascon 2015, 513). The neoliberal framework also ignores socio-economic differences and inequalities due to an “absolutist view of poverty” (Gascon 2015, 512) that ignores structural social factors. The absolutist view on poverty is linked to the unequal capitalist structures inherent in neoliberal tourism. Unequal distribution characterizes definitive winners and losers, and due to an unequal
distribution of power and resources, the poorest 20% defined early will lose more than any other group. Absolutist’s views on poverty see it as static and separate to socio-economic conditions that factor into poverty (Gascon 2015, 512). Authors such as Scheyvens (2009), are critical of the current state of PPT, but do not claim that PPT is impractical within the neoliberal framework. There is a combination of liberal and poststructuralist approaches in which there is an understanding that the neoliberal framework will most likely never go away. However, there are different measures that academics can take into account to make PPT work better within this system (Scheyvens 2009). Schyvens argues that there needs to be a distinction between the policies of PPT and the rhetoric of PPT, i.e. a shift in the measurement of what is actually occurring for the local populations (Scheyvens 2011, 162).

The second group consists the practitioners of pro-poor tourism who view PPT in practice rather than theory (Meyer 2009, 197). This group comprises of on the ground businesses and NGOs that use their field work to try to find feasible poverty-reduction solutions (Meyer 2009, 197). Practitioners understand that PPT will not reach everyone, especially not tourism alone—there needs to be inter-sectoral linkages. Practitioners also know that the people who were previously benefiting from tourism and will continue to do so, due to existing power structures under neoliberalism (Meyer 2009, 198). This group understands that market forces alone will not solve inequality, and that the state, via policy, has to step in in some manner (Meyer 2009, 198). Finally, this camp is very realistic, and they believe PPT is working within the existing neoliberal structures, but that it is also trying to create slow instrumental change that brings the poor benefits, while also changing how the public and private sectors work (Meyer 2009, 198).

There are several ideas that both groups generally agree on: the positive impacts of tourism are more access to income and employment options as well as more inter-sectoral linkages. The agreed upon costs of tourism include the displacement of people, increased inequality, and conflict over resources (Meyer 2009, 197). Ultimately the biggest disagreement between the two types of authors is a lack of communication between them (Meyer 2009, 197). Where practitioners and scholars differ in their assessments of PPT is how they view each other. Each group has similar understandings of PPT, however scholars view PPT in a more theoretical sense while practitioners view it from a more pragmatic fashion. Gibson echoes this and argues that there is a gap between what PPT is theorized to do and what it actually looks like in action (Gibson 2009, 531). Thus, PPT evaluations are subject to changing aid, income, policy changes, and that views of the researchers who are interpreting the effectiveness of PPT (Gibson 2009, 531). This then begs the question that, if there is very little standardization among authors on the impact of PPT in theory, does pro-poor tourism actually work in practice?

Does Pro-Poor Tourism Actually Work?

Conclusions from the current body of academic works suggests that pro-poor tourism does not work. There is not a body of evidence that PPT makes sense for businesses (Hall & Brown 2006, 110). There is little evidence that it actually works, and there is very little research on the community impact that PPT has whether it is a positive or negative outcome (Butler et al. 2013, 446). Benefits that can be gained from tourism rarely reach the poor because policies rely on the trickle down-effect or high levels of corruption at the state or local level. (Scheyvens 2009, 194). Pro-poor tourism is almost impossible to achieve because there is so much competition, corruption and varying levels of skills among the poor (Gibson 2009, 531). Since existing power structures do not change under the neoliberal framework within which tourism operates, the
wealthy benefit more than the poor (Gibson 2009, 531). Tourism is not seen as the best way to approach poverty reduction: PPT currently works around the existing constraints, it does not try to change them (Hall & Brown 2006, 131). Other criticisms of PPT is that the definition of PPT is very loose and that any type of tourism that results in net gains to the poor is considered PPT, regardless of the moral or ethical means that the tourism causes (Harrison 2008, 859). Almost all of the mainstream policies and guidelines that surround tourism are created by the high income countries and are therefore not relevant or transferable to tourism issues in lower income countries (Chok et al. 2007, 39).

With so many authors arguing that pro-poor tourism does not work, what is the point of studying it at all? Scheyvens asks,

> Can the interests of the poorest members of a society really be served by promoting expansion of a global industry that is founded on inequalities, where individual businesses strive to meet the interests of the market, not the poor, and where elites often capture the majority of benefits of any development which does occur? (Scheyvens 2009, 195)

What is the point of studying something that is not working? I argue that it is still important to study pro-poor tourism because it is the best option for integrating the poor that the tourism sector currently has. Community based tourism does not work on a large scale and the neoliberal framework will not change, so it is up to academics and practitioners to change their practices to adapt to the system. The poor clearly are not benefiting as much as they could in the tourism sector so it is time to focus on how to better integrate the poor into this sector with a more holistic and intentional PPT framework.

**Inter-sectoral Linkages: Ways to Make Tourism Work for the Poor**

There are several different ways that the poor can participate in the tourism sector. The local poor can work directly with the tourists, either through hotels or as tour guides, or the local poor can have small enterprises such as selling crafts or food. However, one of the easiest ways to integrate the poor into the tourism sector is through inter-sectoral linkages—also known as backwards linkages. It is generally agreed upon that pro-poor tourism cannot work without inter-sectoral linkages (Hall & Brown 2006, 113). As previously discussed, inter-sectoral linkages are a key to the success of pro-poor tourism due to the corporatization and centralization of the tourism industry that requires more local participation and labor (Gibson 2009, 529). Tourism cannot be supported by a single industry, and in order for companies to cut costs inter-sectoral linkages allow for locally sourced labor and products integrating more poor into the sector while still turning a profit (Gibson 2009; Ashley & Haysom 2006).

The most common inter-sectoral linkage in literature is the tourism-agriculture linkage. By creating a backwards linkage the tourism sector is responsible for opening up a new market for farmers to sell their goods (Torres et al. 2004, 296). This particular linkage helps to include more people gain benefits from tourism that were not previously there, as well as reducing economic leakages (Torres et al. 2004; Mitchell & Ashley 2010). Inter-sectoral linkages are not possible without government intervention; the public sector is responsible for building strong linkages that otherwise would not exist—or at least would not work as efficiently (Butler et al. 2013, 454). The tourism-agriculture linkage is not the only inter-sectoral linkage that exists: hotel operators
can use local suppliers through funds from Corporate Social Responsibility (CSR) projects where the net income generated is better than monetary donations from the company (Ashley & Haysom 2006, 272). The focus on agricultural linkages is due to a heavy focus on pro-poor tourism and the rural poor, but this paper will turn its focus to the urban poor and how this extremely large population can benefit from tourism. Most PPT projects are rural based

Pro-Poor Tourism and the Urban Poor: The Rise of the Informal Sector

The focus of pro-poor tourism activities for the rural poor seems counterintuitive, since 80% of the urban population in the world’s poorest countries live in urban slums. Having the rural poor be the main focus effectively leaves the urban poor out of pro-poor tourism development projects (Chok et al. 2007, 49). In fact, in many countries where there is a large agricultural labor population that is not needed, it is the urban informal sector that absorbs them (Yotsumoto 2013, 129). Many of the PPT projects are implemented only in rural areas, such as training locals as tour guides or working with local farmers, are set up with little to no governmental infrastructure given to the urban poor (Yotsumoto 2013, 129). Due to the focus on the rural poor, many of the PPT projects are ill suited for an urban population, leaving populations that are in such close proximity to tourism markets with little autonomy or access to such markets (Yotsumoto 2013, 131). If the urban poor is such a huge population that is--proximity wise--close to tourism hubs, then why are PPT practices not focused on the urban poor?

Most of the current research on pro-poor tourism in rurally based. This is due to the nature of integrating poor into the tourism sector and defining what tourism development means. The tourism and poverty alleviation discourse is relatively new, and due to this the studies done on PPT focus on low and middle income countries. Common countries in studies include South Africa (Ashley & Haysom 2006), Maldives (Schevyens 2011a), and South Asian countries such as Bhutan and Nepal (UNDP 2011). These countries have specific niche tourism such as ecotourism or adventure tourism based on the natural landscapes of that country. The Himalayan Mountains in Bhutan and Nepal or safaris in South Africa pose as big draws of tourists from high income countries to these locales. PPT works in these rural areas because this is where a tourism market pre-exists. What PPT aims to do is bridge the gap between the community and the tourism sector from which they have been previously excluded (Lekaota 2015, 453). The jobs that the tourism sector requires in rural areas are jobs such as tour guides on mountain hikes, safari guides, handicrafters, and small farmers. The local populations have extensive knowledge of these areas and are thus an indispensable knowledge source. These populations also would have been doing similar activities, especially farmers, so what PPT is doing is expanding their revenue through integration into the tourism sector (Torres & Momsen 2004, 296). PPT projects usually occur in rural areas do to the nature of tourism to LICs, where the tourism is contained to very specific areas. Tourism in urban areas is different than the tourism that is rurally based. The lodging is higher end and the tourist attractions are more spread out and less centralized. It is

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3 This is not to suggest that the people living in an urban slum have to be below the UN poverty line. I in no way intend to suggest that slum dwellers are naturally impoverished, but this statistic is meant to highlight the huge rural-urban migration that is occurring in low-income countries. With this migration resulting in shrinking rural populations, why do PPT policies and projects only focus on the poor when this population exists in such huge proportions?
hard for the urban poor to engage in the tourism sector in cities because the jobs tend to have more qualifications (such as English skills) and skills than the average urban poor person would have (Yotsumoto 2013, 129). In order for tourism to work for the urban poor, more direct and intentional inclusion of the urban poor is necessary.

Usually, the presence of the urban poor are seen negatively by tourists and are viewed as a nuisance to tourism developers (Yotsumoto 2013, 129). There are two relationships that exists between the urban poor and tourism: either the urban is seen as a hindrance to tourism development (this is the dominant view), or the urban poor help tourism development through the informal sector (Yotsumoto 2013, 130). One of the greatest assets of the urban poor is their contribution to the informal sector, which is a relatively easy sector to participate in if you are uneducated and have few skills (Yotsumoto 2013, 129). The urban poor can sell food, provide transportation, and sell crafts via the informal market, activities that provide supplemental incomes for many families (Yotsumoto 2013, 129). Thus, having inter-sectoral linkages of the informal market set up by the government is key to the success of the urban poor participating in the tourism sector. In the case of Vietnam, having the government regulating parts of the informal sector, especially in areas where tourism is popular, the urban poor receive more security (both economically and physically) while also improving their livelihoods (Yotsumoto 2013, 140). Inter-sectoral linkages can exist in an urban setting and by having the government be an active participant in linkage creation results in a more efficient market (Butler et al. 2013, 454).

There is a specific type of urban poor tourism that I want to highlight due to its prominence and proposed poverty reduction actions. Slum tourism is a growing type of tourism and it is important to study because the poverty is not necessarily a result of being near a tourist destination, but rather poverty is the tourism attraction itself (Frenzel 2013, 118). Through the commodification of poverty, the goal is to reduce poverty, but when poverty is the foundation of slum tourism, does anything actually happen? (Frenzel 2013, 118). Slum-tourism is too small-scale to actually make any wide ranging difference to the residents, and slum tourism usually occurs in the ‘best’ slums, so the tourists do not interact with the poorest of the poor (Frenzel 2013, 123). While slum tourism helps alleviate some of the stigmas surrounding slums, however, it mostly leads to the romanticization and commodification of poverty with no real impact (Frenzel 2013, 124).

What is important to note is that there are so many opportunities through the informal sector for the urban poor to participate in tourism, but due to a lack of linkages and the commodification of poverty the urban poor are vulnerable to the capitalist market. With little government intervention and misguided NGOs working with the urban poor there are not very many chances, or evidence, of PPT working for the urban poor. NGOs, while the intentions are well placed, are not businesses and thus do not have PPT projects that can be implemented and viable on a large scale (Rogerson 2006, 39). Due to neoliberal framework of tourism, most NGO and government based projects do not translate to the free market and cannot hold up to the competition inherent in capitalism. That is not to say that PPT in an urban context is impossible, but it just takes dedicated and intentional actions from the government, the private sector, and from the poor themselves.
Creating a Balanced Approach with Pro-Poor Tourism

Tourism is inherently tied to a neoliberal framework, and thus the market will not work for the poor but rather work to benefit the consumer (Scheyvens 2009, 194). In order for tourism to be considered sustainable and pro-poor, the sector needs to take into account the environmental factors, political access, as well as social and economic equality when planning tourism development (Scheyvens 2011, 161). All stakeholders have to be present in order for PPT to work; including locals, governmental organizations, NGOs, and the private sector (Lekaota 2015, 454). Having “active participation” from the community leads to empowerment of that community, as well as economic benefits (Cole 2006, 89). However, active participation does not guarantee that the community will benefit. While the entire community can be present in PPT, there are still power inequalities within each community that results in an unequal distribution of benefits. For example a PPT study done on Amantani Island in Peru found that community benefits were not distributed equally; the boat drivers received the bulk of the benefits in comparison to the handicrafters because the boat drivers had the most consistent and direct interactions with the tourists (Gascön 2015, 505). Despite the boat driver population being smaller than the handicrafters were the majority population, they saw the least amount of revenue and control in the tourism sector (Gascön 2015, 505). Many of the local government leaders in the study were boat owners, and thus the group that benefits the most from tourism is the group that determines resource allocations among the community. This creates a further divide between the minority and majority groups within the community tourism sector (Gascön 2015, 508-509). This case example is not an isolated finding, and it shows that community participation does not guarantee equity. It is important that in the planning process not only includes the poor, but also has mechanisms for community equity to ensure that the benefits are being distributed to all.

While on paper a holistic and balanced approach to tourism makes sense--and on some level is obvious--this is not how tourism based development occurs. As mentioned earlier, through the existing capitalist power structures that are maintained through neoliberal ideologies and regimes, the wealthy will always benefit more than the poor in tourism (Gibson 2009, 531). That is not to say that PPT is impossible in a capitalist market--the type of economic environment that tourism operates in is important (Gibson 2009, 531). The movement and presence of the informal sector in a capitalist system allows for so many unskilled people participate. However, markets do not work perfectly and there are always inefficiencies that can be made up with government intervention, as market forces will not solve inequality issues (Meyer 2009, 198). Governments are on some level responsible for helping the poor participate more easily and efficiently, (Butler et al. 2013; Hall et al. 2006; Yotsumoto 2013) and the private sector can match the efforts made by governments to make PPT more efficient.

The private sector can do more than just CSR, and their role can be extremely impactful if done correctly (Meyer 2009, 198). When businesses are more intentional with their decision making and planning, if the local community is included on these plans--either through value chains or human capital training--the impacts on the community and the environment will be more sustainable (Meyer 2009; Ashley & Haysom 2007). Tourism was seen as a quick solution to poverty, but it is seen that this is not the case, “In the face of a complex industry driven by private-sector profit, governments have relatively few tools with which to influence direction,
particularly in developing countries, where fiscal and planning instruments for capturing non-commercial benefits may be weak” (Hall et al. 2006, 112). By applying commercial realism to PPT--the idea that the project needs to be able to actually work in the market-- and combine that with a balanced approach of linking small and large sectors together that emphasize holistic factors of the social, environmental, and economic benefits that tourism can provide pro-poor tourism can work (Butler et al. 2013, 452) What is important to remember is that this process is slow, but poverty reduction on some level is better than no progress at all (Ashley & Haysom 2007).

Conclusion: A Future for Neoliberal PPT?

It is clear that tourism is a global sector, one that is growing and will continue to do so. Tourism remains deeply embedded in the international neoliberal economic system, and is thus characterized by highly centralized and unequal growth. PPT is deemed as a solution to both poverty and inequality caused by an unregulated capitalist system. Pro-poor tourism, while flawed, can be successful for both the urban and rural poor if all actors and stakeholders are present when planning different tourism and development projects. While there are different approaches to PPT, as well as many different foci that authors take when analyzing the effects of tourism on, equitable PPT is possible so long as the approach to the project is grounded in fair practices from the tourism companies and that the governments can back it up with policy. The neoliberal framework that tourism operates in will not change anytime soon, but the way that tourism actors and stakeholders interact within the preexisting structure and changing business and government practices can have a huge impact on how the poor can truly benefit from tourism.

Pro-poor tourism is current the best solution to integrating the poor into the sector in an equitable way. The neoliberal framework that characterizes mass tourism--high levels of competition and privatization--has led to the active exclusion of poor populations in in tourism. This paper showed that the present state of mass tourism is unsustainable. By actively involving local communities into the planning process and into the sector through linkages, tourism as a sector will become a developmental tool that actually alleviates poverty. While PPT has been shown to work in rural areas, this paper suggests that looking at urban poor communities is the next step that PPT should take in creating more sustainable tourism. Tourism will never not exist within a neoliberal framework, and thus it is time that the sector take more intentional steps to even out distribution issues that are common in a capitalist system. The next two parts of this paper will explore the nature of tourism in India, a country in which tourism and poverty have a complicated relationship to one another. The final part of this paper will explore how Corporate Social Responsibility, a concept described in this section, can tackle distribution and equity for the urban poor while maintain a high level of competitiveness in the market.
PART II: CASE STUDY

The Paradoxical Relationship Between Poverty and Tourism: A Case Study from India

Compared to tourism in the rest of the world, Indian tourism is seemingly at a disadvantage. The Asian region receives incredible rates of international arrivals and these figures are projected to grow by 9% per year over the next decade (UNWTO 2017, 5). South Asia is at a disadvantage in comparison to the rest of Asia as it only receives about 8% of international arrivals (UNWTO 2017, 6). This is in stark contrast to the international arrival rates of other regions of Asia; half of all arrivals occur in Northeast Asia, and 37% of arrivals occur in Southeast Asia (UNWTO 2017, 6). With tourism in South Asia lagging behind the rest of the region in terms of overall arrivals and growth projections, there seems to be an underlying cause that has created this disparity. There are several factors that hinder India in becoming a top global tourism destination--mainly poor infrastructure as well as negative global perceptions of India. These impressions are rooted in images of poverty, sickness, and political instability. However, the close relationship between poverty and tourism in India has created an interesting nexus that makes India an intriguing case study for Pro-Poor Tourism (PPT). Poverty and low costs of travel in India both attract and repel Western tourists, while at the same time the relationship of poverty and authenticity has created an unbreakable cycle in tourism. The reliance of tourism in these areas is centered on the commodification of poverty.

The present state of Indian tourism is generally positive. However when compared to tourism globally the country is lagging behind. Currently, India is ranked 40th in foreign tourist arrivals, which constitutes .59% of the world total (Abhyankar & Dalvie 2013, 566). When examining international tourism destinations, globally India ranks 65th out of 140 countries (Prayag & Das 2017, 243). In the Asia-Pacific region, India ranks 11th in arrivals of international tourists. In terms of the tourism growth rate, India is behind the Asia-Pacific region which in 2012 grew at rate of 7.1%, while India only grew by 4.3% (Prayag & Das 2017, 243-245). The relationship that tourism has with the Indian state is extremely tight, which has resulted in a series of policies that have focused on using tourism as a means of development. Indian tourism serves as a really interesting case study being that it does not rely on mass tourism. This is because niche tourism has developed from the country’s rich history, diverse landscape, and multitudes of cultures. India has high levels of domestic tourism with a high level of government intervention and planning creates an environment perfect for PPT. As India continues to grow economically, tourism has a considerable role to play in development through job creation and in contribution to GDP. By looking at the ways that India has responded to and is approaching tourism, the linkage of tourism as a developmental tool can be seen. More importantly, India has a long history of poverty based tourism, one that this section will explore in depth. The relationship that tourism and poverty has is one that is complex and multifaceted. Through analyzing the complexities between poverty and tourism in India then perhaps a better understanding of how pro-poor tourism can help close the gaps that tourism creates.
Why India? The Prospect of Tourism Growth in India

From a purely economic standpoint, tourism in India has contributed significantly not only to Gross Domestic Product (GDP) but also to employment. In 2017, tourism accounted for 3.7% of India’s direct GDP, and by 2018 tourism is expected to be 7.6% of GDP\(^4\) (World Travel & Tourism Council 2018, 1). While 3.7% of the total GDP seems small, this industry contributed $91.3 billion USD. In a world ranking of 185 countries, India ranks 7th in absolute GDP contribution which is equal to $234 billion USD. This shows that Indian tourism has a relatively high level of importance to the country’s economy (World Travel & Tourism Council 2018, 1). When examining Foreign Exchange Earning (FEE) tourism is the second largest net foreign exchange earner in India (Abhyankar & Dalvie 2013, 569). Tourism is also highlighted for its job creation; in 2017 tourism accounted for 5% of employment or 26,148,000 jobs (World Tourism & Travel Council 2018, 1). When the informal economy is considered, tourism contributed to 8% of total employment or 41,622,500 jobs (World Tourism & Travel Council 2018, 1). Tourists engage in leisure spending, which accounts for 95.7% of total tourism GDP (World Tourism & Travel Council 2018, 6). With the focus on leisure spending, there are more opportunities for lower skilled labor opportunities. While tourism’s current contribution to India’s total GDP and employment is considerable, the projection of tourism’s growth is of note. Between 2014-2024 the tourism sector is forecasted to grow by 6.4% per year and by 2024, tourism in India is expected to create 48.37 million jobs (Prayag & Das 2017, 241). India is a significant case study because there is a history of tourism and continued growth projections suggest that the tourism sector will continue to be targeted by the Indian government as an economic development strategy. But what is more significant, is that while India is projected to grow, it is the relationship that poverty has to tourism. The growth of particular tourism segments such as slum tourism in India has highlighted the paradoxical relationship that has formed in which poverty both draws and repels tourists.

The Western “Discovery” of Indian Tourism: Mystification of Poverty

While poverty in India has hindered the development of tourism, the romanticization and commodification of poverty through slum and reality tourism has created a new market of poverty based tourism. Poverty can act as a major deterrent for Western tourists. Very common stereotypes of India are rooted in poverty, sickness, and dirt--these are combined into what is known as the “begging-bowl” stereotype (Richter 1989, 108). In a 2013 study of 100 travel review blogs focused on India, a list of common negative stereotypes of India was compiled from the tourist views. The most common negative stereotypes include high levels of poverty, dirt and pollution, dangerous infrastructure, and health concerns about water and food (Khan 2013, 102). Most tourists note that despite all the great attractions such as the Taj Mahal, the poor health and infrastructure conditions have created the image that India is not a place for the “faint of heart” (Khan 2013, 103). From the 1960s when mass tourism to India from the west began to the 21st, the same negative stereotypes have followed Indian tourism creating a paradoxical relationship that is encapsulated in “Nutshell Attributes”. There are two dominate overall images of India that it is a fascinating experience full of life changing cultural experiences, but is balanced by being a challenging experience (Khan 2013, 103).

\(^4\) For a compiled list of data on Indian tourism see Appendix B.
The initial romanticization of India via tourism began during British colonialism where aspects of India were exotified (Richter 1989, 102). Most of the physical infrastructure that was left from the colonial period that could be used for tourism were created for hill station retreats in the Northern States. These locations were secluded and physically above the rest of India—segregating the rich and Western tourists from the rest of the population (Richter 1989, 105). The creation of an ‘other’ during British colonialism is essential to understanding the current relationship that Western tourists have with tourism in India. By creating a distant other, poverty can be objectified and commodified into something that can be gazed upon without dissecting the issue.

The Western “discovery” of Indian tourism began in the 1960s with what was known as the “hippy trail” (Hampton 2013, 7). Young Europeans and Americans claimed this as the Beat movement. This began in the 1950s and continued through the 1960s, focusing on the idea of counterculture and attempting to find authenticity in life. This idea sent thousands of young Westerners to India (Hampton 2013, 7). There were three major influences of the hippie movement which made them choose India: drugs, Hinduism, and authenticity. The rise of marijuana was a major motivator for the large influx of western tourists to India (Hampton 2013, 15). Arguably, the youth counterculture movement focusing on authenticity spurred a huge wave of Western tourists to India. It laid the foundation for Western tourists today to look toward India for authenticity. Using ideas from Edward Said’s Orientalism, it can be seen that Western hippies and backpackers are exotifying life in India, attaching a narrative of poverty and authenticity to the country in order to achieve personal gain (Hampton 2013, 27). The premise of Orientalism encapsulates the relationship that western tourists have created between poverty and tourism in India. By constructing a distinction between what is defined as “the Orient” from “the Occident,” western tourists are able commodify the culture of India (Said 1978, 10). The distinction is based upon active mystification of India to be able to view India as less than, and thus something that can be consumed. This consumption occurs without facing the unequal structures that allows westerners to view India as only a place of poverty (Said 1978, 13). The orientalist view that western tourists had of India in the 1960s was repackaged in the 21st century with backpacker tourists.

The shift to backpacker tourism is a phenomenon that has occurred over the last 25 years and is founded on the hippie tourism movements of the 1960s and 1970s. Drugs and Hinduism are less of a pull for the new wave of backpacker tourism; their main focus is finding cheap and authentic experiences (Hampton 2013, 32). A backpacker is able to gain social capital from having an ‘authentic’ experience in South and Southeast Asia (Hampton 2013, 28-29). What the backpacker community—also known as alternative tourists—are looking for in authenticity is generally poverty. An authentic experience is considered raw and difficult, where backpackers “attach enormous status to poverty, hardship and illness as signifiers of the authenticity of an experience. Backpackers engage in a competitive recounting of austerities undertaken...Every suffering is valuable as it can be reconstituted later in a power narrative strategy’” (Phipps 1999, as quoted in Hampton 2013, 27). Suffering and poverty serve as key elements of backpacker tourism.

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5 Authenticity here is meant to embody how the average person in India lives. In the 1960s authenticity in India was characterized by the rural Hindu village, where poverty and spirituality created an enlightening experience for the tourist. The idea of what is authentic can change over time, but in this context it is rooted in idyllic images of poverty. The idea of authenticity and how it relates to poverty is a tension that this paper explores.
tourism, and what is important to note is that not only does poverty denote an authentic experience, it also creates the conditions possible for western tourists to travel for long periods of time. Western backpackers are able to travel in low-income countries such as India for long periods of time due to India being a product of post-colonial development. Travel by this population is:

Only made possible by the fundamental inequality resulting from former colonialism and the present massive disparities of income between countries, so that, for her [Lozanki 2010], backpacker travel is ‘deeply tangled’ within modern capitalism, liberalism, and colonialism. (Hampton 2013, 27).

The romanticization of poverty as well as the deliberate creation of inequalities that came out of British colonialism in India has been repackaged as authenticity for backpacker tourists. These experiences around poverty have since been commodified to a larger population of tourists who seek alternative and authentic tourism through slums. Pro-Poor Tourism can be a solution to the disparities that are created by modern neoliberal tourism. By incorporating local and poor populations, PPT aims to have the net benefits accrue for the poor (Badulescu Et. al 2015, 27).

One of the main ways that this type of tourism can achieve this goal is through inter-sectoral linkages that are well established in India due to government intervention. PPT has also been tapping into the alternative tourism market to better integrate the poor into the planning process for tourism development. By doing this, the poor can have more power in creating economic opportunities for themselves in a system that is so heavily root in inequalities (Badulescu Et. al 2015, 28).

Many tourists are trying to find reality, and the drive to have an authentic experience that is outside of going to the major sites such as the Taj Mahal. Slums are the main vehicle in which reality tourism is set (Meschkank 2011, 48). Slum tourism has gained popularity in the past decade due to popular culture, and the films Slumdog Millionaire and City of Joy have increased awareness of slums in India as well as romanticizing the poverty that exists there (Diekmann & Hannam 2012, 1315). These films have implanted the image of the slum as one of the main characteristics of Indian life, and thus participation in slum tourism is to see if 1) the films are accurate and 2) what daily life is like for urban Indians (Meschkank 2011; Rolfes 2010). What is significant about slum tourism and its relationship to poverty is that the semantics of slums are entrenched in poverty, thus in order for a place in India to be authentic it needs to be rooted in poverty (Meschkank 2011, 53-55).

Slum Tourism Revisited: Breaking Stigma at the Expense of Slum Communities

Tourism in contemporary India creates enclaves in which unskilled laborers can tap into both the informal and formal economy in order to fulfill all the services that are associated with tourism. Due to this enclave creation, migration occurs usually towards urban areas. Cities in India have

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6 This is also referred to as reality tourism, poorism, poverty tourism, and to some extent cultural tourism. Reality tourism is what slum tourism is positioned as in which slum tourism is advertised to show what the reality of the ‘average’ Indian is. This image of ‘reality’ that is shown is generally rooted in poverty and thus the main focus pushed by slum tourism. While slums are one of the major foci for reality tourism, most are aimed to turn whatever negative perceptions that the tourist has around (Gupta 2016, 113). Reality tourism is highlighted in this paper due to its relationship with slum tourism, but it will not be discussed at length due to a continued focus on PPT.
the best touristic infrastructure and thus has the highest demand for tourism based labor. Tourism based urbanization takes a couple of forms: increased population, the creation of ‘tourism districts’ within a city that is flanked by businesses and restaurants, and increased infrastructure that serves tourism (Shinde 2017, 134). The rise of tourism based urbanization has resulted in urban planning to be highly centralized in India through the Master Plan, and in this master plan, slums are non-existent (Shinde 2017, 136). What is paradoxical once again about the tourism poverty relationship is that in the previous part one discussed the hindrance that urban-poor populations serve to tourism in cities, but the very nature of tourism to cater to low skilled populations creates an even larger urban population in India (Shinde 2017, 138-139).

The creation of urbanization via tourism in India occurs from both domestic and international tourists. Domestically, religious tourism sites that are located in hinterlands and are subjected to urbanization due to the availability of economic opportunity and rising expectations that include more amenities that require a larger labor pool to supply them (Shinde 2017, 139). On an international scale, the establishment of tourism circuits that began with the hippie tourism wave in the 1970s created urban enclaves that prompted urbanization (Hampton 2013, 9). These urban enclaves were known for being cheap, creating not only the opportunity for low-skilled labor but also perpetuating poverty as authenticity in Western tourists views (Hampton 2013, 9). One of the major highlights in the beginning of this paper is the ability for Indian tourism to create so many economic opportunities via the informal sector. The ability for slums to do this is notable, especially in Dharavi where the majority of Mumbai’s unskilled laborers are absorbed into the informal economy, primarily through recycling (Frenzel 2016, 89). While tourism creates a market for unskilled labor and has been seen to create urban-rural migration, this paper does not suggest that slum tourism is driver of this migration pattern. Rather the authentic poverty stricken rural Indian village of the 1960s has resurfaced as poverty in urban-slums (Frenzel 2016, 116). Slum tourism and mass tourism provides job opportunities in the informal economy which creates a perpetual cycle that causes high levels of voluntary migration to urban areas to find jobs with the informal economy. Because the tourism sector can provide so many job opportunities for unskilled workers, a cycle forms where people will move to slums to reap the economic advantages, only to create more slums. The commodification of slums is an example of how slums are used as the symbol of the “nutshell” image of India (Khan 2013, 103). The slum shows challenge and hardship, but also provides a profound experience for the tourist that is rooted in an orientalist view of India and poverty.

The creation of slums in India was not completely formed by the caste system but rather by urban migration that began in the late 19th century when the British Raj set up trading ports in coastal cities such as Mumbai (Frenzel 2016. 87). Caste plays a role in the creation of the urban-poor in slums, as social inequality in India is rooted in the caste system. Most people that live in Indian slums are of lower castes (Frenzel 2016, 87). Dharavi, India’s largest slum, is the focus of this next section, is where Indian slum tourism originates and has a burgeoning tourism base. The Indian slum is the ultimate characterization for modern tourism in India: “Dharavi sometimes stands as a metonym for the Indian slum, while the Indian slum, from the outsider perspective, sometimes stands as a metonym for India” (Frenzel 2016, 87). The Indian slum is rooted in poverty that the Western tourist appropriates in order to gain an authentic experience. The main purpose of slum tourism is to help break the stigma that slums are dirty, crime ridden,
and a place of despair, but the relationship of poverty to slums and tourism is ever present in this form of tourism.

The Composition of Dharavi: India’s Largest Slum

Dharavi is India’s largest slum and is located in the center of Mumbai, on some of the most expensive land in Mumbai (Frenzel 2016, 115). With a land area of 2.16 km² and a population of about 1 million people, Dharavi has a population density that is 20% higher than other neighborhoods in Mumbai (Reality Tours 2017, 5). With over 30 languages spoken and six documented religions being practiced, Dharavi is a testament to the diversity of India, as well as the rural-urban migration that is occurring (Reality Tours 2017, 5). Dharavi is known for being an extremely productive economic zone. About 80% of Mumbai’s plastic and electronic goods are recycled in Dharavi which produces between $665 million and $1 billion USD in annual revenues (Reality Tours 2017, 5). With over 5,000 businesses operating in Dharavi, many NGOs and tour companies use Dharavi for slum tourism because the economic activity is used to combat negative stereotypes surrounding slums in India (Reality Tours 2017, 5). Slum tourism in Dharavi began in 2007 through the NGO Reality Tours & Travel (RTT) to showcase the economic activity and highlight how the economic value that Dharavi produces is not recognized by the Indian elite due to slums being rooted in poverty (Frenzel 2016, 115). Slum tours for Westerners are aimed at reducing the gap between “us” and the “other” by finding lived commonalities between the tourist and slum dweller (Frenzel 2016, 117). Since the 1990s, Dharavi has been toured, mainly by NGOs to gauge the “social question of India” that focuses on the rising inequalities that resulted in trade and economic liberalization that occurred in 1990s India (Frenzel 2016, 118). There are several negative stereotypes that surrounds Dharavi that are rooted in a territorial stigma (Frenzel 2016, 89). This stigma has been developing around Dharavi and other slums in India in which slums are viewed as dirty and as the epicenter of drug and criminal activity. Local Indians who do not live in a slum view slums very negatively due to territorial stigma (Frenzel 2016, 89).

Slum Tourism: Breaking Negative Stereotypes and Giving Back

Slum tourism is popular among backpacker tourists because it offers a tour different from the normal mass tours and is rooted in a search for authenticity (Meschkank 2011, 53). However, Reality Tours & Travel (RTT) the major NGO that operates slum tours in Dharavi, use the interest in slum tours as an educational tool aimed at breaking the negative stereotypes that surround slums (Frenzel 2016; Gupta 2010; Meschkank 2011; Rolfes 2010; Reality Tours 2017). The RTT slum tours highlight the economic activity in Dharavi by showing how the slum is part of the global commodity chains and the terrible working conditions that exist there (Meschkank 2011, 56). What RRT also shows is that their tours give back. Most of the profit gets pumped back into the community through community development projects such as English classes or community classes (Gupta 2016; Reality Tours 2017). After the tour, tourists generally view Dharavi as a peaceful place, or as a place that is characterized by economic growth and general happiness (Meschkank 2011; Gupta 2016). Slum tourism helps break the negative stigma surrounding the slum. However, it can never remove itself from being embedded in poverty.
The impact of slum tours on the tourists is interesting. While the tours are successful in changing the negative perceptions that western tourists generally carry, the view on the slum still remains highly romanticized. In several case studies conducted on tourist perceptions on poverty and slums in India, slum tours were found to be beneficial in presenting the slum as enclave economic opportunity (Gupta 2016, 120). However, the images that the western tourists hold of Indian poverty do not change. One of the views that a tourist had post slum tour is that: “Poverty lies in the mind only, it can be seen easily but people are happy” (Gupta 2016, 122). Regardless if the tourist sees that Dharavi and other slums in India are not characterized by poverty, there is still an orientalist view of that poverty. While it is evident that poverty exists in these spaces, by having a view that poverty and happiness has a correlation it negates the oppression that poverty puts on people. Finding happiness in people’s poverty serves as an enlightening experience for only the tourist. The original views on poverty remain constant for the tourist, and if there is a change in view it is merely a repacking of orientalist views on poverty.

Slum Tourism: Distinguishing Poverty

Regardless of the positive outlook that a tourist has on the slum after the tour, poverty still remains the dominant lens to view slums (Meschkank 2011, 59). While there are attempts to shift the negative view of slums, poverty is still at the core of how people interpret the slum (Rolfes 2010, 424). No matter how positive the slum tour is, the frame of reference is always rooted in poverty; “A tourist as an observer can observe a slum and denote it as poor and therefore select this distinction from an endless pool of other possibilities. That means that, for a start, he is distinguishing poor from everything which is not poor” (Meschkank 2011, 50). The sense that poverty is authenticity has been explored in previous sections, but what is ironic is that westerners distinguish the poverty from an Indian slums from that of a high income and industrialized nation (Meschkank 2011, 53). There is a superiority complex that creates a disconnect between the poverty that exists in the home country versus the poverty that exists in the tour country. More often than not, poverty between high and low income countries is not that different. It is just the scale of poverty that is divergent (Meschkank 2011, 53). This disconnect is what allows a western tourist to view poverty in India as authentic poverty, and essential to their experience in the country.

Incredible India: Governmental Efforts to Change Negative Stereotypes

The Indian Government has a long history of controlling the tourism sector. While tourism in India has been slowly opening to market liberalization, the Indian Government has been wary of private tourism development and generally: “Has a reputation for being... A positive model of government intervention as a countervailing power in tourism development, and... [Is] generally in pursuit of cautious, balanced approach to integrating tourism development into the total development plan” (Richter 1989, 120). With a vested interest in tourism, the Indian government owns about 87% of the total shares in the tourism industry (Ministry of Tourism 2018, 90) and thus continually tries to bolster this sector of the economy. Recently, The Ministry of Tourism have been creating Special Tourism Zones (STZ) to link the private and public sectors in high traffic tourism areas (Ministry of Tourism 2018, 5), and in 2017 launched the Incredible India 2.0 campaign to increase positive global attraction (Ministry of Tourism 2018, 68). The Ministry is also focusing on improving domestic tourism and infrastructure projects. Due to the Indian
Government having a continued vested interest in the state of tourism, the policies surrounding tourism are responsive and flexible.

Currently, there has been an increased focus on the part of the Indian Government to include PPT in their tourism plans. Through linking the public and private sectors through tourism, the Indian government is trying to create more opportunities for jobs in complementary sectors as well as in the informal market (Hall & Page 203) PPT is being utilized in India to help bridge the gaps that are created through mass tourism. Since the signing of the General Agreement on Trade in Services (GATS) in 1995, the Indian tourism market has opened up to market liberalization leaving poor populations vulnerable (Mishra & Jarkhariya 2013, 22). By integrating the poor more in tourism development, poverty can be tackled in a more inclusive way. However, negative images of India of abject poverty in India (Hall & Page 2000, 203) has drawn and dispelled tourists to India.

The Ministry of Tourism continues to combat this negative stereotype through the Swachhata Action Plan which promotes cleanliness for both the tourists and the community, but many of the negative stereotypes of India still remains (Ministry of Tourism 2018, 118). However, the most successful campaign from the Ministry of Tourism has been the Incredible India campaign launched in 2002 (Geary 2013, 36). The success of tourism in India is built upon a carefully constructed image that the government creates and disseminates to the west (Geary 2013, 37). The images and ads that were created in light of the 9/11 terrorist attack and the war in Afghanistan, the region of South Asia as a tourist destination was faltering and as a result Indian tourism suffered. The 2002 Incredible India campaign was a series of highly generalized images of India such as the Taj Mahal, Bengal tigers, the Himalayan Mountains, or historic buildings in Rajasthan to show that India is highly diversified and a world class tourist destination (Geary 2013, 41). These images of Indian Tourism promoted by this campaign helps feed into western mystification of India, “the campaign initially conformed to relatively standardized set of exotic and orientalist images” (Geary 2013, 41). It was not until the 2006/2007 Incredible India campaign that the government began to move away from orientalist and exotified marketing strategies. These new wave of images were to convey the rise of India as an economic powerhouse whose historic culture is the foundation of their new image (Geary 2013, 44). The Incredible India campaign was disseminated mostly in Western Europe and the United States, showing images of India’s powerful economic state that has be built upon 5000 years of history and culture (Geary 2013, 50). While the Incredible India campaign was successful in helping redefine Indian tourism from the government, a lot of the images still were exotified. The tension between those Incredible India images and the 300 million people in India who live below to poverty line is real and one that the Incredible India campaign does not address (Geary 2013, 54).

**Conclusion**

Tourism in India has so much potential to absorb massive amounts of informal and formal labor to create not only employment, but contribution to real GDP and foreign exchange. Links to poverty will forever hinder India from fully being able to reap the benefits of tourism; Indian tourism is reliant on poverty to flourish insofar that developing economically and eradicating

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7 See Appendix C for images from the Incredible India campaign.
poverty takes away from the authenticity of the country. Tourism in India is multifaceted; it is largely state controlled but is slowly opening up to market liberalization. The relationship of tourism to poverty to create a nexus poverty creates authenticity but it also creates negative stereotypes that dissuades higher income tourists from coming, poverty is commodified. Due to this, slums are almost dependent on poverty through the perspective of tourism. Tourism has and continues to be looked at as a developmental tool. It contributes to the GDP being that tourism is where the bulk of financial exchange and transfers occurs and it creates a lot of jobs in both the informal and formal sector. The growth potential of tourism in India is apparent and it is being harnessed currently by the Indian government. Yet, tourism in India has a long way to go. Even though Indian tourism is rated the best in the South Asia region, it is lagging behind Asian tourism and global tourism as a destination. The population of people in India that can benefit from the informal sector and inter-sectoral linkages exists and is significant, but there is a gap between them and the tourism sector. India has the possibility to harness PPT and other sustainable tourism policies due to the high level of state intervention in tourism, but it is just a matter of carrying out the right policies. Through a focus on PPT policies India can bridge the gap of inequalities that is a result of a neo-liberal framework that tourism exists in by directly involving the poorest populations and informal sectors into tourism. PPT policy implementation is necessary for India because so much of the population lives in an urban area and this population is only going to increase. The flexibility of Indian tourism to adapt to changes in tastes combined with such a large informal sector; Pro-Poor Tourism is essential in ensuring that the urban poor are able to benefit from tourism.
PART III: POLICY

Corporate Social Responsibility: Integrating Pro-Poor Tourism into Business Practices

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Mr. P.S.R Oberoi, Executive Chair of the Oberoi Hotel Groups and Chairman of the Corporate Social Responsibility Board, this policy outline covers the ways in which the Oberoi Group can use its current Corporate Social Responsibility (CSR) project to better integrate urban poor via pro-poor tourism practices. Pro-Poor Tourism (PPT) in the private sector is a relatively new phenomenon, but the practice is imperative to reducing poverty and promoting sustainable tourism. PPT is not a type of tourism but rather a blanket set of policies and practices that help the poor receive net benefits from tourism (Mahadevan et al. 2017, 334). CSR is currently a mandated practice in India for large corporations and the current program that the Oberoi Group invests in--the SOS Children’s Village--has the structure that can easily translate into a broader pro-poor framework. PPT policies include investing in micro and medium sized enterprises, creating inter-sectoral linkages, employing locally, and providing human resource training (UNDP 2011, 13). By integrating poverty reduction into the hotel’s planning process and current CSR practices, the poor will receive more of the benefits from tourism as they are generally the population that bears the industries negative effects (Roe et.al 2002, 2). When the tourism framework is created with the poor in mind, opportunities and distribution occur more evenly than if just left to market forces. This policy paper in no way suggests that promoting poor populations will forgo profits. Rather this paper puts forth that the provided CSR framework will be viable and realistic when it is applied at the commercial level. Corporate Social Responsibility has the potential to save costs and increase profits from Western tourists (Hall and Brown 2006, 131).

Currently, the SOS Children’s Village, a noble and impactful project, could be doing more to integrate the urban poor into the hotel supply chain. The CSR project provides the tools for children living in the Children’s Village the opportunity of higher education, with a particular emphasis of going into hospitality (Oberoi Group 2018). This paper does not suggest stopping the funding of community development through education and economic opportunities for underprivileged children (Oberoi Group 2018). Rather, this policy paper aims to promote and further the current efforts by extending the access to education to local urban poor parts of the population in order to hire more local employees, and by creating inter-sectoral linkages with small scale local businesses. By integrating the urban poor the community as a whole continues to develop, leading to a host of positive externalities. This practice has been adopted by several hotels across the globe, namely in South Africa and other parts of India. The results have been overwhelmingly positive and opens the hotel up to new markets of socially conscious consumers from the West, and creates more sustainable business practices.
Pro-poor tourism has been used by governments and non-governmental organizations (NGOs) for some time, but due to the nature of mass commercial tourism these two entities have not been able to fill the gaps created by neo-liberal capitalist practices (Rogerson 2006, 49). NGOs are not equipped to create viable projects that work in the mass tourism market; NGOs lack know-how in product marketing and development of plans that make business sense (Rogerson 2006, 49). The greater tourism market has undergone considerable economic liberalization since the 1990s in India and elsewhere - many central governments have since lost control over economic planning and delegation in the sector (Rogerson 2006, 39). Economic liberalization in India is also known as “New Swadeshi,” was to create a more competitive India for global markets (Geary 2013, 40). This “new” India was one that was externally oriented, looking for Foreign Direct Investment (FDI), and creating new consumption-based markets (Geary 2013, 40). The Indian Government has a high stake in the tourism sector, owning up to 80% of the market shares. With continued liberalization and subsequent privatization, Indian tourism specifically with the hospitality sector has become more open to private sector involvement (Ministry of Tourism 2018). This new privatization allows for hotels to have a more active role in tourism, hotels are now allowed to own more market shares and thus have a more vested interest in the outcomes of tourism. Without high levels of government involvement, there are less social inclusion initiatives to incorporate the poor into tourism. However, hotels and other private enterprises have the capacity to fill that gap.

With an increased role of the market in creating economic stability, the government is no longer as effective in creating pro-poor policies that work in the free market (Rogerson 2006, 39). Thus, the private sector can fill the gaps that NGOs and the government cannot handle. In an era of increased global tourism, tourism is both an industry and a service, PPT frameworks led by the private sector are the only way to ensure that the poor are not left behind from benefiting from tourism. In both the urban and rural population’s hotels and other private businesses can create demand for the poor and their services to create more sustainable and inclusive development (Iqbal 2001, 45). Corporate Social Responsibility is a pre-existing framework that can be used more efficiently in order to include urban poor populations in the supply chains and in the labor force in order for the hotel enterprise to become more pro-poor as a whole. CSR is also a mandated act as of the 2013 Companies Act in which Clause 135 states that any company that makes a net profit of 700 million USD must spend at least 2% of their profits on CSR projects (Singh & Verma 2014, 457). Seeing as CSR is mandated for the Oberoi Hotels Group, it makes sense to create a more pro-poor CSR project to turn a profit on mandated action.

Corporate Social Responsibility is not a new phenomenon in India--several hotels, private companies and states have adopted PPT practices through their CSR funds (Dhanesh 2015, 115). TATA Group, one of India’s largest firms is very well known for its philanthropy ethics (Dhanesh 2015, 115). The promotion of CSR is threefold: it achieves moral and ethical values, it helps create loyal customers, and it helps create a better relationship with employees (Dhanesh 2015, 116). The economic imperative of CSR helps with: “Corporate longevity, the creation of goodwill in society, and improved relationships with employees” (Dhanesh 2015, 121). Through CSR companies can give their employees an outlet to help their communities and create a sense of pride in their company. There is a strong culture of CSR in India with many companies
engaging in social development projects. While giving back to the community is productive from a moral standpoint, it also can help create a larger profit base. When customers know that the company they are giving patronizing is actively engaged in local economic and social development, it creates as strong and lasting customer base (Dhanesh 2015, 124).

Tourism is an inherently profit-seeking sector that is rooted in commercialized activities, so socio-economic development is not necessarily a cornerstone to business practices, but it can be (Ashley and Haysom 2006, 265). While tourism and business practices seem disconnected, they have an important relationship: local stability of the destination is key for a flourishing businesses environment and as consumers are becoming more aware of socio-economic issues companies need to look at their business practices to makes sure they align with their customers’ values and the community’s needs (Roe et al. 2002, 1). Due to this, CSR needs to make commercial sense, the change in business practices cannot only be pro-poor but they need to make good business sense in order to work and be beneficial to the community (Ashley and Haysom 2006, 266). While commercial success is a big part of CSR, it must be noted that CSR and pro-poor business practices can have a huge impact on the local community as small changes in practice have magnified developmental outcomes (Ashley and Haysom 2006, 266). Employement opportunities are a big priority among poor communities and private businesses can fill that void (Roe et al. 2002, 2). From a business standpoint CSR and PPT can work together to not only save money but create more demand for their products. Using local businesses for inputs gives a unique selling point (USP) that hotels and businesses can use to increase profits (Ashley and Haysom 2006, 271). There is an increased emphasis from tourists to have a company that supports local development, and CSR has become an active part in their tourism choices (Roe et al. 2002, 2). PPT approaches can even save costs as local suppliers can be more efficient and cost less (Ashley and Haysom 2006, 272). In fact it was found that pro-poor CSR initiatives from Spier Leisure in South Africa did not cost any more than other supply methods and it benefited the poor (Ashley and Haysom 2006, 273). Little changes to the way that hotels operate can have huge impacts on the local poor.

Creating Local Linkages: The Key to Hotel Success?

There are several simple changes to business practices that the hotel can undertake in order to have better pro-poor practices. These practice shifts can be contained in the CSR budget and framework, but the changes are imperative to creating lasting change in the community (Rogerson 2006, 38). Local Economic Development (LED) can be achieved in six ways: human capital development, intersectoral linkages, making sure there are no leakages from the local economy, community based development, providing both municipal and infrastructure services, and expanding locally based economic activities (Rogerson 206, 41). With changes in business practices also comes a set of expectations that the Oberoi Group can set in order to ensure that the practices achieve the intended goals. There needs to be commercial realism of the project, participation of the local population in order to better understand the populations’ priorities (Butler Et al. 2013, 453). Holistic livelihoods factors of the community needs to be assessed taking into account social, economic, and environmental factors into the livelihoods of the community--these impacts and factors should be taken into account in the long run (Butler Et al. 2013, 453). A balanced approach should be taken where there is: “Synergy between the micro and macro levels and links with wider and existing tourism systems are crucial” (Butler et al.
2013, 453). And finally there needs to be flexibility and an understanding that the time and scale of the project will take time for real results to occur (Butler et al., 453). The physical actions that the Oberoi Group can take are plentiful: from sourcing supplies locally, actively employing locally, creating joint-ventures with local businesses, ensuring access of natural resources for the local community, giving healthcare access to locals, creating small markets for goods, or donating to locally based community projects (Roe et al. 2002, 4). This section will outline a plan to implement and complement the current CSR by the Oberoi Group and will also show examples of other hotels successes in implementing pro-poor CSR.

Creating Intersectoral Linkages: Keys to Success

Giving back to the community through donations and other philanthropic projects is not enough to create pro-poor benefits from a CSR budget (Ashley and Haysom 2006). Purely philanthropic CSR projects are based on short term goals instead of long-term initiatives that create a mutually beneficial partnership with the local community (Ashley and Haysom 2006). There is one main strategy\(^8\) that the Oberoi Group can adopt via their current CSR practices in order to create more local economic development (LED), and to have more pro-poor business practices. Intersectoral linkages are the key to building a better CSR project. By employing more from the local population and also hiring local business the hotel creates a more community based environment, while still maintaining competitiveness in the market. First, the hotel should create locally based partnerships with the community in which capacity building is the foundation, this creates management roles for the local community and gives an active place for the community to feel included in the project and benefit (Rogerson 2006, 47). To achieve this community foundation, the hotel should always source locally whenever possible--this includes using local services such as laundry or hiring local businesses to provide goods such as agriculture products (Rogerson 2006, 47). The hotel should increase the local staff that is employed through setting targets and minimums of local staff and providing human capital based training for the jobs (Rogerson 2006, 47). By creating better intersectoral linkages between the hotel and the community, the Oberoi Hotel Group can employ more local populations both directly and indirectly to create a more equitable environment.

Currently there are three hotels in Mumbai run under the Oberoi group and if this CSR program is successful, it can be applied on a larger scale to the other 22 Oberoi hotels in India (Oberoi 2018). These three objectives can be worked easily into the current CSR project with the SOS Children’s Village. The hospitality training and tours that the company already provides for the children can be expanded to include more of the local community. Employees can provide human capital training to the local community at a low cost, giving them a stake in the new employees and in the business. Hiring more local employees can also help create better quality life for the families surrounding the hotels through increased family incomes. Creating new linkages by hiring local businesses for various services requires a little more work, but in the long run this could cut costs and expand the influence of the hotel. By advertising that a certain percentage of the hotel is employed locally and having local services, food, and goods creates a positive selling point for the tourists and also creates better relationships with the local

\(^8\) For a full impact chart for stakeholders from these strategies, see Appendix D for a matrix that outlines the impacts of maintaining the status-quo, increasing pro-poor CSR or decreasing pro-poor CSR has on various stakeholders in the tourism sector. The results of the matrix is discussed in the next subsection.
community. There are a few ways to have local business linkages: creating a relationship with small scale farmers to purchase fresh local produce; outsourcing services like laundry to local enterprises; or hiring local businesses for goods such as stationary and uniforms. The hotel can also hire food stalls and vendors to come in and sell their goods where the food would be regulated for customer safety while giving the image of having “authentic” street goods. As seen in Appendix D, the results of implementing more pro-poor were positive or neutral for both the hotel and tourists. There are no negative impacts on the two primary stakeholders in the hotel business. Changing the way that that the hotel does business by being more pro-poor will create only positive impacts on the community and the environment. By actively aiding the community, the hotel can create a positive feedback loop where it too can benefit from the CSR. With a better environment, high quality local goods and food, and in-house trained staff can all make the guest experience better.

The Stakeholder Matrix

Appendix D presents a stakeholder matrix, showing the impact that certain CSR actions have on different stakeholder groups. The matrix outlines how changes or lack thereof to Oberoi’s current CSR project would impact stakeholders such as: The hotel, tourists, local farmers, local businesses/producers, the environment, and the overall local community. These groups are then shown to have a positive (+), a negative (-), or a neutral (+/-) reaction to the following options: Maintaining the status quo, creating farm-linkages, hiring local suppliers, increased human capital training, creating tourism auxiliaries, doing all of the above pro-poor options, or reducing CSR to philanthropic projects. All outcomes are projected and based on the relative successes and failures of cases studies presented in this paper. As previously stated, the matrix shows that the primary stakeholders are never negatively affected from shifting to a more pro-poor CSR project. Thus, by changing CSR practices, the Oberoi Hotel Group only has profit to gain, with the added bonus of positively impacting secondary stakeholders. With no short-term negative impacts of implementing a new CSR can increase profits in several different capacities. Strategic Corporate Responsibility is investing in employees, in this case investing in creating inter-sectoral linkages and better hiring practices, will have long term returns for the company (Porter & Kramer 2006, 88). While most companies are aware of their inside-out linkages— the ways that a company affects society through its operations— strategic CSR creates an introspective look of how the community impact the company. By analyzing outside-in linkages the Hotel Group will have a better understanding of how the state of the community can impact how well a company can run (Porter & Kramer 2006, 82-83). Investing in the company through creating linkages with local businesses and by providing job opportunities within the hotel, in the long-run the returns will be in favor of hotel (Husted & de Jesus Salazar 2006, 83). In the long-run the hotel has better trained employees. When investing in local businesses, the quality of the products that the hotel buys will increase benefiting the hotel more in the long-run (Husted & de Jesus Salazar 2006, 81).

From the tourist perspective, the matrix shows that there are no negative impacts from pursuing better CSR practices. In fact, there are opportunities for the tourist to have positive impacts from CSR. The new rise of the socially conscious consumer has created demand from the consumer to have the business they patron have CSR (Mohr et al. 2001, 47). Consumers immense purchasing power has the ability to change business practices, but if the hotel is ahead of the curve and
promotes good business practices through CSR the potential profit is considerable (Mohr et al. 2001, 48). Through creating intersectoral linkages and hiring more local employees, the hotel will create a selling point that shows the consumer that Oberoi Hotel Group gives back to the community and is still able to provide a top-tier service (Mohr et al. 2001, 48). While investing in inter-sectoral linkages creates long-term benefits for the operation of the hotel, promoting better CSR practices and projects to consumers has immediate profit benefits.

*Examples of CSR in Practice*

There are several successful examples of CSR working in India and elsewhere in terms of hotels. In Kerala, hotels and the local community worked together to create local agricultural chains where hotels would order through a local middle man that brings the order to the farm and then delivers the fresh produce to the hotel (Michot 2010, 13). A group in Kenya also created similar agricultural based linkages that had huge successes for local women farmers. The “Women Empowerment through Supply of Local Agricultural Produce to Hotel Chains in Amboseli” Project enacted in 2015 helped small scale women farmers provide fresh produce to hotels (APTDC 2017). The hotels were given lists of products that they can expect during different times of the year so the hotel can properly plan for procurement (APTDC 2017). The project was extremely successful for the 50 women who participated and since the average household was about five people, the project helped bring income to about 250 people (APTDC 2017). Another food based initiative undertaken in Kerala was creating Karashaksamity (farmer groups) and Kudumbashree units responsible for a variety of food related products. These groups were responsible for providing specific goods to the hotel. For example there was one bread making unit, one fishing unit, and one chicken unit that were each responsible for providing a hotel with that specific good through formal contracts (Michot 2010, 11). In Kerala, education was the cornerstone of creating pro-poor CSR projects. By offering education, skill training, and creating intentional linkages 80% of the hotel staff were able to be hired locally (Michot 2010, 16). A final method in food services can be linking the informal sector to the hotel. This was successfully done in Kerala and in Manila, Philippines. In Kerala, coconut stalls were placed in major tourism districts and in hotels giving local food vendors a steady income while at the same time allowing for quality controls (Michot 2010, 16). By helping formalize the informal sector, food vendors especially receive a more steady income and have a better sense of security when they are recognized and legalized (Yotsumoto 2013, 140). The informal food sector is a great way to integrate the urban poor into the hotel business while still allowing them to have some autonomy (Yotsumoto 2013, 140).

In South Africa, CSR projects have been instrumental in integrating the urban poor into the hotel and tourism structures. Southern Sun, a Hotel Group in South Africa located in the Alexandra neighborhood has been a crucial actor in providing outside jobs through local business linkages. Alexandra is one of the poorest and most densely populated neighborhoods in the capital of Johannesburg (Rogerson 2006, 50). The most important linkage that Southern Sun created was outsourcing the housekeeping of the hotel to a local Alexandra-based enterprise (Rogerson 2006, 52). The hotel group also outsourced room decorating to the Disabled Centre, donated used equipment to local restaurants and they are soon going to incorporate water management practices to an Alexandra based company (Rogerson 2006, 52). A commission was created between Southern Sun and the Alexandra Chamber of Commerce to create more linkages and
include local stakeholders in the planning process (Rogerson 2006, 52). Sun City, another hotel group in South Africa hired local businesses to supply some of their goods and services. For example, Sun City hired a group to produce cards for the rooms. The economic impact on part of the hotel was relatively small but it helps create jobs and income for the local economy: “Sun City’s need for approximately 1,000 cards per month, its gross revenue will be around R168,000 per year--significant for an enterprise of four staff, but still dwarfed by a CSR budget in the millions” (Ashley and Haysom 2006, 274). All these examples are illustrative of how a company can adopt pro-poor policies into their CSR. By creating tourism auxiliaries with the local community as in the Philippines (Yotsumoto 2013, 140) or by hiring local producers, hotels have actively saved money while creating an impact in their community. CSR is a key to unlocking a community’s potential, and when the local community is involved it becomes a win-win situation. The urban poor especially have job opportunities and education access, while the hotel is the catalyst of the social development and gains positive press, lower costs, and more interest from Western tourists.

**Corporate Social Responsibility: A Potential Caution**

Tourism projects and policies overwhelmingly affect the poor, especially the urban poor (Yotsumoto 2013, 131). Pro-poor practices are usually targeted towards rural populations leaving the urban poor without resources and opportunities (Yotsumoto 2013, 131). Hotels in the tourism sector are also known to displace people and cut off their access to natural resources excluding local populations from public goods and basic amenities (Michot 2010, 9). Since local populations bear the brunt of the costs of tourism, it is up to corporations to counteract the negative effects of tourism (Roe Et al. 2002, 3). As many of the workers are employed from the community and there are direct impacts on the community from the presence of tourism, if the hotel is not providing the employees with proper services that benefit them then the quality of the work can decrease (Roe et al. 2002 2). Corporate Social Responsibility has the opportunity to negate the negative externalities that the local communities bare, but CSR has the potential to be a natural actor and not actually achieve anything.

Regina Scheyvens argues that CSR can be seen as a smokescreen that covers up more serious negative business practices (Scheyvens 2011, 135). Most CSR projects just focus on the environment and ignore the poor; it is easier to sell environmental projects not only to shareholders but to potential green-conscious customers (Scheyvens 2011, 136). CSR is also known to largely ignore human and labor rights: the tourism sector is notorious for having poor labor practices and ignoring long hours, low wages, and results in dead-end jobs with no promotion promises (Scheyvens 2011, 136). Most companies that participate in CSR have very minimalist projects that focus mostly on donations and philanthropy projects that are not very effective (Scheyvens 2011, 142). There are direct negative impacts on the community when CSR is just philanthropic. In Appendix D, the matrix shows that local farmers and business owners have negative outcomes with philanthropic based CSR. This is because money is being funneled into small community based projects that are either short term or just help the environment (Scheyvens 2011, 136). The overall community is neutrally impacted because while these CSR projects are not harmful, they are not as productive and impactful as they could be. As seen in the Sun City example, the company had a very large CSR budget but did not effectively implement anything of a sustainable nature as most of the projects were tokenistic and surface
level (Ashley and Haysom 2006; Scheyvens 2011). The World Bank has reported that private sector tourism has not used CSR to its full potential (Ashley and Haysom 2006, 268). Hotels and tourism companies could be doing so much more than donating funds to community projects or having hiring quotas that ignore labor rights. In order for real change to occur for local communities changes must be made to the overall business practices (Ashley and Haysom 2006; Scheyvens 2011). In order to combat the negatives of CSR--namely unintentional projects--the following subsection outlines best practices of CSR that ensure the projects are holistic, viable, and pro-poor.

**CSR and Pro-Poor Best Practices**

While there are several successful examples of CSR in creating a better environment for the urban and rural poor to engage in the tourism sector, there are still some best practices that should be followed in order to ensure that the CSR policies are truly pro-poor. While the beginning of this section outlined several pro-poor business practices, it is important to reiterate how to move from short term philanthropic based CSR to long term pro-poor development CSR. Best practices outlined by several of the authors include better capacity building and viable product marketing and development (Tresilian 2006, 87). As stated before, all PPT and CSR projects have to viable and realistic when applied at the commercial level. Tourism operates in a neoliberal capitalist market so if the project cannot work within the private sector, it will have a hard time achieving any real pro-poor change (Hall and Brown 2006, 131). Finally it is imperative to include the local community in the planning process and in implementation. Without the guidance of the local community, their needs and values will remain unknown and the CSR project can become inefficient when it is not working for the poor (Butler et al. 2013; Hall and Brown 2006; Roe et al. 2002; Rogerson 206; Tresilian 2006; UNDP 2011; Yotsumoto 2013).

The key aspect of having pro-poor CSR practices is having the project align with pro-poor tourism outcomes. Pro-poor tourism aims to have the poor occur net-benefits from tourism. This is not to suggest that Oberoi Hotel Group should put the poor over profits, but rather profit and CSR can work together in conjunction. Investing in local communities through inter-sectoral linkages helps local business thrive and impact lives beyond the hotel. Listening to the local community to assess their capacity to provide the hotel with goods and services is key to have similar expectations. Moreover, including the poor ensures that the benefits get channeled to the community and the poor populations. This will only occur from active participation of these communities, as well as intentional linkages on the part of the Hotel Group. The best CSR practices are the ones that are pro-poor. Intentional linkages not only helps profit margins from cheaper products and a unique selling point to consumers, but it has long-term benefits for both the community and the hotel.

**Conclusion**

Corporate Social Responsibility has many positive aspects insofar as creating an impact on a local community. As more consumers are becoming more conscious of their choices and want to support businesses that care about their communities, CSR is the ideal answer to creating a unique selling point while also helping others. Oberoi Hotel’s current CSR practices are noble
and impactful for homeless children in India, but the Hotel Group could be doing more to integrate the poor into their existing frameworks. As tourism continues to go through liberal market reform and privatization, labor practices are often lax and the direct benefits that could aid the community go unnoticed. The Hotel Group should thus invest more in the local community through more intentional hiring and training practices and creating linkages with local businesses. This way Oberoi’s CSR practices can move from being philanthropic to being truly pro-poor. In the long run this can decrease costs, create a more stable environment to operate in, and create customer and employee loyalty. With a long history of CSR in India and several successful examples of pro-poor CSR practices in hotels globally, Oberoi can tap into a new market in tourism—one that is socially conscious and economically sound. With a high potential to increase profits through cheaper and more local supply chains that make attractive selling points for Western tourists, pro-poor CSR projects are the key to better business practices and more profit. Hotel companies can be doing more to help tourism become a more equitable market for the directly impacted poor by providing them the opportunities to thrive.
REFERENCES


Cole, S. 2006. Cultural tourism, community participation and empowerment. In M.K. Smith & M. Robinson (Eds.), Cultural tourism in a changing world: Politics, participation and (Re) presentation (pp. 89–103).


### APPENDICES

**Appendix A: A list of tourism types mentioned in this paper**

<table>
<thead>
<tr>
<th>Tourism Type</th>
<th>Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass Tourism</td>
<td>This is also known as mainstream tourism, the current global and local tourism that occurs usually by high income populations to low income destinations. It is highly unsustainable and results in high levels of inequality.</td>
</tr>
<tr>
<td>Pro-Poor Tourism (PPT)</td>
<td>The main difference between mass tourism and PPT is that PPT shifts the net benefits to the poor, but this does not necessarily shift power structures.</td>
</tr>
<tr>
<td>Community-Based Tourism</td>
<td>Tourism that works outside of the neoliberal framework because the tourism project is started and carried out by the community itself.</td>
</tr>
<tr>
<td>Eco-Tourism</td>
<td>A niche type of tourism that have nature/conservation at its core, but Ecotourism is found to be just as destructive as mass tourism.</td>
</tr>
<tr>
<td>Cultural/Ethnic Tourism</td>
<td>Tourism that is based on a community’s cultural, thus commodifying it. Cultural tourism can be empowering for a community if they take control of the narrative, however, it can also lead to that culture being static and dependent on tourism for survival.</td>
</tr>
<tr>
<td></td>
<td>Tourism that focuses on sustainability of the environment as well as the culture, politics, and economy of the destination. The key to sustainable tourism is to have the community involved in some capacity in order to insure that equality occurs.</td>
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<tr>
<td>---------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Sustainable Tourism</strong></td>
<td></td>
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<tr>
<td></td>
<td></td>
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<tr>
<td><strong>Slum Tourism</strong></td>
<td>A type of tourism that is unique to low-income urban areas around the world. This leads to the commodification of poverty, as well as a romanticization of poverty.</td>
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<tr>
<td></td>
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</tr>
</tbody>
</table>

References: Chok et al. 2007; Cole 2006; Frenzel 2015; Giampiccoli 2015; Scheyvens 2011
Appendix B: A Compiled List of Tourism Data on India

Below is a chart of the data presented in Part II on Indian Tourism:

| Over the next decade tourism in Asia is projected to grow by 9% | UNWTO 2017, 5 |
| South Asia only receives 8% of tourism arrivals in comparison to 50% of all international arrivals to Northeast Asia and 37% of all arrivals Southeast Asia | UNWTO 2017, 6 |
| Globally India is ranked 65th out of 140 countries in global tourist arrivals which accounts for .59% of all arrivals | Abhyankar & Dalvie 2013; Prayag & Das 2017 |
| In the Asia-Pacific region India ranks 11th in international arrivals | Prayag & Das 2017, 243-245 |
| The Asia-Pacific region tourism growth rate is 7.1% per year while India is only growing by 4.3% per year | Prayag & Das 2017, 243-245 |
| In 2017 tourism account for 3.7% of direct GDP contributions, by 2018 it will be 7.6% of direct GDP | World Travel & Tourism Council 2018, 1 |
| 3.7% of GDP equates to $91.3 billion USD | World Travel & Tourism Council 2018, 1 |
| Out of 185 countries India ranks 7th in total GDP contribution which equates to $234 billion USD | World Travel & Tourism Council 2018, 1 |
| In 2017 tourism accounted for 5% of employment in India or 26, 148,000 jobs | World Travel & Tourism Council 2018, 1 |
| The total job creation in India from tourism is 41, 622, 500 jobs or 8% of total employment | World Travel & Tourism Council 2018, 1 |
| Leisure spending is the largest segment in tourism GDP accounting for 95.7% of total tourism GDP | World Travel & Tourism Council 2018, 6 |
| Between 2014-2024 tourism is expected to grow 6.4% per year and create 48.37 million jobs. | Prayag & Das 2017, 241 |
Appendix C: Examples from the Incredible India Campaign

Image one is from the 2002 campaign and depicts the Taj Mahal with a line of camels crossing the Yamuna River. The second image is from the 2006/2007 Incredible India Campaign also shows the Taj Mahal but it is now in black and white and has the ironic caption: “And to think these days men get away with giving flowers and chocolates to their wives”. These two images juxtapose the two ad campaigns, the first image shows a more exotified image of the Taj Mahal. The second image reflects the period of economic growth that the 2006/2007 campaign was set in. It knocks on western culture of giving gifts to their wives to the Mughal Empire who built elaborate tombs as gifts for their wives.

https://trak.in/tags/business/2012/02/21/tourism-industry-promotion-in-india/

https://breathedreamgo.com/top-10-incredible-india-moments/
Appendix D: PEST Matrix for Stakeholders

The following matrix outlines how changes or lack thereof to Oberoi’s current CSR project would impact stakeholders. These groups are then shown to have a positive (+), a negative (−), or a neutral (+/−) reaction to the following options: Maintaining the status quo, creating farm-linkages, hiring local suppliers, increased human capital training, creating tourism auxiliaries, doing all of the above pro-poor options, or reducing CSR to philanthropic projects. All outcomes are projected and based on the relative successes and failures of cases studies presented in this paper.

<table>
<thead>
<tr>
<th>Options</th>
<th>The Hotel</th>
<th>The Tourists</th>
<th>Local Farmers</th>
<th>Local Business Owners</th>
<th>The environment</th>
<th>The overall local community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintaining status quo</td>
<td>+/-</td>
<td>+/-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Increased farm linkages</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+/-</td>
<td>+</td>
</tr>
<tr>
<td>Hiring local suppliers</td>
<td>+</td>
<td>+/-</td>
<td>+</td>
<td>+</td>
<td>+/-</td>
<td>+</td>
</tr>
<tr>
<td>Increased human capital training</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+/-</td>
<td>+</td>
</tr>
<tr>
<td>Creating tourism auxiliaries</td>
<td>+/-</td>
<td>+/-</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Doing all of the above PPT</td>
<td>+/-</td>
<td>+/-</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Just philanthropic CSR</td>
<td>+/-</td>
<td>+/-</td>
<td>-</td>
<td>-</td>
<td>+</td>
<td>+/-</td>
</tr>
</tbody>
</table>