

ABSTRACT

Dependency and Development in Northern Thailand's Tourism Industry. (May 2008)

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Tourism in the rural areas of developing countries is expanding at a rapid pace and is often a primary means of income in these areas. While the WTO (World Tourism Organization) and local developers encourage the expansion of this industry, others criticize tourism's use as a tool for development in poor regions. Critics frequently use the core-periphery framework to examine how external control and high external leakages often result in the destination area remaining underdeveloped despite the large expenditures by tourists. Several studies have used the dependency framework to examine the core-periphery relationship on the international scale, but due to dependency's traditional confinement to the international scale, the dependency framework has not been employed on smaller spatial scales. This study will examine the utility of the dependency framework on a regional scale in a rural area of a developing country by examining the distribution of income between the core and periphery. Additionally, while this economic problem of leakage, a major symptom of dependency, is well documented, there is a paucity of research on the methods to reduce leakage out of peripheral areas. Strategies that can be employed on the village level may be especially useful, as they do not require the cooperation of outside stakeholders who may profit from the leakages.

By conducting informal interviews with key stakeholders, consulting informants, and surveying tourism businesses, this study seeks to understand the issue of dependency in Northern Thailand's rural tourism industry as well as to identify and evaluate the strategies currently employed in these villages to reduce leakages. The four case studies of rural villages determined that in all cases, the urban areas profited more from rural tourism than the villages; however, the amount of leakage out of the villages was highly

varied. This variation appears to be largely due to the different strategies that each village employed. The villages, which employed a proactive economic strategy, had more success in reducing leakages than other villages. These findings support the unorthodox dependency framework.